



Achieve Your Goals Podcast #102 - Interview with Dan Caldwell, Founder & President of TapouT

Nick Palkowski: Welcome to Achieve Your Goals Podcast with Hal Elrod. I'm your host, Nick Palkowski, and you're listening to the show that is guaranteed to help you take your life to the next level faster than you ever thought possible. In each episode you will learn from someone who has achieved extraordinary goals that most haven't. He's the author of the number one best-selling book, 'The Miracle Morning,' a hall of fame and business achiever, an international keynote speaker, ultra-marathon runner, and the founder of vipsuccesscoaching.com, Mr. Hal Elrod.

Hal Elrod: All right, welcome to the Achieve Your Goals Podcast listeners, goal achievers, this is Hal Elrod, your host. I'm fired up for today because the gentleman that I'm going to introduce you to...how do I even? I don't know how to start this. I should have really prepared. He's not only an inspiration. He's someone that...well let me start here.

You all know that I'm a huge fan of mixed martial arts and the UFC, and when I started watching the UFC, there were these guys that were always at every UFC show and they always had...you could recognize them in the crowd. One of them had their face painted, one of them looked real tough and then one of them had like a crazy wig. You always recognize them and they actually were the co-founders of a company that is called TapouT. You may have heard of TapouT. It's an international brand now. It started actually as a clothing company in 1997 when my guest, Dan Caldwell, and his partner, put what little money what they had back then together and they started selling T-shirts out of their trunk. I mean they have the American dream, started selling T-shirts out of their trunk. I don't know if anybody imagined the heights they would rise but they build not just a multi-million dollar company but a company that has hundreds of millions of dollars in

revenue, and I believe that Dan, correct me if I'm wrong, you founded TapouT, you sold TapouT for a hundred million dollars at some point. Is that right?

Dan Caldwell: Well we can't talk about the price.

Hal Elrod: Oh, you can't talk about that. All right.

Dan Caldwell: Yeah, let's just say we sold it for a lot of money.

Hal Elrod: You sold it for a lot of money, but you're great. You remained on as the president of the company, right? You are still the co-founder and president of TapouT. I want to keep going because Dan, he's been featured on CNN, Fox Business, Bloomberg News, CNBC Business Special, you may have seen him on the Tony Robbins infomercial, which I've seen and I was watching it one night like 2 in the morning, like "Dude, that's Dan Caldwell. No way." He's been featured in Forbes, Ink Magazine, The Wall Street Journal. You name it. He is a well-respected business genius and he's kind of transitioned. He's done and been doing acting and producing movies. He worked on Lions Gate movie 'Warrior' among many others, as well as the TapouT TV series, and he's the host of his own TapouT radio show on SiriusXM.

He also is an entrepreneur. He owns and operates several businesses which include Caldwell and Taylor Realty, a yogurt franchise called Chillz, and a private investment group. He has a website lessons.biz and MentorMojo and he is a southern California resident, although he has houses all over the country but he's a proud father of three. Dan Caldwell now speaks to thousands every year with a real big focus, not only business audiences, but I know he gives back a lot by speaking and inspiring the youth. He travels around the world to tell his amazing story, and share the wisdom that he has gained over the years. Now, I'm really excited to introduce you to Dan. We're fortunate to get to hear that story and that wisdom from the man himself. Dan, thank you for being on the podcast today.

Dan Caldwell: Thanks for having me on Hal.

Hal Elrod: Yeah, you're welcome my friend. Well, let's do this. Let's start with...I always start with what I call humble beginnings and defining moments. It's the idea that we're all born with unlimited potential but somewhere along the way, most people resign themselves to settling for a life of mediocrity, yet there's this small percentage of people which you're undoubtedly one of that at some point in their lives, they experience a defining moment or maybe it's a series of defining

moments, maybe it's a conversation or a realization, but it causes them to realize that they can become great, that they achieve extraordinary success in their lives. I would love to hear, share your story. What was your life like before you had that realization and what was that defining moment for you?

Dan Caldwell: Well, I think...and I never thought that I could become great. I don't think that that was kind of the mentality. It was just I wanted something better than what the cards I've been dealt. I knew there was something better out there. You get inspired by watching television or seeing articles or just for me I think it really started when I was like 10 years old and I'd just see my friends. I lived in kind of...well when I was born, I grew up in a house, my parents also, my mom also grew up in. She had lived there since she was like 12 years old.

Over the years, that neighborhood became gang ridden and very poor and impoverished, and there were so many drive-bys that they would block off my neighborhood and not even let people drive down that street unless you live there. I mean I can remember one of my earliest memories, my dad dragging me out of my bed as there was a drive-by going on. I used to have a bunk bed and he would lay this one inch thick Plexiglas on top just worried that rounds coming through the roof might hit me in my sleep, or me and my brother, but I never felt endangered. I don't want people believe that like I was you know it was like shots going off every day, or you walked outside and gang members just standing out on the corner. It wasn't like that at all.

Yeah, I felt I went outside and played every day. I enjoyed my friends and I grew up in kind of a mostly...well, I mean I would say 50% white, 50% black neighborhood, and so a lot of my friends were black and even though I wasn't like inspired to do some of the things that they had been left, a lot of them were doing because of their situation. Some of them lived in a little bit worse neighborhoods because I lived actually in a home. They lived in some apartments that were right next door to mine. I mean they were dealing...whatever I was dealing with, it was twice as bad right where they were.

I could remember from a young age wanting to just be in a better neighborhood because I had a couple friends from my parents' church, and by the way my parents are still together and I had a great family upbringing. When I would come home and those doors closed. We went to church and we had a really good family upbringing. I'd always had these friends who'd went to church and I remember them living in nicer places and some of them living in these really big homes and I always wanted that for us. I always questioned why do they get to live like that?

Why do they get to live in these nice homes? I would be embarrassed sometimes when my parents would drive because we had always had these really, really bad cars, cars that were donated to us by our church.

I remember driving to school and just be really embarrassed that my parents were driving dropping us off in these cars, and kids would kind of make fun of us a little bit. Not super bad but I probably felt worse than they actually cared. They probably really didn't care but I was so embarrassed that it just affected me. I just knew that I was...I mean it hurt so bad that I can feel like right now, I can feel it, so bad that I just knew I was going to fight my way out of this place whatever it took. Growing up I'd always tried to earn that. I'd always had this relationship with like having chores and making some money. I was always trying to earn that extra dollar. I got a dollar for making my bed and I got \$0.50 for taking out the trash and different things that I would earn money for.

I knew that if I could create...like I had this carnival when I was like 12 years old or 8 years old inside my garage, and I would charge all the neighborhood kids to come and play, knock down the pins, just these different things, these different games, throw the bean bag through the hole and I would charge them and I had these prizes that I had find in my toy box to give away. I was always just trying to make that extra dollar. I remember being in junior high, I started a DJ business. By the time I was in 12th grade I was making more money than my parents DJ-ing.

Hal Elrod: That's funny. I don't know that I knew that we had that in common. I started a DJ business in high school. I wasn't making more money than my parents but yeah, yeah. I was doing that too, so interesting. Keep going.

Dan Caldwell: Yeah, that was it. I always wanted something better for myself and I was always looking for what that vessel was going to be. I didn't know exactly what it would be. I was constantly...even in high school, I knew I wasn't going to be the best student. I did have a desire for...if I had that desire to be a great student, I probably should have been. I never denounced higher education because I know how important it is. It's just for me, when you don't have interest in it, it's hard to concentrate and I wasn't a great reader either, so I remember ditching school and going to talk to entrepreneurs that owned businesses and I would ask them if I could talk to them about their business.

One time I was in Lake Arrowhead with my parents and I thought I wanted to own like a Subway like, "Oh, man. That's the big pay day, right? I'm going to own this Subway." I saw this guy who looked like he was the owner of the Subway. I'd

asked him, "Hey, do you think if I ever came up here, I could talk to you for a few minutes about your business?" He said, "Sure." One day I ditch school and I went up there in Lake Arrowhead, which is about an hour from me. He gave me like 30 minutes of his time and I sat down with him and I had some questions for him but one thing I learned is like he told me how much he made. I was like, "I never want to open a Subway. That's not what I want to do."

Hal Elrod: It wasn't the fantasy that you'd imagined it to be?

Dan Caldwell: No. He said he owned five Subways. He said he was just breaking even. Five Subways or like he was just starting to make money I should say. He was just starting to make a living after owning five Subways. He said, "One Subway, you barely pay the bills. It takes two Subways to break even and then three to actually make a little bit of money." By the time you had five Subways, he was actually living kind of decently but he wasn't driving a Ferrari or living in a mansion or anything, he was just surviving.

Hal Elrod: Sure. Your vision of a better life, that didn't quite cut it.

Dan Caldwell: Yeah.

Hal Elrod: But you didn't go straight into being an entrepreneur. If I remember correctly, you went into law enforcement first. Talk about that journey from law enforcement to starting this multi-million dollar company.

Dan Caldwell: Well, when I graduated from high school, or I should say when I was actually still in high school, I was taking two elective classes, well three actually, Speech, there was an...I had lied about where I'd lived so I could go to Redlands High School where all the rich kids went and the pretty girls went.

Hal Elrod: Okay.

Dan Caldwell: I started going to Redlands High School, which is out of my neighborhood, but it was a really nice school, and they had these school electives. I had heard they had this Entrepreneurial elective, so I signed up for that but I had to take one more elective and one of them happened to be Law Enforcement. Now, I had no interest to being a police officer at all when I took that class. I just thought it was an easy class because somebody had told me you didn't have to do any work in it. There were no tests or nothing, so all you did was sit in this class and listen to this ex-female homicide detective tell stories. She just discussed the stories with

you and I thought, "Man, this is great class." I was like, "All I do is sit around and listen. I mean I can at least do that."

She told the most incredible stories that I had ever heard. Chasing bad guys, and capturing homicides, and foot chases, and car chases, and detective work, and being able to carry a gun. I just thought, "Man, this is pretty cool." It had the parts of being an entrepreneur. The kind of freedom a little bit. Not being behind the desk for any way, and the ability to think on your own a little bit and go out there and kind of make your own choices. I love that part of the business, right? That's why a lot of us want to be entrepreneurs, to have a little bit of freedom, have some of our own decision making and so I thought, "You know what? I think I'm going to try this." I became an explorer with the Sheriff's department and eventually that led to me going to the...I stayed up. I was working as an ice cream scooper at, you remember Thrifty? I don't know if you remember Thrifty.

Hal Elrod: Sure, yeah.

Dan Caldwell: I used to be an ice cream scooper there. It was the most horrible job because you just sit there constantly...I still have the strongest wrist. Today I can beat anybody in arm wrestling because of the strong wrist I've built up from ice cream 20 years ago.

Hal Elrod: I've seen you man. You've got some guns, so that's all Thrifty.

Dan Caldwell: That's from Thrifty ice cream scooper.

Hal Elrod: Awesome.

Dan Caldwell: I was saving every penny from being that ice cream scooper so I could put myself through the police academy and it cost about \$3,000. I ended up putting myself through the police academy and ultimately I got hired on as a police officer and I thought that that was it. This is it. This is what I'm going to do.

Hal Elrod: You found a career. Yeah.

Dan Caldwell: I found it. Yeah, this is what I'm doing for the rest of my life and I loved it. I loved patrol. I still love it today. If I could go back and do it, besides all the tattoos down to my knuckles up to my neck, up to my chin, if I didn't have those, I'd probably go back and be a reserve police officer or something but.

Hal Elrod: You can do undercover work, right? You just mix in with it.

Dan Caldwell: I probably could, and I offered my services too for it but they didn't take me up on it.

Hal Elrod: They didn't take you up on it. Probably the recognition of who you are. "Dude, you're the CEO of TapouT. You're not a drug dealer. Get out of here man."

Dan Caldwell: I know, exactly.

Hal Elrod: That's funny, so all right, so you're how...

Dan Caldwell: I've got.

Hal Elrod: Oh, go ahead.

Dan Caldwell: No, I'm just saying, I was working as a police officer for a few years, and I started to get a little bit disappointed about how law enforcement was, how everything went down. I just wanted to help people. As I said, I was brought up well and I felt like I really wanted to help people. I didn't feel like that's what I was doing. I felt like I was out there arresting people and ruining people's lives. I was taking people's cars away from them. They were losing their jobs, splitting up families, I'm taking people to jails, kids are screaming and crying, holding on to their dad's legs. I know you've got to do what you've got to do. It's part of your job but even things, some things I just didn't have. I didn't have the ability to make that choice.

We had a standing rule that like when someone have a suspended driver's license, you had to tow their car. I knew when I towed their car, it would be impounded for 30 days and they'd probably never be able to afford to get it out because it was \$600-700 to get it out of impound. The car is only worth \$3500 and they're just never going to get it out impound. They don't have the money. They don't have an extra \$600 or \$700 lying around. When I arrest this dude for driving on suspended license and take his car from him, he's going to lose his job, he'll probably lose the place that he lives. I mean the things that happen, the domino effect that happens because of that arrest, it just didn't feel like I was doing what I'd set out to do.

I think my work started to diminish and I was probably too young to be a cop anyway. I was like 23 years old and I was probably a little cocky and some things happened. I got written up and eventually I was on probation and I lost my job. I

thought that my life was over, I thought I was never going to be able to be a cop again and I was pretty much done and I felt ruined. I felt like you couldn't tell me that my life...you know like some kids break...you know boyfriend-girlfriend break up in high school and they think their lives were just over. They're hanging over the couch, you know, inconsolable. That's how I was.

No one can tell me any different. I had people calling me telling me, you can get hired again, everything will be okay. I was just head in the pillow, life is over, gun in the mouth, ready to end it all. I was done. Then I just thought, "You know what? I'm going to go back to my original dream, which was I'm going to start my own business." I got a job as a cop again but it wasn't the job I wanted. It was being a college police officer and I was working part time at a casino just trying to make ends meet, trying to make money. During that time I was a police officer for the police department, before I got fired, I was a defensive tactics instructor. I was helping the defensive tactics instructors with training. That's hand-to-hand combat for police officers.

My best friend, who I'd been friends with for probably five years at that time, Charles Lewis, had become a deputy during that time. I had talked to him to becoming a deputy. I was like, "Man, you would be a great police officer. You should do this with me."

Hal Elrod: You guys were friends. You didn't meet at the force. You were already friends.

Dan Caldwell: Yeah, we're already friends. We work for different police departments. We didn't work for the same. He worked for the Sheriff's Department.

Hal Elrod: Got it.

Dan Caldwell: We just became even closer during that time because we were talking about police work all the time and we started 1993, we saw the very first UFC on television and we became instant fans and a week later, we had found out where the Gracie Studio was and a week later we are training with Royce Gracie.

Hal Elrod: Training Jiu-Jitsu.

Dan Caldwell: Training Jiu-Jitsu with Royce Gracie, and it was probably the best experience of our lives. We just loved it. We loved everything about it. We wanted to be doing it all the time. We used to send moves to each other. Everything we

talked about was always about a new move and how we can figure out how to do this move that we saw on video or it was always a Jiu-Jitsu talk, that became our new focus.

Hal Elrod: When did it transition into the idea for the T-shirt company?

Dan Caldwell: Well, during that time, I was still a police officer and during that time I got fired and I went back to kind of doing this work just to get by this college police officer work and work at the casino but I was still teaching defensive tactics to like the casino people and I was working with different people and plus I was going to train at the jail. He was still working for the police department at that time. I remember having this conversation with Charles where we were talking about the Gracie's and how many T-shirts they were selling.

Hal Elrod: Okay.

Dan Caldwell: It was just incredible. Every time you go in there, these guys were just standing at this little tiny glass counter buying Gracie T-shirts. Even people that didn't train there, people were coming in off the street, imagine walking into a martial arts studio just to walk in to the back counter so you could go to the glass counter and buy a couple of Gracie shirts and then leave. People are flying from out of the country, Japanese, all over the world were coming in to just come in there and buy T-shirts and maybe watch a little bit of the guys train.

Hal Elrod: Yeah, so your wheels start turning. Okay.

Dan Caldwell: Yeah, so our wheels are turning about...and these shirts, their logo which was literally a circle with a triangle and like two stick figures inside of it, they were so basic but also only Gracie people could wear these T-shirts. If you trained at like a bunch of the other studios that were popping up at this time by like 1996, considering that the UFC, first UFC was in 1993, so like you're talking three years later, all these studios, all these people from Brazil start migrating up to open their own studios plus we had like guys like the Shark Tank, which was Eddy Millis, and you also had the Lion's Den, you had Ken Shamrock that's opened up.

With these different places opening up that you couldn't wear a Gracie shirt at, so they had to sell their own shirts. With the Lion's Den, you got Lion's Den shirt. At the Machado's you had the Machado's shirt. It depended on where you are training, everybody had their own shirt. We thought, "What if you could create a shirt that

everybody could wear?" No matter where you were, it became kind of the generic version. Not like generic in a way that it's meaning was the...

Hal Elrod: Universal. How about universal?

Dan Caldwell: Better word. Thanks, Hal.

Hal Elrod: Yeah, there you go.

Dan Caldwell: You must have gone to college.

Hal Elrod: Yeah, for like a semester yeah.

Dan Caldwell: This universal shirt that anybody could wear and that's what we just...and once we said it, once we said it out loud, it kind of wasn't even that really...it's hard to explain how it came about the first time. We just said it. We were just talking. Every day after that we just kept coming back to that idea. The conversations on the phone were, "Yeah, you know." We start [inaudible 00:22:43] out what designs it would look like and what the shirt would be like and pretty soon, we said, "What if we just put some money together and we just start? Let's just make some shirts."

Hal Elrod: Your conversations had gone from always focusing on the next Jiu-Jitsu move to like "Dude, let's make some T-shirts. And what could the logo be? What could the name be? What could the design be?" You start brainstorming.

Dan Caldwell: Yeah, absolutely. In fact the idea, the first name for the company was Warrior Caliber. It wasn't even TapouT.

Hal Elrod: Okay. Not as catchy, so I'm glad you guys went with TapouT, yeah.

Dan Caldwell: Right. It was like a Warrior Caliber and we had this cool drawing, even the logo looked better, but Charles' license plate was TapouT.

Hal Elrod: Oh, really?

Dan Caldwell: Yeah.

Hal Elrod: Oh, wow! Okay.

Dan Caldwell: Every time we would drive to his or to our training sessions out in Torrance which took us about an hour to get there, we would get all these honks, people would stick their hands out the window, tap out. They'd be yelling out the window. We just thought, "Man, we never thought about it but how catchy that really is and how it's a single word," kind of like the brands that we are looking up to like Adidas, the Nike, and Hurley and all those brands that were out there at the time. We thought, "Man, maybe the TapouT name would actually be better." For a minute, we were actually making both shirts. We had Warrior Caliber and TapouT shirts.

Hal Elrod: Okay. There's a lot of great lessons here in terms of you guys just being aware, paying attention, doing something that was within your passion and then right here, split testing, right? You were way ahead of your time. I don't know the word split testing was invented Dan, when you guys were split testing two different brands, that's fantastic.

Dan Caldwell: We had no idea what we were doing. We were just doing it. We had no idea. We knew nothing about clothing, nothing about printing T-shirts, nothing about where to get them designed. Our artists were like he had an artist that worked in a jail where he worked and happened to just be an artist and so he was drawing some stuff. We had another guy that was a friend of my girlfriend's at the time, and she happened to be an artist. They weren't even good artists. They could just draw like you know how the guy in high school that can sketch out a decent action figure.

Hal Elrod: Yeah, sure.

Dan Caldwell: That's all they could do, and so they were drawing these. I mean if you ever looked at some of our early TapouT shirts, it's crazy we sold any, like they were really, really, really bad but we just...we started making some shirts and we would go to these small Jiu-Jitsu tournaments and small events and we would sell the shirts and we started just online. This is before the Dot Buzz and we just started...e created a website. We didn't even have e-commerce. We just had a phone number and the phone number, our first year, 1997, we had it where you just called this martial arts studio that had our shirts in stock and then they would take the order from you. Then in 1998 we knew it was going to grow. We were growing the business a little bit. We took it in-house and we started doing it in-house. Then by 1999, we were pretty much running on our own. We didn't use them at all. We did everything through the Internet.

Hal Elrod: Wow! I mean two guys that knew nothing, next to nothing about business, right? I mean Charles wasn't some Master's degree in business either, right? He was a police officer like you.

Dan Caldwell: Yeah. He knew less about business than me. He didn't want anything to do with the business. What was great is having a partner, we had sectioned off kind of like what we were good at. What are you good at? What am I good at? What are we going to handle? Charles was I felt like the marketing, the personable, the relationship guy, and the creative guy, so he dealt with like designs and the logos and anything, the website that had any type of design to it. And I handled most of the business stuff, anything that had to do with business, the warehouse. I was pretty much dealing with the day-to-day stuff and anything it had to do with the business.

Hal Elrod: Got it. I mean this is by definition humble beginnings. In fact you could probably almost drop it a notch below like you grew up in a really rough area. I mean pretty rough drive-bys. I didn't have that. I grew up in a small mountain town with a bunch of...you know, whatever. I didn't have any kind of diversity like that where my dad's putting Plexiglas to protect against potential stray bullets. You came from beneath humble beginnings. Really a challenging background and then I love the story. I normally dive a little bit more into content with guests but I really wanted you to share, like I wanted to get our listeners to understand where you came from. Those humble beginnings and that whatever their big goals or dreams are. You're a perfect example that it doesn't matter where you came from and it doesn't matter what your past has been. The future can be whatever you want it to be. Let's transition right now into...and we got to talk before the podcast recording started. I'm excited for what you're about to share. Give us your three best keys that have enabled you to achieve such great success that our listeners can apply to their own goals.

Dan Caldwell: Yeah, we talked a little bit about this. I was saying how even though I didn't have them written down, I felt like everybody should have that written down. I couldn't believe I couldn't find it somewhere on my phone. I was looking around like, "Oh, I've got to have some keys like that somewhere that I've taken notes in a seminar or something somewhere," but I didn't. It was nice that you made me put this down somewhere or I could keep them in my head and I could reflect on them.

I think first of all, it was constantly educating myself because I didn't go to college, because I didn't have that higher education. I always felt like I needed to do

something to better myself because I was always thinking about my competition and how they will probably educate...I needed to have, you know the Diaz brothers? How they need to have an enemy? They're always talking shit about them?

Hal Elrod: Yeah, sure, sure.

Dan Caldwell: Like I need to have that enemy in my head and I'm always building them up to be bigger and smarter and stronger, and how do I defeat them? How do I go against them? I knew that they're more educated. I'm constantly listening to books or back then I can remember having the CD, this big CD player hanging on my side while I was at the gym listening to Tony Robbins CD. Just trying to better myself and create this mentality. I mean I'll get so amped up. One time I broke the windshield in my van because I was so...I punched. I was like, "I can do this." I'm yelling and I'm driving. I hit the window in front of me and I'm crying. I'm actually crying. I'm like tears are coming down my face. I'm listening to this CD and I punched the window and the window broke. I didn't think you could break a windshield from hitting it. I thought it was a lot stronger than that. I didn't even hit it that hard.

Hal Elrod: Dude, all those Thrifty ice cream scoops, remember? The wrist, that's how you did that. Well and by the way there's the passion that you...I think that almost goes without saying, just the passion that you brought to your dreams into your vision early on. Your first tip, always educate yourself. You said earlier that reading was challenging for you. You've really leveraged audios, correct? You still do to this day?

Dan Caldwell: Yeah, I mean now, if I'm in the gym you're not going to find me driving, listening to music or in the gym listening to music. Every time, if I've got headphones on my head, I'm listening to either a podcast or I'm listening to a book. I'm just constantly trying to learn what I don't know because we don't ever know everything. I feel like that the best CEOs in the world, the best business people in the world, even the best educators, anybody is constantly trying to learn because we're always innovating and there's always something new to be learned.

Hal Elrod: That's how you and I reconnected. We reconnected at Josh Shipp's event for youth speakers probably a year or so ago. I mean yeah, we were both investing time, money, and energy in self education like you're talking about. All right, so number one, always educate yourself. Anything else to add to that or you want to jump into number two?

Dan Caldwell: No. Just constantly educating yourself, that's it. Anybody can do it. There's no excuses why we can't do that. We're in the car, with podcasts, it's just made it easier to find somebody that you...there's tons of people out there that know more than us or that have something to teach us and we can always find those guys whether it be on podcast and the way that they're streaming now through our cars, it just makes it that much easier, so we have no excuses not to be doing that.

Hal Elrod: Okay, awesome, all right. What else?

Dan Caldwell: My second one is, there's no plan B mentality. I used to have, me and Charles used to sit in Carl's Jr. in Corona, California, and we would sit there and talk from like...we'd have lunch there. We would talk so long we'd have dinner there and then we'd close the place down. At 11 o'clock they were having to throw us out of there because they were closing and it was just us constantly talking through our ideas and we were so passionate about what we were doing. I mean we were just excited about every single day and we had so many reasons to quit along the way" we didn't have the money, we are self-capitalized, people were trying to take our trademark, we were dealing with attorneys, we had back bills, credit card companies were coming after us. There were so many reasons to quit along the way and if we hadn't created this and cultivated this no plan B mentality, this Burn the Ships mentality, I love that story about Cortez and burning the ships, and I just always felt like I created strength within myself when I thought that way. Like we're in a fox hole and we're fighting our way out and we're either going to win or we're going to die trying. That was the only way we were going to be successful and we would always say, we walk around ourselves and when something would happen, I could still hear Charles in my hear saying, "No plan B." He'd be yelling at me the cussing way as I'm getting in my car and he's getting in his car. We'd be yelling it back and forth to each other just trying to always keep that mentality in our head because everybody will give you a reason to quit. Your parents, I mean I can't count how many times my parents said, "You know what? It's okay Dan. You can come back and get a job if it's that hard," because they would catch me on a bad day and I would just be stressed out to no end. I probably looked stressed out because I'm dealing with...by the time I had 165 employees at my office and it's a lot to work to deal with and plus all payroll and everything that's going on in your life but that was but all along the way it's hard. When you have 10 employees, payroll is hard.

Hal Elrod: When you have no employees, you're going to "Shit. We need some employees."

Dan Caldwell: Yeah, exactly, or you're trying to make your house payment. There's always something going on that's trying to mess with you but I always feel like the goods outweigh the bad and the good days are always better, a thousand times better than the worse days, and I know that people will...your friends want to give you a way out. The haters are trying to give you a way out. Everybody thinks it's okay to quit and if you don't cultivate that no plan B mentality, that I can't quit, that there is no quit, there is no plan B, then you'll give yourself a way to quit. You'll make it easy and you will and you'll walk away.

And you can pinpoint it and there's things that happen in your business that caused you to make changes, I closed doors to businesses but I didn't mean I quit. I'm still here. I'm still an entrepreneur and I'm still pushing but I had a business that I couldn't fix and it had to be closed and I had products that didn't sell and we had to pull them off the market. That's fine. That thing didn't work but I'm not quitting. There's no quit in me.

Hal Elrod: I love it. I'll tell my son, he has a mantra never give up and he is three years old. He always goes, "Never give up. Never give up." Yeah, man.

Dan Caldwell: Keep teaching him that, because that's exactly what I want to teach my kids or that's exactly what I teach my kids the same thing and we have our kids, when we teach our kids like that, you know a lot of us didn't have that growing up. We grew up in kind of a working mentality where you're just like, "Hey, you just show up." That was how you won. It was like, "Oh, everybody did a good job. Oh, everybody gets a trophy." I'm like, screw that. What made us the greatest nation in the world is this competition. You're on the prairie and you either make it or you die. That's what made us the best nation in the world, is that we built that mentality and then somewhere along the way, it became "Hey, you just show up. You did a good job Johnny. Here's a trophy for trying." That's not what America is about. That's not what we're about or anybody is about who is trying to be successful. Just showing up isn't enough.

Hal Elrod: Life has gotten cushy and if you think about it, yeah, if you really go back to when we were hunters, like there was no plan B, right?

Dan Caldwell: Oh, yeah. You hunted or you died.

Hal Elrod: That's exactly. There was no plan B. My executive assistant and I were talking today and she was laughing at herself and going, "Yeah, I'm so ridiculous. I was just feeling how happy that Facebook made it, so that now I don't have to log in. I can just touch my screen," or yadi yadi yada. It's just like, it's true, like life has gotten so cushy, and it's so important to cultivate that first in yourself but yeah, if you're a parent, man, cultivate it in your kids and if you're not a parent, cultivate it in yourself and then in your friends and then in your employees and all of the above. I'd love that no plan B mentality. I would imagine Dan, I mean that says a lot about you and Charles, because a lot of people I would imagine that had a plan B mentality would have given up at probably dozens of junctures on your journey, right?

Dan Caldwell: I mean we would have quit for sure. I mean I wanted to quit. There were times I can remember... I remember at one point I had thrown all the furniture in our office out into the parking lot and I was sitting on the curb and I was just kind of emotional and I thought we're done. There's no way to get out of this. We're done as a business. I've tried everything I could. I've been on the phone for two weeks trying to deal with this problem and basically we're done as a company. I can't see any way out of it. It was weird because when you have a partner, it's so great when you have a partner because you can call your partner on your down day and he can call you on his down day.

This one call to my partner who I had really put through this problem because I didn't want to leave this on his shoulders and that's why we were great partners because he would handle his piece and I would handle my piece. When I finally had to tell him, I said, I laid it out to him for like 20 minutes. He gave me one piece of advice, and I implemented that advice, I made this phone call to this person who was kind of a mentor and somebody who we were looking up to at the time. He fixed the problem in one phone call. He made one call to the creditor and the next day the whole problem was fixed, a problem that seemingly could not be defeated, not fixed and I've been working on it for two weeks. There's no way around it. I'm done. I can't even figure out. I don't want to quit but I don't have a choice at this point. We're done. We're no way. We're two months behind our rent and there is no way we are going to be able to get out of this hole. They're coming to lock the doors. At that point I was done but one phone call to my partner and he fixed it all because he was in a good place. His head was in a good place. No plan B.

Hal Elrod: Yeah, yeah. There's always a way when you're committed but you've got to stay committed and that doesn't mean that you don't feel like quitting. It just means that you don't quit, that you don't give up. What is the third tip? I know you

talked about...I mean I know for you relationship is a big deal and I know this is kind of where we're going to go with this. What is your third key that has enabled you to be so successful despite the odds?

Dan Caldwell: I think me and Charles would talk about what we credit our success to. A huge part of our success came from the relationships that we had because as much as we wanted to say, "Nobody helped us. Nobody helped us. Nobody did anything for us. We made these ourselves. We built these ourselves. We were self-capitalized. We didn't take money from nobody. We built this company." As much as we want to say that, the truth is, every time we went to get something done, some other person was involved in that situation, whether it was making that relationship with the UFC and getting on there, creating that relationship with them or if it was getting advertising on billboards and dealing with our pricing or whether we were trying to get ads for next to nothing or a tradeoff, some sort of tradeoff with some ad company.

I mean all that stuff takes relationships and we were able to do some things that if I put it out there, I mean I've been even told by people, please don't say anything about this because they were so generous to us when we built our company that it's almost people wouldn't believe it. They wouldn't believe it when people turned down \$50,000 because you made such a great relationship and such an impact on them with just little things, just sending something to their house that didn't cost you but \$100 or that phone call when they needed it most or you were there for them when they were down. Now they're up and they're willing to help you out in a way that you can't even explain because something like that could make or break your company.

Relationships for us were so important. I can't put enough emphasis on how important it is that people think that you can't go around just bad mouthing people. You can't talk about people behind their back. There's a certain way that you deal with every single relationship that you have and nothing should be casual, nothing.

Hal Elrod: What do you mean by that, nothing should be casual?

Dan Caldwell: Well, a lot of people think that they can go into a meeting and just we would prepare for a meeting for two hours. We would sit and talk about the scenario and how we were going to talk to this person and you remember this person. Scrape, Scrape is our third partner. Scrape, it's your job to remember all their names. If I forget a name, your only job is to remember every person's name in there. I'm going to tap you. I'll ask you who this guy's name is. Your job,

Charles, is to make sure we get this part of this deal done, and my job is to open the meeting and create this conversation from the get go. Explain our situation and what our business is about.

We all had these roles but nothing was casual. We didn't walk into a meeting like, "Hey, guys. We're just here to meet with you guys. What's up man? Here's our thing." Even if it wasn't a formal meeting, just a casual, a dinner meeting, a dinner, "Hey, let's get together" was important to us. A dinner, let's get together took an hour of preparation for us because that's how important it was. Nothing was casual with us. If we met with Lorenzo Fertitta, who was just kind of seemingly a friend, we'd never forgot that this dude is a billionaire who owns the UFC, and nothing is casual about us hanging out with him for 20 minutes at a bar and talking about what we're going to do with the TapouT brand. Nothing is casual about that. It's very deliberate. Everything that we say to him, how we talk to him, how we leave that meeting, the things that we say to him when we walk away, the text that we send to him afterwards, the gift that we may send to him, all that stuff is deliberate, and in a real way because these guys, I don't want to think...I don't want anybody to think that it's like contrived and didn't really mean something to us. We were real friends with these people and we never said anything we didn't mean. These people would call crying to us and we would...not Lorenzo Fertitta. I mean it wasn't Lorenzo.

Hal Elrod: Lorenzo, Dan said you cried a lot to him.

Dan Caldwell: No, but I mean on occasion we had fighters that would call us crying because they thought their career was over or because they didn't perform like they were supposed to or like they wanted to, and that's how close we were to these guys. That's how close we are to these guys. That's what made the difference. These guys were our friends. They weren't business relationships. They were our friends.

Hal Elrod: Yeah, you added on like three powerful lessons there at the end after the lesson that you shared, which the idea that you guys were extraordinarily thoughtful and intentional, and to put that into action, it was through preparation. You really thought through every relationship and every interaction and every meeting and all of that. There was a level of thoughtfulness and intentionality that I think a lot of people just...they just show up and they see what happens. I think that's pretty profound.

Dan Caldwell: Yeah, thanks man. It's so true. We stumbled on that but I know everybody has it in them when they actually think about it, they realize how important relationships are back to the cave man days. It's like that's how everybody created these relationship where they sat with people. Sometimes those things, they could get you killed. The things that were on the line where lives and relationships are so important even nowadays with the political relationships that we have. Those relationships could end the world tomorrow. If you don't take them serious, your business will implode around you.

Hal Elrod: Yeah, yeah, really important. I think I was just talking actually again to my executive assistant, Tiffany, today. A friend or a guy that I met at an event last year and then I've been adding value for him in any way I can. In fact he wants to write a book. The other day he asked me if he could pick my brain for like 10 minutes and I sit on the phone for an hour and I gave him everything that I could possibly give him in terms of my knowledge around book writing. Anyway, then he makes this introduction yesterday that could lead to selling hundreds of thousands of copies of the 'Miracle Morning.' The connection happened today when Tiffany was at my office working with me and I was just like, "You know gosh. You hear this. You hear the importance of relationships. You always hear it when you're studying success and how important it is, but you don't get it until you experience it."

Yeah, so I mean, if you're listening to what Dan is saying and you're like, "Yeah, yeah. Invest in your relationships, I've heard that before." No, but I don't care if you know it or you're doing it, like at what level are you doing it? I mean, how are you adding value to the people in your network and how are you expanding your network? How are you upgrading your circle of influence? It's so, so, so important. It's not until you have a win that's such a big win in your life and it's either through or related to someone that you have a relationship with and usually because you've added value for them and they now want to reciprocate that value back for you. Really, really cool Dan.

Dan Caldwell: You said that better than me.

Hal Elrod: There you go. I wrote a book. A couple of questions, I was actually reading that from chapter three. I want to wrap up with just a couple of questions. Two things: number one, what is your number one goal? You literally, I mean I don't know all the details but I think you pretty much could live in a beach in Malibu the rest of your life, like you've done extraordinarily well for yourself. At this stage, what is your number one goal? What's your mission? What's your

purpose? What is it that you... whether it's like right now you're working on or maybe big picture down the road?

Dan Caldwell: Well, I mean I think right now what I'm and I think we're going forward. It's something about when you get to the top of this hill and you're standing there and you've kind of got there and now you're like, "Man, I did everything I said I was going to do. I made it. I did everything I told everyone I was going to do. I've achieved all my goals," or "most of my goals." You look down and you see all these people coming up the mountain and you're like, "Man, this is no fun being up here by yourself." You just have this tendency and I've seen it over and over again. I know you've done it and a lot of these other people that I look up to have done it. I'm really looking back to put my hand down there and pull people back up and teach people how to do what I've done.

I've been in this space for the past few years. I've been working on this space. I've been really inspired by Tony Robbins. I had the chance to be friends with Tony Robbins and I don't know if you know the story but I saw him. You know I used to listen to his stuff all the time. One day I saw him in Mandalay Bay, and I had to go up to him. I figured out, I'm never going to see this guy again. I have to tell him what he did for my life. I'm in the Four Seasons of Mandalay Bay, things have changed. I'm not checking in at the \$29 hotel that uses a real key anymore.

Hal Elrod: Yeah, Motel 6, yeah.

Dan Caldwell: I saw him and I went up to him. I said, "Tony, I know you don't know me but I wonder if you just have like two minutes. I could just kind of tell you how you changed my life." He said, "Yeah, come over here. Sit down." We sat down and like an hour, two hours later, he shook my hand and I gave him my business card and he thanked me for sharing my story. A few weeks, about a month and a half later, he called my office and I talked and I couldn't believe. My assistant says, "Hey, there's this guy Tony Robbins on the phone." I was like.

Hal Elrod: No way.

Dan Caldwell: The Tony Robbins is on the phone for me right now? I pick up and I'm like, "Hey, Tony." He's like, "Hey, Dan. Man, would you share with me that day man? It's affected me man. It's really reached my soul and I'm telling you other people need to hear what you have to say. Before I say anything, you can absolutely say no. I just want to let you know. You can say no because I can't pay you for this but I really want you to be in my infomercial. Before you say no, let

me tell you who else is going to be in it. It's going to have Serena Williams, one of the best tennis players that ever lived on the planet. I got Mark Burnett, the founder of Survivor and Shark Tank and all these other shows. You may have heard of him, and this girl, Donna Karan who created this other billion dollar company. What do you think?" I was like, "Tony, you had me at hello."

Hal Elrod: Yeah, you had me at my assistant said it's Tony Robbins.

Dan Caldwell: Yeah, it psyched me up. That was my relationship with Tony and it just affected me so much and I just want to be that person for somebody. I'm trying to, I'm putting together a program right now with my girlfriend who's also an amazing entrepreneur. You met her too, right Hal?

Hal Elrod: [Inaudible 00:52:11], yeah.

Dan Caldwell: She's an amazing entrepreneur who made a country company in Canada. I'm putting together a program with her called Business Starts Now and we want to work with people especially people who are at that place where they're trying to either just start a business or they have started a business or they're thinking about starting a business and how to start right now, where you are, with what you have.

Hal Elrod: I love it. These people that are like, "Once I get to this point. Once I have more money. Once I am older. Once I..." That are waiting and you're going to create some urgency, Business Starts Now.

Dan Caldwell: Absolutely. Everybody has been there. Everybody who talks about, I talk to my friends all the time who always I've given opportunities to and just they never take that step forward to take that chance because they're always just... and it sucks because they're secure in their job but there's ways to do it where I mean I had a job for the first five years of our business life. I kept a job, so I still worked at my job. I just created...and especially now more than ever, you can still have a job, a regular job, and create a business. I mean I know guys that are doing nearly a million dollars online and still have a regular job. Although they shouldn't, I mean that's the first thing I tell them. As soon as you have the ability that your time is worth more than the money...

Hal Elrod: Yeah, than they're paying you.

Dan Caldwell: Yeah, than the money you're making at your job, you should quit. They have good jobs. One of them is an attorney and has a great job and he loves being an attorney. He loves doing what he is doing, but a lot of people need to get over that hurdle and know that you don't need money to start a business. You need a great idea and a lot of people have great ideas out there and they just are scared to take that step forward and they don't have anybody to, I wish I had somebody to hold my hand or tell me that things are going to happen to me, that might happen to me when I start my business. I didn't have that person. We had a lot of trial and error and it was only by being at the right place at the right time with the right mentality and everything coming together to make it happen, but not everybody is going to have all those, everything is going to be perfect for them. And not that everything was perfect for us but it's always going to be challenging. If they can have somebody who can tell them the pitfalls and if they can call or send a message to and give them some answers, I mean I want to be there for that person.

Hal Elrod: That's great. Is that available yet? Is there anywhere people can get info on that?

Dan Caldwell: If you go, it's not...we're just now about to open the website and it's businessstartsnow.com and look for us. We'll be up and running over here in the next month or so.

Hal Elrod: Yeah, this probably won't come for a couple of months or so. I bet it's live if people are listening.

Dan Caldwell: It would be live and ready to go, businessstartsnow.com.

Hal Elrod: Very cool. Man, you've given so much. I really enjoyed our time together. I'd love to hear your best advice like I call this a writer down, or what's the best piece of advice Dan that you've ever been given? It could be a quote, a mantra, a guiding principle, something that's significantly helped you on your journey that you can share with our Achieve Your Goals listeners.

Dan Caldwell: Can it be a book? I think that probably the best advice...and it's not just a book. It's more than a book because to me I think I said before that relationships are the most important thing in what we achieved in our business. Those relationships and how we created those relationships with people because it's everything in business, and the sooner you realize that, the sooner you'll be successful. I read a book that someone turned me on to 15 years ago and I've read it 30 or so times since then, 'How to Win Friends and Influence People?'

Hal Elrod: I've got it sitting right...I just pulled it out the other day because I was like, "Dude I actually read that like 15 years ago," and I have not read it 30 times, I read it one time. I realized that yeah, that's interesting. That's the book you said I literally I'm looking at it. I might just pulled it off the shelf the other day.

Dan Caldwell: Well you're really good at that. You have most of those principles down if not all of them, but it doesn't come natural to everyone to do what is in that book and it's so...when you read it, it's just common sense most of the time but this is written nearly a hundred years ago and some of it is a little hard to get through but it's when you realize the principles and how well they worked, and I'd use them as homework. I made everybody at my office read them. Anybody who talked to anybody, if you talk in customer service, if you were a sales person, if you dealt with people, you read this book. Every single one of them read this book at least once. I have been trying to read it every year. I haven't read it in a couple of years but I have read chapters. I've read just pieces of it here and there.

Hal Elrod: Everybody, well there you go. The best piece of advice that you ever got was read the book 'How to Win Friends and Influence People.'

Dan Caldwell: Or listen to them. I have it on audio. I have it on book. I have it on iPad, 'How to Win Friends and Influence People' by Dale Carnegie and it's so important. I can't tell you how important it is for everybody who's listening to his podcast to read it or to listen to it.

Hal Elrod: Yeah, or to re-read or re-listen to it as I will be. That just was you know, if there was any chance I was going to take it from my shelf here and put it...or from my desk and put it back on my shelf Dan, you just removed that as a possibility, so I appreciate that man.

Dan Caldwell: That's good.

Hal Elrod: It's a foundational book. There's a reason it's sold I don't even know how many, I think tens of millions of copies. It's timeless and it is one of the best, so if you haven't read that, get 'How to Win Friends and Influence People' audio book or text. Dan, man, again I could talk to you all day I know there're so many more lessons and stories and other things we didn't even get to today but thank you for your time and your wisdom and sharing it with our listeners. I really appreciate you.

Dan Caldwell: Thanks for having me on Hal. I appreciate it brother.

Hal Elrod: You got it man. Hey, Goal Achievers, you heard it right here man. The three keys from Dan, always educate yourself. If you don't like to read books, listen to audio books, if you want to kill two birds with one stone, listen to audio books while you're working out like Dan does, or while you're in the car. Dan, I love that.

Dan Caldwell: Podcasts, and podcasts.

Hal Elrod: Podcasts. Podcasts are free. Podcasts, why wouldn't you listen to podcasts? It's crazy. They're free. Dan, I do love that visual of you with your disc man on your hip and like the big headphones working out, just lifting and pumping out in the gym, like I've got a visual from that. Always educate yourself guys. Keep it going. You're doing it listening to this podcast right now. A second tip from Dan, adopt a no plan B mentality. No plan B and Will Smith said it. That's his key to success, is that if you get on a treadmill with him, he's going to keep running until he dies. He's either going to beat you or he's going to die but that's the only two things. He's not getting off the treadmill. There is no other option. There is no plan B. Full commitment. And then the third key, invest in your relationships. The 'How to Win Friends and Influence People' that Dan recommended, that's arguably the most important book in how to nurture and create thriving relationships and create advocates where people want to help you and want to support you.

Dan, I would imagine that the relationships you had, and you kind of eluded to these people that wanted to help you and you were blown away by the people coming out to support you and help you to give you advice or favors or whatever, that helped you build this multi hundred million dollar company. I would imagine that book 'How to Win Friends and Influence People' probably had a lot to do with those relationships being such thriving relationship. Would you say that's true?

Dan Caldwell: A huge part of it and I would actually give all the credit to that book in a big way and I know Charles would have too if he was here.

Hal Elrod: Cool. Yeah, yeah, man. All right, well Goal Achievers, thank you for tuning in to another episode of the Achieve Your Goals Podcast. You know I love you and I appreciate you and I will talk to you next week. Take care.

Nick Palkowski: Thank you so much for tuning in to this episode of the podcast. What were your big takeaways with this interview with Dan? We want to know.

Just simply head on over to halelrod.com/012 for episode number 102 and let us know what those big takeaways were or what you found most inspirational about Dan's story. As Hal mentioned, he is a huge UFC fan, but are you one too? Simply head on over to halelrod.com/012 to let us know if you're a UFC fan, if you watch the matches, and who your favorite fighter actually is.

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