
Jamie: Welcome to Eventual Millionaire, I'm Jamie Tardy. I'm really excited to have my friend Matt Shoup on the show. He owns a multimillion dollar painting company. I've known him for many years. He also runs mattshoup.com. Thanks so much for coming on the show today.

Matt: Thank you for having me.

Jamie: I feel it's so funny, we met each other years and years ago, like when Eventual Millionaire first started. And we've talked so many times I feel like I've interviewed already and I never have.

Matt: We haven't officially, but yeah, we have talked a lot. I've watched you come up and you're killing it and it's awesome to see.

Jamie: I really appreciate that. Why don't you give us the rundown of creating this painting empire. Because the thing is that you sort of came from nothing, and you've made this amazing business.

Matt: Yeah. I came from less than nothing, and I didn't think that I would be sitting here. We're celebrating our ten year anniversary this year, our painting company. And I never thought in a million years I would be sitting here on a millionaire interview. I think in my young age, you know, late teens, early 20s, I've always been the entrepreneurial type. And I said: oh, that would be cool to be a millionaire, but I never thought I'd do it in a business that's not a very sexy business.

You've got a lot of interesting characters in the business, lots of turnover. But I noticed when I started my business; I got laid off and fired from a corporate banking job. We just - -we didn't get along. They threw me out. So I was really forced to do something. I painted my way through college. I never thought I'd come back to it. I said this is a cool college gig. And I came home one day; I was recently married, in lots of debt, six figures in debts, that's the less than nothing that I referred to. And I said, "Hey, honey I got fired today. I'm gonna go do this painting thing."

And I thought I'd do it for a few months and have it hole me over, and six months in to seven months in, a year later, you know, we knocked out, I think, a half million dollars worth of revenue in our first year. And I was doing everything. I was managing the first set of people that came in, the sales, the marketing. Emily was fortunate to be able to quit her job and come into the office for a

little bit. That didn't last long because we didn't work well together. She was ready to fire me. She did that about 18 months in.

So we just slowly, I said: wow, we can do this. We can actually do this as a business. I just really started learning more about all the aspects of the business. I started doing the things I loved and having other people do the things that I hate, that I still hate to this day. I actually hate painting. I am a bad painter. Like that wall behind you, if I came to pain it, it's gonna look bad. You're not gonna hire me and tell all your friends about me. Not my strength, so we hired people that do that.

And to this day, I think we've done about \$18 million worth of revenue, in a pretty small, about a 300,000 person market here in Northern Colorado. It's not a huge place. Yeah, and we really established ourselves and done some really fun things.

Jamie: How different you go though from going: okay, I lost my job, I'm gonna paint. Because painting – I mean, I've heard painters is like solo preneur ones, they don't – no offense – but they don't have the vision of going: oh, I'm going to make a huge painting empire out of this.

Matt: No, they don't.

Jamie: How did you decide to do that?

Matt: I always approached the business and looked at the business is that I'm an entrepreneur first, who is happening to paint. Again, I'm a bad painter.

Jamie: And a bad painter apparently.

Matt: Yeah, and I don't paint. And that's still how we operate to this day, and that's what earns a lot of the business is there's a lot of great painters in this area in Northern Colorado, but did they call you back? Were they professional? Did they show up not scaring your wife and kids and dog away? I just always approached everything that this is business and the painting it's just a product, whether it's painting, we're installing hardware floors, running a podcast, is apply the basic business principles of serving people and taking good care of people. And that's what grew it and that's what separated us from everybody else.

Jamie: Well, that's what I was going to ask you about. No offense, there probably were a ton of other painters in your market in general, and then you come in, and how you can really set yourself apart with just doing basic business fundamentals?

Matt: True. And in this industry at least, and in a lot of the trades, I don't know how many – if you have a lot of listeners that are in the trades, but it's not hard to do. We kind of sit around a joke is that if I show up, I look professional, I'm clean and sober, no offense, but half the people that show up are freaking people out. And now that I look around at other businesses, professional more white collar businesses, business to business, he didn't show up, he didn't call back.

Just the basic do what you say, and just do it a little bit better than everybody else, and lean in to what you're good at. Your business will explode and you can leave other people in the dust.

Jamie: I've worked with plumbing companies, landscaping company, and stuff like that; it is hilarious how little you have to do comparatively to everybody else.

Matt: Yeah, it is.

Jamie: But you also must have had really great marketing skills because it's not just that, you still have to get the clients. Do you know what I mean?

Matt: Yes.

Jamie: Of course service them and they'll maybe tell their friends later, but what was the marketing tactics that worked the best?

Matt: So I laugh because we made a lot of people angry, which said a lot. So we really, our marketing is really polarized to people. People either love us and calls us or they say crazy things about us. I went out for about 12 to 18 months and I just pounded on doors. I literally said: hey, we're going to be in the neighborhood. I'm Matt, here's my card, call me. Got chased by dogs, bit by dogs, thrown out of houses, out of yards.

And that's all fun, but one of the things that we did is that I just saw what everybody else was doing, and I said: you know what,

let's just do something else completely crazy, completely out of the box. I saw one of these tax preparation franchise company, they had somebody dressed up like the Statue of Liberty shaking a sign. And then I saw home builders doing it. And they all kind of weren't great at their jobs. They weren't doing it as best as, I think, as they could. So somebody dared me.

They're like, "Hey, I dare to you throw some high school kid out on the busiest corner in town." And I was like, you know, what am I gonna lose? I'm gonna lose \$30, \$40 bucks; pay somebody \$10 bucks an hour. Threw some crazy kid from the dance team at a high school out on the corner, and he just started rocking it, just putting everybody to shame, and the phone started ringing. My wife, she was still in the office, calls up and says, "Hey, what's going on? The phone is just blowing up here. Who's this Ben kid?"

And I said, "Yeah, I guess that worked." So from a marketing standpoint we just try out of the box crazy things, and then we track it. We see where the business is coming from and then we keep investing into what works and ditch what doesn't work. And I've tried a lot of things, like putting your logo on the urinal cakes at the bar.

Jamie: Wow.

Matt: That didn't work. We got a lot of phone calls, but they were interesting. I saved some of them; maybe we can like cut some into this interview.

Jamie: That would be hilarious.

Matt: Yeah, those don't work very well. So I just tried everything. I was willing to just throw some time, energy, money out there. But really at the end of the day, what's grown our business is just, you know, that's gonna get you the lead, but when you get in front of somebody, you've got to give them an experience where, find out what you're the best at in the business, and what the business needs to serve that customer, and then just give it all you've got, and be willing to share your mistakes. I think from – we did a painted baby campaign about a year and half ago.

And we actually accidentally painted a customer's baby. We had a paint sprayer blow up, got paint all over the house, the concrete,

the landscape, and she was out holding her baby. And my competition would kill to know about something that we screwed up, so they could go tell everybody not to hire us. So we said why don't we just do it first? And we painted my daughter, we brought her in the office, we threw paint all over her and then plastered bus benches, bus stops, sign all over the town and it kind of caught on. Those are some of the marketing things.

Jamie: You took your screw up and you used it as a marketing tactic.

Matt: Yeah, absolutely.

Jamie: What if that blew up in your face, like – do you know what I mean? What if you were just telling everybody bad things instead of it being good? How was it good?

Matt: It was – well, we started doing it, I mean, it was – it's one of those things, like all these buzz words that you see, I just had a conversation about this yesterday. We have a new marketing person on our team, and she says: here's what all the competition is saying, we're quality, we have integrity. It's like duh, you better. Like, you have to, but why would you need to use all these buzz words? Just go out and do it. Stop saying it and start doing it. And that's just my approach. I had a customer, he was a real tough sell. I told him all how great we are. I showed him our shiny marketing brochure.

And he's like, "You know that's great, but this is my \$2 million dollar house and I want to know about time you really screwed something up?" And I was like, "Well, hey, we painted a lady's baby." And then I thought I can't believe I just said that to this guy. And he hired me. He said, "You know what, if that's the worst thing." You let somebody know the worst thing that could potentially happen and that has happened, you're competition has no ammunition and you're just being real. We painted the wrong house once. I mean, we've done the wrong color a few times. We painted the wrong house.

But the baby was the worst I'd say. So we knew – to answer the question coming back to it – is we knew it was getting some good attention because we would just start sharing it. The campaign was really born out of: man, I've been sharing this story at every single appointment we go on, and people are just rolling and their laughing and they're signing contracts left and right. And we're

getting away from telling everybody how great we are. And say here – that doesn't matter. It doesn't matter how great you are, when something screws up you're gonna show your character and how you handle things when something is on the line.

Jamie: I love though that you tested it a little bit ahead of time instead of just sort of going out and telling people, that is very important.

Matt: Yes.

Jamie: What's the system that you use for marketing? Because I feel when I talk to people in general, and I know you do coaching and stuff like that now, people especially in the marketing space, it takes time to test things, analyze them, look at the data, see what's working, keep doing more. And then that changes sometimes, so what systems do you use in order to really crack that and make the best decisions marketing wise.

Matt: Awesome question. I've always been a numbers guy and a math guy, so from the very beginning we've evolved into having a pretty cool CRM that we built that tracks where everything comes from. I'd ask if you if you call: where did you hear about us? And it went from door knocking and sign spinning to building that client base, and then word of mouth. And again, like the urinal cakes we crossed that off the list because those didn't work. We just listened to these phone calls. We were using spreadsheets as a way to just track everything. Here's how much pure profit came in from this much revenue.

And really, where we're at now is we get about 45 to 50 percent of the business from word of mouth, which that wasn't the case at the beginning. And it does take time. And you got to just – you got to be willing to try things. One thing I share is when I started I had a lot more time to invest than money, so I was door knocking. I was face to face. I was hanging out on the Home Depot, just up and down the paint aisle pretending to look for something, and then just talking to somebody. Hey, you know, you should get this paint, not that paint. Oh, by the way do you have a painter? So those things worked.

And then I was running out of time, but we had more financial resources. And I think that's the case in a lot of grassroots and startups is you just got to go, and got to just bang and hit the street. You might be kind of tight on the money, but then when you get

some don't be afraid to try a little here, try a little there, and track it.

Jamie: Well, talk about this, because we were talking about this a little bit beforehand with leverage. Because you're right at the beginning it's like you're working all hours, you're trying to figure out what works. You're being the guy knocking and everybody is like, "I don't want to do this." Especially online, they're like; "I don't want to call people on the phone." Or I don't want to do the things that sound difficult or hard. But give me the evolution of like how you went from knocking on people's doors and having people kick you out, to actually having some leverage?

Matt: Yeah, I think it was after – it was about midway through the second year. So about midway through 2006 I was still knocking on doors. And then I said: cool, I'm gonna drop \$10 bucks an hour for Ben the dancer on the corner. And then I started doing that and that worked. So then I hired his friend Cory, and then his friend Matt. And then I started doing some direct mail. The phonebook was still – it was starting to die out, so I did a little bit of that. But it was about 18, maybe 24 months into the business I was able to – I was just busy, I couldn't do everything anymore.

I needed to start hiring midlevel managers, pay for some of the marketing, and then just testing it, so that's what happened for me, and that's just when I started tracking and testing things.

Jamie: What was your first like couple hires, of course you had painters at first, but like who was that main person, do you have a customer service, what was the evolution of you, and how many employees do you have now, too?

Matt: Right now we have between 75 and 90, depending on peak. You know, and I directly manage a leadership team of about eight people that then manage everybody else. When I started it was me, it was Emily. She was my unpaid intern. And then I had one painter that had kind of rolled through with me from the college painting days. And he worked by himself hand brushing houses. His name was Terry. From there I had to hire another paint crew. And we actually scaled up to two paint crews of about two to three people.

I used the analogue of just you have to sift, in this business you have to sift through a lot of the junk, a lot of the crap, to find the

golden nuggets. And then when you do, you pay them really well, take good care of them and they'll be loyal. So we did that right away because I can't paint well. But the next person that I hired is – my love is generating leads, meeting with the people, and then sitting down and selling you something. I'm great at that, so I needed to open up more time, so I hired a production manager.

So that was somebody that would oversee the job from scheduling to picking colors, all the way through to a happy customer that's telling somebody about us. So like that was my first official big hire.

Jamie: That makes perfect sense too, especially because if you're really great at sales, you need to continue on the sales side just in general.

Matt: Yes.

Jamie: How did you find the golden nuggets, because that's what everybody wants, and hiring people is tough sometimes?

Matt: Yeah. I wasted a lot of time. In terms of hiring and recruiting, the best piece of advice I could give, as I think in any business, you know, we were talking about some hiring firing and decisions you may have had to make, but you're gonna get a lot of applicants. It's that funnel, you put out an add, a post, whatever it is. And in painting, my typical interview day was going to Starbucks and setup eight interviews every hour. So I'm there from 8:00 to 4:00. I'm getting like super jacked up on coffee. Half the guys show up, the other half of the half show up late.

So I spend all day to find one person, two people, bring them out on the job site, to maybe find one that's even gonna hang for like a month. So I started doing a group interview process, where I said: hey, Thursday at 2:00 we're all meeting here. And I would setup systems for them to fail or select themselves out of what I needed. So if I need you to be on time and confirm an appointment, I would ask you in an email before that: hey, confirm on Wednesday that you're going to be here. And then I would have everybody show up.

And it's cool when people get in a group scenario; I think you can see a little bit more of their true personality. One on one, I can sell you and tell you whatever I want, you know, in the painting industry kind of thing. So we started doing group interviews and

just being very efficient with time and just creating systems to see what these guys and gals were made of, and just be able to give them 20 opportunities to exit before it actually mattered. So that gave me more time to do that and we found some really quality people that way.

Jamie: That's so smart setting up the system, so that way you're not wasting your time and theirs.

Matt: Yeah.

Jamie: And you don't have to feel bad about going: oh, you're great, and then, oh wait, they didn't do this. Because that's what tends to happen, you hire someone and you're like: oh, they seem like they're pretty good. And then you maybe do a contract with them or something, and then you're like: oh, well, then. Do you know what I mean?

Matt: Yeah.

Jamie: And you feel like it's just a huge waste of time.

Matt: Yeah, it's interesting. And then another key things is when you feel like you've got somebody that's gonna work is, I run behavior and personality profiles on them. It shows here's the iceberg in the water. Here's the part of the iceberg you can see how they're going to respond to people and problems and your systems. You know, here's the stuff that drives it from beneath the surface. So when I started learning about that and using that, I could really plug somebody in knowing say a production manager needs to have A, B, and C, as a style, as a behavior pattern, and this person doesn't have that.

That's great that you're nice, that's great that you like the position, but it's just not a fit. So that was another huge thing that we did in the early years and continue to do every day, still to this day.

Jamie: How do you know though, because everybody messes up? So like I'll have a client, you know, their first hire, and then they're like: I don't know, then they did this, and then they did this. So there's – especially when they're new, like things just come up. How do you know when you're like: man, this is it? I'm going to pay them well, they're my main person, versus not?

Matt: I think an initial passion about the job and the culture and the community that they're joining into. I'm not huge in the first, second, even third of meeting of saying here's your job description, here's what it pays. And they're asking me what is the job description, what does it pay? They gave me their resume and I kind of throw it aside, and they look at me. Like, you're not gonna give me a bad resume, but for me just that personal connection, I share the vision of the company. I said here's where I came from, I'm dead broke.

A year and a half later I'm broke even, and then a couple years later is when you called me and we talked about doing this interview, like maybe six years ago. And so I'm just sharing the vision of we want to grow. We want to give back to the community and serve. How do you feel about that? I mean, because if you get into you're going to paint blue trim on this house tomorrow and it pays \$13 an hour, versus we're here to make an impact in the community and give back and serve people, and paint people's homes for free that need it that can't afford it.

And you get that connection, you see them get excited. I'd rather have that all day long and then train on the technical job description, assuming there is a personality fit. And that I think is what made a difference. I'm sitting next to the other painter literally three chairs down, and here's comes a painter, here comes another guy late, you know, it's \$12 an hour, and they're fighting about dollar and hour. So that's one of the unique things that we've done and it really works for us.

Jamie: What I think is hilarious though is thinking about your wife and bringing her on the team. Because I've worked with a lot of married couples, and so tell me about what that was like, because that starts to be a sticky situation. And even if you have her run the first nine profiles and stuff, what did that look like and what advice do you have for people?

Matt: My advice is – at least my experience – this is just my experiences. I think let your marriage be your marriage and let your work be your work. And when you start combing those things, I mean, I remember when we have the office phone there was a caller ID on the television. So we're watching our favorite episode of whatever, and then you see so and so customer called that, that was frustrating. The married dynamic, I'm a very – I attack and approach problems.

I'm a people person. I'm very limbic, I just go out and I'll jump off the cliff rather I have a parachute or not, and I know that somebody will be there to throw me a parachute, and that's her. She's like: whoa, Matt you need to slowdown. She doesn't like things changed on her very quickly. An example is I'd go out and I'd close business and pull in the money, but I have to sit down and put it in the bank, it's gonna go in the wrong bank account and it's not gonna be balanced.

So we actually balanced each other out very well, but I just think the strain of you are together all day. You've got your marriage. We're newlyweds, we've got debt and home and all this stuff going on, talking about a family and children. And then you've got just the office coming in. For us it didn't work. And she was really excited to leave. Her goal has been to be a stay at home mom, and that was awesome the day that she got to do that and bring somebody in to replace her.

Jamie: Okay. So that makes it way different than her going: oh, no, I have to find a job. She like: oh, great I get to stay home. And that sounds like a great transition. I can only imagine what it's like if you're married and you kind of have to have that conversation where she's not happy about – do you know what I mean?

Matt: Yeah.

Jamie: Oh, great we can't work together.

Matt: And there were certain customers, I remember one customer, and I said, "Emily, if I talk to this customer things aren't gonna go well. You're just better suited." And then she goes, "I don't want to talk to her either." So just things like that. And she was around for a lot of the initial frustrations. Painting is a crazy business; we've had crazy things happen. And for me, I look at it and I say its business, for her a lot of stuff is very personal. So, you know, when somebody would steal or blow up a job that really impacted her, and I was just like: okay, you're fired, next. You know, it's done.

So that I would consider in a relationship too is you can't take business personal. And we had some relationships that were created and then broke apart because of that, and I think that

impacted her more than it did me, but that's just how she's wired, that's her style.

Jamie: Let's talk about that for a second because that's something that's hard for people to go: oh, you stole me, you're fired. And we're done. Because especially when you get in it and this is your baby and this is a thing and how could they, and then it starts to – so how do you do that?

Matt: How do I fire or deal with that?

Jamie: How do you deal with issues in business and don't make it into a thing?

Matt: I remember the first time I had to fire somebody just about anything. And it's always tough, that's not a conversation you want to have. But my style, and especially now, and I've grown and matured a lot, but I'm – you know, I'm gonna – if you're great and you believe in this company, I'm gonna take awesome care of you. I'm gonna give you a better opportunity than anybody else, and this is what I expect. And for me there's a difference between: hey, I made a mistake. My bookkeeper the other day thought she made a \$47,000 deposit, but she didn't.

The checks were just in a little zipper bag somewhere, and its fine. So we're going through and we found it, it was an honest mistake, no big deal. That's not a big deal, but if you're consistently intentionally breaking rules, there's absolutes, like you don't steal from me. If you steal from me, you steal from my family. And again, I'm that very direct style, I don't have a problem saying it, and I'll say it right away and just handle it. But it's tough; it's always a hard conversation. We had to let somebody go. This business you can – there's a stereotype, but it's kind of true, you know, there's a lot of drugging, and the guys that will get in and out of drugs and crime.

We had that happen just a couple of weeks ago and it wasn't pretty, but I said lets handle this, and we did. And it's nothing personal. The guy that we let go was very respectful. But I've also had people get very not respectful and handling that differently. But for me the smile really turns off and it's just straight down to business, but that's my strength, that's what I do.

Jamie: That's a huge strength. What advice do you have for me? I'm a little too nice sometimes, right? So I'm like well – and then I think of their personal situation and I'm like: I don't – do you know what I mean? I feel responsible, they're an employee, you know, that sort of thing, so how do I – give me some tips on how to be mean.

Matt: So do you have – do you just have that feeling of loyalty and responsibility to the person and you'll always put their needs and their family or their situation before yours?

Jamie: I care a lot.

Matt: And that's a good thing. And I think your team members will see that as – I mean, I either hire somebody that has a style that just – you know, the Donald trump style of like you're fired that you can consult with. Hire your alter ego. Or you're just going to approach it differently. I mean, think your style you'd probably fire somebody smiling at them, and they would leave feeling good about it, not even knowing that they just got fired, but they didn't do their job.

Jamie: I'm always good friends with all the people that I – which I don't know if that's a good or bad thing. My mentor used to tell me just in general, what your business needs is very different than what you think you need. So put your hat on of the business and go what is your business need, and frickin fire them. And I'm just like it's so easy to say and so hard to do. Is it just innate in you?

Matt: And what I do now especially with the mattshoup.com is I go into companies, and groups, and churches, and married couples, and I profile people and say, you know, you're either – people are wired to either be more about a task and completing something, getting an experience done and completed, some people lean more towards the people and the emotion and the feelings. You have people that are conflict avoiders. I'm not a conflict avoider. If I'm in Walmart and – I saw a guy the other day being mean to like an old lady working at Walmart, so I yelled at him, and I told him about it. And my wife's like I got to go.

So you just might not naturally have that head right into conflict kind of thing, so you've got – again, out business has grown just because we all stick to what we're good at. I'm good at being direct, making choices, pulling triggers, but then having that balance. I have a guy Kevin on my team and he's phenomenal.

We literally are the opposite charts and graphs. So, when I get fired up about something and I'm like fire that guy, or we can't work for this customer, he goes hold on Matt, and he thinks about everybody else.

He thinks about the long term. And then we usually balance each other out, so that's needed in a business. If you've got a whole bunch of hey, let's go fire everybody styles, you're not gonna have – I mean, you're not gonna have anybody left. That would be me, if there's a bunch of Matts running around I would have fired everybody like three times at some point.

Jamie: So it's the opposite. What's so awesome is you said at the beginning that's sort of what you and your wife did and you found somebody, Kevin, that sort of has that same thing that can sort of fill that role, which is what we need to have both sides.

Matt: Absolutely.

Jamie: I love this. I know we have to start wrapping up, which sucks.

Matt: No.

Jamie: I want to have you back on the show. I know it goes by so quick.

Matt: We'll do like part two, it's totally fine.

Jamie: We definitely will. And you have to send me the urinal cake story thing.

Matt: I'm gonna find a picture and I literally – I'd have to find a message because it was drunken people at an old Chicago. I hope I can share their name. But it was literally, it's like three in the morning, "Hey, man, I need some paint. I'm peeing on you right now." It was crazy.

Jamie: I love this. Because some people, like we talked about marketing tactics and they're like I don't know. And you're like making urinal cakes to test. I think that's like the best thing ever.

Matt: Yeah, try it, track it, test it, and you'd be surprised what might work.

Jamie: That's awesome. So the last question is what's one action listeners can take this week to help move them forward towards their goal of a million?

Matt: Write it out and set a date for it. For me, I had a specific date, and we talked a little bit about this, but set it down, have it be part of a bigger vision. You know, being a millionaire is really cool, but it's not as cool as I thought it would be. For me the big thing was the impact we get to have giving back to the community and helping people with it, so for me that drive of that of the million bucks or the net worth is here's the bigger picture behind it. So set a date and have a drive that's bigger than you behind it, and then just get to work.

Jamie: I love that. And I have so many people that set a date, and then they'll email me and tell me the date and go I want to go on your show on this date, which I think is the coolest thing ever. I've been like: sure, if you hit a million status, you come on my show. I'll be happy to have you on, which is so awesome. And so I'm happy to have you on, so tell us where we can find more about you and actually what you do, because you definitely do the painting side, you still own the business, but you're doing something on your own, so tell me a little bit about that.

Jamie: The painting, it pretty much runs itself. I still jump in. I'm a little bit of a control freak and I'm working on that. As that's going I've just ventured into speaking and consulting. And as we've talked a little bit what I do is basically profiling teams, and people, and individuals. And going into a company, any group of humans working towards a common goal of anything and say: hey, here's how you're all going to act and behave in this situation, here's why, here's what you guys need to do, how you need to communicate.

And I go in and do workshops and coaching purely based on what we've been talking about with these styles. And that can all be found at mattshoup.com.

Jamie: Awesome. Thank you so much for coming on today. I really appreciate it.

Matt: Thank you, Jaime.

End of Audio]