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INTRO:

What if you could build a business in the modern world as big or as small as you want without having to compromise the things that were the most important to you in the very beginning? This is the Wealthy Consultant Talks podcast with Taylor Welch and Mike Walker, and they share with you today their learning lessons from stories in their experiences over the past 10 to 15 years and share with you right here, right now. Let's get into it.

Taylor Welch:

All right, what's up crew? Hey, I'm here with with Bijal who is, I don't know if you named yourself this or if I named you this, the queen of branding. She has promised to make me cry. We'll see about that. I do full plunges. It's very hard to make me cry. And we're going to be talking about the recent experiences the last 14 months. I thought we could open it up with a brief overview of the press release that I wrote if that's a good place for you to start and then I'll let you take it over or you can cut me off and take me over now. Are you okay if we go through the press release first?

Bijal Patel:

I think we should go through the press release. I think that's exactly what I wanted you to do so it's perfect.

Taylor Welch:

You controlled it. Okay, so you might have read this before. If not, I'm gonna read it to you now and we'll have a little bit of loose context put into this. And then any questions that you do have, please throw them into the chat. We'd love to answer them and just kind of share learning lessons and a little bit about behind the scenes. So it starts off, I'm telling people about the first company that I built. Traffic and Funnels was actually my first company ever. We started in September of 2015. In Traffic and Funnels, it turned into a bit of a portfolio. We sold sales training, advertising training, marketing training, mindset training. We would go into businesses and we would help them grow. And it became really big. It became a big deal. I remember when it happened because I was like, oh my goodness, there are people moving to Nashville to work for me. And that's weird. I was like, I'm not ready for that. That seems odd. So we went from a freelancer to a business owner and had to learn everything in between. And I talk about, you know, there are things that you can learn from books. I love to read, all of us do. But then there are some things that you can only learn from like being on the edge of a cliff about to fall off. And you know, it supercharges you. And so I ran at this pace for years and years and years. And in 2022, it was the early parts of 2022, I started talking to my wife and kind of just asking close friends, I think I want to do something different. I'm tired of the pace. It's so fast. It's crazy. And in the second quarter of 2022, we sourced new leadership and installed new leadership. It was a brilliant guy, one of the best

marketers around, and he had a lot of proximity or familiarity with our company from years ago. Um, and he came back in and, and was charged to solve some of the problems with the brands. The problem was I gave them three months to remove me completely from the whole brand, which visual, you know, is not enough time. Like it's, uh, we needed like a year to two to, to fix concentration risk issues.

Bijal Patel:

And so I think, I think to make it clear for that size of company too, like it's, this wasn't like a six month startup deal. Like it had a lot of infrastructure and a lot of people that were involved.

Taylor Welch:

hundreds of staff, dozens and dozens of products, and most of them sort of revolved around me as a producer of those products. So you're absolutely correct. So anyways, what I learned through this is that when a sizable chunk of an organization is built off the back of a personality, you have a lot of long tail risk because things can stop working, you don't exactly know why. And then you track it back. It's like, well, this person was putting energy to it. Now they're not. And so it's kind of not working anymore. So I got a call in September about shutting the brands down and reallocating some staff. And that was a weird moment for me because I was like, well, I was comfortable walking away from the business, but shutting it down, I had to process through that. It was like a baby, like, oh, this is something that I started and built and And I was a little sad about that. But at the end of the day, I was just like, I'm going to support you guys. I'm a minority stakeholder here. I'm going to support you and whatever. And so they started winding them down at the end of September 2022. In October, I got a call that there was a letter that was sent to the old offices from the Federal Trade Commission. The Federal Trade Commission was going through a large operation. essentially to crack down on companies with earnings claims, which is earnings claim is like you can make X, Y, Z amount of money. The FTC was going after a lot of companies making earnings claims that they felt was not truthful and we were swept up in those efforts. And at the time and now, you know, we disagreed with the FTC. We felt we had proof to support us. Of course, nobody goes about, I can't even, I would like to say nobody goes about marketing things that are objectively false. But I learned in dealing and cooperating with the FTC that that's not true. Many companies knowingly disseminate advertising that they know is false, made up testimonials, made up stories. But at the time I was like, yeah, I didn't even know you could do that. Like I didn't know you could. Like, why would I put something on the internet that wasn't true? And so I learned so much through the process of like, well, we had to sort of substantiate what we were doing. And we couldn't dissolve the companies. We couldn't turn anything off because the FTC basically came in and said, you have to keep everything open. And so we're done with this. So basically, I had to hire a team to go find hundreds of pieces of substantiation and what amounted to like call recordings and like crazy stuff. We had to prove every piece of advertising we run, and at the moment, the companies, as usual, were doing zero dollars. These were shut down. You were part of the newer brands. And I never even talked about it. I was like, the old companies are old. I'm not doing anything with them anymore. All of the staff had been laid off. And so I'll spare you all of the details. But long story short, we had to cooperate. We wanted to cooperate. And I learned through the process that the FTC has a very important job to do. And there are a lot of people out there that are actually, they need to be investigated they need to be looked

at like they're doing things that are wrong and not truthful and the FTC is very very very thorough and good at their job and we ended up settling. And the reason that we settled is because it was expensive, it was lengthy, it was distracting. And important points to note is that the FTC investigation focused on old companies. The FTC was going after companies who were making earnings claims. We disagree with the way we were characterizing the press release. I didn't even read the press release. I read half of it and I was like, this is This is silly. And there were no findings of guilt. There were no findings of wrongdoing. It didn't reference even one complaint from an old customer and old client. It was literally a way for us to put the matter behind us. But there are lessons that I learned, and there are things that I would have done differently knowing what I know now. And this is not me saying everything was done perfectly. This is me saying there was no finding of wrongdoing. But in the middle of that, there are a lot of lessons. And I'm grateful that this happened when we were small, so we can prevent it when we're big. Okay, that's the press release. Here we are, long mouthful. It's 12.05 Central Standard Time. Back to Bejel. I had to get that out of the way as an opener. Thank you for coming to my TED Talk. Okay.

Bijal Patel:

Okay, awesome. I think the interview is done. Taylor covered everything. Thanks for joining, guys.

Taylor Welch:

Adios.

Bijal Patel:

We got to give Taylor a moment here. All right. So, okay.

INTRO:

That was the intro to start.

Bijal Patel:

Let me just preface this because I would love for you guys to engage in the comments. This is really meant to be a tell all. So really it's meant for you guys and myself. Like I've got my preset set of questions that I'm going to ask, but this is really an opportunity for you to be able to ask anything you want during this. I did not give Taylor the questions in advance. He did try to get them. He asked me to not make him cry. I said, no promises. And I cold plunge this morning with affirmations. So good luck. Hope you did yours.

Taylor Welch:

So we're, we're here.

Bijal Patel:

I know he's leaving. I just got to keep him on the call. Uh, so we're here to learn from this situation. And I've always found Taylor to be honest, especially when it has to do with preventing other people from making mistakes. He didn't pay me to say this, by the way, just letting you know, I'm not paid for this interview though. I should be. All of those things. So this is an opportunity for you to think through. Hashtag illegal. And this is going great, by the way. Don't come after me, FTC. I'm just a brown woman trying to make it here. Cheers. Cheers. Okay. So think of your questions, drop them in the chat. And I'm going to go through a variety of things. We're going to go through backstory of kind of where things are. I'm going to break it up into little tidbits. Um, I've had the benefit of hearing some of this stuff as it happened and I watched Taylor team go through it. And so I've gotten some understanding and learning about, Oh my God, this is what it could have been like. This is what it felt like. I have some personal experience with this, which I'm not going to go into for this interview. Um, and so I think what we really want from people, why Taylor agreed to do this, is this is a real big shift that's happening in the telemarketing space. By the way, the FTC has brand online coaching and consulting and things like that as telemarketing. So this is a big, big deal. And so this is really going to be a learning lesson education. We're obviously going to have some fun because what's the point of doing this if we're not going to have a little fun. So, all right, Taylor, are you ready to go?

Taylor Welch:

Let's go.

Bijal Patel:

OK, cool. OK, so some of these questions are going to be short, some of them are going to be long. I might jump in on you here and there when I want you to add some detail or when we want to move on to the next point. OK, so give us a time frame. How long was a sales mentor actually in business? And then how long did this investigation actually last?

Taylor Welch:

Yeah, so the brand started in 2018. It was July. The reason that it started is I had a salesperson who worked for me way back when, and he ended up kind of burning out and quitting. And I was like, you know, I think I could prevent this. I can teach our sales reps how to take care of themselves. And so we launched it as a newsletter. It was a newsletter, it came in a little box. We launched it, I think, on July 4th weekend, 2018. And it was really small for the first year. It was like 30K a month, I think. I think that was what it was. I'm not 100%. I don't have a database of this in it, so I think it was there. And then in somewhere around the fall, Or like late summer, fall of 2019, the marketing team took over the brand and the marketing team was like the scale team. It pivoted a little bit. It changed away from a newsletter

in a box and it moved to like an info style course product. then it started scaling and it scaled really fast and it scaled in the middle of COVID, post COVID. And it switched from being a training for our internal team to really being a way for us to train and hire new sales reps because sales reps are really hard to find. So like, well, if we train them, then we can just hire them, you know, it was like a, an integrated, like it vertical. And so it was summer of 2018. to September of 2022. And that's about four years, four years ish. It was big from the fall of 2019 to I would say the winter of 2021. Because when we got there was an initial letter from the commission that was sent to the old offices in 2021, which is the winter, like October and November, and that the team freaked out and turned everything off, rebuilt a bunch of advertising, didn't really know, like, what to do because compliance is not like a, here's a, here's a tutorial. So they, they just rebuild a bunch of new advertising or shooting in the dark, trying to figure out what was, what was allowed and what wasn't. So it was 2018 to 2021, the end of 2021, it was officially went through dissolution processes in 2022, but we paused it. We stopped it because of the investigation that happened in October.

Bijal Patel:

Okay. Okay. So the business was there for about four years. And so when you say, it scaled really fast. Can you one, explain what did those numbers look like for us mere mortals? And two, why did it scale really fast?

Taylor Welch:

Can you say that one more time? Cause my internet cut out at the very beginning of that question.

Bijal Patel:

Okay. Why? Oh, What was, what's, what does scaling actually look like? What are the numbers look like for us? You know, mortals, what is scaling really fast? Look like numbers wise. And number two, what caused it to scale so fast?

Taylor Welch:

Yeah. Yeah. Um, it went maybe from like 30 K a month to 300 K a month in maybe four months. And then from 300 K a month to a million a month, maybe another four months after that. Um, so we're talking like 10 X and 10 months ish. What caused that? How did that happen? The offer was changed a little bit. It went from just a sales training, like a monthly sales training to training people how to become sales reps, which changed the market. Because you have these audience clusters that if you're publishing an offer, you're selling something, you can have a really wide TAM, which is the total addressable market. You can have a narrow TAM that's very sophisticated and niche. And we, the team basically removed a lot of the niche parameters on it and made the TAM really big. So it went from like, Hey, if you're a sales professional and want trained to like, if you want to be a sales professional and that, you know, 50 X the total, total addressable market. And then the marketing also was when we, when I go back and I review

the marketing, it was way too aggressive. And I don't think any of us understood like the. real rules around what you can and can't say. And I won't bring up the copywriter who wrote that or any of that. This is all in the past. But the marketing was so aggressive that it scaled in part due to how aggressive it was. That doesn't mean that it wasn't effective. It doesn't mean that the product did not perform. I think the brands returned in refunds over eight figures in refunds. So, you know, scams don't typically do that. They tend to just keep the money. So like the, the businesses were legitimate. However, the, the marketing process, like for actually looking, should this claim be in here? Should it not? We didn't really have those systems, those processes.

Bijal Patel:

Yeah, that makes sense. So about four years was a business. How long was the investigation? Just give me a month and year to the month and year where this ended. So we have a time period of October of 2022.

Taylor Welch:

To last week. So December, close to 13 months. Yeah.

Bijal Patel:

13, 14 months. That's incredible. So what did you, what did you do during this investigation? And then how did you build the wealthy consultant in parallel while this was happening?

Taylor Welch:

So the wealthy consultant started getting built in like May, June of 2022. And I remember like when I was like, I was on a walk because I sort of thought like my life was maybe over or something. Cause I was giving away my companies and I just didn't have anything. My identity was not built around normal stuff. It was built around like what I had built. And so it was like a grieving season for me. I was like, what do I really love to do? I was like, I love people. I don't, I'm not an extrovert, but I love being on calls with people and helping people solve real problems. And maybe we'll just do that and see what happens. And so the wealthy consultant started like sort of on the side and it just started growing. And so by the time we got to September, I was like, hell yeah, we're going to, We're going to scale this thing to the moon, you know, like we're going to take over everything. And when it hit in October, honestly, it took like maybe a week for it to really hit me because at first I was convinced that it was a mistake, like totally convinced. I got the text. I was at a cigar bar called the mission in Spring Hill, Tennessee. It's like 20 minutes south of where I live. I got the text. I was like, this is a mistake. They have the wrong address or something. Nope. It's got your companies on it. Well, I didn't receive one. So it must just be you guys. Like I'm, I was going through all of this stuff. And the reason that I didn't get one is because they couldn't find my house. And you know, when they found my house, I got seven of them and I was like, Oh my God, like this is a real thing. And you can see it like, I was just teaching this morning on, um, arena about

like tracking HRV and heart rate. My HRV just went to like the twenties and for like six months it stayed there where there was so much stress and so much anxiety. Um, I don't know, like I'm remembering it for the first time, so if that's okay, um, But I was like, I might have to get a job if I'm banned from being an entrepreneur. If I can't somehow prove that I was legitimate, then I might have to find a job because you never know. This is the government. I have to do what they tell me to do. I'm not going to become a revolutionary. I'm going to do what they tell me to do. I don't know how, I think the team just stepped up and kept things together. And I think you sort of knew Bijal, like at that time, but yeah, nobody knew. So I was like, the only, the only secret I have is to show up and keep teaching and keep producing and just keep showing up. If I don't show up, I'm pretty sure I'm going to just, just die.

Bijal Patel:

You know, I think that you just, your segue is so perfect. I think one of the hardest things, and the most admirable things. Watch out. I'm going to give you a compliment here. I need to brace yourself. We'll go back to standard after this. Don't worry about what. Yeah. To watch you going through this privately and then publicly showing up reincarnated because like, remember guys, he'd given away the whole portfolio of businesses before this happened by six months. And so I think we thought the hard part was done and still talking about old partners and old team and mistakes that were made. And this was TWC, the wealthy consultant was like a rebirth and a reinvention. And you were going through all of that massive, you know, reinvention and loss. And then this happens. And to watch you to continue to forge forward into a new business with new vision, providing like beyond excellent training, compiling a team together who had been battered and bruised through the first set and watching you lead them. I think that's where the shift happened, where I'm like, oh my God, like, not only is this a program I'm in, I'm getting a behind the scenes of like what life actually looks like. And I think a lot of people at that time just felt like, oh, he must, this must be nice. Everything is going well for him. And they couldn't imagine you the way that you are right now. And so that leads me to this question is that, you know, is, did you ever want to give up? Did you ever want to quit? Like, how did you handle and build your mindset to get through something that most of us can't even imagine? Even I can't imagine it. And I heard some of it as you went through it, a lot of it as you went through it.

Taylor Welch:

Yeah. Um, no, I definitely wanted to give up and to, to add some color and context, which will both support my answer to this and talk more about what you were saying prior is now it's very easy to look back. Like, I think that I don't know this for sure. Like the, the FTC staffers were professional and respectful and they never got into like, weird stuff like they were they were just they were appropriately respectful but I do think that part of what maybe caused a bit of the I don't want to say triggered the investigation but it may have caused some of the speed with which it happened is I think that nobody when I was like we're bringing in a new CEO and I'm giving things away I think people in hindsight are like well you did that because it wasn't working that's not true in fact Like I tried to buy out ownership of those companies twice. Like I wanted, I wanted those companies. Um, they were my companies. I was like, I'm going to build these. These are, um, these are my brands. And so when people are like, oh, well it was, it was too coincidental. Like you're damn right. It was very coincidental. And that shocked me. just

like it shocked everyone else. And when I finally went through that process of sort of mourning, like let's be honest, like that's what it was. It was me like mourning and kind of grieving. I remember like Lindsay came in one time in my office, this was the end of May. Sorry, I'm answering this question by going the long scenic route. But she was like, huh? Yeah. You're allowed that. Go ahead. She came into my home office and she's like, I was listening to some music and she's like, are you okay? And I was looking through memories on day one. She's on my iPad. And it was just me and Chris, like at the beginning events, like we had our first event here in Franklin and it was like 30 people. And we're like, yo, we're rich. We're the best in the world. Like 30 people came to see us. and we're just babies. And I'm looking through this, I'm like, Linz, did you know like most businesses don't even last a year? Like NTF lasted seven years. It's amazing. And I was thinking that I was like sort of talking myself out of it. She was like, are you sad? And I just broke down and it was like, cried. It was like, I didn't even realize I was sad. I was like, I don't know how to process emotion. But for the first time, yeah, I'm like, oh, this is what sadness feels like. Yes, I'm sad. Thank you for labeling it for me. And so to go through that and grieving that and then less than six months later, I can't move on. I got to go back into the same companies with the same people with in all of that emotion. I was like. Undone like all of the processes to grieve it I started to go back through it. And that was when I was honestly it became a little bit of a nightmare for me and that's when I think it actually became traumatic. Is when I couldn't get away from it. And. You answer you ask the question that I want to quit yeah like I wanted to sell everything and move to a barn in the middle of the woods. posting anything, nothing at all. It felt very vulnerable for me to even be on the internet. But what I noticed is that when I would do good things for people, I felt better. So like when I would show up and speak and people would be, they would benefit from it, I felt better. And that gave me a little bit of a lifeline. So it was like, I just have to keep doing this to slowly make my way through it. Um, and you know, there's, there's even seasons inside of the investigation where, where it ended and it's not ended. It ended, then it didn't end. It was like back and forth and back and forth. And the whole time, the whole way through. Yeah. I'm like, you know, this isn't worth it. Um, but I didn't have a choice. I just survived. I hope that answers your question.

Bijal Patel:

It was so good. It was so good. And I think there's so much to unpack there. And we are going to get to some of the tactical stuff. But let's sit here for a minute, because I think this is the stuff that I think that a lot of people don't get to see. Because I think most people who go through this go and hide. They haven't told their stories. They're not willing to tell their stories. It's all very high level. Oh, this is what happens. This is what got paid out. This is what we're doing now. It's all very tactical. and strategy based, and none of it is the emotional ones. And I think you would agree, it's the mindset and emotions that takes people out of this game. 100%. So I'm gonna go deep here for a second. All right. But I haven't been able to ask you this. So I'm gonna ask you here live. Um, so you talked about Chris and the high moments. And I got to see a lot of that, you know, as being a former TNF clients. And, uh, I don't, I don't think I've, I don't think I've ever told you when you guys finally ended it, I actually like cried over. I like literally cried over TNF being done because that was my like safe space. And that was where I kind of grew up as an entrepreneur. And I felt really stuck between two people. And I didn't, I didn't really know what to do or where to go. And, um, there was so much emotion behind it because. So much of my friends circle and entrepreneur circle had grown through that. And to watch something like that end, there was actually a lot more emotion tied to it than I thought. Um, and when I was, was thinking about

that, and then when this all unfolded, I like to hear from your perspective and I'm sure the audience wants to know too, how do you feel about Chris's part in the investigation? Obviously he wasn't cited the same fee you were, even though you guys were 50 50. Um, and he's remained largely quiet outside of like one post about what's even happened here. So, um, walk us through how you felt about, about all of this.

Taylor Welch:

You know, me and Chris are totally different, obviously different people with different experiences and different, different vision, you know, like. When I, when I met Chris in like 2015, he was like a, like a veteran war torn advertising person. And he had the respect of the market, and he had great relationships. And, you know, I was like, I can't believe that this guy is like, wanting to talk to me, you know, I was a baby. I had been an entrepreneur for all of three months, four months. And I was like, you know, I had this crazy idea. I was like, we should partner. We should partner. Cause like everyone respects you. Nobody knows who I am, but like, I'll do the work, you know, like I'm, I'm a hustler. I hate being poor and I'll, I'll work. And he was like, no, there's, you don't partner on the first call. He was like, what if you steal all my money? It was weird that he was like, okay, for you to forget that. Like, You do you, man, like have fun. And then like four or five months later, he's like, dude, we should partner. I was like, nah, I'm good. You know, I don't really want to partner anymore because you gave me four months of building on my own. And now I'm now I'm lapping everyone. So I'll just do it on my own. And he was like, come on, like this is what we need to do. And I just was kind of like, you know, we're friends. Let's let's build something together. Our visions, though, were very different in that, like, the way that he builds, the way I build, the way we operate is different. And so, you know, when it came to people and how, like, hiring happens and, like, you know, he had a lot of the wisdom that I was lacking. I just had the energy. But then somewhere along the way, like, I think we began to deviate on what we wanted. And so, you know, his kids are old and mine are young and he wants to be, he wants a really slower pace of life and I wanted to help as many people as possible. I'm not saying that he doesn't want to help people. I just, my pace is way different. I think that the way that actually I would attribute how Chris sort of like navigated the last year, is kind of more in line with Chris's personality, which is, let's just wait and watch and kind of see what happens. And, you know, like, we still have conversations and We were able to hang on to our friendship and our relationship, which was the most important part to me. I care about his kids. He cares about mine. But we handle it differently. And I'm more of like, I'm going to tackle it and go aggressive. And, you know, whatever they need, I'm going to send it to them. And I'll hire a team if I need to. Where Chris tends to be a little bit more slower. Let's observe. Let's just watch what happens. And if I need to do something or say something, you know, I will. And it's exactly how our relationship has always been. That's probably the most accurate and the most honest version you're going to get out of me on that matter.

Bijal Patel:

Cool. Great. I think that says a lot about you. I think it really speaks volumes to like, I've known you for, you know, close to four years at this point in time. And I can say that the fact that we've never discussed this is really what says a lot about you. And that you're always forward thinking and moving the ship

forward. Um, it doesn't matter if you have to take on more of the weight, it doesn't matter if you have to take on more of the volume or the stress or even the fees. It's like, I just see you just continually, um, moving forward. And I think a lot of people see that. And I think that's why you've earned respect. You've earned trust. Like we're willing to go the mile for you because you do that for people continuously. And that brings me to the next question. You mentioned a lot about your family. I see you post about Lindsay and Kate and Harrison often and to watch you change and mature. And it wasn't overnight, just for the record. It wasn't, oh my God, I lost my businesses and never gave them away. It's more accurate. Or it wasn't, oh my God, the FTC is charging. That's not what created the change. I've watched you mature over time. But how did this affect your family? And your own brother, Peyton Welch, was named and caught up in this. How did it affect the family side of things?

Taylor Welch:

Yeah, a lot. And it's ridiculous that Peyton was left in there. I think it's ridiculous that Ashton was left in there. Me being in there is... you know, justified. Like, we built things really fast. I had a gnarly sales team, I didn't know how to train on what to say and what to not say. Like, so when you look at my piece of everything, I'm like, okay, well, there are really good pieces that we didn't understand. And in many ways, I'm grateful that this happened now with the FTC while we were small rather than later when we're big, because I need to know the rules just like anybody else. Rule number one, don't fight the government. Rule number two, excuse me, rule number one. So unless you know what they want, you can't stay inside of them. But when they started putting other people in, I think that's silly. And I think that partially they probably know that it's a little bit that way as well. I'll start with this story, Bijo. When I was talking about giving the companies away, the first thing my wife said is, good. She wasn't like, well, how do we pay for things? She wasn't like, well, have you worked out other income streams? She just was like, good, been waiting on this. She knew that there were things that I was sacrificing at home to grow things as quickly as I was at work. And so when the FTC thing happened in September, when they were shutting down the old companies, I was very much so like, I'm about to scale everything. Like I went to a conference with Grant Cardone. I was like, ah, if Brent can do it. Look, this is Grant. He's short. He doesn't even know. He's like 5'8". Like I'm going to tackle everything. Is he short?

Bijal Patel:

He's 5'8, I can do anything.

Taylor Welch:

You know, like, Arnel walks into a room, he's like this tiny little man and he's like a force of nature. It's like, oh my God, like this doesn't make sense. And so I came home, I was like, I'm going to scale everything. Then this happens. And everything happens for a reason and everything happens for us. The hardest part is in the middle of everything. So like when I signed away the old companies, we had been trying to have a baby. for six or seven months when I signed away the companies that day, my wife found out that she was pregnant with our second. He was a son. He was born in February. So right in the

middle of all of this, we have a kid. And, you know, it's like that's insane. Like it was like even talking about it now. I'm like, yo, this last year has been insane. Like what the literal hell happened. And it was really hard for I think it was really hard for my wife just to keep me sort of like grounded. And like, I'll, I'll give you a quick story on this and this'll, this'll just put it into perspective. She goes out on vacation. She goes on a vacation. I decided I don't want to go. I don't have time. This is in, um, this is actually not that long ago. It was like six months ago. So don't, don't judge me for this. She goes on vacation. I don't go, I don't have time. I'm like, I have too much stress. Keep in mind, like every waking moment of margin is filled in by an attorney for 14 months. every buffer I have on my calendar, I could get a call. There were moments when I was in the middle of an arena call, I have to go take a call, come and finish. I mean, like, because if I don't get something on time, like we're pushing back the investigations, like for me, it's like a big deal. I have to, I have to figure out all of the rules. I think we're like six or 700 hours in, billable, billable hours. Y'all do your own math on that and figure that out. And I told Lindsay, I just can't go on vacation. You guys go take the kids, have fun. While she's on vacation, I like have this moment of freak out fear. And I'm like, um, what if everything gets shut down? I'm like, I'm going to sell the house. So I have a realtor come over, pray, pray, appraise the house. Like, and then like somebody in town, I'm like, come look at the house. Like, and I'm like literally paying a realtor to come clean the house while my wife has gone. I'm like, I'm having such a mental, like we have to do something different. I remember texting Gabriel. And I was like, somebody wants, somebody wants to buy our house. Hooray. And she said, do not sell your house. Don't do it. It was like, you don't need any more instability. Your wife doesn't need that. And Gabriel's like the voice of reason. She's like, nope, you're not selling your house. And so there were these moments when it was like, it was so intense that the only way out I could sort of see was like, well, I need to, I need to get some serious capital back in the, and the door here because there's there's stuff that is like, and this is just maybe TMI, like I'm not trying to like, share a drama story. But when you look at the amount of money it takes to shut down a business, I'm paying for everything. It's like, I've got staff that I'm paying for that don't even work for TWC. Like they're shutting down little companies and there's just a drip out of the company. And at the end of the day, I'm like, well, this runway ends in 12 months. And if the investigation is still going on 12 months from now, you know, I need something, something to kind of keep pace with it. So that's just a small story. Like how did it affect my family? Quite a lot. Um, but my wife is like a Titan. And so she's good. She's basically like, yeah, do whatever you need to do, but Don't make it out of fear. Calm down.

Bijal Patel:

I think that's absolutely incredible. And I've never heard the extent of that story. And I think it's important to know that you were at the mental state where you sent her on vacation and you're trying to sell the house. And thank God that you have somebody like Gabriel, your chief of staff, who's had your back through and through to be like, hey, you can't let because like the fear and the anxiety consistently playing a toll that you're trying to sell your house while your wife is gone. And I remember one other story that you told me about Lindsay, which I think is a really a testament to who Lindsay is, is she, you were freaking out one day and you're like, well, what if we have to get rid of the house? And she's like, cool. Well, we're just moving to an apartment.

Taylor Welch:

Didn't care. Yeah.

Bijal Patel:

Yeah. And, and you just looked at her like, What? And she was like, yeah, we'll just move into an apartment. Like we've got one kid who's four and we're going to have a baby. Like it's not a big deal. And when you said that, I was immediately like, this is the difference between a couple that ends up 50, 60, 70 years married because their rider dies and they're in it for all the different seasons, not just for the good times and peacing out in the bad. And that's one of my favorite stories about Lindsay is that this is the difference maker. I think that whether you're the husband or the wife, it doesn't matter what role you're playing. It's who really has your back when you're, you know, when you're up against the wall, which then takes me to the question, you know, what have you, I just love that. Thanks for sharing that. And thanks for being so open. You know, what do you, what did you learn about people through what you've gone through for the last 14 plus months, good and bad?

Taylor Welch:

Well, what I learned about my team and my crew is that, you know, the fear that we all have of like, well, are people around me? I was actually talking with a private client a week ago and he was mentioning like, I don't know if people want to be around me because of my money or because of my success or because they like me. And I was able to put that to bed for a large portion of it where it's like, My team actually wants to be here because they believe in us and what we can do together in the mission and all of the people that we help. One of the things we had to substantiate is I said something goofy in an ad one time in like 2019. I was like, we have like half a billion dollars in client revenue, which the way I sort of substantiate that in my head was like, if you take all the case studies, add them all together, and then you account for the fact that we probably collect like one fifth of you know, the wins from a group, you know how this is, because you're like, not everyone's sharing their wins, like not everyone's talking about, some people just win, and they just kind of are busy. So they go about their day, I was like, we can probably come up with 200 million bucks. And then you multiply that by five, it's 1.2 billion, or 1 billion. And so if I cut that number in half, it's probably 500 million. This is how substantiation works for me back in the day. What's true cut it in half, share that. That's not how substantiation works for me now. It's very different. We had to prove that. And I think the number we got to was like \$220 million, or roughly around the same amount of money that I was thinking. When you add up all of the different lives that were actually positively impacted, it's easy to look at like, well, wow, the company did good things. But at the same time, it's easy to also pick out of that people who weren't able to get over the hump. They weren't able to get through the chasm. They weren't able to get over that mountain of getting momentum. So what I learned about clients is that in most cases, most times people greatly underestimate the amount of work it takes to be successful in anything. It doesn't matter what it is. It could be losing weight, getting in shape. It could be building a business, finding a spouse. Most people underestimate how much work it is and how diligent you have to be. And when that is now factored into the equation, it's like we have a responsibility on my ends now to make sure we level set and reset people's expectations. And I do that all over the place now. That's when I first started sharing how hard it is for me. I remember one time we were talking about group posts. I was like, look at how much shit I'm

doing. It's really difficult. I do it every single day. And I've noticed you've started doing this as well. I see all of us being honest. It's a crazy idea. Just be honest about the work that is, is required. And I learned a lot of that going through this, through this process.

Bijal Patel:

You know, I think, uh, one of the, one of the biggest lessons I learned watching you go through it. And you remember this, like I was having a moment and I just wanted to complain about my life and, you know, I knew what was going on with you, but I still want to complain about my life. And I was like, well, you know, Taylor must be nice because like, you're just in a different stratosphere and, uh, By the way, don't ask Taylor, don't say that to Taylor unless you want to be coached. Um, and you, you, you responded in, in a really, really comprehensive way of what does must be nice and a different stratosphere actually look like. And I screenshotted that. And I remember re listening to those voice notes again, because I had decided for myself that it had to be easier for you. Cause that's why it was so hard for me. And when I broke that false dichotomy that you're playing at a whole different level, and you are also experiencing challenges at a whole different level, I started to really show up as who I was meant to be. and understanding that, that all of that was there. The resistance was there and it was all normal. Like nothing, nothing was given to me that isn't just par for the course of when you're going through, um, different levels and different scale. And I think that that's one of the biggest learning lessons that we've been able to observe. When you've been honest, you've invited us all to all of us to be honest.

Taylor Welch:

Yup. That's great.

Bijal Patel:

So, You know, you kind of touched on this, and maybe this is just a quick answer. And I've been curious about this. Would you say, honestly, SalesMentor was a good product?

Taylor Welch:

I think it was when we started. And I think that good and bad are largely determined by the expectations that are set coming in. So even now, like when we're, we're running the wealthy consultant firm now, and it's one of three or four inside of our group of companies. And one of the biggest things that we harp over and over again is like, make sure people know, like, this is a long game and it takes time. You know, there's no like, there's no like overnight home run successes. And with, with sales mentor, Part of the problem with that organization was the marketing up front created such an extreme expectation that whether the product was good or bad, like a lot of people would experience it and they were expecting one level of work when really what's required is another level and they weren't able to get over the hump. And so by, when you look at traffic and funnels, our percentage of completion of client, And our

percentage of case study per client was much higher. With Sales Mentor, the floodgates were pretty much open to anybody who wants to learn how to do big fat commission checks. It was one of the big things inside of the sales copy. And it was like, all you need is a phone and a notebook. Well, plenty of people have a phone and a notebook and they're not ultra successful. So obviously that's not all you need. In fact, one of the pieces in the, in the things that in the order, which the order was easy for like, I was like, sure, I'll, I'll sign that. Like, I don't want to lie to people. It's an easy decision, but one of the big things that they took, they took issue with. And honestly, in hindsight, it makes a lot of sense that they did is not misrepresenting the amount of work or effort it will take to experience. That was a big piece of sales mentor is it looked really easy. on the on the sales. But then when you got in, was the product good? Yeah. Was the training good? Obviously. I mean, most other people are just clones of what we built for sales mentor. Let's be freaking honest about it. Like when you look moral authority and like forced delays, like all of them are the same being in pocket. How often do we see that now? It's like it came from the same curriculum, but the amount of effort that was required was not accurate in how the marketing copy actually portrayed it. So it's a difficult question to answer. I believe in that material. I really think Reflex and some of those some of those pieces of training, I mean, they were incredible, like still incredible. But if the expectations are miss misset on the front, it doesn't matter how good the product is.

Bijal Patel:

Well, I appreciate that. That's a great answer to a very difficult question, and it was intentionally difficult. Um, that's why I saved it a little bit. Um, wouldn't you say, you know, as you're talking about this, when I hear about like, oh, it was made to sound easy, it was made to be like, grab your phone in a notebook. I still see that. I mean, that was very much on trend for 2021, 2022, even 2023 marketing, like three easy secrets to do this. Like, I mean, would you say that that was Fairly common for what competitors were doing during that time.

Taylor Welch:

Yeah, I think it's still it's still the way that most people are running advertising today. I think that partially the reason that the FTC has taken special interest in this industry is because the industry norms are non-compliant. It's not the outliers that are not compliant. It's the people in the middle. Everyone is pretty much non-compliant. It's funny. Last week, I was all over Facebook. People were like, oh, this dude trashed this, whatever. And you go and you look at their profiles, it's like, bro, your your banner image is not compliant. Like you're breaking three FTC rules like just in this post is not compliant. It's like people just have no idea. And yeah, sales mentor was very on par with what the norm was. In fact, I'm actually going to going to go a step further. I think sales mentor was better. than what most, because at least our shit was mostly based in true and reality. There was an ad that we had to substantiate and it's Peyton. Peyton's going around, how much money did you make last month? And Anthony's like, 20K. How much money did you make? And Jake's like, 28K. And they were like, prove this. We're like, okay. So we pulled, you know, gusto payments, payment stubs from those months. Well, guess what? Every single one of them, made more than what they said on the ad. So let's say we were maybe even better than what most people, but here's the problem. Just because that's what they made doesn't mean that the

consumer buying a \$97 product will also make what Anthony Armini made. And that's where the issue came, where we learned a really important lesson. Just because it's true doesn't mean it's compliant. You have parameters to stay within. You know, and by the way, everything that happened with the FTC doesn't mean we're lying. It just, it literally means that, you know, we didn't have good enough expectations set on the front and the way that claims were made isn't compliant moving forward. So.

Bijal Patel:

Yeah, a hundred percent. And how many, how many sales calls did you take? What was it that you ended up downloading to give them information?

Taylor Welch:

What was that number? Uh, it was, it was, it was a lot more than half a million. Um, but we didn't actually, you know, we, we got into a point where we were able to randomize certain things. It would have taken us about a decade, um, to download them all. And so most of that data, you know, at this point isn't even recoverable. So like, The thing that was difficult was like, well, there's no staff. There's no staff to do that. So it would have been different if this happened two years ago, Bejewel. It would have been totally different because we would have had staff in the building or three years ago, rather. I'm sorry. There have been operations team. There's 25 operations people could have just kind of rolled through this. We had no staff and we had nobody who could find any of this. Um, so we had to sort of like go back and forth on what do you actually want to see? We had no idea what they wanted. We just had a list of a 53 page, 54 page document, prove this, prove this, prove this, prove this. And, um, we had to sort of go back and forth to find out what they, what do you actually want? Like, we don't know what you want. Yeah.

Bijal Patel:

Yeah. That that's, I just think that's incredible. I think I remember you saying something to me like 700,000 sales calls. And I remember being like, I'm never going to tell him it must be nice. I'm going to refrain from saying that because to be able to build something that where you have 700,000 sales calls, you know, for the four years that sales mentor was a business, it's just, I think it's absolutely incredible. So let's get to some of the tactical stuff and then let's open it up to questions. So what can we learn from this and what can we do to move forward and protect ourselves and our business knowing what the FTC is now looking for?

Taylor Welch:

Yeah, so the, the first thing is knowing actually, like, where the rules sort of like, outline in terms of compliance, let's go through them really quickly. Just, you know, I'm not an attorney, we had a mate, we had amazing representation, I love the people that that we got to work with. I would have preferred to meet them under better circumstances, but they're great people. So the first one is, is the average

consumer outcome. And so this means that if you share a testimonial or a case study that's an outlier, then technically the FTC will deem that as deceptive and misleading. And so if you stack testimonials or if you like share stories that are not normal, then that's out of compliance. So you have to make sure that anything you do share, you have a system to deem that that is within the mean or the average of a normal consumer experiencing that result. And this is why when you look at like the wealthy consultant, for example, very, very rarely do we share testimonials. Because while we do, we do have systems in the background, you've you've seen all of these, like we have quarterly tracking, we track revenue, we track MRR, we track all these things for our entire book of business, the The experience taught me this rule of the, is it worth it rule? Like if I have to prove this later, was the testimonial worth it? Think about that. Like if I have to go dig up files to prove this person is actually a real citizen of a country somewhere and that they actually made this money, is it worth the amount of money and costs I'm going to have to associate with proving it? In most cases, when I run that through that question, it's like, no, I'm not gonna get that much more lift from a testimonial, which is why you've seen us drastically pull down the testimonials. Another thing that kind of like dovetails into is a term called net impression. Net impression would be, it's not the words you're saying that matter. It's the impression you're leaving with the audience. And this is one where like, We just have to live with it. Whether it's good or bad, it doesn't really matter. But we are held responsible to a certain degree for the impression of our audience. And so what the FTC expects of us as business owners is to not try to play around with that impression and make that impression. They don't want us basically being like, well, I didn't say anything on factual. It's like, no, you just left the impression of something on factual. You'll get in trouble for that, too. And that impression applies mostly. There's the big three earnings claims, lifestyle and performance. Lifestyle would be, you know, that that one of the big ads that Peyton did He's in a Lamborghini. Well, that could be an implied claim of lifestyle claim or in front of a big house. You notice you don't see many ads, me in my house or like my stuff, because I don't want anybody being like, oh, well, if I buy the memo, then I'm going to have a big house. First of all, how stupid do you have to make that assumption? I get it. Like, but this is the rule, like, and honestly, if somebody is like, Oh, I would like a big house, I'm going to buy the memo, I probably don't want them as a client anyways, I think that that might be. So this is where you see me make these posts that I'll say, like, if you need if you buy because of a testimonial, you're not the client that we want anyways. That's me basically. I'm talking about it straight to the market.

Bijal Patel:

Yeah, I love that change. And I love that change that you've had. It's also made it really difficult from the other side to even leave a testimonial. I'm like, Oh, Hey, hi. This seems pretty good. I think things grew a little. So, you know, that leads, that leads me to a really good question that a lot of people have been asking. If we do want to leave someone a testimonial, which I mean, I want the person that I'm leaving a testimonial, it's going to be honest. It's going to be factual, but I want them to be able to use it. What are the things that we have? Should we leave out any numbers? Like if I feel like a coach out, even outside of you, if I feel like a coach or mastermind or program has helped me grow my business and maybe scale my business, do I just leave all numbers out to keep it safe?

Taylor Welch:

What would you advise? I think, I think in the more broad you can make it. And I think that depends. Part of this Beazle depends on how like, obsessed the company is around these things. If you put a number in something with ours, we're probably going to use it internally, but not make it a big deal. Versus some of the people that you probably work with, they don't care, so they'll just use whatever. For me, the line in the middle is, is it true and is it or is there any misrepresentation at all? We have to be careful about like, can we substantiate whether it's true or false? So if you're like, look, when I came in, my business was doing X. Now it's doing X. That's okay. Because it's going to be very easy for us to substantiate that. But if you start going into like, you know, in within 10 days, I had like XYZ and it's like, well, you never posted any wins along the way. So we can't track that journey. Like you post wins all the time. So it's very easy for us to go like, Boop, boop, boop. Yep. Here's the journey. Like look at all of her posts. It's trending upwards every single month. We can prove that in the event that we need to, but we also keep data like everything, everything that anybody like shares on a private call is stored in data. But the safest thing is like keeping them to a minimum and making sure that it's included on all of your testimonial page. This may not, this is not indicative of the average. These are outliers. So just come right out and say that like, these are outliers.

Bijal Patel:

Yeah. Got it. To make it more, yeah. To make it more conceivable. So one more, one more kind of tactical point on that. So is this everything we're talking about? Is it related to the FTC and being compliant? Is it when you're using paid advertising or does this apply to our organic marketing posts too?

Taylor Welch:

Well, prior to this, I thought that it only applies to paid, but they had a list. lists of organic posts that I had made going all the way back to 2019. And oh, they had transcribed emails. And so essentially, we just had to, they wanted me to prove all of it. So I think it actually applies to both. And I think that the reason that's that is occurring is net impression, you can get somebody to follow you through an ad and then post a bunch of stuff organically, and it's still going to hit your net impression rule. Right? Like, You can't tell the difference in most cases. So I think it applies to both. And people should just know what the kind of what the rules are, which means this gives like, not to make a plug here, but like this gives like chamber a whole new level of importance, because like when we go in and we're, we're building advertising, Most of the times we're like pulling shit out of people's copy that I'm like, yo, this is going to find you like pull this out. And people are like, what that they have no idea. Cause most people are like, I'm just telling the truth. It's violating compliance somewhere.

Bijal Patel:

Yeah. A hundred percent. Let's hit a couple more questions. And then guys, if you have a questions in the comments, I have a couple that I've tagged. So I'm going to go back and find those that were really specific, but let's, let's wrap up here and I'll open up to your questions. Um, So obviously you've got an even hand on what's happening here and you're guiding us through of like what to look forward to. I had

no idea about the organic posting, but it makes sense from the net impression point of view. So, you know, tell us, kind of walk us through just like, you know, put it into, you know, a summary for your own self. What's the good that came from this, this 14 month investigation, the big old finds after your team has gone through so much. to be able to produce all the results for this. What's the good that came from this business wise, mentality wise, emotionally, spiritually, I'd love to hear that.

Taylor Welch:

Yeah, I'll just go through a couple of quick things. And you can take me deeper if you want me to go there. From a business standpoint, I think it has allowed us to legitimize ourselves in a way that's very unique, and very rare. At first, when I was first learning these things going through October, November, December is when it really started hitting me like pull every like make sure everything's compliant. I was like, well, how do you how do you even grow a business if you're not allowed to talk about how people feel about the product. And ultimately what I learned is it's a feel thing. So like the things that are compliant, they feel compliant. Things that are not, they don't feel like this. It's a fingertip feel type of situation. It's given us the ability to build something that I think is going to be very durable, that will last a really long time, and will be very different. than how most people in our space operate. It's made us very resilient. Part of the codex, like the first thing I got to do was test the codex, which most people here probably don't know what the codex is, but you know what it is. And it works. Like the business is properly diversified across many different types of offerings. It made our team a lot sharper, a lot smarter. And it also gave us, you know, when you get down, when you go down in a playoff series, you build real trust. And so that was our original founders team here. It was like, you know, our first real powwow. I remember when they put the Christmas tree up in downtown Franklin, which is just a big deal here in Franklin. Everybody wants to go see the Christmas tree lighting. Gabriel actually texted me and Dana a picture of this year, like two weeks ago. Because there was an identical picture a year ago when Dane and Gaves are sitting in the office at like 1030 at night while everyone else is at a Christmas party because we have to find and meet a deadline. So we're having to pull things off an old server to meet a deadline. It's just like, oh, at that point we realize like we're not going to get Thanksgiving. We're not going to get Christmas. Like we're just skipping these holidays so that we can answer. this investigation. You build a new level of camaraderie when you go through that. Spiritually, I learned how to trust God, like legitimately. You know, God doesn't honor your need. God honors your faith. Like there's a difference. And so some people get miracles because they have faith, even though some other people need it worse, but they don't have the faith for it. You don't get to build faith unless you're tested. And so my intellect had always carried me. It had always taken care of me. The things that I knew how to do had always worked until they didn't. There's no intellect to get me out of this experience. So I had to learn how to trust God. I had to learn how to trust my wife. for the first time, like everything close to me was tested. And because of that, it was strengthened. And then now on the other side of it, just going back through it and realizing like, yo, this was something that I was going to have to learn regardless. And it's removed the fear now because I've learned it. I can stay inside of the rules as a big company. Can you imagine going through this as a \$500 million a year company? it would be even even worse. And so I don't think that it's one of those things like you can never escape risk. In fact, the biggest risk is hiding. Bar none, that's the biggest risk you have. So wanting to like live on 100 acres with with, you know, off the grid is fine, but you're not going to be who you are called to be. at the end of the day. And so I was I was tested and I was proven worthy of of living. I'm not ready to die.

Bijal Patel:

I love that. I love that. I remember when you told me that it was an option for you to like go hide in Montana.

Taylor Welch:

Yeah.

Bijal Patel:

In a cabin. And I I remember thinking that I wasn't fully aware of how hard it was because that was an option that you were dreaming up fairly regularly. And, uh, and it hadn't occurred to me because everything that I thought I had made an image of, of who you were didn't fit with that. And then I realized that we can't have you go out to Montana. Um, cause a lot of us still need your help. And so we need you to survive. So. I'm gonna wrap up with two more questions here, and then I've got a couple, Khan, Brayden, Lonnie, another one from Khan. So you guys keep going in the comments. I've got everything pulled up here. So this one's gonna be quick, and I've got just a couple more here. Is this the hardest thing you've ever been through?

Taylor Welch:

Yeah, bar none. Not even close. Yeah. Like, take all of the things prior, stack them together. So like, let's say that the love of my life cheats on me with my uncle, who's my pastor, and my family goes bankrupt, and I'm paying for food for my mom, and I'm Uh, and I'm poor all at the same time, combine them all into the same season. And then this was harder than all of that combined. Not even close.

Bijal Patel:

Wow. Okay. Well, I, I think you've covered that one. Uh, cool. We're cool. Lindsay's cool. Nothing's happening here. Um, we're, we're all good soldiers. Um, what do you second to last question? What do you want people to, to remember about this?

Taylor Welch:

Oh, that's an incredible question because I haven't thought about it. Yeah, I went first. Nothing else to be afraid of. It's probably the simplest way to put it.

Bijal Patel:

All right. What message do you want to send to your kids?

Taylor Welch:

About this?

Bijal Patel:

Yep. If they were to go back, they're going to see this. Maybe they're going to learn about it. Probably going to be entrepreneurs. What message would you want Kate and Harrison to get from this?

Taylor Welch:

Oh, the hard things strengthen us. They're good for us. They train us. If we avoid the hard things, I think we just get weak. So as much as possible, can we adapt the way we view hard things and difficult seasons? If as much as possible, can we adapt and reframe them to be training rather than failure? I was at church in the middle of this and they stopped the service. And one of the pastors called me up and they said this, they don't even know what's happening. Like, is this them being prophetic? And she was like, you cannot see this as failure. you're being trained for an assignment. So I was like, well, I think I've been looking at failure my whole life the wrong way. I think that maybe failure is training. Maybe there are assignments. Think about going through bootcamp. They're trying to get you to fail out. They're trying to get you to quit because they don't want to be stuck on a mission with you. The only chance they have coming back to see their kids is if you actually do the hard thing. So this is like training for us now. There's no way I'm going to tap out, even if I feel like it. Can't do it. Like the training is there because my assignment is so important. So people want to moan and complain about how hard life is. Well, get a smaller assignment, give yours back, trade it in, get something smaller, and then your life will probably get easier. If not, just be quiet, go through it.

Bijal Patel:

That's amazing. Amazing. All right, let me hit these questions up. Okay, so Khan asked a tactical question earlier on, I thought everything was under the trust companies that you had to make it safer. This is in reference to when you're talking about your house.

Taylor Welch:

Yeah, everything is under trust, including businesses. The government sets up trust, therefore, the government can sometimes unwind them. So I mean, yeah, it takes them a little bit longer, but you know, the key with trust set up, and yeah, I can't get into too much detail about that, especially on a public stream, but we were protected, but at the same time, if the government feels like you've done something that they don't like, then no, no government structure is going to keep them from going

through that. So the best defense against a regulatory agency is to find out what they want and cooperate with them and do it and honor them through the process. Like it's not to be like, well, I have stuff in a trust and they'll be like, oh, well we know who set that trust up. So we're just going to go to that state, commandeer the government and we'll undo it ourselves. That's not the, it's not the way you play it, you know.

Bijal Patel:

Got it. Received. Okay, Brayden asked this question. You said just because it's true doesn't mean it's compliant. So can you expand on that? And then how can we make sure our marketing is within parameters? Because that's a lot of gray.

Taylor Welch:

Yeah. So just because it's true doesn't mean it's a lie. The SEC does not like Ernie's claims at all. So any claim or implied claim about how much money someone can make, they don't really like that. And if you can prove it and you have a systematic way to prove it, like you've got routine fact checking that happens, or like they want to see they want to see systems that show you're taking their regulation seriously. So part of this is, part of this is about, like, what's the actual rule, but then part of it is like, what are you doing to honor the rule? Right. So for example, right now, Brayden, like we've we secret shop ourselves teams. So we're like knee-deep in building this out now, because we're hiring salespeople. Every salesperson signs a compliance agreement. They know exactly what they have to stay away from. And they sign it. They're like, hey, I acknowledge I take responsibility for this. Then we secret shop them, and we call them. We pretend that we're a consumer. We try to get them to break compliance. And if we can, well, they get fired. That's the bottom line. So we can now turn around and say, look, we're trying to regulate ourselves so you don't have to worry about us. Same is true in your claims. So like, what is the process for like approving marketing materials? Like right now we have a little bit of like a small four point checklist for marketing materials. We don't publish it unless Dane sees and approves it. So you want to stay away from like all earnings claims unless they're easily and effortlessly substantiated. And that would be an example of like, we have an ad running right now where like every quarter we run a case study, like a sampling, so to speak. And so we have a little graph that shows like before they became a client and after. What's coming from, like we can literally give them, we can give the survey. And it's got the dates that are that it was done at the bottom. So it's very clear. And it also states like this is just a sample of one quarter, it doesn't mean that you're going to experience the same thing. I think what they want to see is like, are you trying to circumvent the regulation? Or are you doing everything you can to uphold the regulation? And that's as simple as you can make it.

Bijal Patel:

I love that. That's a great guideline. And I think What I hear through all of that is that like, it's actually going to enhance your marketing efficacy because you're being super transparent on what exactly works. Cause the market from my impression is just fed up with the like 2021, 2022 bogus, give us 10,000. It's

going to be so easy. The market's like eye rolling it. And to be able to actually prove up that you've done something well, and to know that we still can, I think is really amazing knowing that we just need to have some self-regulated systems. Like, look, we understand what needs to happen here. We're already putting this in place. So we're being good stewards of what it is that we're putting out to the market. Lonnie asked, Lonnie Dickinson asked, you mentioned how big it was that there was an employee who wasn't actually an employee who was creating drama in the background. Did that situation end up being a part of the problem and did you need to settle for it? Did you need something for sales?

Taylor Welch:

So I think that might have been what kicked it off is there was somebody in sales mentor or part of what kicked it off, not the entire thing, but part of what what maybe started it is he was selling like he would go into sales mentor groups and he would say, Hey, I've got a guaranteed job for you. It's 5k. They would pay 5k and be like, here's the job. Go back and sell other people. This 5k is like an MLM inside of one of our client groups. We found out about it, banned him. But it was a constant now like thing of Kathy, actually, who runs support, trying to like flag people who had been infiltrated by this guy. I know that we had to prove this to an attorney general in Washington state because somebody bought from SalesMentor, then they brought from him, and then they complained to the attorney general about SalesMentor, but it wasn't us. It was a different person. That's like legitimate identity fraud on this guy's part. And so we were able to successfully prove with the attorney general that this guy wasn't us. And we had taken measures to remove him and protect our client base. But once that happens, then you're like on the radar and they wanted to know who this guy was. And that was one of the things in the first the first letter is like they want to know who is this guy. We're like, this guy is not us. It's very different. So even the first couple of weeks, I was like, this is going to go away. Like, this seems really bad, but once we prove that we're not him, it's going to go away. But the problem was there was too much stuff inside of SalesMentor already, just from like, you know, extremely aggressive ads and things like that, that it didn't go away. And so we successfully did prove that Lonnie. In fact, we're still working on sending some of that into them. Because we're not antagonistic with the FTC at all. I think I'm a little upset with whoever that person is that wrote the press release. I think that's a pop-up book for kids. But for the most part, there's no adversary. This, this organization's needed. They do good work. I think we just got swept up in a big effort to, to stomp out an issue in the industry. And so we're going to send them materials on this person because that's who really needs to be pulled out of the game. Like the way that they run is bad.

Bijal Patel:

Yeah. That's what I was going to ask you. Like that person wasn't named and you know, is there going to be any. retribution for this person? Do we just not know?

Taylor Welch:

We don't know yet. Um, if anything, like it's not going to be from us, like we're not going to go public and like, I'm kind of tired of like legal stuff. So I want to just like, whatever. Um, but we do have recordings and we do have like substantial evidence and we're working on putting that together and sending it over to them. Cause, um, if there's anything we can do to help them remove this guy from the game, we'll do it.

Bijal Patel:

Love it. Love it. It's so it's mind boggling, like when you had shared this before, that their sales mentor had gotten so big that there was like, somebody could hide a pyramid scheme underneath out inside how fast you guys have scaled.

Taylor Welch:

It's 55,000 students, paid students, um, inside of a group. So I was like, well, that's, that's a target market right there. You know, if you get in and he would just send new people, like we would ban him, then somebody else would buy it. We have no indication of when somebody buys the product, whether they're with him or not. So he would just have people buy and come back in. We just had to turn the group off basically.

Bijal Patel:

Yep. Yep. Okay. Con has a couple of questions. They're kind of all related to like before and after who you were. Um, so, uh, I'm going to kind of summarize a couple of these and let you go after them. So what would, what would 2023 Taylor say to 2019 Taylor with what you know now?

Taylor Welch:

Slow down. Yeah. Slow down. Like make sure there's a lot, like make sure you have the right people on your team. Um, I think a good portion of some of this was like, We had people on our team who were just like, we didn't know how to incentivize them. And so they were paid to grow fast. They weren't paid to grow the right way. You don't have any way of knowing that. That's what I was saying in that post. Some things you learn from a book, but sometimes you can't. I don't think I would have learned it any other way. So make sure your team is good. The philosophy of a team is really important. It's like, what is the team thinking about all of the time? Like we're thinking about clients, but I don't think the salesman Thor was infested with this philosophy of client care. I think that they were more like, how do we hit numbers and. Break records. And so if I can go back to 2019, I was like look dude, like just slow down It's better to hit it's better to hit something with certainty, but do it slower than to risk Whether you even hit the target because you're trying to go fast. So it's a it's this trade-off between expediency and certainty and And so the way our business runs now is like, expediency is not in the, it's not in the cards. Like we'll go slow and we'll plateau as long as we need to, to get it right. I would also say like, there's a lot of utility in someone not knowing how successful or unsuccessful you are. Like in the name of building a brand, I

think that I was very much just like in your face and loud. But now it's like, you know, I don't, There's nothing that benefits me from someone else thinking that I have money. In fact, I get way more utility by someone else thinking I'm poor. Let's flip this around. I actually get more utility from someone not knowing. Than I do from someone knowing. And so this is the interesting thing of like, you can tell when kids are coming up in the industry, because they're like, yo, just bought my whole team Rolexes. And it's like in the Bucati. And it's like, bro, you know, you're a magnet for not good things. So it's way better for people, the closer they get to you, there's like, the more they're like, Oh, wow, like, one of my friends, One of my friends who will not be named, I found out how much money he was. I was like, holy cow, dude, like you're like legit rich. He's like, I don't want anybody to know. You would never know from, from the internet, you know, he's successful, but you don't know how successful. And so there's that 2019 version of me was just like, dumb, you know, the, the, the nuts and bolts of me was like fame, you know, hoorah. And now it's like, no, I want to, I want to attract people for the right reasons. I hope that answers the question.

Bijal Patel:

That was great. Fantastic. What's your view, I guess, I don't know if we need to hit this or not, or I feel like we did pretty accurately, but maybe just a quick, what's your view on scaling pace at that time? We're talking about, you know, in the, in the heat of it all 2021.

Taylor Welch:

On scaling pace? Yeah. Do they mean like how fast we were scaling? Yeah, I was like the pace of which you were not fast enough at the time. I was like, let's go faster. Like I can, I think my goals for like, you know, the, the end of that season before I started burning out, I was like, I want a million dollars a month in personal income, which means for me to get that, Chris also needs it. Cause we're 50 50. That's \$24 million a year in profit, post payroll, post taxes, post everything. So I was like, you know, let's, let's get to \$24 million of profit as fast as we can. If it happens next month, great. And when I was writing, there's like 700, 800 grand a month in profit. So you're talking like a three X in a month. I was out of like, I was batshit crazy. Like, let's just go as fast as we can. Not realizing that the half-life of your business is how long it takes you to get there. So we would have done it in a month and died in a month. You know, so is my, my view is all messed up.

Bijal Patel:

Yeah. I remember, I remember one of your favorite phrases used to be like, I don't wait for anyone. I don't wait on anybody. I don't wait for everyone. I haven't heard you say that a long time.

Taylor Welch:

Not anymore.

Bijal Patel:

So I'm going to kind of wrap these two up together. Uh, I think that we're going to kind of close on these two. Maybe I'll add in one more just to put a bow and everything. This is so from Khan going through this, who do you say you've become now? And then how is this going to help the next version of you? I think we can kind of tie that together.

Taylor Welch:

Yeah. I want who I've become is a more aligned version of what my ideals were before. And we all want to be a good person. We all want to do good for the people. We want to help people. But, you know, like I can't help people outside of my house unless I'm good at my house. Like I can't be healthy here if I'm not healthy there. And so I've tried as best as I could to decrease the differential between my ideal, like who I say I want to be and who I actually am. That happens in the moments. It happens in between. So it's helped me slow down a little bit. It's helped me think about how do I celebrate good moments, even when I'm surrounded by a lot of problems and setbacks and obstacles. And then how does how does this help me navigate in the future? You know, my staying power right now is is ridiculous. So the my ability to make good choices, even even in the midst of conflicting targets and incentives has gotten sharper. So now I know how to make good decisions when my emotions are telling me not to or telling me to do something different. I know how to take a step back and really look at the third, fourth, fifth order consequences. The FTC is like a sixth order consequence. It's not a first order. It's like way down the road. And so the long tail of the FTC started way back when. And so I'm aware of that now, which is what's going to help me in the future as I build this next thing and write more books and speak on more stages and whatever it is that I do. I have a shortcut now that is just think about myself 10 years from now. What's the seventh and eighth order consequence? I didn't have that prior to this experience.

Bijal Patel:

Excellent. Excellent stuff. Well, wow. I think that that was incredibly like open and honest testimony from all the different stages that you went through, the investigation, what happened internally, what was portrayed externally, the different parties that were involved. How are you going through this from a perspective of mindset, emotions, and then scaling a whole other business? I think while you were grieving the loss of another business and then you had a baby coming in. So understanding that this game of entrepreneurship is worthwhile playing and to watch you come through this like a phoenix that's rising through the ashes. I think that your personal brand is stronger than ever. And I think a lot of people saw the real you start to come through this. And I think it's absolutely a testament to your ability to stay in the game while leading other people to stay in it too. And I think that that, that is really, that is really high applause to you and your team. You know, like I really want to shout out the team, like Gabriel Borman, Oh, we had Dane Morman. We had Mike Walker. We had Peyton Welch. And, and, you know, I don't know if there's other names I'm, I'm leaving out who were key.

Taylor Welch:

Kathy Jones. Oh my God. Lauren Medley. Um, his team, like they had to help as well. So like Ashton, Ashton had to pop in and because he was on it. So the props to their team as well for, for helping us dig, dig through everything. Yeah.

Bijal Patel:

Yeah. So I think it's incredible that it's, you've taken on the face of this, just like you did the success, but that there was a whole team of people who endured a lot of those ups and downs and they were there for those countless nights and they pulled together stuff for the investigation tirelessly and just, you know, applauding them, whether they're unsung heroes and not everyone knew their name of, um, of what, who people believe in, um, of what you're building now. So, um, let's wrap it up with this. Let's wrap it up. Obviously we're here. Um, you know, we know that God obviously played a really big role in what you would call resetting you repositioning you. So maybe you can tie us up with this, uh, tie us up, tie it up with this is, you know, how do you think that God influenced you? Cause you were obviously always somebody who believed in God, um, based on your past and your training, but how do you think your relationship changed? And, and, and then what can we expect from Taylor Welch for the next 10 years? Like, What is 2033 going to look like? What are we going to see from you?

Taylor Welch:

So let's wrap it up there. Well, I think, so obviously God was, I think God is the one who like, God sees your future. And so he can orchestrate things that don't make sense in the present. And we tend to get stuck in the present. And we get wrapped up in this isn't what I planned and this isn't what I wanted to happen. But I will never forget being on the bench press. I was supposed to be working out. This is the summer of 2022. This is before the FTC. I'm complaining and I'm having a moment with God, which, by the way, I think God sometimes loves because God wants relationship. And so I was letting him have it. God can handle your frustration. And if you can't, whoever you're talking to is not God, because God welcomes it. You didn't honor what I prayed for. This is not even fun. I'm giving away these companies, and this is stupid, and this is what you asked me to do, and it's not working out, and I'm stressed about this now, and it feels like I've gone backwards. And I feel like God said, you are being reset. You are moving backwards. I have to reset you to reposition you. I have to take you back essentially to where you kind of started doing, you deviated. I'm resetting you back and repositioning you. Sometimes repositioning feels like regression. It feels like going backwards because that's part of the plan. That's part of how we grow as humans. If you get off of course even by one degree, a thousand miles later you're like in a different planet. You're not even the same. I think God had a lot to do with this at the very beginning, and God covered us through the entire situation. And more than anything else, you get to have someone to talk to, and you get to have a friend through the middle of it. And miracles happen all of the time, but it's correlated with your faith, not necessarily your need. And so when we raise the vibration, we raise the frequency, you're just raising your faith. and your expectation. And what you expect, it determines what you experience. You expect it first, you experience it second. And so it's funny, the areas of my life when I experienced things that I did not want to experience, usually I can

trace it back to fear, which fear is an expectation for something you do not wish to experience. So through expecting something, you experience that thing. And God taught me how to expect the right things. They've taught me how this is what faith is. Faith is expecting the thing you want to experience. And it was massive. I also think God brings people. I had a moment this weekend reading through everyone's stories in this group, and I've read people post this publicly. People have no idea how much it means to be able to read that, especially when most of the internet is kind of like... oh you know F this and F that and he's just the guru. Being able to read like people who actually experience positivity from from my work that was unbelievable and so I just literally read things like all weekend I was basically like oh people people do love me like it's crazy like I'm you know I don't mean to sound cheesy but I was like this is the coolest experience to see people rally you know and I know that that God has brought those people around as well like God brought Gabriel into the organization God brought Dane into the organization. So I don't think that it can ever be discounted. Like God has your back. That's the biggest cheat code. If you want a cheat code, it's simply realizing that God's got your back. He's for you and your advancement. He's not trying to harm you or even teach you a lesson. Like God's got your back. And when you know that, like for sure, your life opens up in a new way. You don't have to be afraid of anything. have anxiety about anything, you just get to experience because whatever you experience is going to be perfect. And I did not know that love that level two years ago, you were there visual, you can attest, like, I didn't have any idea what this meant two years ago. And now I do. And it was all worth it. Boom, 100%.

Bijal Patel:

It's just, it's a beautiful thing to watch evolve. It's inspiring. It's aspiring. You bring people up. Your organization brings people up and it's just beautiful to watch all those stories pour in about you and to know from the inside view that that's a fraction of what people actually feel about you and the benefit that, you know, Chamber, TWC, all of those organizations have. It invites all of us, I think, to in your stories and what you've gone through, I've looked within myself to say, where could I have been better? Just because the FTC hasn't investigated me, doesn't mean that there weren't moments of time in my entrepreneurial journey last week, last month, last quarter, last year, where I couldn't have made it, you know, I could have made a better difference. So I think that's absolutely gorgeous and stunning. And let's, let's just wrap it up here. I'd really want you to kind of, maybe it's just even a couple of words, but I would love to want, I'd love to see or hear what is 2033 going to look like? What are we going to expect from you?

Taylor Welch:

I think I have, I think I have, um, another run in teaching. Like my life can be divided. I think it's a like five different series. And this is just something that came to me on sabbatical last year, but I'm sort of running the same playbook. Um, my first one was, was, really like the church and like really getting into the ministry and all of that. My second one was my first foray into business. And this is my third. I think that like what moves civilization forward is the proximity to information. There's so much, there's so much hate on people who teach and sell courses and things, but you know, like there's no advancement without the, the distillation and transference of skillset perspective. I was sitting at my kitchen table this

weekend reading a book of John Rockefeller writing to his son, John Senior writing to his son, John. And being able to read that book that I paid for, by the way, on Amazon, like I paid for information, crazy, is the coolest thing ever. I'm learning how a magnificent business owner thinks. And so I feel like I have a responsibility over the next couple of years to take the things that I've been gifted with through experience and through study and just through my own brilliance that I feel like needs to be taught. When you take away information from a civilization, the civilization becomes slaves. Slavery happens inside of the vacuum of information. Think about it. Every single time, this is what happens. If you want to take over a country, throttle the information that can go into that country. It's happening today with our kids. That's why I'm passionate about arena and getting into schools. And so this next run, I'm going to build an education organization that helps people take responsibility and helps people create their own reality. And the mission for TWC is to unlock and monetize human expertise. Unlock is an important word. It already exists. The expertise already exists. We're not just teaching people how to develop an expertise. You already have an expertise. We're helping unlock it and show you how to put it into nuts and bolts real life form so that you can build a business around it. And then after that, we'll see. I think this is my third run. I will probably be completed by 2033. I've sort of got seven to eight years in my mind for this. And 2033 is going to take me probably to a different industry. I don't know what that is at the moment. It could be political. I know that I'll write books. I know that I will I'll be doing things that matter deeply to me, but it's so far away that who knows the tilt of the country at that point and where everyone is and where things are at and, you know, whether we're on Mars or not. I have no idea, but I can guarantee you a couple of things. I'll be a good dad. I'll have a great relationship with my kids. Kate will love going on dates with me. I know people say like, oh, once they're teenagers, you know, yeah, nah, nah. I'm overcoming that. Like she's going to love talking with me. She's going to feel like she can say anything she needs to say to me. Harrison will be confident. He won't feel like he's got to do anything to earn his approval at home or away. My wife will feel like she can do whatever she feels passionate about doing. I will support her. The people close to me will always have a permission slip to speak into my life and tell me where I'm not being who I need to be with them. I'll be serving God. I'll be at church. There are these things that I know, but everything else I've learned to live with the uncertainty. And that's a secret. I don't want to know. I just want to have fun. And if you know everything, it's not fun anymore. So I will learn to love it. How's that answer?

Bijal Patel:

Oh, just beautiful, like just exceeded all expectations. That's everything that we needed to hear and more. I just want to give you a round of applause. This is amazing. Thank you for doing this. You could have hidden. You could have ran. You didn't. And I think we all benefit from hearing your side of the story and your testimony and to getting a real insight to who Taylor Welch actually is, not just the business side, but the father, the friend, the mentor, the husband, and all the different many roles that you play. So I think this was inspiring. I think that this was truth telling. I think this is going to lead our industry forward. And I think we all grew from just being able to hear your point of view on this. So I just can speak for everyone when we say thank you so much for doing this and sharing who you are with the world. And don't ever go hide in Montana. We need you.

Taylor Welch:

I won't. I won't. Thanks, PJ. Bye.

Bijal Patel:

you