

On treating your creative world like a business



Comedian and scientist Victor Varnado discusses building your own team, finding focus, and not being afraid of being successful.

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As told to Paul Barman, 3003 words.

Tags: Comedy, Writing, Television, Success, Focus, Money, Anxiety, Identity.

Comedian and scientist Victor Varnado breaks codes at lightning speed. When we first spoke, he had figured out how to make a living based purely on what he is curious about day to day. Since then, he gained a patent in applying AI to digital accessibility.

So I hear your plan is working and you can get up and do whatever you want.

It's a transformational period. I wanted to figure out how I can be an irresponsible, ridiculous artist and just do things that are nonsense and still make very good money. Every day I get to wake up and do something stupid.

That does sound ideal.

Six years ago I formed a plan and I had bumps along the way, but now it's becoming a real thing and I feel good. I'm pretty happy. But because it's becoming a real thing, I'm just like, "What am I going to do now that I can pick projects? What do I want to do more than anything else?" That leads me to a lot of thought about, "Who am I? What am I doing?"

Sometimes I'm like, "How can I make sure I'm creative today, given all my other responsibilities?" But if I was like, "Oh my God, I can be creative all the time," it's a similar approach to time, but I guess it's a little bit more sublime.

What I expect to happen is that when I have more time to focus, the quality of my work is going to increase dramatically. That's what I think is going to happen. Every time that I've had an idea and not had enough time to really make it perfect and exactly what I want, that's going to go away. Instead, I'm going to have the ability to execute as I envision things because now I have resources, now I have connections, now I have time.

I think everybody who's reading this will want to know how you got to that point.

Here's my complete plan. It's actually really simple. Looking back, I can explain it simply, but in the process, it was pretty crazy. What I did was I created a company and I signed myself as an artist exclusively to that company. I found people who are great at all the things that I hate to do and I'm terrible at, like a finance person or a manager agent with a bunch of connections or a person who's good at finding money. I found those people and those people have a small share in my company. So if they do those things for me, my success means their success.

This is Supreme Robot Pictures. That's basically what the structure of the company is. I'm exclusively signed to Supreme Robot Pictures and I create projects and I do the creative part.

Every day it's going to be up to me to just figure out what I want to do. I have projects that are testament to that already, projects that are already making money, that are testament to this whole setup. I'm creating projects that have recurring income and those projects themselves are art projects and that recurring income pays for my team's base salary so I don't have to seek outside work once the recurring income is set up. I could spend the entire year working on one thing if I felt like it, as long as the recurring income covers whatever salary that I've said that I want. The very basics of it are I made myself as an artist into a company and then I profit share with people who do all the things that I hate.

You said you're going to be able to do things just how you want them, and that implies that up till now, you haven't.

Well, I am a perfectionist about one thing and that one thing can be done whether or not something is high production value or low production value. I'm a perfectionist about communicating because that's the thing that's most important to me. I want to communicate with people, but I can communicate with people on a budget of \$50 and I can communicate with people on a budget of a million dollars. I mean, I know that other people, they have different tastes.

For instance, I'm a cartoonist and a lot of my friends that are cartoonists render way, way better than I do. But also my cartoons—what I really am trying to do is get a specific message across. If I can get that message across, that makes me happy. And at any level of production, the message is the same and that's what is the most important part to me.

How do you have no hang-ups about money?

I used to have more hang-ups about money. I did. But have you ever heard that phrase? I think it's Confucius, that a man has two lives. The second one begins when he realizes he has just one life to live.

I can relate.

For real. That happened to me six years ago. I was like, "What am I doing?" I was a producer on the *Love and Hip Hop* franchise and we were making just crap television and I was just like, "Why am I here? Is this how I'm going to waste the rest of my life?" And then, no offense to *Love and Hip Hop*, but I just don't want to make *Love and Hip Hop* stuff anymore, which is obviously some sort of offense to *Love and Hip Hop*.

But then I was like, "If I'm not going to do that, what am I really going to do with my life?" Part of that was really focusing on what I want, what I really, really want. And what I really want actually has nothing to do with money. What I really want is I want freedom. I just want freedom. I want to be a frolicking elf in the woods. I have no cares. I have no responsibilities.

If I had kids during these past six years, I probably wouldn't have been able to take the same risks. I probably wouldn't have. However, now that I've done it, I can actually easily look back and say, "Hey, if you want to do it with low risk, these are ways you can do it with very low risk."

You're definitely going to have a consulting arm of this company.

I have a podcast where I just give away this information for free. I stopped for a while because I was too swamped. But now we're starting it up again. It's called the Arts Academy podcast. And so this information is all free because who cares? I mean, I know that I'm already doing stuff that's going to make me money. And I know giving away information for free is going to help me make money anyway, so why not?

What are some intermediate steps that you haven't articulated yet?

Well, one thing I had to deal with was crippling social anxiety. So what I did was I made a deal with myself, which is I'm just going to push through and do it and my heart will be pounding, but I'm just going to do it. I started doing that and experimenting with things.

I reasoned to myself to make myself move forward and do all the things I thought I needed to do to be successful. For instance, I asked myself a question, "Can I be successful?" And my anxiety was like, "No, idiot." And then I was like, "Oh, but let's reason that through." I reasoned it down to this sentence, which I always think of, which reminds me I can be successful: There's already somebody out there doing it worse and they're a millionaire.

Oh, that's so good.

So that's it. That is what I think about all the time. Whenever I'm like, "I don't want to go forward," I'm just like, "Some idiot is just laughing in a bowl of money right now."

Bowie did it. He didn't lose an ounce of respect. Actually, he was seen as a genius forward thinker as a result.

I didn't know Bowie made himself into a business.

If I'm getting the story right, it was like selling shares of himself in some kind of way.

Yeah. That's exactly basically what I'm doing. That's it. I'm going to read about that because I was looking for other people who did something like that. Although I made a company and the company signed me exclusively, it's not actually me, but I'm basically selling shares in all of my works.

I can break it down for you. I'll talk about gross margins, then I'll talk about my business model. So gross margins are basically a measure of how profitable a business is. If you have a store and the store brings in \$10,000 in a month and then it costs \$7,000 in equipment and stock and whatever, and then you make \$3,000, that's your profit. You take that \$3,000 and you divide it by the \$10,000 and you get 30%, that percentage is your gross margin. So basically for every \$7 you spend, it brings in \$10. So your profit is 30%. The gross margins of a company, McDonald's, which is a super successful company, is about 80%.

So basically for every \$2 they bring in about \$10. When you think about art as a gross margin, it can be something that is a gross margin and the higher your gross margin is, the more valuable you are to people. But your gross margin as an artist can be very large. For instance, think about this one. For me, with me and my team, let's say it takes us \$5,000 a week to run. So to pay myself a salary to pay the people that are helping me, a salary they pick, takes \$5,000 a week. What I want to do is I want to create a project and I want someone to invest in that project because it's a business.

And once someone invests in that project, then that project is not an expense of development anymore. Now that project has other people's money, so it grows with other people's money. So for me, for something like the podcast Wiki Listen, , it took me about five weeks to develop, which is about \$25,000 of development time. But over the next four years it is projected to make about \$2 million. So if you take that number, \$2 million, and you subtract \$25,000 from it, you get a gross margin of almost a hundred percent. I'm not saying that it should drive people, but if you want to express what you're doing as an artist to a person with a checkbook who will give you money to do it, and you can show that your gross margins are good, then you've got a chance.

So there's Victor, the hard boiled finance guru. And there's Victor, the uninhibited standup on stage. And I just wonder if you make mental transitions as you perform different roles.

Oh my gosh, I do. I think of myself as the business person and the artist. And the business person has one job. Keep the artist happy. That's the business person's job. If the artist needs money to make their projects, the artist needs money to make their projects so they don't have to think about money. The artist needs time. And if you keep the artist happy, the business is going to keep making money because the business has all the connections that it needs. I'm also looking for somebody to take over the business side because all I really want

to do is be the artist. But I have to do business now to get to the point where I can actually hire somebody to do that and I can just be the artist.

Meanwhile, all of that acumen will keep that person from stealing from you or whatever problems could happen after they're hired.

The people who I work with are my very dear friends and they understand specifically what my goals are. And they also understand that my goals are something that can work. If anybody has a question, I answer it as completely and honestly as I can. I don't keep things from my crew and we function as friends. So we all know that we are creating a party. We're going to party forever.

Can you tell me about Lunch Club?

Lunch Club is a website that puts professionals, in whatever field or whatever curiosity you have, in touch with other people, and on lunch dates. It used to be a thing in person, but then in the pandemic it switched to online and it really blew up. You can go to Lunch Club and you'll meet people and after you meet and talk to them, they'll rate you. If your rating remains good, you meet more people. If your rating is bad, you get kicked out. I'm sure it's not like that bad. I haven't met anybody where they said their rating was terrible or anything like that.

Do you find out your rating?

I think it does have a rating. I should look at it and see what my rating currently is.

Is there a part of your story we haven't covered that you think is important?

Here's what I think is important. At the core of what I'm doing is I'm trying to create a life where I can just get up and play all day. Because that's what I used to do as a kid. It is strange to find the tools to do that where I had to find them. When I say that I studied people who were entrepreneurial gurus, I really did. But I was only focusing on those things which I could take from them. I was only focusing on those things that I could take from them, that were in line with my ultimate goal.

I also only focus on things I could deal with. Because when I started really studying entrepreneurship, it became very clear that if somebody wanted to be a millionaire, you could be a millionaire doing the shittiest drop-shipping job. You can become a millionaire if you really want to do just the crappiest of crap. But some of the techniques that they use for the crappiest of crap things also work if you just change the product into something that's actually good, like art. That's it.

What's the process by which you get to the next thing?

I have an idea and I take it to trusted friends or people or artists, just smart people that I know that I like, and I just pitch it to them and then I let them poke holes in it. Then if they poke sufficient enough holes in it, then maybe I'll set it aside. But if they don't, then I will shore it up and fix it and keep developing it until I get it to the point where I can write it all down and explain it to a layman.

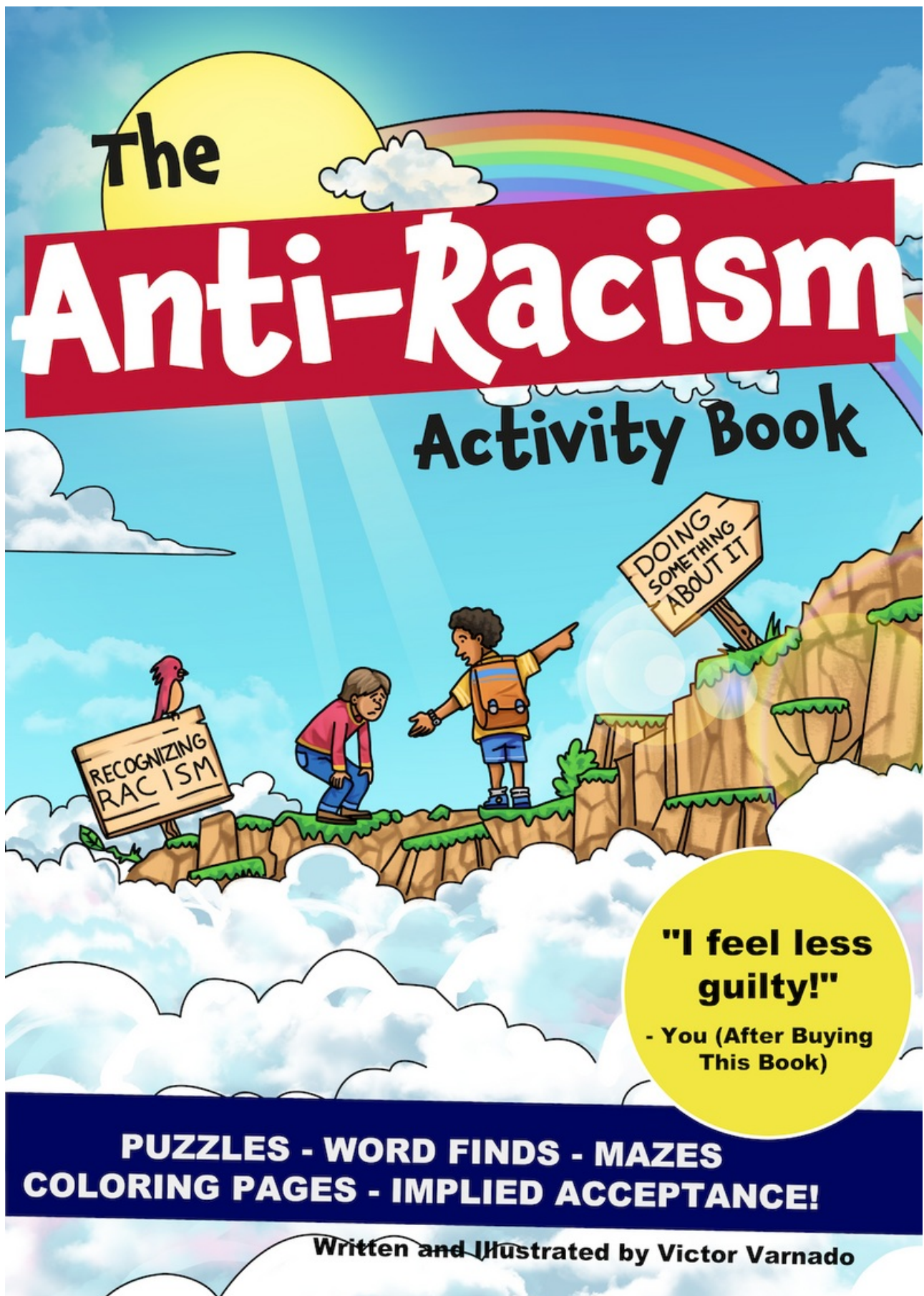
Then once I can write it down and explain it to a layman, I use that to start pitching it to outside funding. So the company has its own salaries, but the projects that I make, my company doesn't put its own money into those projects. We develop those projects with outside people. So I have an idea and I find third party funding, whether it's an actual investor for that or it's a distribution company or it's a publisher or whatever, wherever the money comes from, just not from my company. That does three things.

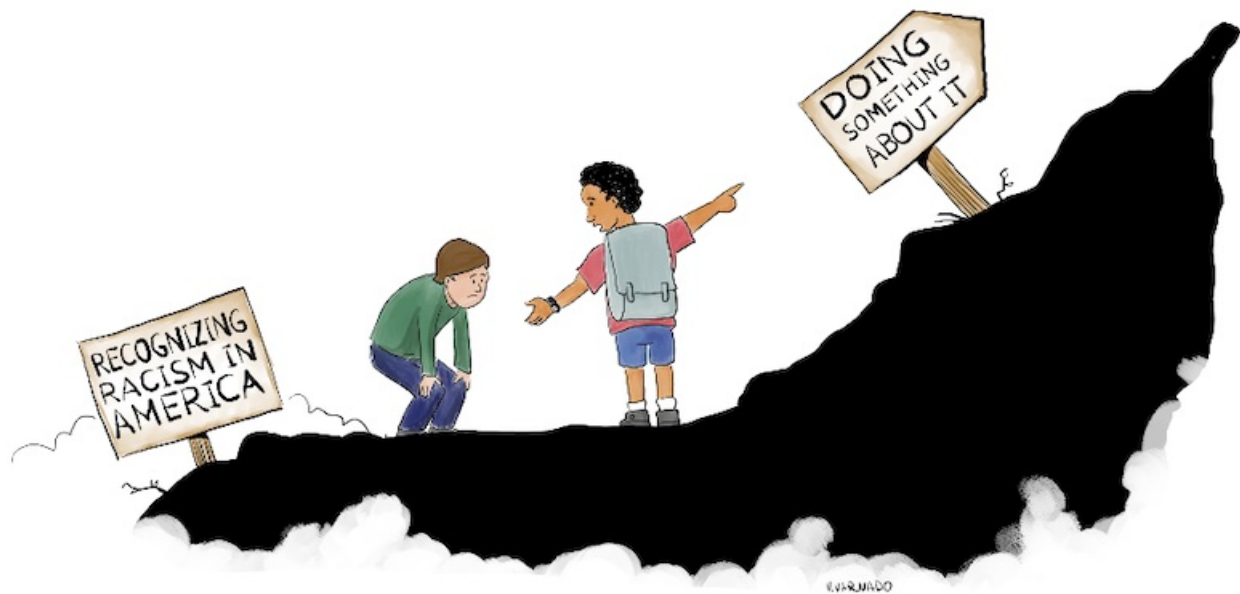
One, it protects my company so that I don't waste my money on projects. But then two, it validates the idea because if someone else is willing to put money into it, then I'm like, "Okay, this actually is a good idea." Then three, it puts other people on the team of that project whose best interest is for that project to succeed.

So those projects then become LLCs. Subsidiary companies of my company. And those LLCs, the investor has equity in it. Then maybe I work with a PR company and I give them a vested interest in the company as well, so that they do PR for the project for free, and get paid on the other side. If the project is already funded, then it's valuable to them to do PR for free because they're like, "Okay, it has a marketing budget so my effort isn't wasted."

That's how something goes from zero to being a project. There are projects also which don't cost money, which are just like they only cost my time and those personal projects that I just do in the background and then when they're done, they're done. For instance, *The Anti-Racism Activity Book* is an example of that, where it didn't really cost any money for my company. It only cost my time and attention. Then it became its own Kickstarter, and the Kickstarter was successful, and then now the book is out.

So that's an example of just a side project that I would do as well. So those are the type of things that my company does. Either I grow a project and it becomes a co-production with someone else, or I do things that cost no money to develop on my own time.





"Actually, we're just getting started."

Victor Varnado Recommends:

Five thing I love to do alone

reading informational content

draw

develop video games

watching complicated movies

meditating

Name

Victor Varnado

Vocation

writer, director, cartoonist, comic

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