

**EPISODE 531**

[INTRODUCTION]

[0:00:35.4]

**FT:** You're listening to So Money, everyone. Welcome back, I'm your host, Farnoosh Torabi, February 6<sup>th</sup>, episode 531. You know, I received a book shortly after the election results last fall that put a really big smile on my face, and I'm smiling right now looking at it.

I just really needed it. I didn't know I needed it, but I did. It was, needless to say, something that was very welcomed in my life at that point, and I think for many women and men. The book is called *In the Company of Women*, and I really recommend this for yourself or as a beautiful gift you'd like to give a friend.

The author, Grace Bonney is here, and in the book, she profiles a hundred female entrepreneurs of all ages, races, backgrounds, and industries. She trekked the globe to find these women. Some of them you're familiar with, some of them are not household names, and in all of their stories, you learn how they thrived. How they struggled, and how they thrived. They share practical and inspirational advice. It's a beautiful book, like I said. Outstanding photography.

Grace is also a small business owner herself, and she's the founder of Design\*Sponge. Many of you may have heard of this website; it's been dubbed the Martha Stewart Living for millennials and it started when she was just 23 years old. She was struggling to really find her home base in the editorial world. She really wanted to work in magazines, they kept shuttering. She's like, "You know what? I'm going to start my own blog."

Today, Design\*Sponge reaches nearly 2 million people and is a vast community. In our conversation, we discussed why Grace decided to take a bit of a departure from her small business to write this book, why it was important to her, the importance of owning your success, your responsibilities, your power, no matter how hard it can be sometimes.

This was a recurring theme that Grace discovered rang true for many of her female entrepreneurs in her book. And why Grace says, “You know what? I’m really happy not having a lot of money.” Interesting, I didn’t know she didn’t have a lot of money. You never know, right? You think someone’s got a site called Design\*Sponge, and they’ve got a bestselling book, and they’ve got the two million people coming to their website, but take a listen, you’ll hear why.

[INTERVIEW]

[0:03:00.3]

**FT:** Grace Bonney, welcome to So Money.

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**GB:** Thank you so much for having me.

[0:03:05.0] [0:03:05.0]

**FT:** I’m really in love with your new book, *In the Company of Women*, and I received shortly after the election results. Couldn’t have been a more perfect timing I think of a book of this nature, where I think that there are legitimately many women in this country that are worried about the next four years, and what that’s going to mean for their futures in terms of their rights.

In particular, female entrepreneurs, I think, are concerned about their quality in the workplace and their opportunities maybe being taken away from them. I think this book is great timing. It’s a lot of hope, it’s a lot of inspiration, it’s a lot of real, raw stories. Why did you want to be the one to deliver this book? Given that you are the founder of Design\*Sponge, it’s a little bit of a departure.

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**GB:** It is. It’s funny, I think for people who know me personally, this is something that’s kind of been in the works for at least four or five years now, and it’s actually an idea that I had pitched

before, but nobody was very interested in. I think that with the success of books like *#GIRLBOSS* and *Bossypants*, and *Lean In*, there is this real movement and moment happening right now where I think women are realizing that if we don't speak up for ourselves and hold each other up, nobody else is going to.

That's something that I really experienced in my business, and I do focus on design and art on my website, but over the past 12 years of running Design\*Sponge I've really become far more fulfilled by the business end of my business than the creative end, and that's sort of an evolution I didn't expect, but one that I've really enjoyed.

I've gotten so much out of being able to integrate that business content into Design\*Sponge, and it's resulted in us telling more of the stories behind the people and the products. So when I started to see that there really weren't a lot of books that were telling a wide range of stories that acknowledge women of different races, of different ages, different religions, and sexual orientations.

I was missing that sort of inclusiveness, and I kept thinking somebody else was going to make that book. When I realized that it wasn't really happening, I figured that that was something, that was a project I could really use my particular set of skills to create, and I think I've always been very good at connecting people at the right place at the right time. I just feel like I saw this moment, and I grabbed it and I ran with it, and it turned into this thing that I'm so thrilled and happy has been received so well.

[0:05:29.6]

**FT:** Yeah, it was an Amazon bestseller. I was just going on the site recently, looking at some gifts for the birthdays that are coming up, I think it's a great gift, it's sitting on my coffee table. It's one of those books that you're going to read throughout the year, and even if you just read one profile a day or a week, it's really inspiring. Truly global.

All of these women are very different, very exceptional, but were there any common threads? I know that you went into the book hoping to find kind of like the secret to work/life balance. What did you discover that was maybe common ground for these women?

[0:06:08.6]

**GB:** Sure, well I'm so glad you mentioned that, because I think the biggest sort of eye opener for me was realizing that almost all of these women had in common the idea that they had given up work/life balance, because I think that it's a concept that doesn't — it is not rooted in reality. I think that life and work are constantly in flux, and the market in which we're all working is constantly in flux.

The idea that you could ever sort of achieve this perfect stasis place is just unrealistic. So many of these women who had been in business for a long time really had kind of let that concept go, because they saw it as a very unrealistic expectation that I think women in particular feel has been placed upon them.

Kind of letting that concept go was this wonderful lesson I learned from the book, and the other sort of smaller but, to me, also interesting common thread was that so many of these women had an element of performance in their background, and whether that was being a dancer, or an actress, or something else that involves sort of being front and center, that was very much a part of everyone's story.

I think that when you run a business, you really do have to sort of be the face of something, and that takes a lot of confidence. It takes a lot of energy, and I think having that performance element in your background really comes in handy, even if you're running sort of a more traditional business.

[0:07:28.1]

**FT:** When you heard stories of women who shared with you that, say, I did face adversity in my life and in my career because of the fact that I'm a woman. How did they combat that?

[0:07:41.1]

**GB:** It's interesting. I think everyone has a different way of dealing with that. I think a lot of people found that a motivating factor and found it sort of this thing to work against and to prove against, and I think I'm someone who falls into that camp. I think a lot of women sort of turn that frustration into a desire to create a community, and I think a lot of women decided, "Okay. If men in business aren't going to support me, I'm going to create a support system in which I surround myself with other women who understand where I'm coming from, and understand what that feels like."

I think sometimes that frustration turned into wonderful support systems, whether they were local or global on scale, that led to new businesses being launched and supported.

[0:08:22.5]

**FT:** Yeah, just read a quote from Serena Williams who said her biggest motivation is when someone tells her she can't do something or she's not going to succeed. She's like, "I really enjoy proving them wrong." Yeah, I completely relate to that and feel that. What were some of the predictions you might have come out with from writing this book? Given the research that you've done, what does our future look like? Where are we headed? What are some of the themes that are holding us up?

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**GB:** I think it's so interesting. I mean, post US election, my predictions for sort of the world at large are different than I felt they were going in, but I think I've created a world around myself where I, on a regular basis, get to speak to strong, talented, confident women, and I think if nothing else, I think that I've learned that I think women are going to continue to support and create support systems for other women.

I think especially when it comes to civil liberties and reproductive rights, I think that women understand that those things are in jeopardy, and these are things that help to speak up about and to stand with other women about. I see a lot of that happening, but I think one of the things I'm so happy about this book in terms of what I think going forward might happen is that I really wanted to legitimize all forms of business.

I think that's so often, business books in particular, tend to sort of I don't know, sort of a aggrandize the idea of businesses that are launched with venture capital money, or that are funded in this like huge way with millions of dollars, and people who are like leaving corporate jobs to go do these things.

All of the businesses that I know are businesses that are bootstrapped, that are run while somebody still has a part-time job or even a full-time job. I wanted to depict all of these different forms of business, and I think that's what's happening. As I'm listening to people or watching people online react to the book.

So many of them are finding business less intimidating by seeing all of these different paths to success. I think that's something we're going to see a lot more of, is people who are opening businesses, and starting new projects, and following ideas, knowing that they don't have to make it all or nothing. They can still keep their day job and that stability and launch something on the side.

I think we're going to see a lot of cottage industries sort of keep going and keep growing as people take that risk, and no, they don't have to leave the stability of a full-time job behind to pursue something they're passionate about.

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**FT:** Why do you think entrepreneurship, in particular, is important for women to pursue? What was it providing these women that therefore allowed them to have the freedoms that we all want?

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**GB:** Well, I think whether you're looking for the freedom of setting your own schedule, or being able to just do what you love on a daily basis, I think there is a sense of confidence, and control, and strength that comes from running your own business, and no matter what type of business that is.

That's something I felt in every single person, and obviously, in different degrees as people have been through different hurdles and challenges with their businesses. Every single woman, they had that sort of inner confidence, because they have proven to themselves that they can do this thing.

Whether it's to design their first collection, or to be able to get something sold in a certain store, to be able to be written about in a magazine they've always wanted to be in. These little moments that come with running your own business or being an entrepreneur, they're confidence builders. I think that women are not always taught to find self-confidence, and even some form of self-identity within business.

I think traditionally, that's so much been grounded in the home, and with children, and things like that, and I think there's sort of a new generation of women who are really embracing finding so much confidence and strength in entrepreneurship.

I'm just really happy to see that flourish in younger people as well, because I started my business when I was 23, and it really did help me get through a very tumultuous decade of my 20's with this sense of confidence and sort of maturity that comes with having to make difficult business decisions. I hope that's something that all young women get to experience at some point.

[0:12:30.1]

**FT:** Yeah, I want to learn more about your own personal business, but one more question about the book, which I thought listeners would like to hear the answer to. You asked a lot of your female profiles "what did you want to be when you were a child?" Interestingly enough, many said I want to be a ballerina.

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**GB:** So many ballerinas.

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**FT:** Which is really endearing, and perhaps says something about letting girls just follow their own compass. I know there's a lot of emphasis on also, at the same time, encouraging young girls to learn about science and math and the masculine subjects. What do you think about how we're raising our young girls and the direction that we're steering them in? Do you think that it's okay to want to be a princess when you're little? Because it turns out, these women still end up being very successful and powerful in their own way.

[0:13:27.9]

**GB:** Absolutely. I think the problem is with society looking at the idea of wanting to be a princess as something that's bad. I don't think anything's wrong with it if a little girl being a princess means that you have some sort of control, and confidence, and strength, and you get to do the things you want to do when you want to do them, and there are, obviously, very immature aspects to that, but there are some very mature concepts in there.

I think not assigning sort of a label of good or bad to anything a child wants to be when they're little is a good way to approach that, and I think personally, I'd like to see more parents and schools and whoever is sort of involved in the early stages of childhood development, I'd like to see them offer more options to people.

I think that so many little girls want to be a princess or whatever that is, just because of the movies and the media that they're fed. I think the more we see books that offer up different opportunities to these girls, I think you're going to start to see more people be interested in a wider range of things.

There's a great book that came out called *Rad American Women Worldwide*, and it's the second book that started with *Rad American Women A-Z*. They're written by these two amazing women, Kate and Miriam, from the Bay Area in California. It's sort of this incredible collection of just inspiring women that's targeted at very young girls. I think, man, if I had known about some of these women when I was little, I do think my aspirations would have been quite different.

Maybe would have started a little bit earlier, because I never knew about women sort of running their own shows until I was in college, and I had a professor give me a book of female product designers, and I discovered [unintelligible] and Zaha Hadid, and these incredible women who were doing things on their own, but that wasn't something I ever saw in elementary school and middle school or high school. I'm just happy that people are being shown more options at this point.

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**FT:** Yes. I think the best advice one of your profiles gave you in the book was when it comes to entrepreneurship, I think really, anything that you're passionate about in life, you have to own it from head to toe, from start to finish.

Ownership is really important, and sometimes we're afraid to own things. We're afraid to own our own power, our own success. I see it sometimes in the financial world, women are afraid to own their wealth. You really just need to do it and not look back, because you're better off for it.

You started Design\*Sponge when you were 23? That's also exceptional, not many young people start businesses, what was the genesis for Design\*Sponge? I should say, not a lot of people start businesses at 23 and then have them go on to be like, super successful. Your site's been called the Martha Stewart for millennials. What was the kind of inspiration behind it? You said that it helped you get through a very tumultuous decade?

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**GB:** It did. I think the thing about Design\*Sponge that benefited me early on was that I never planned on it being a business. I graduated from college, I knew I wanted to write for a magazine, but I had no magazine experience.

I just kept thinking, "I need to create a record of my voice, and of my style, or my taste," because I really wanted to do market editing, or writing for home and design magazines, and the blog became a place to write about the things that I love and that I cared about, to kind of figure out what my voice would sound like, because the way I wrote in those early days now

makes me completely cringe, because I was trying to figure out what my style was. It took a while to do that, and Design\*Sponge was a very safe place for me to do that.

When I did eventually go work for a magazine in the years ahead, it was a nice sort of place to come from, but then all of those magazines folded in 2008 through 2010. So many huge ultra-magazines closed, and the blog ended up being this stable job that I did not expect it would be. It's been anything but stable ever since, because you know, the internet market and the ad market has completely sort of been a roller coaster over the past 10 years, but it is this place that I'm very proud and have a lot of ownership over in a way that I never expected to have at such a young age.

I'm an only child, and I think, for me, being able to have this project that for the most part I have complete control over has been this very gratifying experience, and it's been this sort of stable safe place, and that's something I really needed when I was in my 20's.

Now that I'm in my 30's, I never expected to still be working at the same job 12 years later. I'm very thankful that it still exists, because it's very difficult to run a profitable blog that's not funded with venture capital money these days, and so I'm just really proud that it still exists. I think being able to create something that has longevity has sort of given me a sense of pride and accomplishment that's been very important for me.

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**FT:** I think starting a blog today will be more challenging. The rules are different, it's a lot more of a crowded space. You had mentioned profit. Going back to when you were 23 and probably right out of school, how did you finance this, and how did you support yourself as you were launching Design\*Sponge?

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**GB:** I had a full-time job. I would have gladly held on to that full-time job for a very long time had all the magazines I was writing for not folded. I was working for *House and Garden* magazine. When I started Design\*Sponge I worked for a tiny PR firm in Brooklyn that mostly did design

PR, and that's kind of where I got to meet all of my contacts in the magazine world, and then one of those contacts about a year and a half into my PR job called me and said, "Do you want to come be the web editor for *House and Garden*? We're starting a website." This was back when magazines did not have websites.

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**FT:** Magazines still don't have good websites, by the way.

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**GB:** I know, they still have to — I mean, I shudder to think about like, all those meetings they had with Conde Net, which is Conde Nast's web division, and how hesitant they were to even have a blog or have anybody create content for their website.

I mean, things have come a long way, but that was I think 2006 or 2007. I had been running the blog for a while, and they didn't care if I still kept it going, which was great. I don't think that would be the case now. They let me keep doing it. I had a full-time job where I only had to go to the office a couple of days a week, and I worked remotely the rest of it.

Then there were other times I just basically would stay home, work on Design\*Sponge, and try to keep that going. I kept thinking, "At some point, this will turn into the job that I want," which is a full-time sort of on staff magazine job for the written form, but then as magazines evolved, the web became more important, so I went from *House and Garden*, and that closed, and I went to *Domino* magazine, and that closed, and then I went to *Craft* magazine, and that closed.

I interviewed for Blueprint magazine, which was Marth Stewart's old home magazine, and I never heard back from them after my interview. I thought I didn't get the job, and it turns out the magazine had folded over the weekend after I did my interview.

It's this moment of realizing that man, the blog is actually the thing that's going to pay my bills, and so I was kind of pulled in to doing the blog full-time kicking and screaming, because I really liked the stability of a paycheck. I had to kind of recreate that on my own with the blog.

[0:20:36.8]

**FT:** If you can't join them, beat them.

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**GB:** I still love print magazines, and we're thinking about starting one. I think print still has a place in our society. I just think it can't come with these massively inflated budgets they used to have.

[0:20:51.8]

**FT:** Yes. I mean, you're always reading headlines of the legacy magazines that are shedding employees, that because, you know, for their purposes now they can't afford. It used to be you could get a really great cushy big salary job at a magazine, and certainly those jobs are existing, but they're few and further in between.

It's just — I mean, I worked in magazines in my early 20's, and it was really, at the time, it's like a real great place to retire to. There was a lot of potential for growth, salary increases, it was prestigious, but yeah, they have to keep up with the times. I don't understand magazines that don't want to really emphasize their web strategy, or they don't want to do podcasts, they don't want to do videos, it's like, you have to. You can't just rely on subscriptions. It's not happening.

[0:21:50.3]

**GB:** Yeah, I think people haven't figured out what contemporary print is going to look like yet. I think the success of magazines, like Kinfolk and things like that, is that they do incorporate in-person events, they do incorporate like, retail elements.

It's difficult, because you used to be able to get into print for the love of print, and now you really have to embrace all these other formats, and you're kind of bringing along an era of editors that don't have any experience with that. They end up relying on people like me, who when I was 23,

I got hired to work on a team of people who were all in their 50's and 60's. I admired them so much, but I think I was very much a thorn on their side of like, "Why do I have to work with this child?"

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**FT:** I don't think that sentiment's gone away.

[0:22:31.9]

**GB:** No, it's still there.

[0:22:32.3]

**FT:** Millennials today are also rubbing shoulders — there's a little friction there with the boomers that are soon to retire, and then the millennials, there's a bit of a communication and connectivity gap.

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**GB:** There is. I think the same sort of sense of entrepreneurship that I so admired in younger people has, to be quite honest, been a challenge for me in hiring, because I typically tend to hire people who are younger because they kind of have the speed of writing and research that you need to be on a blog.

So many people now know that starting their own business is an option, and so I have kids who come in who are maybe 22, 23, who immediately are like okay, I'm going to be here for six months, I'm going to glean when I can glean from your business, and then start my own. It's been a very difficult thing to keep people around, or to convince them that it's worth staying to learn from somebody else before you start something.

I learned firsthand working in magazines how valuable it was to have that five years of working under somebody else, and to take risks and take experiments on somebody else's budget,

essentially, how valuable that is. But I think there is kind of this hop, skip, and a jump over the experience part that's kind of missing right now with a lot of people fresh out of college. I'm not sure what the answer to it is, but it's definitely difficult to navigate as an employer.

[0:23:47.6]

**FT:** I agree. My brother's very entrepreneurial. He's a millennial, and my advice was work somewhere. On the side, you experiment your ideas, and maybe they'll take flight, but in the meantime at least you're supporting yourself, and P.S., you're learning from so many people who are much smarter and more experienced than you. That's priceless, and they're paying you to be there. So you're trying to get the best of both worlds if you can. A little bit more about your personal finances, I'd love to have you divulge for us. What would you say, Grace, is your financial philosophy at this point?

[0:24:26.6]

**GB:** I honestly don't know if I have one. I think that for me, I've gotten so used to living on a blogger salary and budget that is always in jeopardy and always up in the air. I can't remember the last time any of us got a raise, and I think at this point, I'm just happy to be able to pay my bills and keep the site afloat.

So my financial strategy has always just been being incredibly conservative. I'm never somebody who lived beyond my means. I've never been somebody who kept a running credit card balance. I'm always very cautious about those things, because working online has really taught me to be prepared for these sort of dips and valleys that happen in business. So I think overall I'm just a financially very cautious person.

[0:25:13.4]

**FT:** Yeah, well you have to be when you're running your own business and you don't know what your income is going to be month to month. Maybe at this point, you have a bit better handle on things, but when you start out as an entrepreneur, that consciousness around money never escapes you, even when you become successful.

[0:25:31.4]

**GB:** No, and I think especially when Design\*Sponge got to a point where I both needed and wanted to hire other people, it was both wonderful and terrifying to realize that somebody else's salary, their health insurance, and in some cases like, their mortgage payments, they depended on me. That was just so heavy, and I don't have the size team that I used to have. We're a much smaller team now.

But even then, that makes me work so much harder, to know that someone else's health insurance depends on me being able to show up and keep things afloat, and it's something that's a double-edged sword. It makes me feel good about myself to be able to know that I can keep this company going, and support people that I love and care about, but it's also terrifying and so stressful to have to worry about somebody else's financial wellbeing, knowing that it's attached to my own.

[0:26:22.8]

**FT:** Right. You wish bigger companies would think along those lines, too. Instead of their impulse being to lay people off in times of belt tightening, that they look at some of the fat around them that's extra costs and overhead that they just really don't need, as opposed to their first line of action being to get rid of staff. It's a tough call as an employer, but you know what? It comes with a lot of reward as well.

[0:26:50.3]

**GB:** It does, and I think, to be so honest, I think that big businesses could learn so much from small business sometimes, because whenever I see a company in my community get a huge venture capital, they're getting \$3 or \$4 million, and then they suddenly buy these massive audiences, and offices, and hire tons of people, and buy company cars, and they buy somebody a house, and I immediately think like, "There's no way you're going to be profitable enough."

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**FT:** By the way, they're paying all of that with debt, so...

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**GB:** I know, it drives me nuts.

[0:27:21.3]

**FT:** And then we praise them in the media. This is what gets me, too. It's like, "Oh, they're valued at \$1 billion, they've been given a quarter of a million dollars in venture capital, the CEO is buying himself a \$20 million house," and I'm like, "But you're not profitable yet!"

[0:27:38.6]

**GB:** Exactly. It drives me nuts, because I think that so many people, and especially women, we see these companies that on paper sound amazing, and then when you realize the story behind the picture, you realize like, "Oh no, no, no. They're not profitable by billions of dollars. This is all estimate," and these are things that so quickly drop, and I think our community has seen this happen a lot with the launch of flash-sale sites that were very popular in the design community and the fashion community as well.

So many of them get bought and sold and crash really quickly, and I think that's not a model that I care to participate in. I think people have done it well, but more often than not, I see people not do it well. I think if I know the basic rules of that, how can they not know the basic rules of that?

[0:28:23.1]

**FT:** Well, I guess it depends on what your goals are. You're in it for the long haul, this is your baby. Sometimes people just start things, they know there's going to be an end and it may be a crash land, but they're onto the next thing. They rise from the ashes quickly and they don't hold any ties to it. They learn, they move on, maybe they take some casualties along the way, but it

is what it is. It's the circle of business life, I suppose, and then you can look at them and learn and take that into your own business and consider that a gift.

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**GB:** Yeah, I think it's really interesting. I think the idea of entrepreneurship is something I think about a lot, and I think so often entrepreneurs are now associated with startups, and DC money, and all this stuff that tends to have this very quick cycle, and for me, you can be an entrepreneur and not launch a new business every three years.

You can be somebody who keeps something going for a long time and you're still taking on all the risks and the tasks of somebody who is an entrepreneur. You don't have to do something that burns and crashes every few years. So I don't know, I think at my point, I just want to help more women grow businesses that are sustainable.

[0:29:40.1]

**FT:** So where does this all come from, Grace? Take us back down memory lane as a child. Do you see the beginnings of who you are now rooted in your upbringing?

[0:29:50.9]

**GB:** I do now. I definitely don't think I would have, even a few years ago. I am an only child, I was always encouraged to do things that I think were a bit more solitary, and when I was little, I used to write pretend newspapers on a typewriter, and distribute them in between the slats of our stairs as if they were office floors.

I think I've always enjoyed the idea of communicating and telling stories, and to be able to be the person who's running the show doing that. So there's a part of me that's always loved that, but I don't think I realized that I enjoyed the business end of things until I got into my 30's, because I assumed that there was nothing creative in business. I think I wanted nothing more than to just be around creative people.

When I was in high school and college, and I went to NYU, and all of my friends were musical theater people, and I just wanted to be around creative people. I think I spent my 20's really struggling with working in a creative community, but not being one of the creatives. Then, I don't know, something clicked when I turned 30 where I thought, "Wait a minute, I can still be a valuable part of this community, and value what I do and the skills I have to offer, even if I am not the one creating these things, or being an interior designer, or being a sculpture, or a painter." I still have a valuable role to play.

It really helped me embrace where I am now, and I really enjoy being somebody who loves the business end of my business now.

[0:31:13.6]

**FT:** Did you have a money lesson that you learned as a kid that stuck with you and maybe helped to shape the way that you are now with money? You talk about being really careful, and you budget, and you pay your bills on time.

[0:31:27.8]

**GB:** Yeah, I've made a lot of mistakes along the way. My dad, really early on, always taught me to not keep a credit card balance, which it doesn't really help my credit, actually, but I think that it always taught me to not live beyond my means. I think in my freshman year of college at NYU, the first semester, my parents told me that when my grandfather had passed away, I believe 10 years prior, probably, that he had left me a little bit of money.

They didn't want to tell me about it until I was in college, because they wanted me to be able to take that with me, and it was probably enough that had I budgeted it, I could have used it to do fun things for a year, and to maybe go out for dinner, and stuff like that. I blew through it all in two months. It wasn't that much money, it was a couple of thousand dollars, but I blew through it in New York.

I called my parents and I was like, "Well, what do I do now? How am I going to pay to go out with my friends, and how am I going to do stuff? I've spent it all." My dad was like, "Well, that

was really stupid, and this is a lesson you have to learn, and we can't help you." I had to get a job. I worked at the same time that I went to school, and it taught me really early on that you're responsible for your own financial wellbeing.

I knew, were something tragic to happen, my parents would help me, but they weren't going to be there to help me fund things that weren't necessary and that were the result of my own irresponsibilities. So I think that was when I was 19 or 18, at that point, and so I think I learned pretty quickly like, you need to take care of yourself. You can't rely on somebody else to take care of you, and you need to think about where you spend your money.

So I've always thought about that, and I've made a million tax mistakes along the way that I've learned about, but they always lead me back to just taking responsibility for my own financial decisions.

[0:33:10.0]

**FT:** Well, good for your parents for cutting you loose like that, but I will say that not keeping a balance does not hurt your credit score. Paying your bills on time every month is actually really, really good for your credit score. I think the misconception is that if you don't use credit at all, obviously, you're not building any kind of credit profile, so that's not good, but there is this myth that if I carry a balance that somehow helps my score. It doesn't, you know the credit score calculators like to see that your bills are paid on time and that your debt to credit ratio is really low. That you're not carrying huge balances.

[0:33:47.9]

**GB:** Great, I'm set then.

[0:33:49.6]

**FT:** You were right all along, all those years.

[0:33:51.9]

**GB:** Good.

[0:33:53.0]

**FT:** What was your So Money moment? You talked about some failures with taxes, and also blowing that little bit of inheritance, but what would you identify being the greatest financial moment of all so far in your business, in your personal life, when all of the financial stars aligned?

[0:34:11.0]

**GB:** I think it's funny, the one that comes to mind that I think is the most honest is one that's not actually my moment, but a moment that I was a part of. One of my longest standing employees, who runs the business end of my business, recently became the first woman in her family — and she's in her 40s — to own a home. It makes me really emotional to even think about it right now, because this was a home for her and her daughter.

She was able to buy that because of the job she has at Design\*Sponge, and I got to be on a phone call with her bank when they called to confirm her job, and that she would be employed for a while, and I got in this very long conversation with her banker about how much I cared about this woman, and how much she meant to me, and how valuable an employee she was, and how wonderful she was, and then I got to watch her move into this home to build this life with her daughter.

I have never felt prouder or more happy that I just pushed through difficult financial times than to see that moment happen, because that was something that had to do with all of the times that I pushed through difficult financial moments at Design\*Sponge to keep things going, and to never cut her salary when times got tough, and all of those little financial decisions added up to this really big moment. And it wasn't even my moment, but it just felt tied to something I've built, and to be a part of that was just, I think, one of the proudest moments of my life so far.

[0:35:35.4]

**FT:** You're really invested in your workers and your employees, and as a result, they're invested in you. It's a great harmony.

[0:35:42.5]

**GB:** Yeah, it's something that you have to work out really everyday, but it's something that is so worth doing.

[0:35:48.4]

**FT:** Alright Grace, we're almost through here, but before we go, I wanted to ask you to fill in some blanks. These are sentences that I start, you finish them, kind of a fun way to wrap the show, so we'll start with this: If I won the lottery tomorrow, let's say 100 million bucks, the first thing I would do is?

[0:36:08.3]

**GB:** I mean post-election, I would probably start a campaign fund. There's a part of me that really would like to be involved in public office, not a federal level, but at a local level. I would love to do some work in the area where we live. So I think I'd start a little campaign fund and start working with people in our community.

[0:36:27.1]

**FT:** I think that is the silver lining to everything that we're hearing about, is that it's really empowered people across all races, genders, ethnicities, hopefully to give back in their own way, and big or small, I think maybe we'll see an uptick in that over the next four years. That would not be surprising.

[0:36:48.4]

**GB:** I hope so.

[0:36:49.3]

**FT:** The one thing I spend on that makes my life easier or better is?

[0:36:53.9]

**GB:** Therapy, without a doubt.

[0:36:56.2]

**FT:** Alright, you sound like you don't need any, but maybe that's why, because you've been going to therapy. No, it's a great investment, and I think that whether its therapy, or coaching for your business, or for your personal life, it's good to have someone to talk to and then keep you accountable.

[0:37:16.0]

**GB:** Yes, I think mental health is something that's so important, and I think it was a big topic that came up in the book, and on the book tour for *In the Company of Women*, and one that I'm glad people are talking about more.

[0:37:27.5]

**FT:** Alright. When I splurge the one thing I can't do without no matter what the cost is?

[0:37:34.3]

**GB:** Ooh, that's tough. I splurge on a lot of little things. What don't I splurge on any more? I buy myself really nice basics. I'm not afraid to buy new jeans, new shoes, new coats or jackets. I live in an area that's usually pretty cold. Yeah, I think good basics. I definitely am someone who likes a uniform type of situation. I tend to wear the same thing almost every day, and so I will buy

myself nice versions of those things, because they make decisions easier and they make me feel comfortable and pulled together.

[0:38:11.8]

**FT:** That's brilliant, having a uniform. I'm thinking of doing that myself. Not wearing the exact same thing every day, but having a shell that I always wear, and I can always accessorize it or whatever, dress up, dress down, but having and investing in good durable basics. I've had guests on the show say, too, when they find something that fits and it's practical, they buy two or three of them, whether that's pants or tops or shoes.

[0:38:40.6]

**GB:** Yeah, it's smart. I think decision fatigue is such a buzz phrase these days, but I really do think it makes the difference when you don't have to pull through a pile of stuff and you can just say, "Okay, I always have a pair of black jeans. I always have a nice sweater," or, "I always have pants or shoes that are either dress it up or dress it down," and I have a couple of those things, and I don't really need a lot more. That's always served me well.

[0:39:03.0]

**FT:** Men are better at doing this, if I may opine here. I've interviewed a lot of entrepreneurs, and this concept of decision fatigue comes up more and more when they're talking about why, for example, they have created certain routines in their life, whether it's a routine in what they wear, what they eat, but you define that with your female entrepreneurs as you track across the globe?

[0:39:26.3]

**GB:** Yeah, I really did. I mean, there were a lot of women who embrace this idea, but when it came to clothing, a sort of uniform of some sort and not thinking about it as much, but I also think there were a lot of people for whom routine was absolutely necessary. They started their day the exact same way. They ended their day the exact same way. I think routine is a very big

part of running a business, because I think everything else in between that involves the business is so unpredictable.

[0:39:54.7]

**FT:** Right, you need some stability, exactly. One thing I wished I had learned about money growing up is?

[0:40:01.4]

**GB:** That I have to understand everything involved in it and be in control of it. I became one of those stereotypes of women early on that just wanted somebody else to take care of all of that for me, and I would hire bookkeepers, and hire accountants, and then just still not paying attention to anything that came in the mail. It would just be like, "I got this letter from the IRS, what do I do with it?"

I really had to learn to actually read through everything and understand the terms, and ask questions that I felt were not very smart questions, and until I started doing all of those things, I didn't really actually feel very in control. I still have to ask so many questions. So Katelyn, who runs my business team is always just like, "Here's this report," and I have to go, "I don't know what some of these terms mean, can you walk me through this?" Learning how to ask questions and take ownership of things is just crucial for me.

[0:40:53.3]

**FT:** That "take ownership" again.

[0:40:55.3]

**GB:** Yeah, own it.

[0:40:55.9]

**FT:** Own it, I'm sensing a theme. Alright, when I donate I like to give to "blank" because?

[0:41:04.4]

**GB:** I donate, at this point, almost a monthly my basis to animal based charities. I think when you asked me about if I had won a bunch of money, in addition to starting a campaign fund, I immediately thought I want to turn our backyard into a dog rescue, because that's something that's always been really near and dear to my heart. We donate every month to the Sato Project, which is where we've got both of our dogs. So I think yeah, that will always be a big part of my life, so always animal rescue.

[0:41:32.3]

**FT:** That's sweet. Alright, last but not the least, "I'm Grace Bonney, I'm So Money because?"

[0:41:37.3]

**GB:** Because I don't have a lot of money.

[0:41:41.2]

**FT:** Really, though?

[0:41:43.2]

**GB:** I don't, but I'm okay with that. Yeah, I think I'm really proud of the fact that I've built a sustainable business that has been able to stay small, and stay nimble, and stay relevant, and I think financials are a part of that, but I think for me, the money aspect isn't quite as important as just being able to stay relevant and stay meaningful. So as long as those things are still happening, I will feel very money.

[0:42:11.1]

**FT:** Well I love that answer. Less is more in some cases, perhaps.

[0:42:15.3]

**GB:** It's a good thing to get used to as a blogger, yeah.

[0:42:17.5]

**FT:** Yeah, well Grace, thank you so much. Congratulations again on your beautiful book, and we wish you all the more success and hey, you know what? If more money comes your way, even better.

[0:42:28.8]

**GB:** Thank you, and thanks again for having me.

[END]