

Episide 224: The REAL inside scoop behind a \$7,000,000/year ...

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SPEAKERS

Kathrin Zenkina, Brennan O'Keefe

Kathrin Zenkina 00:14

Welcome to The Manifestation Babe podcast. My name is Kathrin Zenkina, and I'm a manifestation expert, master mindset coach and multiple seven figure entrepreneur. I'm obsessed with helping you achieve everything that you once thought was impossible. If you're looking to massively uplevel your life, your finances, your relationships, your productivity and success, then you have come to the right place. My goal in this podcast is to help you see the infinite potential within yourself to be, do, and have anything that your heart desires. Think of this podcast as your weekly dose of mindset development to help you maximize who you are, and where you're going. Leave it to me to provide you with the tools, the resources, the strategies, and teachings that you need to manifest a reality wilder than your wildest dreams. I know we're about to have so much fun together, so thank you so much for pushing play today, and now let's begin.

Kathrin Zenkina 01:16

Hello beautiful souls and welcome back to The Manifestation Babe podcast I'm bringing to you, live from our dining room, Brennan King O'Keefe, and we're finally sitting down to record The Manifestation Babe podcast financials episode, year in review. 2021 is over and I used to do this thing called the CEO report. Brennan vowed to take over those but never got around to that, because to be quite honest, he's too busy in the numbers to ever sit down and write about the numbers. So I figured what better way to bring the CEO report back then to sit down and talk all about the juicy, behind the scenes, numbers of what it took to run our business in the last year. Babe, can you just like start us out by telling us, what was our revenue in 2021? And also one of the questions we got, which you guys submitted the best questions. I actually - like Brennan, I'm not even lying, I've never received so many questions. Like I do q&as when we travel, all the time. This received way more questions than any box that I've ever put up on Instagram. So people want to know the deets. Okay. What was our goal in 2021, and what did we end up doing? Let's start there.

B

Brennan O'Keefe 02:48

Well, let me start with - the, a few things. First off, I like the kitchen table office. You guys can't see us but it literally has like Clifford feet on the table right now. Aside from that, I just want to say a quick caveat, which is 2021 is complete - but for those of you who run businesses, you know that when the calendar year ticks over, nothing is done yet. So we are well in the middle of working on our taxes. There's some transitions with different elements of those teams as well, and so I'm going to speak to my best of my abilities for 2021, but the nice thing is we do have all of the previous years as well as really great kind of -

K

Kathrin Zenkina 03:36

Yeah, please share.

B

Brennan O'Keefe 03:38

Yeah, so 2021, our goal was - it blows my mind when we look back at it because it felt so insanely ambitious.

K

Kathrin Zenkina 03:48

Do you remember Okay, so we just finished our exec team, like a full annual - what do we call this meeting? Right? We don't even know what we call it - annual meeting and the goal that we set for 2022, we were literally like, "how in the frick are we going to do this?" But what's funny is I reminded Brennan and Londa, because she's part of the exec team - there's three of us, and we were like, "this is how we felt about 2021. and we surpassed the goal."

B

Brennan O'Keefe 04:20

Yes. So I think that's - that's one of the things is, you know, having really audacious goal setting is such an important thing because when you set something that feels... Not unachievable, but a stretch outside your comfort zone, not easy, but possible - even if you don't hit it, you're going to grow so much towards that goal that - you'll always surprise yourself wherever you end up. And I bring that up because we have surprised ourselves time and time and time again. So, you know, we set this goal of 6 million for 2021.

K

Kathrin Zenkina 05:00

What did we do in 2020?

B

Brennan O'Keefe 05:01

And in 2020, which was the year that, you know, COVID -

K Kathrin Zenkina 05:06
the world exploded

B Brennan O'Keefe 05:07
unveiled itself. We did 3.6 million and in 2020, but I think our goal was... Do you remember what our goal was from back then?

K Kathrin Zenkina 05:22
3 million.

B Brennan O'Keefe 05:23
I thi- was it 3 million?

K Kathrin Zenkina 05:25
Yeah, cause I think we did 1 point - I don't even know anymore, I can't do the numbers you guys. Every time I do - I swear to God, every time I post a number on Instagram, Brennan comes back to me and he's like, "Katherin, that is not true."

K Kathrin Zenkina 05:37
"You underestimated that goal, and I literally had this girl comment the other day, and like, you know, I'm used to haters, commenting, messaging, whatever. Like, it's just a part of growing an audience, right? It's just like a thing you have to experience and - and it just all matters on how you perceive it, and how you see it. But this girl was like, "Katherin, I don't mean to be that girl, but like, I screenshot your following in December of 2020, and I put on my vision board. So I'm coming here to correct you that you grew by 100,000 followers, not 50,000 followers. So stop underselling yourself." And I'm like, first of all, I freaking love you. This is the best kind of comment ever - from like, you know, a comment that I thought was going to be from a hater, and I just freaking love you, and Brendan does that to me all the time. So I'm always under estimating, I always am estimating - that's the key, and Brennan is here to just kind of like fill in the gaps and correct me here and there.

B Brennan O'Keefe 05:40
She has no idea

B

Brennan O'Keefe 05:52

You are chief manifesting officer

K

Kathrin Zenkina 05:57

Yea, I am the manifesting officer I'm- I'm a non specific like -

B

Brennan O'Keefe 06:42

You have to get out of the way. When it comes to the numbers and the pragmatic and the practical, that's not where Katherin excels and we learned that really quickly. Our exec team is unique and when Kathrin said, I'm not even sure what we call that meeting, that meeting is based upon something we've shared with you in the past. As a matter of fact, those of you who may know our mentor, James Wedmore - James is a dear friend, a colleague, someone that we spent a lot of time with, and James introduced us to a book called Traction. And in addition to James's seven figure mastermind, and that book, Traction, it reshaped everything in our business and how we functioned in an entirely new way. So now we consider ourselves - we operate, not that different from a fortune 500 company. I'll be it much smaller, much more concise, much more lean and flexible -

K

Kathrin Zenkina 07:29

We're like the anti business business, but we run it like a serious corporation.

B

Brennan O'Keefe 07:35

Exactly. So when we say that annual meeting, basically we have a quarterly meeting, just like a big company that trades on Wall Street would, but then we also have an annual meeting where we really get together and plan - not only this year, but our three year and our 10 year vision, as well. So that's kind of what we're getting at. But you know, Kathrin, she's not always in the numbers, and that's okay. And you know, we're growing business, so sometimes we have to just kind of check ourselves at the door and admit what we don't know. We've grown a lot. We are improving our analytics, daily, weekly, monthly, yearly. But yeah, so our goal was 3 million in 2020, and we did 3.6, and, you know, that really inspired us to leap big and 2021. And so 2021 When we set the goal of 6 million, I think we felt like we were stretching the numbers inside to make them match the goal. If you remember that, Kathrin. We were trying to figure out how we could stretch the actual - because we don't just set a goal, we set the goal, but then we also map out how we would get there, hypothetically.

K

Kathrin Zenkina 08:41

always hypothetically, and it's always it always blows us away - like how it's never in the way we expect, ever.

B

Brennan O'Keefe 08:48

Exactly, exactly. So for example, in 2020, you know, we we did almost a half a million dollars in affiliates, which is you know, when we market other people's courses, you know, we are so in love with James's courses, that many of you know, we've promoted his DVD for a number of years, just - we think it's the best resource out there for those of you who are starting in your business journey or are moving along. But this year, we barely did any of that. We had to tell James that we weren't really going to do it because we were focusing in house.

K

Kathrin Zenkina 09:18

Yeah. And I was also building MBA, like literally every single day, eight hours to 12 hours a day. Weekends included for six months straight. That was what it took to build the current iteration of MBA. So I was like like yeah, there's like - I'm literally going from launch, to creating the program to another launch and like I can't fit in an even closer launch. So that's what made up 2021 though, because we're talking about 2021 now.

B

Brennan O'Keefe 09:49

And we had to stretch so much because jumping from 3.6 million to 6 million is a huge leap, especially with economic uncertainty and just geopolitical uncertainty. You know, the world is all weird and crazy, and we don't know what's gonna happen next. So here we are saying, "oh yeah, well, we're gonna grow by almost, you know, 80% This next year," and we had to really tinker with our numbers we had to say, well, we're gonna have to sell a lot more on this. We're gonna have to sell more on this. Excuse the dogs in the background.

K

Kathrin Zenkina 10:19

Yeah, you guys are just gonna have to deal with the dogs. I'm so sorry. We have a new puppy and we're the only two babysitters and we're currently recording the podcast. Babysitters are gonna have to babysit at the same time.

B

Brennan O'Keefe 10:29

Yep. So anyway, yeah. So we had to stretch our numbers around and then I know you guys are ready. You guys are like shut up, it's like, trying to figure out what is, what happened?

K

Kathrin Zenkina 10:41

Yeah, let's be a little more concise.

B

Brennan O'Keefe 10:42

So we we ended 2021 just under \$7.1 million dollars.

K Kathrin Zenkina 10:49
Yeah.

B Brennan O'Keefe 10:50
How do you feel about that?

K Kathrin Zenkina 10:52
It feels very normal, for some reason. I think that's the key - like with manifestation, is that when you - a lot of people, they get really stuck in this, like, idea and almost like over glamorizing where they think that a certain number is going to like radically change your life and make them wake up in the morning and feel a certain way. I literally feel the same way right now, like today, as I did waking up in 2016, and 2017.

B Brennan O'Keefe 11:16
Yes.

K Kathrin Zenkina 11:17
I just have like much nicer things around me I can - I have a lot more flexibility.

B Brennan O'Keefe 11:22
Right.

K Kathrin Zenkina 11:22
I have nicer cars, nicer home, nicer like travel options, but how I feel is the exact same way, and how I'm gonna feel when we reach our 2022 goals, which is in the eight figures, of course. I know I'm gonna wake up feeling the exact same way. So it's very normalized, but also it - I'm very grateful for it, very humbled by it, and when I look back at it, that's when I start to feel those emotions. It's not like it radically changed our life. in like this crazy way. Life feels pretty much the same, but it's just like looking back, knowing what it took and the amount of faith it took to get here - that's where I'm like, "whoa, that's amazing." Okay, so I want to go a little bit more rapid fire, babe. Alright? Because we have a lot of questions to get through and like we only got through one.

K

Kathrin Zenkina 12:08

So there's a question here that says how many people are on your team and what each of them do? So for the each of them do I already shared in the previous episode, that I'm also going to bring Londa on the podcast. So she's number three, she's the queen, she is the one who actually runs manifestation babe. She is the if you're thinking like in traditional corporate terminologies, she's the COO. If you're thinking about like in Traction or more online business, digital business terminology, she's the integrator or no, I wouldn't even call her online business manager, she's way more than that. So I'm gonna bring her on, because she's the one who literally puts her team together. She's the one that runs the team. She's the one who can describe what everyone does, what that process is like, what it's like to build a dream team. The struggles, the challenges, the benefits, like all of those things - I want to bring her on. But in terms of how many people are on our team, I actually texted her this morning. So I have a screenshot. Hold on. I have like - all this on my phone right here. So I was like, "Londa, can you just let me know how many like full time part time contractors we have." So contractors, she was still waiting on Rachel to respond, because we have like people that we work with from time to time, and of course we have a CPA, we have an attorney, right? We have people that we don't see every single day and talk to every single day, but they're definitely considered part of the team. I can't tell you that number for sure, but what I can tell us we have currently 14 full time employees, and that includes you and me, and then we have one part time person, that is attending all of our team meetings, and then we also have three other part time team members who do very consistent work with us, who are in the Philippines. So what is that? 14, 15, 16, 17... 18 that we would consider to be part of like - the bulk of the team, like the core team. And then of course, we also work with contractors. So I'm always in my head thinking we have 20 team members, but it's because we hire, we've been hiring so fast. You guys like the team has literally - in 2019 when we went to Morocco with Vicki and Londa that - those four people were our team at the end of 2018, and at the beginning of 2019 we hired Rachel we hired Sean and then from then on that was six people. And then from 2019 through end of 2021 we like blew up to 18 people, don't even ask me how, it's freaking unreal and I definitely want Londa to come on to the podcast and talk more about that just because she's gonna answer these questions so much more and so much better than we can because again, a lot of people ask like, "Kathrin How do you manage your team?" And I say I don't. Neither does Brennan. We don't manage the team. We don't know what's going on, in like the day to day, detailed operations except for what Londa reports to us, and of course what we learn from the team meetings, and the quarterly meetings, and the annual meetings and things like that. But we're not, like, going back and forth every single day with every team member.

K

Kathrin Zenkina 14:49

Kathrin is out of the picture.

K

Kathrin Zenkina 15:10

Yeah.

B

Brennan O'Keefe 15:11

I'm often on the phone. So I spent a lot of time on the phone with Londa working on big picture

problems -

K

Kathrin Zenkina 15:16

Literally all day

B

Brennan O'Keefe 15:17

- solution oriented stuff. So like, if a problem comes up, if there's a legal issue, if there's a problem with different infrastructure technology platform, we'll work on, if there's a finance piece, if there's - all those - the problems that need a higher level of solution is what I work on. Kathrin spends almost all of her time in content delivery. And, and, and the persona, Kathrin dedicated to you guys, and the impact in each one of you, and so we give her that space. And so we operate in a very hybrid way, and it's very hard to emulate or mimic how we do things because it's unique and authentic to us. But we know it works really well for us, because Kathrin, Londa, and I each augment each other in very powerful ways, and then we stack that on top of a team of incredible A players who we're so proud of, and actually we do business.

K

Kathrin Zenkina 16:11

We have a dream team, like, actually, and it's because we are extremely hard to get into - meaning that our hiring process is - will probably annoy the shit out of you. Like it is so long. It is so extended. There's so many steps, Bbut guess what, when you're in your fucking in. We take such good care of you, and we truly do believe it's a privilege to be on Team MB, and it's because we invest so much time, energy, financials into our team. Like we care so so much, and oftentimes we're hiring people who come from the corporate world, or they have like corporate trauma, or they have just - boss trauma. And like we almost sometimes struggle being like, we're not just blowing smoke up your ass, like we actually care and people love to work here, and of course, they have such a hard time imagining it, and then after like the first week or two, they're like, "oh my god, I'm in shock right now." Like literally, they don't even understand the concept of like creating your own schedule aometimes they're like, "Londa, can I go to the dentist's office, I'm so sorry, I have a dentist appointment from 1 to 2pm on like Wednesday," and Londa is like, "you don't even have to tell me, just fucking go to your dentist office," because we don't have hours. We just like - as long as you're producing results - like we're a results based company. We're not at clock in clock out, we don't care if it takes you five minutes to do like an hour long task, we're not going to make you work the full hour just get the task done in five minutes and then go have lunch, or go do whatever it is that you want to do. Some people - so before I actually go to the next question that does have to do with team that I can speak from experience because you weren't on the team yet during the first hire. Some people are asking kind of like, you know, do we offer benefits for employees, like what does that look like? Can you just kind of share on that because that goes into our expenses and into - you know, profit margin and stuff like that, which is what we're also going to get into.

B

Brennan O'Keefe 18:08

And it goes into mentality and identity and belief systems. So, you know, we - we have a number of full time employees, obviously, most of them are based in Los Angeles, and you

know, that's something that I carry immense pride about. But I want to speak quickly to the identity of this, and I'll just make this brief. You know, my goal is to be the place that everyone wants - would die to work for. That's always been my mentality. I've worked in corporate culture, I've worked other jobs. We're just like, you know, money does not buy everything. Culture does not buy everything. Culture without money isn't enough. Money without culture isn't enough. Like -

K

Kathrin Zenkina 18:51

Some companies treat culture as like giving tequila shots on Friday. Like you're, like, like where you worked, right?

B

Brennan O'Keefe 18:56

There's a whole plethora of ways to incentivize talent, and none of them are good or bad or wrong. But you know, Kathrin and I have a mentality that you guys have heard many times on the podcast inside courses, don't pinch pennies and bleed dollars, and that really is my identity around employees. So we offer full benefits, but we're also smart - we're right, a super smart company. So we offer full benefits after a 90 day review period. So our -

K

Kathrin Zenkina 19:21

What's considered full benefits? Cause, here's the thing, you guys I have zero corporate experience. I have never in my life been paid a salary or had benefits from a company like I went straight from college to building a business. I got a full time job, but it was more like an hourly job. It was something that wasn't serious. It wasn't like a full commitment from both me and my boss at the time because they knew that I'm just filling in a gap for just one year in their company. So for me, it's like really freaking cool because I don't have experience in, like, what not to do, or what to do or, what you know, people might be like - what is a good thing and what is a bad thing? I'm just creating like the environment that if I were employed by someone, this is where I'd want to work and how I would want to be compensated, and like ways I'd love to be taken care of. So it's kind of a unique position for me, but I know that Londa, and Brennan and most people on the team, of course, they have experience from coming from a corporate background. So what does full benefits mean? Because I never knew until like, I literally offered it to people.

B

Brennan O'Keefe 20:23

Well, it's funny, you said that, because full benefits doesn't mean bleep. Because full benefits, really is what you decide they are. So you know, some company may pitch it, it's really a marketing pitch, right? Full benefits means what they deem full benefits to be. So let me let me elaborate upon what I mean by that. We offer a really high quality - the top quality plans, both plans that have high optionality and choosing who you want to see, as well as some of the more traditional high coverage, like the gold plans, through you know, Blue Cross Blue Shield, these type of plans are, you know, some of the best in the industry. They're very - they have a lot of optionality on where you can go. So that's the type of health thing that we do, and

actually, we we not only pay for our employees, but we cover a significant chunk as well, of their dependents, which is just a benefit of what we do. It's just a belief system for me. So I don't want people to come and work hard for us, curate a culture of really high achievers, A plus players, and then have them get to the doctor's office and feel like they're not taken care of by us. That just to me, it's not a fair exchange, it's not a fair trade. So we definitely pay for premium health care for our employees, and have, you know, no interest in changing that even though it's not cheap. And be frank, for you business owners out there, it's not cheap to offer top tier health insurance. It's a lot of money, and it's something that you don't think about necessarily when you're on the employee's side, because you are paying maybe for your dependents and stuff, but you don't necessarily see just how much the premiums are for every one as well as the premiums if you're going to do things like covered dependents and whatnot. So and then, you know - so it's just something I'm extremely proud of the health coverage that we offer our employees. Some places, they might consider a health care plan like ours full benefits, but it's not. We also offer, you know, a full dental package through I think it's Guardian, I believe I mix up the the names of the insurance -

B Brennan O'Keefe 22:36

Yeah.

K Kathrin Zenkina 22:36

Londa literally helped us set this up, because again, she has experience and she has like, you know, like, Londa has been - well, especially for me, Brian, I know you're giving me a look right now. But like, for me, at least, like because I'm speaking - remember when I'm speaking from my experience, and you're speaking from your experience. Like I just remember, you know, like when we hired Londa, we - that was when we really switched over, Londa was our actual first full time employee. If you remember correctly, she actually helped us learn how to set up employees in the business because before then we went from contractors, and after the trauma we endured with having just contractor employee - like employees, but in quotation marks, right? They're actually contractors that are, you know, hired full time or whatever.

K Kathrin Zenkina 22:37

The - the loyalty changes with that, like we - the whole game changes when you take it seriously. And I know it's a - it's a cost, but like, team is one of the most important expenses that we have and I don't see it as - I don't, I don't like calling it an expense. We're just using traditional business terminology. It truly is an investment.

B Brennan O'Keefe 23:41

I don't think most people understand how much we pay for benefits and compensation for our team and how proud we are and how not industry standard that is. Yeah, and I'm not calling anyone out, but I'm just saying, when you emulate our team and how great our team is, and how much you want to learn from our business, just know that some of the things we do different is that we compensate our people extremely well and we make sure that they're fully

covered. So let me speak to a few more things just so we can move through it. You know, we offer full dental benefits, and then we also offer full vision. In addition to that, we do have a 401K that was recently created. And you know, for those of you who are inside MBA, you'll be getting access to a massively redone Brennan Finance course, yet to be named, but you know, a piece of that for business owners is - there's really interesting things in the tax side that you can do to both save a ton of money on taxes, and also take care of your employees. Those are not mutually exclusive by setting up something like a 401k, and so we do have, you know, eligibility elements to that. So we do have an eligibility, minimum for the time that you you're employed for that to kick in, and then we also do have a vesting schedule, but these are things that not many small companies are doing, but that really move the needle because now, you're not just building a job for someone, you're offering a career path. If that is something that they want to go down.

K

Kathrin Zenkina 25:18

...and the dogs start to bark. I will say that, you know, hiring a team, every time we add team members, I do go through an upper limit, because there is this like conditioning, still to this day that I sometimes feel where I'm like, "okay, alright, so another person that might get let down, if I fuck something up to such a degree that I have to let everyone go." It's like, oh, yeah, another person to disappoint, and of course, that's not the way you want to stay thinking. But I just want to be completely honest with you guys, especially as you're making your first hire, which I want to talk about that, it is very scary, but you know, who changed my perspective on this, it's, it's a very simple quote that Tony Robbins said at business mastery - and by that point, we already had, like, I think two team members? Two full time team members, and that was like a big shift for us and I remember feeling like the fears and stuff, you know, the stuff around that, because it is a pretty large expense, you know, compared to just hiring an hourly, you know, contractor or employee who just works, you know, part time at an hourly rate or whatever. Like, these are full time salaried employees. Tony Robbins said, "life will always give" or "will always provide for that, which gives life."

B

Brennan O'Keefe 26:34

Can I say it?

K

Kathrin Zenkina 26:35

Okay, yeah, I don't know, I'm butchering it

B

Brennan O'Keefe 26:38

"Life will always support that which supports life,"

K

Kathrin Zenkina 26:43

Okay. Life will always support that which supports life. Okay, that - what that means to me is that when you take care, and this is actually a universal law that I teach inside of MBA, law of

that when you take care, and this is actually a universal law that I teach inside of MBA - law of cause and effect, I think is the biggest one, if we were to categorize it under that one. Or even law of compensation as well. When you really take care of other souls, like, to the best of your ability, and again, all of our abilities are different, right? It's not about being the best. Okay, like you could be starting out, and of course, there's like, other companies that you know, your potential first employee might go to, but it's like, if you are doing the best you can, and they can feel that, and you are providing and the best way possible that you can, I truly believe that your business is going to be blessed beyond measure. And I truly believe that the universe is going to provide you the exact clients, students, whoever you need in your business, to create more revenue. So that you can either hire more people or just be able to very abundantly take care of whomever it is that works for you. It's just, it's a guiding principle and I have found that a huge reason why we keep growing like you can look at it even energetically, speaking about energetics alone. Why we had such a big year, we take care of our team really, really well and obviously, that's a big portion of where our investments go, and we're just very proud of it.

K

Kathrin Zenkina 28:13

What stage did you hire your first employee is a question that someone asked, and this is actually a very popular question. So I do want to share this just because Brennan was not part of the business at this time. And what I realized, I actually first hired like an agency, kind of, they call themselves an agency. And they were just someone who could, like help me take things off my plate, but they didn't really take as much things off my plate as I thought that they would, but I also know that knew that they didn't operate like, you know, solely working for me, I was just one of their clients. So I don't really want to mention that part, because I think that what I characterize as like my first hire was my very first assistant that I hired in the summer of 2017, and she was actually really incredible and very helpful. She's no longer with the company, I let her go, I think like a couple months later, just because there was just like a very clear - no longer it being a fit. But in the very beginning how I knew it was a perfect segue, like something that I had to do at the time was when - I remember this very specifically, I was sitting on our couch, babe, the black couch in our studio. And I remember looking out the window and being like god damn like these emails are taking me five hours today to respond to because I was, remember I was the tech person, I was the customer support, I was the creator, I was this. I had so many things I was creating at the time, and yet I still had to get back to people when they said you know, I didn't receive that email, I didn't receive the login, I can't log in, there's a issue with your website, I had to get on the phone with Bluehost, my host at the time, and like fix my website. Like I was the queen of everything at the time, and I just remember going like, in my head, this is the - I had CEO thinking from the very beginning with Manifestation Babe. I would say end of 20 - like mid of, mid 2016, to end of 2016 was when I really was like, "okay, I seriously want to grow this, like, this is something I'm very passionate about." So I adopted a CEO mentality very early on, and I just knew that the key to growing and scaling was to have help, and if I was spending five hours a day, just responding to people's emails, I would never create the things that were actual money making activities. I would never be able to write the ebooks, or create the course, or coach people, if I'm spending that much time, not including the hours I would spend, like fixing tech issues, building the course together. I remember how I was building all of in the backend together.

B

Brennan O'Keefe 30:52

This is 2016, right?

K

Kathrin Zenkina 30:53

No, this is 2017. I'm talking about in our studio. Yeah, but like 2016 - 2017 was like, basically a continuation of each other.

B

Brennan O'Keefe 31:00

Right

K

Kathrin Zenkina 31:01

It wasn't until 2018 when we hired Londa, and another person that like things started to escalate, and change, and shift drastically. But yeah, that was amazing. And a lot of people ask, like, what do I give to that person? What does that person do? Everything that you don't want to be doing. So I train that person to respond to the emails. I train that person how to build the backend of the courses. I train that person how to handle failed payments. I train that person everything that wasn't making me as much money because it was maintaining the business rather than growing the business. I trained that person - they basically became a mini me and I highly recommend, this is just my advice, again I'm not professionally trained by anybody else - I come from no corporate background, I have no business background before Manifestation Babe except for network - I'm literally street sense. I'm just like self built, self made self taught everything self experienced, I learned so much from experience. I was like, "you know what, I need a mini me." So I basically created a mini me, and that's what I suggest for you - just create a mini you. Just have that person do a variety of tasks like look for an assistant, executive assistant - assistant, whatever you want to call them, that can just do the things that take things off your plate, and then from there, that's when you specialize because that's when you realize, "hey, that person's now overwhelmed. Okay, we need another person. Hey, what do you like doing the most? What are you best at? What is your Zona genius? Oh, you like customer support? I can see you're really good at that. Okay, perfect. So we need a person who's more tech savvy to do the tech stuff or to do the payment stuff. Great. Let's hire that person. Oh, crap. Okay, we are feeling overwhelmed because you're doing both tech and creating graphics for me? Okay, maybe I need a graphic designer now." Right? So you, you go from there based off your needs, a lot of people make this mistake of like, trying to figure out, like, the day that they start a business, all the different roles that they need to hire for, from day one.

B

Brennan O'Keefe 33:00

Yeah.

K

Kathrin Zenkina 33:00

And this is the biggest mistake because we still - every single quarterly meeting, we're like, you know what we still need? We need this person. So then we start hiring that person. It's like one step at a time. Just like everything in life is one step at a time and I think that so many people

hold themselves back, because they get overwhelmed by this huge mountain in front of them. But how we got to 7 million you guys is is not like in back in 2017 when I hired my first person, I knew exactly what my team of almost 20 people is going to look like. Hell to the no, now it's like, yeah, this all makes sense. Everything is flowing. Everything is great, but we figured it out one person at a time. One hire at a time, one fire at a time.

B

Brennan O'Keefe 33:45

So we - you know, something really interesting that I realize is that, you know, having 10x our annual revenue in five years, going from 600,000 to 7 million, more than 10x I guess. You know, my tactical and my strategic advice changes and I love the Katherin spoke to the mistakes because I have a few broad mistakes. One is start the business before you're ready, because you're never going to be ready.

K

Kathrin Zenkina 34:12

Hire before you're ready.

B

Brennan O'Keefe 34:12

Hire before - that's what I was gonna say too, hire before you're ready. You know why? Because before you're ready, you're gonna hire the wrong person, and then you're gonna learn, you're always gonna hire the wrong person to start and then you're gonna have to learn from that and you're gonna probably fire someone -

K

Kathrin Zenkina 34:25

The first four people we hired or five they were the wrong people.

B

Brennan O'Keefe 34:28

That's just one of the things that stands out to me in the position that we are now and I can't wait until you know we've done 20 million or 50 million or 100 million at some point because it's - it's so amazing the insights that you can bring when you've gone on this journey, but one of the things we just see so much is like start before you're ready. Let me say it again. Start before you're ready. Start the business before you're ready. Start hiring before you're ready. Start creating before you're ready, because ready never comes. Ready is a decision that shows up the moment you start doing.

K

Kathrin Zenkina 35:03

It's like getting married or having kids. You know what I mean? Like, especially having kids, that's what we hear from people it's like, you're never gonna be ready. So it's like kind of growing a business, you're never gonna be ready. Before we get into like expenses and things

like that - more numbers focused, what are the different streams of revenue that contributed to the seven mil or almost 7.1? million?

B

Brennan O'Keefe 35:25

Sure, that's a great question.

K

Kathrin Zenkina 35:26

I can give like a very - I mean, I can give that overview because I just - I know it - I know what we did in 2021. But if you want to give like specific - I don't know if you have those specific numbers.

B

Brennan O'Keefe 35:36

Yeah, of course I do. So you know, there's a few different streams of income that come in I - when people say streams of income, sometimes they mean different businesses and we don't operate that way. So we don't have different - we have our own personal investments, which are on the side and our own personal things, but just business-wise, you know, in 2020, we - we sell Kathrin's books every year. So we have, you know, annual book revenue. We didn't really do any physical products in 2020, that was more of a 2021 thing. So really, when you look at our - our money, our revenue streams in 2020, there's four things that come to mind.

K

Kathrin Zenkina 36:17

Wait, no, we're talking about seven mil, 2021?

K

Kathrin Zenkina 36:19

I'm -

K

Kathrin Zenkina 36:20

Okay. Alright. Alright, go for it.

B

Brennan O'Keefe 36:23

Books sold, all of the digital product stuff. So that can be split into, you know, the primary courses being whether it was the former Rich Babe Academy, or the Manifestation Babe Academy, and then affiliate revenue. And then the last thing in 2020, that used to be a revenue stream for us, but really not a major one, it was more of a pleasure one. As you guys know, were our retreats. So we would do retreats, that used to be something we definitely made

money on, but really wasn't a huge - when you start to balance how much money you make with how much time you invest, it starts not to be very, like, profitable venture in terms of your time versus how much you're compensated. It's just really fun and really gratifying to take people to Bali - that was like a dream, it was amazing to have people on the ground. We've supported people in Bali throughout the pandemic, when it was so hard for them, because we have a team on the ground there. So that was what 2020 looked like and then things got a little bit more interesting in 2021. So, you know, we still were selling the books, but we added a number of physical products, so some of you had access to buying the Manifestation Babe box as part of MBA, we obviously had the clothing launch, the Manifestation Babe clothing launch. So that was another physical product revenue stream and then, you know, our most massive revenue stream is digital products, but there's two pieces to that. Primarily, it's our core, what we call our signature offering, which is Kathrin's MBA, the MBA - TMBA, and then also, you know, there's a lot of digital offers as well, some of you guys have bought Goal Smashing, or you've done Tapping, or you've, you know, taken Epicly Aligned. So those are kind of - we consider those single purchase type of revenue streams, and the last one was affiliate revenue. So we did have some affiliate revenue in 2020. We actually were very successful with affiliate revenue, given our time commitment, but we're looking forward to kind of pulling more, sharing more of, you know, what's helped us scale our business with you guys in 2022 and doing more affiliate stuff, so yeah. I mean, that's those are the kind of the revenue streams of income and I'm just gonna give you a ballpark idea because you're like Brennan, okay -

K

Kathrin Zenkina 37:34

MBA is our biggest chunk for sure.

B

Brennan O'Keefe 38:53

So, MBA in a \$7 million year generated certainly over 4 million.

K

Kathrin Zenkina 39:03

Yeah

B

Brennan O'Keefe 39:04

Maybe even closer to 5.

K

Kathrin Zenkina 39:06

Yeah, two launches.

B

Brennan O'Keefe 39:07

I would need to look at the exact MBA numbers to speak to that because they're kind of lumped

in, but MBA is definitely our top income producer. Without a doubt. I would say the second piece that falls into that is, you know, our kind of mini launches and our and our single purchase products, as well as our affiliate revenue, those kind of two things kind of blend in. And then our books sold, you know, we only did about - we did just over \$40,000 this year in book revenue, and just almost \$45,000 in - in revenue from the boxes and the clothing line. So, you know, we're experimenting, we're in this stage where we're growing we have margin available for us because of our digital products. Kathrin really felt aligned and wanted to do the clothing line launch. We wanted to do an MB Box for MBA students. These were not massive money generators for us as a matter of fact, in some instances we lost money on them.

K Kathrin Zenkina 40:06
They're a pain in their asses

B Brennan O'Keefe 40:07
They're a pain, they're massive - they we have learned so many lessons. But this is - it goes right back to hire before you're ready.

K Kathrin Zenkina 40:13
Yeah

B Brennan O'Keefe 40:13
Start the business before you're ready.

K Kathrin Zenkina 40:15
Try things

B Brennan O'Keefe 40:16
Try things -

K Kathrin Zenkina 40:17
Don't be afraid to lose money.

B Brennan O'Keefe 40:18
If you didn't do these things you would never know. You would still be glamorizing a fashion - a

clothing line thinking that that's your your ticket to \$7 million where it could be, but it's also a lot of things that we learned about how hard it is to make money in that business. That really, it became like, we're loving this because we get to share these things that you guys love. You know, Kathrin wears her sweatshirt. She's wearing it right now. You guys, you know, where - I was wearing the sweatshirt last night.

K Kathrin Zenkina 40:47
Yeah, you were.

B Brennan O'Keefe 40:48
Yeah. So.

K Kathrin Zenkina 40:49
And there's also like, a billion ways to make \$7 million dollars too. So -

B Brennan O'Keefe 40:54
Yeah.

K Kathrin Zenkina 40:54
Obviously, what's Lucrative for us as a digital business, but also like, hello, there's Spanx. Billion dollar company off of Spanx. That's not a digital business. So you just never know, it's just dependent on what aligns with you. What is part of your mission, your purpose, what's exciting to you what you want to commit to, it's not just like, focus, it's not just - this is some, like business is serious commitment, dedication, and focus. It is not something - I mean, if you want it to - if you want it to be like a hobby, then it's gonna pay you like a hobby. If you want it to pay you like a serious business. You got to treat it like a serious business.

K Kathrin Zenkina 41:34
Babe, someone asked, "I'm curious what the monthly expenses look like to run the company?" I think this is one this one's very interesting. Can you kind of share some of the monthly expenses?

B Brennan O'Keefe 41:45
Yeah, I'm not gonna break it down in super great detail.

K Kathrin Zenkina 41:48
Yeah you don't have to.

B Brennan O'Keefe 41:48
I would say that our most significant expenses are team. So our team, we pay by far the most on a monthly basis out of any of our expenses. So - and we also I don't love monthly because -

K Kathrin Zenkina 42:02
We can just talk about annual.

B Brennan O'Keefe 42:03
Yeah, I mean, annual's - but I just want to speak to monthly for a second because we're in a launch business. So for example, if you've ever run a membership, maybe you have a higher monthly income that's more consistent, whereas for us, we may make two or \$3 million -

B Brennan O'Keefe 42:19
in a month yeah

B Brennan O'Keefe 42:19
- in two months stretch, and then you know, that'll drop down, you know, over the next few months, depending on whether we're offering -

K Kathrin Zenkina 42:26
a couple 100,000. Yeah.

B Brennan O'Keefe 42:28
Exactly, so it just it all depends. So I don't really think about it in terms of like monthly or annual, I just think of it in terms of our costs. So payroll is our number one cost, and you know, it's significant, it's low six figures every single month - is what we - what we pay ourselves in our team together.

K Kathrin Zenkina 42:47
And that's like over a million a year

and that's like, over a million a year.

B Brennan O'Keefe 42:50
Well, well, of course, it's

K Kathrin Zenkina 42:51
well over a million Yeah,

B Brennan O'Keefe 42:53
Well over a million, a year. So you know, and that's, that actually doesn't include some elements of our team because some of the contractors we actually pay not through payroll because they're not US based, and you know, we have a real mentality too with our contractors. So we have a team in Egypt, for those of you who don't know, Londa, absolutely loves Egypt, lived there for years.

K Kathrin Zenkina 43:18
speaks Arabic

B Brennan O'Keefe 43:19
speaks Arabic

K Kathrin Zenkina 43:20
No big deal

B Brennan O'Keefe 43:21
Lived in Iraq for a while, like, just you got to ask this girl what's going on her life and she will tell you a story and give you a ride. But you know, we were actually - someone reached out to us about contractors in Egypt, and you know, we were intrigued. I was of course a little bit hesitant because I don't speak Arabic but Londa said, let's give this a try. And let me just tell you -

K Kathrin Zenkina 43:45
Just to be clear, they speak English

B Brennan O'Keefe 43:47
Perfect English

K Kathrin Zenkina 43:48
Perfect English, Yeah.

B Brennan O'Keefe 43:49
But what I'm just - what I'm saying is that you know it's a great lesson for just allowing the universe to surprise you because I never in my life imagined the absolute gem Rockstar incredibly talented, so smart, like invaluable members of our team.

K Kathrin Zenkina 44:07
And they're full time members.

B Brennan O'Keefe 44:08
And their full time members.

K Kathrin Zenkina 44:09
And we adore them.

B Brennan O'Keefe 44:11
Yeah, so but my - the reason I'm going there just for a second is because you know, we do pay them differently. So it's a different setup because it's international, yada yada. So it's not us payroll, if you have us payroll, you don't do us payroll -

K Kathrin Zenkina 44:22
Yeah we don't do US Taxes on them. Yeah.

B Brennan O'Keefe 44:24
Exactly. So anyway, payroll is the biggest piece it is low six figures

.....

K Kathrin Zenkina 44:30
per month

B Brennan O'Keefe 44:30
per month. And that's that's the biggest piece -

K Kathrin Zenkina 44:34
Low six figures or low multiple six figures?

B Brennan O'Keefe 44:36
Well low multiple six figures.

K Kathrin Zenkina 44:38
Okay, yeah. See, Brennan knows more than I do. I'm just like, "Brennan, do we have money for the Chanel bag?" Yes. Okay, I'm getting it.

B Brennan O'Keefe 44:44
And part of that's because it used to be where Kathrin was so in charge, she was in charge of the business. She was in charge of the finances, she was in charge of everything -

K Kathrin Zenkina 44:52
I would know where every freaking penny would go, and not in like a weird hoarding way, just I remember I'd open our bank accounts every single morning and be like Brennan, where did this charge come from? And then one day, I was like, you know, Brendon, I'm severely limiting my ability to manifest money by focusing on this part of it, even though it is part of it. But just like, I know that you are also passionate about finance, can I trust you to pay all our bills? Manage our money? Tell me if I'm ever overspending - because it was always like the other way around, where I'd be like, "yeah, I think we can do that. Or like, No, we can't really do that right now, what we will in the future," and now it's like Brennan telling me that where I'm like, "okay, can we do this? Can we do that? Yeah. Does that work? Can we take a extravagant trip to Africa? Yes, we can. Okay, awesome. Let's do that." And I just - I'm solely focused on calling in the money manifesting the money, bringing in the money. Actually, there's a tiktok I made to kind of make fun of that, where it shows you on your computer, literally, as you are right now, literally, is how I see you sit all the time on your computer, doing something with money. And then it switches to, like, me on the other hand, I'm like journaling, and I'm like working through some visualization exercises of like how much we want to bring in our launch or in our business. And then some guy Brennan literally commented on tiktok. He's like, "yeah, this is exactly why men get paid more money than women. This is proof right here, because they

obviously don't do shit compared to men." And I was like, "sir, you have no idea where you're talking - who you're talking to what you're talking about, I'm not even gonna bother with you." But it was so freaking ridiculous. Anyway, um, where are we going with this? Are you done with expenses?

B Brennan O'Keefe 46:36

No.

K Kathrin Zenkina 46:36

Okay you're still talking about it -

B Brennan O'Keefe 46:39

So it's funny, Kathrin is such an incredible podcaster and such an incredible podcast host, but it's funny because she's so in flow, that like when Katherin gets going, I just know to back off and let her share her wisdom with all you guys. So I've learned that piece and not talk over her. So expenses wise, um, you know, I think one of the reasons people asked about profitability is because they presume that people spend a lot of money on advertising.

K Kathrin Zenkina 47:10

Oh, yeah this is a good question. Someone asked - a lot of people asked specifically about how much we pay for marketing. So please share about that.

B Brennan O'Keefe 47:10

\$78,836 to reach 2 and a half million people.

B Brennan O'Keefe 47:10

In 2020, we spent \$136,000 - \$136,205 To reach about 3.5 6 million people. And in 2021, we spent about \$220,671 and that had us reach only 1.7 6 million people.

B Brennan O'Keefe 47:16

So I'll tell you what we pay for marketing, and I actually pulled up -

K Kathrin Zenkina 47:21

For the whole year?

B

Brennan O'Keefe 47:22

First of all, we only advertise currently on facebook. If facebook's listening, which, you know, being I guess a top 50 education podcast in the US, maybe they are. But, facebook you have not won me over with ads and we're cheating on you, we're gonna go ahead and diversify with Google and Youtube and whatnot. To this point guys, this is all the money that we've ever spent on marketing with facebook. So, in 2019, which was the first year that we started using facebook sizably, we spent \$78,836 to reach about 2 and a half million people.

K

Kathrin Zenkina 48:06

Wait, when was this? Sorry I was reading a question and I have no idea what you've just said.

B

Brennan O'Keefe 48:09

2019

K

Kathrin Zenkina 48:10

Okay

B

Brennan O'Keefe 48:11

we spent just under 80,000.

K

Kathrin Zenkina 48:13

Okay.

K

Kathrin Zenkina 48:13

Yeah.

K

Kathrin Zenkina 48:42

Wait, I'm sorry, we generated 7.17, whatever. \$7 million, and we only spent 200 something thousand dollars in marketing. What the? I mean, literally, my friends who are very heavy in ads, they're always like - I'm sorry, how their why?- Like, what are you doing? And I'm like, I'm manifesting. Okay, that's how I do things. I've always been organic, heavy. I've always just used my energy and I know it sounds - especially if any of you guys coming in here that like are like

"yeah, Manifestation Babe, she's cool, but like, I really want to hear the business strategy." You're probably gonna like roll your eyes on me right now because people ask me all the time, how did you do that? Or how did you do this? Or how did you do that? And like, my number one strategy in business is manifestation! Like I don't just teach it for shits and giggles. I use it, manifestation, I live it. Manifestation can be used for your dream house, your dream relationship, your dream business, for marketing, for this, for that, for the right team members, for everything like I'm using my manifesting muscles right now to manifest something very specific, that is important to me - and it's the same process over and over and over again. I know I've manifested all these things up until this point. I can manifest this other thing and business is not separate to that, it is not like this thing - where you have to, like, make it super masculine and like, spend a ton of money on ads and all this stuff. And like there are certain businesses where the profit margin, of course, is so much smaller. But I also want to encourage you guys that it's possible to have whatever it is that you want. It doesn't matter what niche you're in, what business you're in, what your profit margins are, doesn't matter how much you spend on marketing, like you can make anything happen and how you get there is going to look so different from how I made it happen from how your other favorite, you know, business owner made it happen. Like, you have your own journey ahead of you and it's just a matter of like what is in alignment for you, and - and how you call it into your life. That's how I see it. Do you want to say anything else? Brennan - Brennan has his calculator out. So hold on, hold on a second, let him calculate. Whatever he's calculating.

B

Brennan O'Keefe 50:56

Well, I was just looking at, I was - I'm just crunching some rough numbers, because guys, numbers don't govern what we do. Like, honestly, this is an area where as much as I really care about numbers, and as much as I focus a lot on numbers and the personal side, and the wealth side, and the investment side. The business numbers, getting the exact details, one doesn't really always move the needle as much as you think it does in terms of an effort versus reward basis. But also, it's hard to get the right numbers, and I don't know if any of you have experienced this, but it's actually hard to filter the data in a way to get the numbers that actually are meaningful for you to measure and therefore manage. So I was just crunching some numbers, and in 2020, you know, we we had a \$3.6 million year, and so I was just kind of looking at, you know, what that year looked like in terms of kind of gross margin. And, you know, our margin essentially was about, we spent about 30% of our revenue on on expenses. That was that was essentially what we - what we did. We spent about 30% of our revenue on expenses. So pretty much everything else, you know, you start to look at between a 65 and a 75% profit margin. This is obviously before taxes, so that's another piece here too, but you know, our profit margins have been really healthy. And you know, even this year, especially with a \$7.1 million year, our profit margins will be very healthy again, because also as you scale - so another thing to consider too, as you scale, it can minimize the impact of certain expenses versus others. Your expenses should not grow at the same rate as your profitability, if you can help it. That's the whole point of business. How can you - how can you juice more with less? How can you get more solutions and create more value with less resources? And you know that that's a big piece of what I think really - what has defined 2021 as a really successful year for us.

K

Kathrin Zenkina 53:06

A question that I can answer is, "how much money would I need to start a business like yours

today?" I love this question. Because the amount of money it took to start my business in the very beginning used to be so much money to me and used to freak me out. But if I tell you guys or guys are gonna, like laugh.

B Brennan O'Keefe 53:24

Actually laugh.

K Kathrin Zenkina 53:25

It was \$30 for a month to run my business, and that is a, like, \$10 subscription to MailChimp at the time.

B Brennan O'Keefe 53:34

Yup.

K Kathrin Zenkina 53:34

\$10 I think a month it was for like hosting and buy my domain name. So per month, and then it was \$10 to my Vimeo subscription per month so that I can host my course, and the rest I bootstrapped together, and then of course Instagram is free. Facebook's free,

B Brennan O'Keefe 53:54

Zoom was free.

K Kathrin Zenkina 53:55

Everything's - Zoom, I think it was - it was much cheaper than it was today. I don't think it was free, but it was like, I don't know, like five bucks a month or something, and I don't even think I use Zoom until a little bit later. But when I tell you that \$30 used to freak me out, like I used to stress because I knew I needed to actually sell something. So I wouldn't lose money. And at the time I had a course called Unleash Your Inner Manifestation Babe, that was the first course I built and I priced it at \$33, and then I would have to sell one course per month to, you know, to match what I was spending and I remember being like, "oh my God. I don't know if I can do it." But just so you guys know it is not some people commented \$100,000 and I'm like, "what in the hell like what?" No, it's like there's so many tools and resources out there. There's so many ways to like - anyone can do what we do, nowadays. Like you get a Kajabi subscription and it has everything inside of it. Like you don't have to bootstrap things away that - I was literally duct taping things in our business that we still take apart to this day, where we're like, um, I don't know who started this system, well actually everyone knows who started the system, but

they're like, "the system isn't working anymore. It's not 2016 anymore. So we need to change that," and I always laugh because it's literally - we're ripping apart duct tape that I put together from 2016.

K

Kathrin Zenkina 55:18

Someone asked, "how much do you put" - and this is like more, I think on the personal level as well, because we, you know, our investments are also on the personal level, "how much do you put towards investment each year?" Like how much of our money did we invest in 2021?

B

Brennan O'Keefe 55:34

Oh, that's a hard question. Well, I won't mention specifics, but I will tell you that I would say upwards of 70% of our take home - 60 to 70% of our take home is invested in -

K

Kathrin Zenkina 55:47

For the future.

B

Brennan O'Keefe 55:49

So now, that's not going to work for everyone because, you know, if you're working a job, obviously, you know, 70% of your income doesn't make sense. But you know, and I talk a lot about this too, in my updated course, but you know, spending - spending money is something you do, no matter how much money you make. So saving and investing is really just about making a decision to defer. Some, not all not - not restricting yourself not becoming frugal, not pinching pennies and bleeding dollars, but being thoughtful about saving some consumption for the future. So you know, if you're able to save 10% and invest that accordingly, your life can look very, extremely different in 30 or 40 years. Even if you're working, you know, just a normal job that you love that you're compelled - whether you're a teacher, whether you know you're a music teacher at a local high school, or, you know, you do coaching a youth soccer camp in the summer times to make a lot of money and then spend time personal training - doesn't matter. 10% is usually enough. For us, because we have such high incomes, there's no way in hell as we scale, that I would even consider spending that much money. So you know, almost all of it is invested, and and there's there's tools and I can speak about some of those inside, you know, the program I created as well.

K

Kathrin Zenkina 57:12

MBA

B

Brennan O'Keefe 57:14

Yeah, just about ways that you can use - there's a there's a societal connotation amongst

people who are not financially savvy, that debt is bad. And it's so not true. When you look at people who have accumulated wealth. Debt is all about how it's being used. If you use debt to your advantage, it's incredibly valuable. If you are using - if debt is using you to its advantage, it's incredibly hurtful. But that being said, you know, we're able to store most of our assets in investments, because we have access to liquidity.

K

Kathrin Zenkina 57:50

This will be the last question because they actually did an amazing job blending it all together. I just scrolled through, we answered pretty much all the big questions. "How did you find someone for your tax and wealth management? Do you have a trust?"

B

Brennan O'Keefe 58:03

We are building a trust. A trust for me is less about - like sometimes trusts have a connotation of like, you know, tax evasion or tax sheltering. I'm - that's not, we're not interested in that. That's not how we do stuff. You know, I think when I talk inside my course about taxes, there's a difference between - tax evasion is a crime, it's illegal. You know, there is strategic tax avoidance strategies that many people use, but it's not about escaping buy or it's - it's the same thing you know, you can move -

K

Kathrin Zenkina 58:40

It's being smart.

B

Brennan O'Keefe 58:40

You can move to Arizona, you can move to Nevada, you can move to Texas, you can move to Florida, why do you think people are - so many people are moving there? Because of taxes, for a lot of people, that's why. You know, and so that's, that's an example of where

K

Kathrin Zenkina 58:51

or Puerto Rico can

B

Brennan O'Keefe 58:53

Yeah or Puerto Rico, you know, that's - you guys know about this. So I don't need to get into that too much. Trusts though, however, are not just for that. Trusts are actually a great shield in the case that someone was to pass, in the in the case of, like, wills. There's a lot of things that can happen with probate court that you want to avoid, at least in the United States and so trust can be a really beneficial structure to kind of get around some of the less advantageous rules that will kind of make it harder to get what you want to - what you wanted or intended to pass along. So trusts serve a purpose. So we're in the process of building them. But I don't

actually currently have them. We just have to be honest it's a basic will, at this stage, even at our wealth stage. And then the last part of that question, if you can remind me, was how do we find our tax people?

K

Kathrin Zenkina 59:47

Yeah, hold on. Let me go back to it.

B

Brennan O'Keefe 59:49

So we found our tax and wealth people -

K

Kathrin Zenkina 59:52

Like tax and wealth management.

B

Brennan O'Keefe 59:53

Yeah. So tax and wealth management, there's really one thing that you need to look out for and again, those of you who've taken MBA, who have taken the old Brennan course -

K

Kathrin Zenkina 1:00:02

Also your finance episode is out there too.

B

Brennan O'Keefe 1:00:04

Or the finance episode but you know, people who have taken the course inside of MBA or who are looking forward to taking the new and updated one, you guys know that we work with a company called Creative Planning? No, we're not sponsored by them, I don't endorse them. There's no sort of affiliate deal or anything. It's just simply - I tell people, because I found that through Tony Robbins. But it's not Creative planning or bust. Creative Planning is what is called a fiduciary, and so a fiduciary is the most important term to know here. Basically, what it means - and sorry for any brokers out there who don't like this, but a fiduciary is obligated to act within the - their fiduciary duty is that they operate in the best interest of the client. Unfortunately, a lot of people are pitched this way. But they're actually not. If you are a broker, you're actually able to be compensated, whether you know it or not, based upon incentive structures that are negotiated between banks, different products, different investment products, all these different things. There's all these fee structures, it's not great. It's not ideal, it doesn't mean brokers aren't good people, it doesn't mean that they don't have your best interest. A lot of them don't even realize this, but the word that you want to look for is fiduciary. And there's lots of fiduciary companies, Creative Planning is just one example. But that's who we use, and the reason why is because it emulates a family office style structure. For those of you who have businesses or you've created - you know, some level of net worth that you're,

you know, proud of - you know, usually a family office is something where you're hiring 5 to 50 people, and you're worth hundreds of millions or billions. So the family office hybrid is really when you work with a company that has access to all the same resources as that individual with that high net worth. What the differences instead of all those 5 to 50 employees working for the billionaire, all of the employees of the firm are able to be resources to you in those areas. The idea is that you're not separating accounting. You're not separating wealth management. You're not separating, you know, unique or alternative investments. You're not separating real estate. You're not separating all these things, you can work with a firm that does all of them and has a fiduciary obligation to act in your best interest at all times.

K

Kathrin Zenkina 1:02:20

You're so hot when you talk about numbers.

K

Kathrin Zenkina 1:02:25

Thank you so much babe for coming on this amazing episode. I think that's all the questions that we have for today, and I know you guys are dying for more team stuff. I always get questions about team stuff, and actually what surprised me a lot and what surprises James - surprises and both not surprises James as well, we talk about this all the time is when we give people an opportunity to really listen to team building. It's like the least amount of people actually show up to to listen, because they're like, "oh, I'm not at that stage yet," and again, I encourage you guys - even if you just started your business, make sure you listen to the team building episode that I do with Londa. I think that's either going to come next or in just a couple of episodes. I just have to schedule that with her. Brennan and I are literally - like it's Sunday right now at 2pm, and we're recording this with a sleeping puppy on my lap. Thank God, they're such good dogs, and they were sleeping the whole time of this episode. Like I'm so grateful for that, but we hope you enjoyed this episode. Eefinitely let us know in my latest posts, you can leave a comment, just because I'm always looking for your guys' comments. You can send a DM but it would mean even more to us if you left us a review on the podcast, kind of sharing, like, which is your favorite episode - if this is your favorite episode, just kind of let people know what they can listen to on the podcast because I know when I stumble across a new podcast, I go to reviews, and I'm like, "let me see if just like some of the topics and like how people respond to the topics - if this is something I'm going to like." And then of course, take a screenshot of this episode of you listening to this episode and tag @manifestationbabe. Do you want to be tagged to Brennan? You're not very social.

B

Brennan O'Keefe 1:04:04

I'm not -

K

Kathrin Zenkina 1:04:05

You're not really insta friendly.

B

Brennan O'Keefe 1:04:07

I'm not a very insta friendly. You know, my whole life is on Instagram through my wife. Yeah, so I've earned the right but I'll tell you what, just a little plug here.

K

Kathrin Zenkina 1:04:15

Wait, ine sec, I just want to say that Brennan stalks my DM so he'll definitely redo it again.

B

Brennan O'Keefe 1:04:21

So, um, you know, I also just want to quickly hop on here and say that, you know, thank you for the opportunity to come on. I love talking about money. I love talking about building wealth. I love talking about building businesses. I love talking about solution oriented thinking, big picture. How do we create value in the world? How can we add more value to the lives of our clients, to our friends to our family? That's really what created - being a creator, a creator in this world is not a consumer. How can I find ways to add value to the world? And I'm so excited for those of you who will be joining MBA and those of you who are -

K

Kathrin Zenkina 1:04:56

He's creating a whole course inside my course.

B

Brennan O'Keefe 1:04:58

You guys don't know what's coming.

K

Kathrin Zenkina 1:04:59

I'm like, I'm like, wait, what? You get a two for one with MBA like, okay.

B

Brennan O'Keefe 1:05:05

Yeah, we're not just gonna cover, you know, the buzzy words like the cryptos and the NFTs. We're gonna cover all the old archaic words like bonds, you know, risk tolerance, asymmetric risk return relationships.


K


Kathrin Zenkina 1:05:16


Oh my favorite words, oh no, no


B

Brennan O'Keefe 1:05:19

 Brennan O'Keefe 1:05:19
transitory all those things.

 Kathrin Zenkina 1:05:20
Inflate - every fucking day of my life I hear the word inflation coming out of Brennan's mouth - and supply chain, those are two words - and taxes. Those three words, every time when my friend Kate comes over, she if she's listening right now, she's gonna laugh so hard. Every time she comes around I'm like Brennan, you are allowed to hang out with us, but you are forbidden from saying the word tax or taxes. You're forbidden from saying inflation and you're forbidden from saying supply chain. If you can abstain from the - that language then you can hang out with us.

 Brennan O'Keefe 1:05:51
Well, if you guys want to learn some of the things that I've acquired over the last few years of doing this, and just the smart people I've hung around, come hang out. You know, it will be a little bit later in the year. It will be delivered as a bonus for MBA and I'm really excited to share that with you guys. So thanks for the opportunity to hang out and talk shop.

 Kathrin Zenkina 1:06:12
And we love you guys so much. I love you, babe and I'll catch you guys in the next episode. Bye.

 Kathrin Zenkina 1:06:19
Thank you so much for tuning into today's episode. If you absolutely loved what you heard today, be sure to share it with me by leaving a review on iTunes so that I can keep the good stuff coming your way. If you aren't already following me on social media, come soak up the extra inspiration on Instagram by following @manifestationbabe or visiting my website at manifestationbabe.com. I love and adore you so much and can't wait to connect with you in the next episode. In the meantime, go out there and manifest some magic.