



OFFICE HOURS – 4/26/2017

Jeff: Hey, there.

Nick: Hey, what's up?

Jeff: I'm here.

Nick: You are there. I see you. You look good. New hair cut. You look snazzy.

Jeff: Yeah. It's nice and tight.

Nick: It's nice.

Jeff: I'm short haired. I'm actually down a few pounds.

Nick: Wow. Really?

Jeff: Yeah, so I've lost about 12 pounds in the last month or so.

Nick: Nice. How'd you do that?

Jeff: So, it's weird. I went to New Orleans last weekend for the weekend just to eat. I took a friend and we went ... I was craving hard-broiled oysters. I went and got them ...

Nick: That's amazing.

Jeff: But three-days-a-week I'm doing 500 calories a day.

Nick: Okay. Three-days-a-week, so you're doing the on-off kind of diet where you have five days and you have 500 calories and then you do whatever you want to do the rest of the time?

Jeff: Yeah.

Nick: Is that right? Any of the rest days, you can eat whatever and how much of whatever you want to eat?

Jeff: Yeah, but instead of being a pig on those days, I'm actually reminding myself, "Hey, my objective is to drop a few pounds." I want to eat enough calories to stimulate leptin production ... But I'm also not trying to see if I can set a world's record on 'It's an off-day'.

Nick: Yep, totally.

Jeff: I'm finding it very comfortable.

Nick: That's cool. On those days, do you supplement with anything? Do you drink more caffeine? How do you tolerate the lack of ... Look at Pedram. He looks like he's skinny, too. You guys are both getting skinny. You guys aren't eating, huh?

Pedram: Yes. Nothing looks good.

Jeff: Pedram more like a mug shot.

Pedram: Let's see. Yep.

Nick: Pedram doesn't look like a mug shot. It's because he's got a partially exploded eardrum.

Pedram: [inaudible 00:02:34].

Nick: Partially exploded eardrum.

Pedram: Partially? Fully exploded, I'll have you. Perfect. Thank you.

Nick: Oh my god.

Pedram: Hey, Jeff.

Jeff: Hey. Where are you?

Pedram: I'm in my office. I got tired of sitting on the couch. It was starting to break my own rule for sitting too much. I got my station setup backup here where I have a permanent light shooting this way. It's not right, yet. Lorenzo's out of town so I'm useless with this stuff but normally, it looks pretty good.

Nick: Awesome. Yo, everyone. Hello. We're gabbing about diets here and just wanted to say, "What's up?" Hope you're enjoying Module-11 on sponsorship. A little bit of a public service announcement, let's just delve into, Pedram, real quick here, what the dates are again for this live event. We got this live event setup. We're going to be sending out an email about it in the next day or so. We've got all the details locked down. We've got everything reserved. We just want to make sure you guys got the dates.

Pedram: I got the dates. Then I'm going to share. Again, if you're in the recent class, I'm going to share the room thing. Go ahead and I'm going to put it in the chat thread here. This is where you reserve a room. Go ahead and do so immediately if you already have a ticket to this thing, which means the people who got in early enough in the recent class to get it. That's the room reservation dealio. Then in terms of when it is, this September 23rd, 24th in Hollywood, California. Belly of the beast. We're going to go in there and we're going to show these guys what's up. Yeah, we've got that over there, ready to go.

Nick: Awesome. We'll be sending you guys a fancy page. It has all the information on it and the talks, and all the reasons why you should be there and you'd be crazy not to come 'cause honestly, you would be crazy not to come if you can make it unless you have something very important planned for the same time.

Pedram: Everyone in the second class, I think pretty much everyone we just audited for the second class has tickets. If you're in the first class, we'll have a thing for how to get tickets. Then scheduled events, is Jeff's going to do a breakout on crowd funding. Nick's going to do a breakout on Facebook traffic. I'm going to do a breakout on break dancing. That's pretty much all I got. We're lining it all up now. We got our guests lined up. We're not announcing any guests yet ...But suffice just to say it's worth your while to be there. We're going to spend a lot of time doing hot seats and masterminding to help you all understand ... How we can help each other. You'll get a lot of individual attention value if you get a hot seat. Super excited about it.

Nick: Again, it's the 22nd. Sorry, the 23rd and 24th and ...

Pedram: ... of September.

Nick: ... of September. If you are in the second wave of students, which are most of the people on this call then you automatically have one free ticket. If you need another one to bring someone else, then we will be releasing the page that has the opportunity for you to buy an extra ticket if you want one. If you're somebody from the first class like Pedram said, there is the opportunity for you to purchase a ticket on that page, as well.

That said, let's get into sponsorship. Do you have anything else to say before we get started here?

Pedram: Couple things. On chat thread. Beverly is asking: "How long you'll allow access to the modules because she's a little behind?"

Beverly, you have access to the modules forever. Those are yours. Don't sweat it. Don't lose sleep over it. You will continue to have access and you'll have access to any updates we put in. We got a few. We just put a new one with Ocean Robbins. For those who haven't poked around in it for a while. Module-11 is off and now this 'How to Work with Affiliates' with Ocean Robbins is in the bonus resources.

Nick: No way.

Pedram: Yeah. I got to go through his entire empire on OPL, Other People's Lists, so it's good. That was really an interesting thing. Hold on one second, "Book a room? Someone's saying this link isn't working." No. If you go to that page and hit 'Book a Room' it should work. Then you just go ahead and book it. Audrey, so the one up top. All right, and I love you too, Beverly. All right. Cool. Nick?

Nick: Yeah. I want to say on sponsorship, this is a fresh, fresh module. I know that there were a few little glitches this week. You guys are the beta group for these extra two modules. We kind of created based on what we see as a need that you guys have and we're excited to add to the academy, but there were a couple things, missing transcript here, potentially some kind of a broken link on another one. We were adding these as we go. The first 10 modules of this academy is what the previous class got. They didn't get 11 and 12. We still have 11 and 12 on sponsorship and docu-series. We're adding that and we're cramming all kinds of wholesome goodness into it, but just ask you to be a little bit patient as we're building these two out as we go here. We've got everything shot, but if

there's anything that you see that could be done better on these two, please shoot us an email. We're happy to make any changes, take anything into consideration that you send in.

Pedram: Jeff, have you lost weight?

Jeff: Yes.

Nick: I said the same thing.

Jeff: Yes, I have.

Pedram: Good. It shows. You look great.

Jeff: Yeah, so it goes to my face. What's great is it's starting to work on my belly. It's like my belly, that's that bad fat. It's now starting to go there.

Pedram: Great.

Nick: You got to show you guys you're, I don't know what you call it. What is the thing you have? The bulge. The little bulge in your left abdomen.

Jeff: Yes.

Pedram: Don't show that.

Nick: Don't show that. Forget that.

Jeff: The embedded sex toy is what it's usually referred to but we won't go there.

Pedram: Totally.

Nick: Again, come in September. You'll see all kinds of stuff.

Pedram: Yeah, in September. You'll love that. All right. Let's get in. I have questions here, but you have the document, Nick?

Nick: I've got the document. Let me just crank out a couple here because they're going to lead nicely into this sponsorship in general. We can just pick off people in the Q&A as they come in. How about that?

Pedram: Yeah, cool.

Nick: Cool. Here's one from Anita: "I enjoy the interview with Ocean Robbins. Thanks for adding that. I'm still confused about what to offer affiliates, although I understand what they each are. Isn't it an either/or cost per click or percentage of sales? It seems safer to offer percentage of sales. What do you advise?"

Pedram: Anita, I think you're missing the model. It's never cost per click. That's math you do on the backend, but it's always percentage of sales. You're right. It is a percentage of sales

whether it's 40, 50, or 60. 50 is kind of the average. If you're doing hard goods, do less because you got to know your numbers. You don't want to lose your shirt on this deal, but it's a percentage of sales. Then what you do, now, it's not cost per click. What you do is earnings per click, calculate for them and say, "Hey, listen, you sent me 10,000 clicks. I have \$12,000 here for you, which is 50% of your sales so that comes out to \$1.20 per click."

Nick: Yep. Just something that might have caused that confusion is sometimes if you don't have a proven offer or if you're just starting off with your first film, some people guarantee a certain return per click. Some people actually say, "Hey it doesn't matter what my offer does. I want to pay you per click. I'll pay you a dollar per click no matter what happens." That's something I don't really advise people doing. You could lose your shirt that way, but I think we did mention that so I could see how that might have been mixed, sort of confused. You're saying cost per click, but sometimes we actually guarantee a dollar amount per click, if we don't have a proven offer.

Anita. Second question: "On another note, Pedram, can you please forward all my ..."
Jeff, Anita would like to connect with you via an indie global campaign that they're doing. So, let's that offline.

Jeff: Okay.

Nick: Next question is from Perry: "Pedram, you mentioned that Whole Foods will be doing some co-branded marketing with you, so I was wondering if you could expand upon the idea of co-branded marketing?"

Pedram: Yep. Again, I think required viewing for this course should be the "Greatest Movie Ever Sold", by Morgan Spurlock, because he actually covers a lot of that in a spoof, but it's actually how things go, but for me in particular, Whole Foods is actually in the process of getting bought out by [inaudible 00:11:41] Albertson's so we'll see how that goes.

Nick: That's interesting.

Pedram: Totally. Never a dull moment. What they were going to do was they were going to print the URL for the movie on every receipt that came through. Then we were going to have little display in their stores saying, "Check us out. The Prosperity Movie" and then have the DVDs in there. We're still working on getting stickers. "Check us out ... Check out The Prosperity Movie" with the URL going directly in. For me, it will cost me \$30-grand in stickers just 'cause they have so many stores, but think about all the free advertising and leads that could come on. Then on that sticker, I got a short URL. My website is a URL shorter. It's 'well.org'. That's pretty tight. I do 'well.org/prosperity' so I can print that on a sticker and then put a little QR-code so you get a QR reader with your phone, move directly to my opt-in page 'Welcome to my movie'.

That's one of many ways you could do sponsorship. Another one you guys will see in the interview with Dirk Rouge and a few of these others we have done. If I'm going to a place, I'll watch. If I'm going to place a sneaker, if I'm going to wear a hat with the brand in a particular scene, that's worth the \$15, \$20, \$30,000 to somebody. You could look at doing that product placement. I actually have our product placement on ... We've been

going back and forth trying to get an appointment. We will get her to do a bonus video at some point. I've identified about 27 places that I can sneak in. Where I need B-roll and I can sneak in some product placement. Now, I have my team shopping it saying, "Hey, we like money. You want any exposure? Great." You have to be very careful with that. There's a lot of ways you could do that. A lot of ways. Guys?

Nick: No. I think you nailed it. I just think it's amazing what Dirk does with product placement. You guys watched the episode, but there's some things in there that he doesn't really even go into. One being, he will be in the middle of the shoot in the Himalayas and he just knows ... He has his four or five favorite gear companies and he just uses their gear no matter what. He finds the most creative ways of just putting a brand into the background of a shoot and monetizing that. It's just incredible what you can do when you get creative with sponsorship and co-branding.

Pedram: Jeff, have you ever done any of that?

Jeff: I'm totally learning on this module.

Pedram: Cool.

Nick: Another one from Mary-Aileen: "Sponsorship contracts. Do these need to go through lawyers, too, or is it simply a case of confirming in writing on a one pager with what both parties have agreed to? Do you have a sample contract you could share? Would you negotiate exclusively for a period beyond the movie one?"

Pedram, this is all you, man. Your sponsorship man. Jeff and I are in the dark on this.

Pedram: I'm trying to get the first part. The first part of it is ... I wish you would just put it in front of me. So, I would never negotiate anything past a given title. You have no idea where these things are going. You make your early money is your most expensive money. If you're doing something and then you hit it big, and all of a sudden you've got a sponsor that you're tied to three titles in, you're in big trouble. That's exposure you can't get. Let me explain this. The way advertising works is it's an impression-based model. I go to my PR firm. I'm like, "Here's some money. Go get me stuff." Then they'll come back with a report every month which is like, "We got you in so-and-so magazine. That's 50 million impressions. We got you in so-and-so ... Dr. Oz. That was 100 million impressions." Whatever those numbers end up being they're huge numbers. And frankly, the numbers are usually bullshit, but the entire business is predicative on these bullshit numbers. It's like the House of Cards that everyone agrees to keep following.

All you really need is to understand how many impressions you can get with your movie. How many media impressions you get with their stuff. If it's just people watching your whole movie through, you've got trouble, but if you have, "Brought to you by," these five companies directly on your landing page the millions of the people that go there and don't opt-in. Let's just say 40% of the people that land there don't opt-in, those numbers still count towards your media impressions because people saw them. If you can even put those in your Facebook ads before you even get there in some little thing where it's considered a media impression, now all of a sudden you're playing at the game that all these monkeys are playing and that's just the way that business works.

We'll really help. We're going to do this at the live event too, is we're going to really help you understand that model so that then you can use that to leverage. Then there's very specific algorithms for how much people get paid based on the type of movie, the type of vertical for those types of impressions. Then it's just transactional. You're like, "You know what? Here's a contract. I'm going to get you. You're going to give me a million dollars. I'm going to get you 600 million impressions. That includes print, that includes radio, that includes whatever the hell it is. Even wearing a tshirt with your name on it. I'm not done until I've delivered those impressions by hook or by crook, which means I could buy those impressions, I can PR those impressions, and I can get creative and get affiliates to send stuff that have those impressions all over 'em." Can you make sure I got all of Mary-Aileen's thing?

Nick: Yeah. First of all, she also wants to talk about contracts. Do you have a specific contract that you use for this kind of a thing or is it something ...

Pedram: I don't

Nick: Case by case.

Pedram: It's case by case deals as they go, but it's basically just a business contract. I can see if I can dig up. Again, some of the issues we're running into here are confidentiality issues. These are deals that I have with other entities that I don't ... I'd have to ask the lawyer if I can share that stuff. Let me check with legal as to what I can share. If not, I'll see if we can get a boilerplate agreement together without desensitized basically, and share it here. Molina, if you could hold me to that, that would be great?

Nick: Mary-Aileen also wants you to explain what a pass-through organization is?

Pedram: There are entities out there, one of which I'm working with right now, called From the Heart Productions that does a lot of conscious media movies. They are fully licensed and dedicated 501 and c3s, which is a charity. I'm not a charity. What you can do is you can get a fiscal sponsorship, is what it's called, through one of these charities, which means, "Hey. We like this movie. We think it meets our charter and we're going to help them fundraiser," So, that when someone comes to you and says, "Hey. I wish you were a 501c3. I have some donation dollars I could place. I don't have marketing dollars." You say, "Oh, yeah. I could take that, too." What you do is say, "We take all of our charitable donations through From the Heart Productions, or whoever your pass-through organization is. Then what they do is they pass through 95% of it to you. They keep 5%, which frankly is only a couple percent more than American Express takes anyways. You take non-profit donation dollars through a reputable 501c3 and then you can keep raising money with that.

That's a very interesting way to go depending on the vertical you're in. If there are foundations that are willing to donate or wealthy people that are willing to donate. My whole thing is don't create any friction in the get money channel. It's like, "Oh, well we don't take AMEX." "Oh, hell yeah we take AMEX. We take anything that you can spend on." These pass-through organizations are big. I'll bring Carol from that group on just as a guest speaker, just to help tease this out a little bit more.

Nick: Jeff. Do you use pass through organizations with your funding and financing operations?

Jeff: No. With Indiegogo there's times that I've let money on the table by not doing that and literally we were just running so fast. I went and looked at From the Heart Productions. I think they're a perfect choice for something like that. To my own, literally the speed at which I did those projects, I should have put that in place because I did leave money. I even had one investor who showed up because of Indiegogo and said, "Well, we want to give you a bunch of money." They finally settled on \$175,000. She goes, "Well, I don't really want any equity," and I had no other way to do it but to let her be an investor to put that much money in.

She would have been perfectly happy getting nothing. I was just talking with Jerilynn Dreyfus about a film that she's funding that is all in grants for \$1.5 million. The head of Morgan Stanley's wife just put up \$3 million to make some medical documentaries to promote some things that she's interested in, but it's all in the form of grants. I've always done money the hard working way. So, some of these things that Pedram was doing really are things that I have to add to my repertoire. The fact that I am sitting here as a student learning this while being successful in this business just to me testifies the value of the collaboration of having ... This isn't the Pedram Film School or the Nick Film School. It's a bunch of people that's contributed to ...

Pedram: It's at the Kimu film School. Kimu just shared another one called Fractured Atlas which is another pass through organization. Great. This is what a mastermind is all about is, "Wow. Okay cool. Let's check them out."

Nick: Yeah. At some point we all become the teachers, we all become the students. Catriona, "When making your film how would you recommend pitching to sponsors when you no idea yet about the film's reachable date and don't have a demonstrable track record in place?"

Pedram: You can do it ... You don't have to get money upfront. For me, if I have predictable numbers that I can take to the bank and go, "Look. I got all this. This is the low lift. I know I'm going to be able to get this. Give me a 100 grand upfront and we're going to do this. And we're going to thrive." They gave me a check for 100 grand because they're like, "Okay. I've seen what you can do." If I didn't haven't those miles that I had run, the way I would cut the deal and this is how I'm going to be cutting a few deals ... I'm actually so happy to be off production now because I get to go to deal making mode, which is fun for me, plus steak dinners with Jeff Hayes.

We are now crossing over to this place where before it's like, "Okay. You don't know who I am so why don't we make a contract to say that for every 100,000 media impressions, you give me \$5,000." Whatever that number is, and in doing so you're not laying out a bunch of money over here where we're just going to have a monthly accounting reconciling. And so as I get this going, you're then going to fill up my cover.

It doesn't have be this, "Give me the car, I'll give you the pink slip." You could sign it in the exchange and you could do that as you go. Then you can incrementally start to go. Then you also have the freedom to be like, "Okay. Look. You know what? I really didn't know where I was going to go with this. This thing is blowing up. These guys have too

good of a deal." I have an exit clause where I can say, "Look. This isn't working for me. Let me either go renegotiate or go get cheaper money."

Nick: I love that. What else could you use to entice a sponsor to come onboard? I don't have a large list of my own yet. That's also from Catriona.

Pedram: Catriona, there's a lot of reasons sponsors come to the party. Think of what Jeff just say. A lot of people just want to be associated with the movement. A lot of people already have a charitable charter that they're out there to support stuff. If you went to Water.org and you said, "Hey, I'm doing this thing on water and we have some breakthroughs and ba-ba-ba-ba-ba. You guys have money. For 50 grand, we can get this movie out. That can be a really great promotional megaphone for you on something that is one of your initiative." What you do is you can get philosophically aligned with groups that would be happy to be there. You also ... One of the things that I'm leveraging now, which is really a dangerous risk game that I'm playing with a little bit, is a lot of these big brands really want to be associated with good guy stuff and conscious capitalism.

What's happening is Proctor & Gamble is throwing quarter million dollars-a-year at my beach cleanup. It's like, "Well, it's fucking Proctor & Gamble. They should be throwing a quarter billion dollars a year to clean up what they've done but you know what? They want to clear their karma. They want some credit for clearing that karma and I can be the vehicle through said clearance. I'm in." There's that too.

For me, you also want to see who wants to be associated with a certain thing that you could give them a little bit of credit for and just be careful that you're not green washing. There are a lot of ways to get creative about that. What I would advice you to do is not thing very structurally here and always think ... The best deal makers I know, Catriona, are the people that just sit down and say, "Okay, who's on the other side if the table. What do they want? How do they eat? What do they need? Great. Now that I know that, what can I offer by hook or by crook, through alliances, through creativity to them and what can I ask for in exchange?"

That's how everyone's like, "Dude, how did you think of that?" I'm like, "I didn't need to come in with a preconceived notion. The way I meet people is just like, 'Hey, how are you? How can I help you?' Then once I understand that, we identify each other's needs then it's like dating. Then you figure out how to help each other." I would say go in with zen beginners mind and you'll be way better at creative deal making. I know for a fact that Jeff Hayes is a master at that. It's just you sit down and you figure out how to make things happens and if you're a nodal thinker. You think about bringing other influencers together and how to bring one plus one is 100. If you think that way and when you do, magic happens. I promise you. Magic happens all around.

Jeff: One of the things on this that some of the questions had been with a small list. We don't have credibility yet. The reality is that I have more credibility than a lot of people taking the course. Pedram has more credibility than me and Oprah has 10 times as much credibility as Pedram. She can pick up the phone and reach you. There's two ways to address this. One is, you can buy credibility. You find out how to lure somebody into your camp that you can ride on their coat tails. I've done that many times where I'm a small guy in a market. I'm making ... I just signed two Academy Award Winning directors, a

directing team to direct a film I'm doing. I don't have that kind of credibility, but now I do. Hey, I've got these two Academy Award Winning directors directing a project. You can go, "Okay, how do I find somebody that would have credibility with my target."

The second thing is what Pedram is talking about, "Okay, maybe Proctor & Gamble is within my reach." You go the other direction. "Who is somebody that's smaller that I would be attracted to?" Maybe you don't attract a national brand but maybe there's a local brand that you can start to demonstrate your credibility with that, you could benefit them. There's the resulted list, those other things that you can add and in the equation but sometimes you have to build your credibility in the market place. With some of these series that we do affiliate deals with, sometimes you do a test launch and you get your numbers, and then you can go back for a real launch.

Now, "Here's my data. Here's how much the affiliates made. Here's the impact we have." Don't compare yourself to Oprah and go, "Oh, I fall short." Play where you are and build your numbers. It may be this is not Pedram's first film that he's doing. We've all heard the story of Pedram's first film. Lot's of mistakes made. You may have to put this in the business plan and by film three I'm sitting across the table from Whole Foods. But ...

Pedram: Just to be clear, I didn't bring Proctor & Gamble. One of the guys in my movie who we asked for help said, "Hey, I'm doing this deal with Proctor & Gamble. Let me see if I can bring them to the table." I'm talking about other people's contacts who have now hooked me up. Just be very aware of that. Because that is ... Again, I didn't know these people. Someone else brought these people and now one plus one equals 100. I met these people and now we're friends and it all worked out. Think of it that way. "Who do I know who knows people?" Is the better question.

Nick: I love the idea of, just to part for one second. Something that Jeff said is the idea of a test launch. I don't think we have anything in the Academy about how to do a test launch to prove your concept so you can go out and find the bigger affiliates. That's a big deal. We're seeing it more and more in the documentary and docu-series world. We're promoting a ... And you guys have probably been asked to promote too, this new docu-series on cannabis that's coming out. They want to prove to everyone else who's a little bit concerned about this new style of a health film is going to work.

He's asking his closest friends to do a few test blasts for them so that they can get some real numbers and shop them around afterwards. If you're somebody who's not proven in this industry or whatever industry you're in, with being someone who can make a successful film you could totally just get two or three people that have some kind of list to promote you and demonstrate those numbers. Once you have those numbers on a small little blast that doesn't get seen by anyone or small little launch that isn't seen by anyone then you can shop those numbers around and get the bigger fish to bite.

Pedram: That's it. Go ahead, Jeff.

Jeff: It's risk reversal. Instead of asking people that are dealing with you to take the risk, you take the risk out of the equation for them by going and doing a test launch and proving your numbers with a small group. Now you can go to them and say, "Okay. Here's what you can expect from doing business with me. You'll have this many clicks. You'll have this

much impact. You'll make this much for doing it and the overall effect was this." Now, I can deal with you without wondering, "Well, will they screw up their funnel? Will they get to the order page and it doesn't work? Will it not," ...

On the cannabis one, that's a risky topic so because of my relationship with the person who Nick's talking about, I'm going to promote to that. He'll have some good numbers that will validate his concept or it can go down in flames ...

Pedram: Yeah.

Jeff: But the first time around he is very upfront, "Hey, we're taking a risk here. This is unproven. I don't know my numbers. Will you hang with me to get this done?" I like that kind of ...

Nick: Oh yeah.

Pedram: Exactly. Can I share something with you guys real quick? I was just poking around, looking for some of this media impression stuff while you guys were teasing this out. I found one document. I think this is really good to illustrate how these guys work. Where the hell did it go? Examiner. Okay. Tell me when you see this?

Nick: See it.

Pedram: Okay. I had this group at the HBO Luxury Lounge. This group places some of our Well.org stuff in this Emmy party thing. They're like, "Oh. Hey, here's some pictures of some people and here's who was there. Then the outlet was published through Examiner.Com. I can show you ... and Well.org." It was literally a mention of Well.org and check this out. Online audience size, 6,221,000. Look at all that, and then here's the added value. Some moron would have paid \$130,000 for that kind of placement.

This is the world of advertising that you are dealing with. You do not need to be that sophisticated. You just need to know how to speak this language, and to Bob's thing. Sorry, to Jeff's thing, I'm going to get someone to really help you do the media calculation and impression values who's the person I go to so I'm not going to speak to this. I'm going to bring my go-to person for this so you guys could understand. This is the world of media impressions. It's like, "I was mentioned in an Examiner article and you're telling me you just did \$130,000 of work for me? Excuse, me. What?" That's it. That's that worth.

Nick: Yep. Insanity. I have one final question here from Hedda. Do you have a sample pitch deck and a little more info on how to put a sponsorship deal together? I know that Rick ... That Dirk Ruge mentions that he has a bunch of decks. He was actually going to give us one of his sample decks but I don't believe we have it on file right now. Pedram, do you have one?

Pedram: Get his and I will desensitize mine or just see which one I'm allowed to share, and then share one in as well.

Nick: Moline, if you could shoot me an email to remind me to email Dirk, please. All right. I'm out of questions here. Pedram, do you have anything in the chat thread?

Pedram: Yeah. I got a bunch. Here we go. Jeff, first one was calculating media impressions. I'm going to get a particular person on that and then I'm going to do a thing on it. I'm not great at this off the top of my head so I'm not going to try. I'm going to get my go-to person for that. Late Breaking Ideas is a consumer engagement during production ...

Jeff: Repeat the question. I have no idea what you are talking about.

Pedram: He's asking any advice on calculating media impression values. I was going to get my person, Nancy, for that. She's great. And then, I appreciate any further late breaking ideas on consumer engagement during production. I do a little bit of that now. I'm kind of not great at it, because I'm just too busy making my stuff. But I always do like Prosperity movie updates. I do articles. Say, "This is coming up." I mention the movie in podcasts, basically weekly. "Hey, we're doing this. This is something in our Prosperity movie. This is a guy from the Prosperity movie." Drop, drop, drop. I do that just because I'm [inaudible 00:35:52] to create custom audiences that I want to ... That I'll follow up and market to later. But one of the things that you guys got plenty of, but maybe Jeff could speak to here, is how you do it during an Indiegogo, 'cause you could do [inaudible 00:36:05] of funding in Indiegogo and Jeff is excellent at that.

Jeff: That's what I was going to say. So, the Indiegogo campaign or Kickstarter campaigns support you with engagement. It's not just the money you get out of them. It is also ... Now you have an ongoing vehicle, and a reason to be upgrading people. And so we use those campaigns in sequence. Where I'll do a campaign, and then I'll end it. Wait two weeks and start another campaign. But during that second campaign I'm now showing them footage that I've shot. I'm updating them. To me, the number one way to engage your audience is to get them to where expecting on you, nothing will do that more then having them put money in your project. A lot of people have no exciting investments in their life, their money is in a corporate 401k. And it's a blast that ... I'm in this deal for 25 ... It's amazing to me. I've been getting emails from people who contributed \$25 saying, "Hey, I financed your last film and I haven't had an update in a while. What's going on?"

And I go, "\$25? Should I give them their \$25 back?" And it's like, "Well, big financier ..."

The reality is that they feel like they're part of it. They're a participant. I love the crowd funding vehicles as the very tool for customer engagement, and building an audience. Plus, once somebody's in, these are your cheerleaders. These are your people who will take it to their friends because they're vested in it.

Nick: Awesome. I would say just one more thing, just from a legacy perspective. Once you have a movie under your belt, or two, you can be communicating with them before your production even starts. About what's going to be coming up next for support. For instance, for The Sake of Science, we got all of our patients our prior lists. The way we got all of our patients to ... The eight patients we brought down to the jungle, was by sending out to the top exclusions to do our mailing lists saying, "Hey are you guys crazy enough to want to try to do this? Well, email us here." We had over 450 applications for this pretty dangerous jungle voyage in less than 24 hours. There are ways of utilizing ... Keeping people up to ... Utilizing your legacy, kind of help make your next film that way too.

Pedram: You fucking killed one of 'em.

Nick: Dude.

Pedram: Oh wait man, he didn't die.

Nick: Say that. You're not allowed to say that stuff. People are going to hate you now.

Pedram: All right. I've got Jeff's here. Let me see. Bob ... Oh, Bob's got a party house right below the Hollywood sign. If we want to go to an after party while we're there. Bob, you can't threaten me with a good time.

Nick: I know.

Pedram: And I know these guys too well. Let's talk about ... We have the top luxury lounge. So, we were originally going to do this ... Just to give you a little bit about the event. We were originally going to do this in like a ballroom with seats and classrooms and stuff. And Nick and I were both just shuddering, because he doesn't even shave, and I haven't in a few days. [inaudible 00:39:21] We were just like, "I don't know. I don't know." So then they showed us this one pimped out Hollywood lounge that could fit like 40, 45 people. It's got an outside area and all of that. It's just so perfect. We're like, "Yeah, this is it." So, that is where the event is going to be. It's going to be much more casual. It's not classroom style. It's designed so we can all talk and get to know each other and share stuff in a mastermind setting, not in a classroom setting. Like I said before, I'm not one to turn down a party. So, let's talk about this house looks like. Guys?

Nick: Yeah. I think he said enough.

Pedram: Yep. Bob got his sponsorship from airlines. Free flight crew in exchange for clips to airlines. Yeah. It's interesting. I just did a deal with JetBlue. Someone in my audience is a JetBlue pilot, and she just brought this. She's like, "Hey, I just have to do charity stuff. Anytime I say I'm giving back, they'll give me free airline tickets, miles and credits, because it's part of my deal as a pilot. So, just tell me where to be, and I'll be there donating my time, and I could get travel vouchers for you guys." I'm like, "Hi, I'm making a film. Where were you four months ago?" So, we're doing that with JetBlue.

We're actually talking to Southwest, because Kirk Kelleher is one of the founders of conscious capitalism. So, Southwest is really into what we're doing. So what we are going to do is talk to them about becoming a sponsor for the next movie. Giving us the travel for the next movie, but also part of this thing. And they are going to be ecosystem, giving free vacation packages to people who the most towards their Prosperity challenge. And of course their conscious capital movie. So, abso-freaking-lutely Bob, you're thinking along the right lines.

Nick: Yeah. Ditto.

Pedram: It's kind of like the crowd funding one where we just sat back and let Jeff work. That's okay. My ear infection is better. I'm feeling good. So interested in learning more about the pitch decks. So, Aubrey, Moline, if you could put a note in there, we'll start ... I've got to desensitize and go through legal and see what I can put in there, but let's just put pitch decks in there, and we'll get Dirk's as well.

"I have a flight straight for us to Hollywood, 23rd of September." Skye is coming the 23rd of September. So, we'll be there Sunday night, Skye.

Okay. Bob again, "I just recorded with Beckwith yesterday. He's co-producing and promoting my films. Good for you. How do I credit him for things that he brings in? So, he's bringing in Vision, D-Poc, Oprah, with unique URL, my website, da-da-da." So, what I would do there Bob, is give ... If he's into it, 'cause Beckwith might just be like, "Yo, homie. Have fun." But if he's wants to do business with you, there are tiered affiliates, so what you can do in infusion set off, very simply is, give him a primary, top tier affiliate link. Then have him send out affiliate links ... I know D-Poc plays this game, Vision definitely plays this game. I don't know think Oprah does, but we'll figure that out. Then he'll issue a link for them to go sign up, and anyone who signs up under his link, he gets ten percent of or whatever you established.

So, he'd be considered a master affiliate. A lot of people in the industry do that. If you have a big fish like Beckwith who can bring in a lot of these other people it makes perfect sense. It really kind of ... It ends up being ten percent off the bot ... Depending on how you cut your deal, I often times, because I'm [inaudible 00:43:12] ... I often times give my master affiliates 50 percent, 'cause those are my big ballers anyways. And then I give my other affiliates 40 percent. Which means, if a master affiliate brings a second tier, net, I'm still out the same 50 percent, but then they've got like an ecosystem under 'em. It's kind of like multi-level. It works really well. And if they are worth being a master affiliate ... Down the line, they're always going to come in under the person they came in with. But when you start meeting bigger people, you can go master affiliate deals as well.

Nick: It's kind of like Amway.

Pedram: It's kind of like Amway. Bob is asking Jeff a question. ?How do you do a crowd funder campaign to finish your film and offer premiums that are digital downloads of film, signed copy of script, et cetera, that aren't completed yet? We'll send you again in 90 days?" Question mark.

Jeff: Okay. So this is the wrinkle ... This is the thing that crowd-funding invented. This used to be ridiculously illegal. You would open your front door and find a postal inspector there to arrest you. The rule was, you can't sell things you don't have. So literally ... And with Visa and MasterCard, you had to deliver within 30 days or people could automatically keep it. And they could reverse the charges. So, what crowd funding ... Initially when it was created, this concept of, "Hey guys, if you give me the money I will go create a product, and I will deliver it to you in a year. Or a year and a half." Some of the biggest campaigns ever, the products were two years before ... They were promised to be at a year, and some of them didn't show up for two years. The coolest cooler I think took 'em two years to actually deliver the coolers that people bought. And so, that question you asked, "Wow, this didn't make sense. How do you sell stuff you don't have?" That's why you do this on Indiegogo page or Kickstarter camp ... Page. Is that it literally is almost like a ... Groupon was, "Hey, store owner, if you let us get a bunch of people together, we'll deliver you a bunch of orders if you sell to us for X."

The crowd-funding wrinkle on it was, "Guys, if you the crowd will put up this funding, we'll go create something that you want and deliver it to you. And you can participate in the creation." Now, this is far more successful for different products, cool, whiz-bang things that I will go invent. It is harder for films. It grew out of films and ... So, it's much more work, but this was tailor made for the film industry. Indiegogo, that's the reason it's called Indiegogo. Was an independent film maker.

Nick: Really?

Jeff: Oh yeah. Now it's a tiny part of their business because what really took off were watches, games, cool drones, stuff that guys like to buy or invest in.

Nick: Indiegogo started out as a way to fund independent films?

Jeff: Yep.

Nick: What?

Jeff: Yep.

Nick: I had no idea.

Jeff: That's it's ... So, it's deeply in it's DNA. And that's what you do Bob.

Pedram: Cool. Lost it. There we go. Audrey, bringing up an old request to see the method Pedram's assistant uses to bring up different transcripts by subject matter, Excel, highlighting color breakdown. All right, here's what I'm going to do. Sharing a screen isn't going to break any rules is it? Let's do this. That way I don't get into any copyright issues here. Let me pull it up. Nick, can you handle Silla's while I look this up? I gotta go find this thing.

Nick: Sure. Where are all the extra resources you are sharing stored? There aren't any ... I mean we make the website or Facebook page. Moline, what's the link for our resource index? That should be

Pedram: Should be bonus resources.

Nick: It should also be assessable through the Academy, but there's a special link that has a list of every single one of the bonuses that we have.

Pedram: And we are definitely behind in delivering. I can personally say that I have been trying as fast as I can to get there on some stuff that we promised, but what's coming ... Now that module 11 and 12 are done we're just racing to get some of the other stuff in there. So, Moline is holding us to task. But a lot of them should be on a bonus, or under the module that it was ...

Nick: Moline, copy that link into this thread if you can. If you can't find it then we can email it to you. From Perry, would a shirt logo on an interview, interviewee work for product placement? And what dollar amount might you start at? To ask from sponsor for your first film? This is for you Pedram.

Pedram: Okay. Yes, shirt logo would work, just make it tasteful. It's very, very, very challenging to do tasteful stuff with self promo stuff. I would, again ... The question that you ask is a question that can't be answered without knowing the size of the audience. So, for me Perry, the answer is look at how big your audience is. Look at how many affiliates you have. Look at how many emails you're supporting. Look at how much money you're going to put into media. Impressions to get there. And then you can back engineer and say, "Listen. I have," ...

For me, I have ... Our number is 75,000,000 emails promoting this next movie. God willing they all freaking send, or else I'm a liar. But what happens is, then, based on that you can say, you have an open rate, of the lended open rate of email of let's say, here, I'll do this math with you right now. Because it gets a little funky right? If I have 75,000,000 ... That's a lot of zeros, hold on. 75,000,000 times point one five, let's just say open rate. Is 112, whatever. What's a good click rate for you guys based on your opens? Nick? Jeff?

Nick: Six? Seven?

Pedram: Six point one?

Jeff: Yep.

Pedram: Times point oh six now I'm down to 675,000 so this is why I have a marketing budget. And of that, let's add a 60 percent opt in rate. That's point oh six. That 75,000,000 is still only 405,000 opt-ins. So, you've got to figure all those numbers out. That's why 75,000,000 looks bigger than it is. And it impresses people to say, "Oh yeah, I'm in." But when it comes down to open rates and click rates and crap, we're down to 400,000. So, you're spending money on Facebook. You're spending money to get more people in there. Now, of that 75,000,000 if ...

On the front end, you can have ... It probably won't be in your outbound affiliate copy, but you could ... On the bottom of your emails say, "Brought to you by." That's a media impression. If, on the opt-in page it's there, then that 60 percent becomes 100 percent. So, there's ways to get creative. What I'm saying is, this is principle based, you have to back engineer how many people you think are going to be there. And then based on those impressions figure out what's worth charging. And, frankly, it's like an art. What you can charge is what you think you can charge to a certain degree, 'cause there's an art and a science to it.

So, if you can go to a person who has deep pockets and go, "Yo, when I'm in this super amazing scene, kind of delivering this amazing piece of information, I'm going to be wearing your shirt. I want 20 grand." And then what they can do is use that to promote ... I've been working with couple of companies right now, getting some prelim data on it that looks good. But saying, "Here, you could promote my vitality movie. And then you can have the back end of this thing." Jeff, you did this with one of your films to a certain amount of success. Just let them promote the movie. And then in that way, they're using it as a promotional pool, that's almost like a third party validation of who they are.

Nick: Last question I see here in the question and answer is from Jeff. Looking for the bonuses. Wanting to make sure we can give them to 'em in one place, because they keep adding more and more and putting poor Moline to task. To do it. Yes, once ... We will keep you guys posted on any missing bonuses that we still have yet to upload. Moline will be sharing a post, sharing a link to the index to all current bonuses and we'll be adding to that and keeping you guys posted either via email or also on the private Facebook forum for that.

Jeff: You guys want me to give you a summary of The Truth About Vaccines recent launch?

Pedram: Sure.

Nick: The Truth ... Really? You have a summary of how that all went?

Jeff: Yeah. Just thought it might be interesting to the group. In that it ended Sunday night. And The Truth of Vaccines was not me. It was somebody else. The Truth About Cancer guys did this. The promotion, it was only a seven day docu-series. They did a replay weekend after the seven days. They had 435,000 people that registered to see the series. So, that was the size of the list they created. So the numbers that Pedram just went through, 75,000,000 turned into right at 400,000 so that you can figure out how they got there. Vaccines and I we the number one affiliate that they put up ... And no Todd did not take the class. If he would, it would be much better I promise you. We can send him a free copy. So, we were number one affiliate, they put up 25,000 in prize money with 10,000 to the first affiliate. We made over six figures just being an affiliate. So, just sending an email for somebody else ... Letting them do all the work for us as an affiliate, we made over six figures doing that. They did, I think right at 5,000,000 in sales.

Pedram: Wow.

Nick: I've gotta check my stats. I haven't looked at my stats in promoting that at all. That'll be fun.

Jeff: I think you're in the 20's. You only sent one email right?

Nick: I sent one email boss.

Jeff: And this was ... Manny, their affiliate manager said it was the most difficult launch he's ever done because it's such a controversial topic. A lot of people got a lot of back flow off of doing it. I know you did, Nick. Anyway, there's one that just ended, that somebody put together a campaign, did 5,000,000 in sales. I think right at 2,000,000 in affiliate commissions or under 2,000,000 in affiliate commissions. So, you can calculate how they did on that.

Nick: Wow. I didn't realize it was over yet. Similar, a little off shoot, some of the same people who were involved in that one are doing this one called The Sacred Plant. That we're going to be doing ... I'm not sure if you, Jeff, are going to be promoting it, but we're going to be promoting their test launch. I still want ... I want to keep on talking about this test launch idea, because none of us do it by the way. None of the three people here have ever done a test launch. Have you done a test launch, Jeff?

Jeff: Well we referred to the Vaccines Revealed project that we did as a test launch.

Nick: Okay. It was a test launch that unfortunately got away from you and turned into a ...

Jeff: Seven figure launch.

Pedram: [inaudible 00:55:41] poor guy.

Jeff: But actually the Wince's did a test launch ...

Nick: They did.

Jeff: And they did exactly that, where they ran that track. They did it with a few people. They gathered their numbers, then when they went out to everybody, they had their ... All their numbers in place.

Nick: Something nice about having a community, once again, going into the legacy side of things. Once you have a big audience, you have people like Manny who's going to be doing the Sacred Plants. The agreement they have with us is, "Hey, if you do a test launch, our test launch, then we'll do your test launch." So you start forming these alliances. They're going to test launch our docu-series that's coming out early next year, because we are doing that for them. So you start having this scratching each others back kind of a thing.

Jeff: And no hype at all. Like literally, said, "If this doesn't work, to make at least dollar a click, then we'll do a reciprocal with you. And we'll do it for no money."

Nick: Yep.

Jeff: Again, it's taking the risk out the transaction, so the people that you are asking ... Instead of going out there with a tin cup and asking people, "Please help me because I deserve it, or because I need it. And you take all the risk." Everything is structured where you try to take the risk out it for the person. Make it easy to do business with you.

Nick: Yep. I think there might be a little bit of a stigma around releasing something early. Is that going to take the buzz away from my film if there is a little mini launch of it? Six months before it comes out. I think that's just a great myth to dispel right away. This is a huge thing to get out in the open right now. The idea of the conventional movie launch, where once the cat's out of the bag, then all of your momentum is going to go away does not play here in the circles and the methods that we use. This is not about that. This is about good testing and creating powerful content that people want to see.

Pedram: Guy. Can I show this real quick? It took me a while to dig some of this up. Let me share this real quick. I think it's for Audrey, who been talking about this for awhile. I can't put it into the Academy yet, because a lot of it's proprietary info, so just run through it. Can you guys see it?

Nick: Let's see. Yep.

Jeff: Yeah.

Pedram: Okay. So, we have all these kind of major themes. This is kind of a big category dump of learning how color code based on the different themes that come through. And then we have all of the different, the container store, cutting edge capital. So, what they do then is they break down by color and time code where the clips are that we like. Then you can just [inaudible 00:58:24] so the editing guys can go directly into the clips. You can tell this guys got stuff on purpose. This guys got stuff on whatever yellow is. And it actually gives you sort of short links to where it is for the whole thing. 'Cause then what you do is, you just cross over into the actual things and be like, "Oh boom. This short link will take you to yellow that has the description of exactly what the comment it is, in what category in blue. That's how the guys did the paper edit for the movie. They've got the transcript re-dos. They've the transcripts. They've got them all aggregated into the different pieces, and then they just kind of worked into getting all these categories defined and on paper.

Then once it's on paper, guess what happens? Then you gotta figure out if it friggen works. If the delivery is there, the quality. The footage is there. The lighting is there. There's all kinds of crap that happens around that. And so this is the editor who went in and took all those and did it. And I've got, obviously ... Look at all these. There's a ton of these built in for thriving market. I have all sorts of second themes, secondary theme. They just sit there and they ... We know how to just go directly to ... I forgot how to actually go to it. CS6. It's a short code. There's some sort of command that you hit and it just goes and opens the new one. But that's just an example of how this was done. If this is interest to you, maybe we can create like a formula for this. Again, this stuff's proprietary part of the movie, so I can't keep showing it. 'Cause the movie hasn't come out yet. But that's kind of what I've been talking about. How our offline edit happened before it even got into the edit suite. Then from the edit suite you ... Then you can look at it and be like, "Yeah. That didn't work." Then you start moving clips around. But it saved us hundreds of hours.

Jeff: [crosstalk 01:00:22]

Nick: [crosstalk 01:00:22] Sorry.

Jeff: Who does that for you Pedram?

Pedram: My editing teams. So Mark did it. We had a person based in Eastern Europe that did all the research. So we have like research nerds. We have the director do it. This is a process that we've developed in my team.

Nick: We have to do a class on this. This is something that I think most people, including possibly Jeff and myself. I don't have a way that I absolutely love to really categorize everything and look at things at a glance. You got to create ... You got to do a module ... Not a module but a ...

Pedram: No, happy to. I'm happy to. I'll do a play by play. I'll get my team to deconstruct it. I'll desensitize content that hasn't aired yet kind of thing. But I will do a class on this. I'll add it to my list. Oh, no. I won't. Moline will. Moline, can you add it to my list please?

Nick: I want to watch it. I'll watch it.

Pedram: Full disclosure. I am not an organized guy. That's why I have organized people doing this stuff. This is not my personality.

Nick: Yep.

Jeff: And by the way. This is the process that I use. But the way I do it is so rudimentary compared to that, that it's like, "Okay. I'm ready to up my game." So, well done.

Pedram: Yep sure. I mean this is movie three. If we can, inside the Academy create opportunities to help people not have to go through what I had to go through in the first two movies, then it's just quantity right. You just get better and better at this stuff. And by getting better it means it's cheaper for you. 'Cause paying production and post production teams is incredibly expensive. For me, I've probably saved 30 grand in post production costs in this process.

Nick: Amazing.

Pedram: Guys, I've got another live call downstairs. So, I've gotta jump. I will absolutely produce this as soon as I can. Probably give me about three or four weeks, just because of the time constraints I have. But like I said, what we know is yours, we just need to map it out and get into new content. It takes a minute.

Jeff: Pedram, by the way I'll be having dinner at Maestro's in Orange county on Saturday night.

Pedram: Give me a break.

Jeff: If you're in the neighborhood.

Nick: What? I don't get that invite?

Pedram: You don't get that invite.

Jeff: Tomahawk steak?

Pedram: Yeah. Come on. No my doctor didn't really clear me for this flight to Havana in the morning. I ruptured my eardrum, and I've had this ear infection from swimming. It's just been a nightmare. So instead of going to Cuba tomorrow, maybe we'll go get some dinner. And Bob's joining us it looks like. [crosstalk 01:02:57] All right, text me when your in town, Jeff. If I actually stay in town then, I get to see Jeff. Hey, thank you everybody. You guys. Great to see you.

Nick: Awesome.

Pedram: I will see you next time. And I'm running down to the other studio.

Nick: Sweet. Later guys. Later Jeff.

Jeff: See ya. Bye.

How did Sandra do?



If you rate this transcript 3 or below, Sandra F will not work on your future orders