

IM 022: The House that Podcasting Built | John Lee Dumas

January 16th, 2018

Andy Wang: [00:00:00] Today on Inspired Money

John Lee Dumas: [00:00:02] You know Puerto Rico sun is shining our birds are singing. Life is good.

Andy Wang: [00:00:07] Yeah the New Jersey sun is shining too, but it's just not that warm.

John Lee Dumas: [00:00:13] We all make choices right?

Andy Wang: [00:00:14] Exactly. I did go skiing this weekend. So making the best of it.

John Lee Dumas: [00:00:20] Cool brother.

Andy Wang: [00:00:21] Shall we jump right in?

John Lee Dumas: [00:00:23] Let's do this.

Andy Wang: [00:00:24] This is Episode 22 with host of the award-winning podcast Entrepreneurs ON FIRE. John Lee Dumas.

Andy Wang: [00:00:39] Welcome to Inspired Money. My name is Andy Wang a managing partner at Runnymede Capital Management. Each week we bring you an interesting person to help you get inspired, shift your perspectives on money, and achieve incredible things. From making it to giving it away, Inspired Money means making a difference creating something bigger than oneself and maybe, just maybe, making the world a better place. Thank you for joining me.

Andy Wang: [00:01:07] The show notes for this week's episode can be found and inspiredmoney.fm/022. Inspired Money is brought to you by my company Runnymede

Capital Management. We help clients to plan, invest, and worry less. Whether you're building wealth or planning for retirement, we're here to help. Get to know us better and educate yourself for free by subscribing to our blog at inspiredmoney.fm.

Andy Wang: [00:01:36] Hey inspired money maker. I hope that you are doing great today. Thanks so much for tuning in. Now I've received mixed feedback on how long you'd like this podcast to be. I've heard as short as 15 minutes. Quite a few people have said 30 minutes. Truth be told, I kind of like the 45 to 60 minute format because it gives me time to dig just a little deeper when talking to our guests. Well that said, I'm willing to experiment. This week, I want to try a shorter format. Give it a listen, and let me know what you think. Is shorter better? At the end of today's show, I'll give you a link where you can email me directly. But enough housekeeping for now. Let's get onto the show. Today, I am excited to be talking to a successful online entrepreneur John Lee Dumas. Here's a story. He graduated from Providence College in 2002 and was commissioned as an officer in the U.S. Army. After a 13 month tour of duty in Iraq as an armor platoon leader (that's tanks) and a total of eight years in the Army, he set out to do what he was supposed to do - find a job. He tried law school but after one semester he figured out that's not for him. He took a job at John Hancock in Boston. That lasted 18 months. His next job was a tech startup in New York City. While he loved the Big Apple, the job not so much. So he jumped in his car, headed west, and landed in San Diego. Whatever job he tried, he couldn't help but feel that he was just running around the hamster wheel. He wanted to do something that he was inspired by and to do work that inspired others. One day while driving to work he was stuck in traffic again. But at least he had his podcasts. Then he realized that he had run out of shows to listen to. And that's when he had his a-ha moment. There wasn't a seven day a week podcast interviewing inspiring entrepreneurs. And John decided this is his mission. He launched the podcast Entrepreneur On Fire on September 22nd 2012, and he's since done over 1900 interviews with guests including Tony Robbins, Seth Godin, Gary Vaynerchuk, Barbara Corcoran, Tim Ferris, and thousands more.

Andy Wang: [00:04:01] What impresses me is how quickly John has built such a successful business in just five short years. John has built multiple sources of revenue. In 2017, he had sponsorships for his podcast. He has a paid community called Podcasters Paradise of aspiring podcasters, those who have launched podcasts, and those learning to

monetize their podcasts. He makes affiliate revenue, and he even created products: the Mastery and the Freedom journals to help people set goals, be accountable, and be more organized. That's all pretty impressive right? If you go to eofire.com, that's John's website, in full transparency, he's been publishing his monthly income reports since September 2013 and he tries to share his biggest lessons learned in the missteps and challenges that he faces at Entrepreneurs ON FIRE. In 2017, he grossed \$2.77 million dollars netting \$1.99 million in profits. Since launching in 2012, he's grossed \$12.6 million dollars netting \$9.1 million in profits. He and his wife Kate, who works with him, they moved to their dream house in Puerto Rico overlooking the gorgeous Caribbean. They call it, "The House That Podcasting Built." Now let's get inspired talking to podcaster and online entrepreneur John Lee Dumas.

Andy Wang: [00:05:45] John, welcome to Inspired Money. It's so great to have you on the show.

John Lee Dumas: [00:05:49] Andy, I am fired up to be here, brother.

Andy Wang: [00:05:53] Awesome. Well let's just jump right in. John, what's your earliest childhood memory of money?

John Lee Dumas: [00:05:59] You know honestly it's not the best memory in the world. I remember coming downstairs my father had all these papers out in front of him, and I was like Daddy what are you doing and he's like I'm doing our taxes. And I could tell he was very unhappy. And I was like what are taxes? And he basically went on to explain it to me and why it was a stressful time in his year to go through this process. And I remember being like, man, taxes suck.

Andy Wang: [00:06:30] How old do you think you were?

John Lee Dumas: [00:06:31] Let's say I was 6 years old.

Andy Wang: [00:06:35] Pretty early. Well they always say that there are only two things in life that you have to do - that's pay taxes or die

John Lee Dumas: [00:06:44] Or move to Puerto Rico!

Andy Wang: [00:06:45] Well yeah I think I would like to get into that; but before we do that, you've tried many different things from law to finance to real estate. You landed and found your passion, built a successful and profitable online business. What's your view on money when it comes to building a passion business?

John Lee Dumas: [00:07:09] My view on money is, number one, it does take money to make money so I do feel very fortunate that I did have a decent savings when I launched into my entrepreneurial venture that kind of allowed me to invest in myself with mentors, with courses, and with masterminds, invest in equipment etc. So that was all very important to my early success. And you know I've always looked at money as not actual paper or coins or whatever that might be, but as freedom you know to me money represents freedom of being able to choose to do what you want to do when you want to do it. If you have the financial resources to support that and a lot of people that you know frankly don't have a lot of money don't really have as much control over the choices they want to make in life because they have to pay that next bill. They have to put food on the table. They have to do these things and to do those things they have to earn a paycheck or they have to generate revenue some ways. And so that's to me money is always kind of represented is the ability to provide freedom on a day to day life.

Andy Wang: [00:08:11] So freedom's really the motivation for you?

John Lee Dumas: [00:08:16] That's my motivation and it's not everybody's. I totally get that. But you know for me freedom is something that I treasure that I strive for. You know freedom to wake up in the morning and to say today I'm talking to Andy at noon because I want to talk to Andy at noon because I have to or because it's something I'm being told to do. But I had the freedom to choose. And that's important to me.

Andy Wang: [00:08:38] And has I've been one of the best investments, investing in yourself?

John Lee Dumas: [00:08:44] Investing in myself has been everything. It's the reason why I was able to acquire the knowledge, the skills, the relationships, the expertise to be a success in the field that I wanted to be a success and which was entrepreneurship, specifically online entrepreneurship, and even more specifically into that -- podcasting.

Andy Wang: [00:09:03] And in the early days, I'm assuming that you've saved enough money in your salaried job so that you could make those investments. Getting the mentor and that type of stuff. How difficult was that to do at that time? Because you were spending a decent amount. It was a pretty penny right? It wasn't just like a little bit?

John Lee Dumas: [00:09:27] It was difficult to do. But I did learn some good money skills from my parents growing up, for sure, about the importance of avoiding the shackles of debt. So when I went to college I went on an Army scholarship which number one meant that I did not go into any college debt because my school paid for my debt. But number two, it meant I actually had a really good paying job out of college as an officer in the U.S. Army. So for my kind of clueless years from 22 to 26 when I probably would have been putzing around not really knowing what to do. I was an officer in the Army learning some skills learning discipline, learning leadership, and also getting paid. And so that by the time I was able to leave the military and move into the next phase of my life, I had no debt. I had a savings account that I could rely on that allowed me the freedom and the time to make the right decisions not just the decisions I had to make because that next student loan bill was coming in or a car payment or mortgage or any of those things you know that frankly you know shackle a lot of people today.

Andy Wang: [00:10:30] Definitely always growing. Debt is a problem in our country.

John Lee Dumas: [00:10:35] Always is.

Andy Wang: [00:10:38] John, you did take a big leap. I think I heard in an interview you talked about contacting Jamie Tardy, and you wanted her to coach you and that was like a thousand dollars a month. How did you know that that would be an investment that would be worth your while?

John Lee Dumas: [00:11:01] Well I absolutely number one knew that that was going to be a big investment. A thousand dollars a month for where I was then, even for wherever you are now, I mean a thousand dollars a month can be used in a lot of ways. You have to always be questioning and identify, "Is this a good return on investment?" So for me that was a big dollar amount in those times. This is about six years ago now. But there are so many gaps in my knowledge there are so many gaps in my skills and there are so many unknowns in the world that I wanted to take so I decided to go find somebody who was currently where I wanted to be. I wanted to be a successful business podcast host so I went and found a successful business podcast host, and I hired her to be my mentor and to guide me on the journey. It was the best investment that could have made because she allowed me to avoid the potholes. she allowed me to understand what worked for her and what might work for me. And the relationships that I was able to leverage off of that by really having an open Rolodex of all her friendships and her contacts immediately because I was being mentored by her was absolutely priceless.

Andy Wang: [00:12:06] But often times people are resistant, right? Given your experience, it was hugely valuable. How do you urge people that come to ask you for your advice? How do you push them to take that leap?

John Lee Dumas: [00:12:24] I just say listen, let's even go back to what you said earlier. Two things are certain in life, death and taxes. Do you want to be laying on your death bed... who knows, let's hope, many, many years from now and thinking about the regret, thinking about the things you didn't do, thinking about that risk, that step you didn't make. You know being like oh yeah like I have all this money left over at the end, if you're fortunate, and just think about what could have happened if I had invested this into myself and to actually going after the life and the freedom that I truly wanted. And you know that regret. It's the worst thing you can have in the world because there's no going back. So avoid that regret. Take the action now. You won't regret failing. You'll regret never trying.

Andy Wang: [00:13:07] Yeah. The fear can be the biggest motivator for sure. Now when it comes to money we often think of it in terms of building wealth, saving, spending, donating. You mentioned earlier you're enjoying the weather and sunny Puerto Rico. I

think that one of the motivations for you moving there was significant savings. Can you talk a little bit about that rationale?

John Lee Dumas: [00:13:34] Yeah sure so but four for five years ago Puerto Rico passed was called Act 20, and it's for basically anybody that wants to move their business to Puerto Rico and make Puerto Rico their primary residence and do some investing with potentially buying a home etc. There's a few little stipulations within it as well. But the long and the short of it is Puerto Rico does need to become your primary residence. And you go from paying whatever you're paying in taxes which was for me 51 percent in California, with 30 percent federal and 13 percent state, to a flat 4 percent tax. Absolute financial game changer and the move to Puerto Rico has definitely had its pros, has definitely had its cons, but overall I can say as I'm sitting here coming up on my second year in Puerto Rico that the pros have outweighed the cons.

Andy Wang: [00:14:27] Yeah it's crazy because you can practically double your income.

John Lee Dumas: [00:14:31] Seriously.

Andy Wang: [00:14:35] Now I have to ask you after the hurricanes, how is where you live?

John Lee Dumas: [00:14:42] It's getting there. It's a slow but sure. Definitely one of the cons of living in a place like Puerto Rico is you're going to have to deal with the potential of massive hurricanes. This was the worst hurricane in 90 years the islands experienced, and it was absolutely devastating so the timing definitely was brutal and it could have been a lot better for us. But every ten years or so you've got to basically expect a decent sized hurricane; and who knows, it might even be more than that going forward. You have no idea. But you know the island was devastated. We're still recovering over 100 days later and it's going to be a long and slow process and that's just what we have to deal with being down here.

Andy Wang: [00:15:27] Well I know that our prayers have been with our friends and the many people of Puerto Rico. Because as you know it's a long road and it's not easy. I

haven't followed the tax bill's impact on Puerto Rico, but I've seen rumblings there. Have you been following?

John Lee Dumas: [00:15:46] You mean the current tax bill that was just recently passed?

Andy Wang: [00:15:49] Correct. Yeah.

John Lee Dumas: [00:15:50] You know I have heard the rumblings too. But these things take a little while to play out so I don't try to jump to conclusions and just sit back and see what happens.

Andy Wang: [00:15:59] So John nearly doubling your income, the other aspect of money is charity. And I know that you've supported campaigns like Pencils of Promise and Charity Water. What causes are important to you?

John Lee Dumas: [00:16:14] The causes that really are important to me the ones that I think can make a lasting impact. So for instance Pencils of Promise we've donated almost \$100,000 dollars now to that charity and built three schools, multiple wash plants, that's done some really amazing things in these third world countries because in my mind when you educate somebody you open up the door of endless opportunities that one individual can take that education and make the biggest impact in the world. And of the thousand people they get educated my hope is that every single one of them makes the most of it. But the reality is maybe only a certain percentage of them will but that percentage can make such a lasting impact with their family, and their future kids, in their community, and their knowledge base, and their now ability to impact this world in a positive way. Education just unlocks so many opportunities.

John Lee Dumas: [00:17:10] It has to go back to the basics. What are things that we just absolutely need in life? You know we have to be able to breathe. We have to be able to drink water and those are two key things so Charity Water, to me, just makes a lot of sense and there's a lot of people that aren't able to do anything except wonder where's my next glass of water going to be coming from so that I can hydrate. Where's my next meal going to come from. And when those are your only focuses in life you're not able to do really

anything else that could impact the world positively because you have to take care of the core, of course. So if we can help people take care of that and put that now not as a priority because it's just now a given like it is for so many of us... you can just go to our faucet and turn on the water and drink, then it can open up their possibilities just like education opens up the possibilities. Now these people can be free to do something great in the world. It's really unlocking human potential, that's important to me.

Andy Wang: [00:18:04] And by no coincidence, education is central to your businesses and your brand, your podcast, your courses.

John Lee Dumas: [00:18:13] Totally.

Andy Wang: [00:18:14] And I see that you are donating to charities that are taking advantage of technology to increase the impact of your donation.

John Lee Dumas: [00:18:25] Absolutely.

John Lee Dumas: [00:18:27] How do you measure success?

John Lee Dumas: [00:18:30] I think everybody has to have their own definition of success and their own way of measuring success. To me it comes back to that word freedom. I feel like I'm being successful as an individual when I have the freedom to choose what I want to do, when I want to do it. That's what's very important to me. I could take away some of my freedom and make more money. But to me that's not going to be adding to my bottom line which is success. I want more freedom. So to me that's what success means and that's what I strive for. I want to make a big impact in this world. I want to generate a lot of revenue with my business so that I can make a big impact in this world. And I want to be free. I want to be free to make decisions to choose what I want to do and when I want to do it. So I would encourage and challenge anybody listening right now to come up with your definition of success and then strive for that, whatever that might be.

Andy Wang: [00:19:21] Well I love that. I love that the freedom encompasses so many things. It encompasses the growth, the charitable, many different dimensions. What's an

actionable inspired money tip or idea that you can share that's had a big impact on your life?

John Lee Dumas: [00:19:40] You know I say specifically really making sure that I'm investing in myself consistently and that never stops. I think a lot of people find a certain level of success and they say okay I'm good. Now I'm just going to you know keep on doubling down on the success in this and that and I'm going to kind of pull back on some other things. I never stop investing in myself, learning, taking courses, having the right mentors, surrounding myself with the right people. Always investing in myself.

Andy Wang: [00:20:10] And it sounds like pushing yourself because by surrounding yourself with great people, they're going to give you perspectives that you may not have on your own.

John Lee Dumas: [00:20:23] Exactly.

Andy Wang: [00:20:25] So we just keep pushing ourselves. Well thank you, John. Thanks for spending your time with us this morning and can you tell the Inspired Money listener where they can find more about you, Entrepreneur On Fire and Fire Nation?

John Lee Dumas: [00:20:40] All the magic happens at eofire.com. We have five free courses over there. Whether you want to learn more about podcasting, webinars, funnels, goals, productivity. We have it all for you. It's completely free. So check out eofire.com and prepare to ignite.

Andy Wang: [00:21:00] Awesome. We hope that all our listeners will ignite their year in 2018 and beyond.

John Lee Dumas: [00:21:07] Thanks, Andy.

Andy Wang: [00:21:08] Thanks, John.

Andy Wang: [00:21:13] So what did you think? Was that too short? Too long? Or was it just right? Do me a favor: go to inspiredmoney.fm/andy to shoot me a message and let me know what you thought. Thanks so much for listening. So what was your favorite inspired money moment.

Andy Wang: [00:21:35] I'm super impressed by the success and multiple revenue streams that John has built in just five or six years. Maybe I need his Freedom Journal to write down my goals. Seriously!

Andy Wang: [00:21:47] The big takeaway for me was what he said about it takes money to make money, to invest in yourself. John invested in courses, masterminds, mentors, and equipment. I see from what he's achieved that spending a thousand dollars a month for a specific mentor. One who has already achieved what John's strived to become. It was a great investment. Not only did he hire Jamie Tardy in the early days, the host of the Eventual Millionaire. I see that he's worked with Louis Howes, New York Times best selling author and host of The School of Greatness podcast.

Andy Wang: [00:22:23] A great mentor can help give you shortcuts by helping you to avoid mistakes and introduce you to their network. And then finally, I love that John doesn't view money as paper or coins but as freedom.

Andy Wang: [00:22:39] Next time on Inspired Money...

Bill Jensen: [00:22:41] And that's where we need to get to now in this disruptive era because things are changing so much. Think of every single one of your listeners. You're all taxi cab drivers, and so am I and so is Andy, in an age of Uber. What's going to happen is we're doing things the way we always do thing and then somebody comes up with a completely new model and reinvents our entire industry.

Andy Wang: [00:23:11] That's Bill Jensen IBM futurist, internationally acclaimed thought leader, and author of eight best-selling business books. Thank you so much for joining me today. If you haven't done so already please go to iTunes and hit subscribe right now. If you can afford 20 seconds, leave a rating and review, it would totally make my day. Follow

up by sending me an email with your iTunes username and I'll mail you an autographed CD of Jim Kimo West and Ken Emerson's slackers in paradise. It's a great album. All of the music on today's show is by Jim Kimo West. Aloha Kimo!

Andy Wang: [00:23:50] Want to be an inspired moneymaker. Do something that scares you. Do something that's going to make you better. Do something to give back in a bigger way to the world. Tweet me or email me what you're doing. Until next time, find your inspiration and run with it.

Links

- [Entrepreneurs ON FIRE](#)
- [Twitter](#)
- [Instagram](#)