



SPI Podcast Session #001

Introduction | Show Formalities | What to Expect

Show notes: <http://www.smartpassiveincome.com/session1>

Pat: Hey, hey what's up, this is Pat Flynn from the smart passive income blog. Welcome to session number one. Now check out my intro song.

"Welcome to the Smart Passive Income Podcast where it's all about working hard now so you can sit back and reap the benefits later. And now your host from his home office in San Diego, California. Pat Flynn."

Pat: Woohoo. Welcome to the very, very first session of the Smart Passive Income Podcast. I can't believe that it's finally here. Wow I've been talking about doing this podcast for so long. I think I remember writing a blog post back in November of 2008 about wanting to do a podcast and it's finally here it's July 15th, 2010. Now I don't usually wait that long to take action especially for something so exciting like doing a podcast but it's finally here and you're here listening with me. Thank you so much for your patience, I know a lot of you have been waiting and constantly emailing me and asking me for what, for information about when the podcast was going to go live because knowing you might be listening to it on your commute or while at the gym or something. Wherever you are listening thank you, I really appreciate it.

Today's session is going to be a bit different from the norm. I'm going to be going over a quick introduction of who I am and introduction of passive income and what it means to me and how I utilize that. And also kind of the formalities of the show and also I'm going to talk about why I'm really hosting this podcast. Not only how it benefits me but more importantly how it benefits you and why you should keep listening in the future. So if you haven't heard of me before, my names Pat Flynn, I have a blog



smartpassiveincome.com. I also own two businesses. One is my own business Flynnindustries LLC and another one is LOLer Apps which is an iPhone app business that my buddy and I started, we're developing iPhone apps and I'll get more into that later. But I'm having a great time being an entrepreneur and I love sharing what I do. If you know me from my blog I'm very transparent and honest about everything I do. My successes, my failures, whatever. I just put it all out there because I want you to understand that you really can be successful online in a legitimate way. Non black hat non scammy totally helpful type of way. That is what I am all about and yeah so thank you for listening and I hope to be able to provide you with some awesome content on this podcast. I don't want it to be a waste of your time. I want to get rid of all the fluff and chitchat that I hear in a lot of podcast and just give you that great content that you could put to use right away, actionable items, what's working, what's not working so that you can understand what to do for your online business or blog when you stop listening and get to work.

So before I get in to who I am I wanted talk about really quick the tagline of the show. If you follow me on my blog you know that I put out a survey a long time ago about the tagline and I was asking people what they thought on the best tagline would be. I actually chose it's all about working hard now so you can reap the benefits later. You might have heard that movie guy say it at the beginning of the show. And I chose that one even though it was the least popular. And you know it got the least amount of votes out of the four that I put up. And the reason I chose that is because that's really what the work I do is all about. It's putting in the hard work now, investing your time so you can reap the benefits later, so you can see the rewards later, so you can get income continually over and over and over again because of that hard work you put in at the beginning. Now something I really want to convey, right at the beginning of every show



because you do have to work, you do have to have to just crush it. Take your passion, do whatever you love to do and just crush it. And if you do that you will see the benefits later. And if you use the passive income business models that I'm going to be teaching here on the show or that are on my blog or on my facebook or twitter or whatever. You can build businesses that work on autopilot, that use systems of automation that continually generate an income for you. It works. Trust me. I know it sounds scammy and for some of you who may be listening to me for the first time but it really, it really works. I mean I'm living it. I'm living at home in san Diego, California taking care of my family. Making money online with my businesses and not putting that much work into it because I initially put in all that work that was required to set those things up.

So that is what that tagline is all about. The other choices that I had for the tagline in case you are interested. The first one was: where it's all about building unlimited income streams with limited time. And that's true that was a good one because you can build these businesses with little time you know maybe you are working over night, or after work or maybe you're building business at work, at your nine to five job. And also with unlimited income streams that's possible because once you build the passive income business you can almost set it aside and it'll run on auto pilot which frees up time to do other things such as creating more income streams. And that's what I'm doing as I get a business out there or product whatever. I put it out there, it runs on autopilot and it only requires just a few hours of work per month and then I can go work on other things and that is how I created several different income streams for myself. And the first five, my passive income portfolio.

The second tagline that I almost chose was: Where it's all about working less and making more. And the reason I didn't choose that one is because I



didn't want to put working less in the tagline. Like I said before it takes work in order to make things happen. It takes effort and this tagline might suggest to people that right away you can begin to make money with. It doesn't happen right away, it's again like you are investing your time to see returns later. And the last one. The last title that I almost chose was: Where it's all about building an online business that makes you money even while you sleep. So true but again there's just that even when you sleep part for some people just turns them off because it might sound kind of scammy or unrealistic when it totally is realistic, that is the best thing about doing business online is that your store, your website, your blog or your ecommerce website is open 24 hours a day, 7 days a week, even on holidays and its open to anywhere, you're not just in one location. You are open to the entire world. It might be 3AM where you're at. You're sleeping all cozy in your bed and it's 12 o'clock noon somewhere halfway around the world and people are on your website and you're making money. When you wake up at ta-ching you got money in the bank. It happens, I wake up every morning and I see more money in my accounts and as much as I don't like to say it like that because it sounds kind of scammy and unrealistic and for some people who love to work 9 to 5, they don't want to think about that. They know, all they know is you work 8 hours, you get paid 8 hours. That's not what passive income is all about. And you can create these businesses and that I'm going to show you how.

I want to introduce you really quick in case you don't know who I am. Again my name is Pat Flynn. I have a blog at smarpassiveincome.com. But that is not where I got started. I got started with a blog that I created that was just for me to keep track of my notes for an exams called the LEED exam, L-E-E-D which stands for leadership and energy and environmental design. It's a test that architects and designers and builders take. I graduated from Berkeley with a degree in architecture and I had a really



nice 9 to 5 job. I saw my whole life planned out ahead of me worked until I was 65. I was doing the whole 401k thing and all that stuff. My life was planned out but then the whole economy thing happened. I got laid off and decided to take my blog that I was, that I had started while I was working for this exam and actually take it to a whole new level. So it kind of happened by accident. Just by accident people from around the world are accessing my notes. So I turned that into an actual business and within a few months I was making money off of adsense. That's where I got started. That's where I saw my first few dollars online.

It is the best feeling in the world because just to see, I would check it every few hours and see 20 to 30 cents more in my adsense account. It was such an awesome feeling and I knew that making money online was possible but of course just 30 to 40 bucks a month wasn't going to sustain my life and my family which at that time I was about to get married so I was kind of worried. My back was up against the wall. So I really had to make sure things were so I went to all the experts, asked just a whole bunch of questions. I was probably a little bit annoying to them but you got to do what you got to do in order to succeed. And I joined internet business mastery academy. I learned a heck of a lot of things there. I joined some other groups and became part of different masterminds. And just learned as much as I could and I decided to write an eBook study guide for my site. And again my site is at greenexamacademy.com. You can go check it out right now if you want. I wrote a study guide and the first month after I launched that guide, I made \$8,000 which was way more than I had ever made working at my 9 to 5 job in a month. Two or three times as much actually. When I was writing the book it took like two months, a month and a half to two months to write and while I was writing it I was scared because I didn't know if people are going to buy it or what their reaction would be but it totally worked and I'm so glad I took that



bold action and just took the leap of faith and wrote that eBook because I made \$8,000 in the first month. Then I made \$10,000 in the second month. The next month I actually hired someone to, I hired a voice talent to read my book and had an audio guide to go with it. So I had an audio guide and an eBook, sold those together at a discount price and after that month I was making over \$20,000 dollars a month. And I even peaked at around \$30,000 dollars a month in March of 2009. An amazing, amazing feeling. It was totally for real and it's great because I was helping people out at the same time. They are happy to pay me for a product that has, they are happy to pay me for a quality product and I'm happy to help them out and of course accept their money and everybody's happy.

So that is where I got started and I started smartpassiveincome.com just as things started to take off because I really want to show people that it was possible to make money this way online. I hadn't seen a blog quite like it. Most people were talking about affiliate marketing or blogging and advertising and stuff but no this was actually creating a business, products that you can sell and which have a higher return in ROI definitely. And from there I started generating more passive income streams because I set up that business to be totally automated, totally on autopilot using services like [ejunkie](http://ejunkie.com) and [PayPal](http://PayPal.com) which I can get into the details later. You can visit the blog for more information about that. Just so that delivery and all the transactions happen automatically so I don't have to be there and now I can honestly say, now I spend a total of maybe five to six hours a month on greenexamacademy.com. But I'm generating a steady five to eight grand a month off of that website just because of the way I set it up.

When I set it up it did take a lot of time. It did take a lot of effort but I'm so glad I spent that time and invested that time because now I'm seeing the returns every single month. So like I said I was then, kind of dabbling



with other passive income streams so like I said earlier I have iPhone apps, seeing a steady income coming from those. I've been running articles online for revenue sharing websites like eHow when it was open. I see a nice paycheck from eHow every month, totally residual don't do any work, anymore on that. And I'm also starting to write articles for infoBarrel.com. I'm also doing some niche sites, affiliate marketing and of course my blog and I do a little bit of mentoring and helping out people as well. So I'm all over the radar and I'm really happy. The thing about me is that, what makes me happy is helping people and the more you help people, this is what I found, the more you help people the more willing they are to help you back later on whether it's spreading the word about your website or even actually playing for a product. Karma exists online. The more you help people, the more you do nice things for people, the better the things will happen to you.

So that's kind of where I am coming from. I'm just a regular guy I don't have an MBA. I don't, I never took, I took one beginner's business class and I don't, just talked Gantt charts and stuff like that which don't even relate right now to what I'm doing online. It's all about just putting yourself out there taking leaps of faith, taking bold actions and making things happen. You can plan and plan and read all you want but you got to take action and that's what it's really all about. And that's what I'm here to try to get you to do. That's why these shows are pretty short so that you can take action right away. So when I have guests on we are going to be talking about actionable items that you can take so that right when you are done with this thing you can go and do something with your blog or business.

So now I want to get into a little bit about what really passive income means to me. The definition depends on what industry you're in, if you're



in stocks or finances or stuff it might be totally different to my definition. But my definition is this. It's building online businesses that take advantage of systems of automation that allow transactions, cash flow and growth to happen without requiring a real time presence. So in other words you are earning an income without trading your time for money cause you all know this, when you are working nine to five, you work eight hours. You get paid eight hours worth and that, how much you get paid depends on either your wage or how much you work like if you work overtime or something like that. And the only way to increase your income is to increase your salary or your wage, earn a bonus at the end of the year which is like usually nothing at least for an architecture industry where I was working and work more hours. The thing is once you stop working you stop earning money. Obviously this doesn't take into account stuff like vacation time and sick leave and what not. But general idea is you stop working, you stop making money.

Passive income is bit different because once you stop working, first you set up all this businesses and systems of automation but once you stop working, your businesses don't, they continue to work for you over and over again, 24 hours a day, 7 days a week all around the world and the way you earn more money is by doing things like increasing conversion rates, increasing traffic, retention, paid advertising. There's a whole list of things you could do to increase your income it's not just working more or earning more per hour. It's not, time isn't an issue with passive income, it's the time that it frees up for you that is the awesome part of it. And it's really all about that freedom that it can create for you. Many people think passive income and they relate to travelling all around the world and having no responsibilities and ultimate freedom. And that's cool for some people like Tim Ferriss and the 4 hour, the author of the 4 hour work week, he's crazy guy who just travels everywhere and does all this really



cool stuff. And that may be kind of, that may be you. And if that is you, that is awesome. I envy you for that. And I want you to embrace what you love to do and have passive income work for you and allow you to do those things.

But for me and some of you I know can relate to me on this my lifestyle is a bit different. I work from home, I'm here to take care of my family, my wife and my son and watch all of my son's firsts. I live in a modest home with a modest family car and all I want is financial security. I just want to be here and I don't want fancy cars or mansions or any of that stuff. I know a lot of you feel the same way but passive income allows me to do that and enjoy it, enjoy every moment of it and I thank my lucky stars every single day. I think I am the luckiest person in the world because of the way I'm living right now and making money online and not having to invest so much time into it now that I've set everything up. That's why I'm here on the show, that's why I have my blog at smartpassiveincome.com cause I want to show you how to do that too. Cause it is possible and I want you to succeed.

Now let's talk about the format of the show. Moving on to a different segment of this session. This recording, like I said earlier, this recording is a little special because it's our first one but a normal episode would be like this. So it will be about 25 minutes in length which is long enough to get really into depth on one or two particular topics but short enough so I don't drag you along and waste your time. I think it'll force me as the host to make sure we hit on really important points right away. And let's see, we are going to cover one or two topics regarding entrepreneurship, blogging, online business or productivity and it may be just me on the mic like it is today or I might bring in a special guest to help dig deeper into a topic especially if that person is an expert or an authority on a particular subject.



We'll definitely ask him some great questions and hopefully get some actionable items from them. And after that in each episode I would like to include something that's called a what's working for me segment. I am going to be asking any guests that are on what's working for them. And if I don't have a guest on I'll take about what's working for me. But this is the part of the show where I want you to be able to take away something and do it right away. I am going to be asking all of my guests what's working for you now and try to get them to tell us exactly what they are doing so we can maybe implement those things as well for our own businesses or blogs. And lastly I'm actually going over any hot resources that I've been using to help me with my online business or blog as well so...again this is all about you trying to help you out and show you what works and also what doesn't. Now that is a lot to cover in 25 minutes but I think we're going to really get some great actionable items that you can use from the, plus it won't take that much effort to relisten to the episode if you need it for further instruction or guidance.

And the last part of this session I'd like to talk about why I'm really hosting this podcast. I have my blog at smartpassiveincome.com. I have videos on YouTube. I think I have 15 upload right now. Tens of thousands of views with those and I have my facebook page, my twitter account. If you want to check me out in facebook, it's [facebook.com/smartpassiveincome](https://www.facebook.com/smartpassiveincome) and my twitter account is [twitter.com./patflynn](https://twitter.com/patflynn) in case you were wondering. But I mean I'm adding podcasting to my brand, the [smartpassiveincome](http://smartpassiveincome.com) brand for a couple of reasons. First is totally selfish, it's for me. I think my mic skills and public speaking skills need a lot of improvement. You might, you may or may not think so listening to this first episode but I'm sure you can think of ways I can improve and this forces me to get better at what I think I need the most work on. I'm really, really good at writing blog posts. I'm really good at doing instructional videos and stuff but when I'm on a



microphone I get a little nervous sometimes and this will force me to do better. I'm going into this totally unedited. You are listening to the raw uncut version of everything. So because my mistakes are easily recognizable, it will force me to be smarter and do better next time and hopefully a few episodes down the road, when you are listening to this podcast in the future you can see a significant, you'll be able to listen to a significant difference in my voice, my style, the flow of the show and it'll seem flawless. So that is what I'm striving for because in my past I've noticed that the best way that I learn is just by doing. So that why I'm doing this podcast to try and become a better speaker to try and be better behind the microphone. Just putting myself out there. Throwing myself into the deep end and doing it. That's exactly how I got into online business. That's exactly how I got into blogging and that is exactly how I'm going to master this whole podcasting thing. So hopefully you'll be along with me for the ride.

So the second reason and probably, obviously most important is I'm here to help you. For those of you who follow me in my blog know that I do everything I can to help you without even asking for a single dime. I don't sell anything on my website. I have just a few advertisements in my sidebar which are things that I totally recommend and things that I've used before because I'll know they'll help you. Everything I publish, everything I'm saying here on this podcast is here for you. If you email me, if you leave comments I will respond. And like I was talking about earlier, I've experienced this whole karma thing with doing business online and blogging and whatever. And I'm sure it'll come back to me in a good way. It will, it has already. And I'm just trying to keep that going and trying to help as many people out because I know some of you will help me out in the future as well hopefully because I've helped you out now or will help you out soon. So that's exactly why I'm doing this podcast so if you're new



to smart passive income brand and you don't, this is your first time listening to me. Maybe you found me through iTunes or some kind of podcasting directory or just a recommendation from a friend or something. If you want to learn more about me and check out my blog, please go to www.smartpassiveincome.com. And if you just want to say hi and say hello the best way to contact me is actually through facebook, on my facebook page. You can find me there at [facebook.com/smartpassiveincome](https://www.facebook.com/smartpassiveincome). Say hi and I definitely will say hi back I promise.

Now before I go I'm going to give leave you with one tip that hopefully you can take away from this first session and that's to not be afraid to fail. I am doing this podcast and I don't care what happens because I know that I'm going to learn from my experience. If you're not afraid to fail you won't be afraid to take chances and step out of your comfort zone and reach super crazy high levels of success that you can't even imagine right now and for me it was only when I took those bold actions stepping out of my comfort zone, taking those chances that I finally got somewhere. I finally saw results. Saw my income skyrocket and my life start to change. I failed a bazillion times along the way but I embraced each and every one of those failures because it got me to this point in life. So don't be afraid to fail. Failing is good. Try not to fail, do your best but if you do learn from it. Learn from your mistakes. If you just fail and don't learn anything then you really, really fail. So do your best and if you fail learn the rest.

Alright. Thank you again for listening to this very first session on the Smart Passive Income Podcast. Hope to hear from you again soon and I'll see you in the next session. Take care. Bye now.

Thanks for listening to the Smart Passive Income Podcast at www.smartpassiveincome.com.