

EPISODE 480

[INTRODUCTION]

[00:00:34.1]

FT: Welcome back to So Money everyone. My guest today is a friend, a former colleague from TheStreet.com and Yahoo Finance and now, the digital editor at Fortune where he oversees editorial strategy and operations. Aaron Task is here. He's also a fellow podcaster. If you haven't subscribed to his show, hit pause, go on iTunes and subscribe and then come back and listen to this interview.

I just want you to get that done and out of the way as soon as possible because it will enhance your life. The Show is called Fortune Unfiltered. It's a new weekly podcast where Aaron has in depth conversations with some of the top business people all over the world.

More about Aaron, he is an award winning journalist with over 20 years of experience covering business and finance. He previously served as the editor in chief of Yahoo Finance and was an on camera host there of the Daily Ticker. Before joining Yahoo, he was at TheStreet.com for a decade. Aaron is also an author, he co-wrote *Bailout Nation* with Barry Ritholtz. He's also a data for and his wife, Alison Task, an entrepreneur was on this show back in the spring, that episode 352. So go back in the archives and check out Alison.

She's a life coach and before coaching, she had another life in the culinary world, that's how we met because we ended up working together doing videos and also to fun things at Yahoo. She has authored cookbooks and hosted TV shows, web shows, she's amazing. But back to Aaron, he and I go down memory lane a lot on this show because we have history. The two of us started way back when at TheStreet.com. He actually was one of the people who brought me on board there. What were the lessons we both learned about harnessing the power of multimedia at TheStreet.com back in the mid 2000's. You know, back before podcasts were cool, we were doing podcasts and that was all thanks to the leadership of Jim Kramer and our team at the Street where we were encourage to try things outside the box.

Aaron has managed to be very entrepreneurial within the media companies he's worked for, which I have always respected. How has he done it though in such a way where his bosses don't get threatened by his awesomeness? You know, that's a fine line. How do you developed your personal within a corporate brand? And his biggest money mistake and success, both having to do with the same thing. Listen and you'll know what I mean.

Here is Aaron Task.

[INTERVIEW]

[00:03:21.9]

FT: Aaron Task, my friend, one of my longest and dearest colleagues. Welcome to So Money.

[00:03:29.5]

AT: Thank you Farnoosh, it's great to be here.

[00:03:31.5]

FT: Can you believe it? Do you remember the day that we met? I do, the first time we met.

[00:03:35.8]

AT: I don't remember the day that we met but I do remember meeting you at TheStreet.com, and I don't want to age either one of us, a long time ago and knew right away with you were talented and we had a lot of fun together and I have great memories of our time together on the floor of the New York Stock Exchange doing big board breakdown every day. It was a lot of fun.

[00:03:55.6]

FT: It was, thank God for The Street because there, I not only got to meet great people like you and so many of our colleagues have gone on to do great things. But there was an opportunity at

the time, which is why I got hired, was to create digital media for TheStreet.com videos, podcast and I will date us, it was 2006 and this was a little bit before the trend. We were on the edge with all of this and YouTube had just gone public.

And so we were I thought very much ahead of our time. People were actually telling me that it would never workout. I come from television, my former boss had said, "We'll see you back there in six months. Good luck making internet videos." But that place really allowed us to be entrepreneurial and make mistakes and try new things and it's no coincidence that now today, you and I both are still podcasting and we know a lot about it because we did it back before it was cool.

[00:04:54.0]

AT: Yeah that's very true and I would say about TheStreet.com overall, that it was a meritocracy and it was a kind of place where, at a young age, you could do things that other places would make you wait to do because you are not senior enough and it was really all about your willingness to try something and your abilities. You had the ability too but that's credit to Jim Kramer. That was the kind of culture that that place had.

[00:05:15.8]

FT: And now fast forward, you are now at Fortune as the head of digital at Fortune. You've been there for about a year, how's it going? I feel like the first month you just learn where the bathrooms are, you learn names and now, you've arrived and you've made quite a nice home for yourself there. Tell us about what your goals were going into what is, for all intents and purposes, Fortune is an established place.

The magazine is probably the bread and butter and I worked at money so I know it can be hard to get things to move, new ideas to get implemented sometimes but...

[00:05:54.9]

AT: I don't know what you're talking about. I don't understand what you mean by that.

[00:05:57.6]

FT: Speaking in Chinese. But tell us how you made things happen there and what are you doing now. I know you have so much going on. You are very entrepreneurial everywhere you go.

[00:06:07.0]

AT: Thank you. So yes, it's been about a year. I was hired as digital editor of Fortune with a mandate to increase traffic to the site and the quirky thing about Fortune is that fortune.com has only been a standalone website for a little over two years. Before that, it was part of CNN Money.

[00:06:25.0]

FT: Oh right.

[00:06:26.0]

AT: So when Ty Warner at time had split, essentially Fortune and Money got sort of cast off like, "You guys are on your own." So I came to a place that had a brand that been around since the 1920's, great culture of journalism but really, very limited digital know how and experience. And so I had brought what I had learned at TheStreet.com and Yahoo finance and MSN before then to Fortune with really a focus on we have to make it a destination, a must read every day.

What are the stories that people are talking about in our world, in the world of money and finance? Every day, what are the stories that they're talking about? What's our angle on them? And let's tackle it and let's get at it. Because frankly when I got here, in the digital side of Fortune was operating like the magazine. People would come in, have a cup of coffee, think about what they wanted to do that day, then start writing at about 11 o'clock and then go to lunch.

[00:07:23.1]

FT: Go workout, yeah.

[00:07:23.9]

AT: Yeah and maybe they'd sneak in a workout and I just had to put a stop to that and basically bring in the more focused attitude on getting started earlier. I've got editors in place now in London and Hong Kong. We had people in San Francisco. So effectively we're now a 24/7, maybe not seven, but we're almost a 24/7 news operation, which we weren't certainly when I started here. Yeah, that was mandate number one. And we did increase traffic I'm proud to say and that was just 35% in the first six months on the job versus the prior year.

[00:08:03.3]

FT: So rule number one, just get working people.

[00:08:06.2]

AT: Get going, yeah. I had to light the fire under people.

[00:08:09.5]

FT: Eat lunch at your desk man.

[00:08:11.5]

AT: Yeah and I understand, again it was a very odd situation to have a place that had been a part of CNN Money, which is a huge website itself. They never had to worry about traffic because they had a fire hose with CNN Money. So the idea that you have to fight for traffic every day, I had to teach them that and I give credit to the staff. They took to it quickly, they adjusted to it and they delivered on the traffic goals that we had for ourselves.

[00:08:35.8]

FT: Because you're the future. You're the current and you're the future. I'm sorry, everybody reads online. It's not a secret that magazine subscriptions are down. What have you found to be the best formula for getting the news that your team firstly wants to put out because you think it is important news about business and entrepreneurship but also what people want to read?

There is this push-pull right because at least when I was at Yahoo, any story that had to do with Kim Kardashian, sports, that's where the eye balls were. So we would fight, that was the content we were fighting up against to get my nice little small business story or my personal finance story to get on the front page. So how are you finding that balance?

[00:09:21.5]

AT: Here, we are not just competing with the Wall Street Journal and Bloomberg. We're competing with cat videos and Kim Kardashian, Justin Bieber. So really what is compelling about these story that's going to make someone click on it when they have 300 other things readily to click on at their disposal. So that's A, we had focus on the headlines and we spent a lot of time doing workshops on our headlines to make them better, sharper and clickier.

Now we don't do click bait here. I'm very opposed to that, but you want to make a headline that someone is going to say, "Oh I want to see what that is," right? To me click bait is a teaser headline where the story doesn't pay off but you can tease, what we call the curiosity gap. You put the curiosity gap in the headline to get them to click and then you deliver a great product in terms of a compelling article analysis of video so they don't feel like they got suckered into something. They feel like, "Oh, that was enticing and it paid off for me."

[00:10:21.0]

FT: I like that curiosity gap. I am not a fan of click bait either though that's sometimes what you're up against. It's tough.

[00:10:28.3]

AT: Yeah and we are up against it and again, when I came in I thought the opportunity was, “Okay, you have a place that knows quality journalism, needs to learn how to compete everyday on the web.” I would rather be in a place like that than a place where they know how to do click bait and everybody CMS but they don’t know how to do journalism. That culturally would not be a great fit for me.

[00:10:50.1]

FT: And then Peter Thiel sues you and you’re gone.

[00:10:53.9]

AT: And then you’re gone right, yeah.

[00:10:56.5]

FT: You’ve got a really exceptional job too, everywhere you go, of developing your own personal brand, continuing to develop your personal brand. Which I think sometimes in the news biz, journalist don’t know how to do and sometimes their bosses, their magazines or newspapers discourage it. Because they don’t want you to become the star, they want the magazine to be the star. So how do you reconcile that? Have you ever run up against that where you felt like, “Maybe this isn’t the best, maybe I am not supported here?” I know I felt that way sometimes in some jobs.

[00:11:32.0]

AT: I have felt that way but I learned the lesson a long time ago and I wish I could remember who told me this. but one of my old editors said, “As a journalist, you’re the CEO of your byline,” right? So wherever your name is, that’s your business. So whether it’s an article, a video a podcast, you’re on stage in an event, you’re doing someone else’s podcast, whenever you’re on TV, a guest somewhere, ultimately the people who are watching or listening or reading, they are not thinking “Oh this is about Fortune,” they are looking at you.

And so I learned again, a long time ago, to take responsibility for that and to make sure that whenever I did something, I always try to do it with quality and integrity and I know that that sounds like a cliché but I know that every time I put something out with my name on it, there is a risk that someone's going to see to say, "Oh this guy doesn't know what he's talking about, or it's not worth my time," and they're not going to look at you the next time around.

So you have to be prepared and you have to do the work and put out a quality product. Now I am not saying I've done it every single time with as much success as I'd like but that's the mentality that I've gone at it with.

[00:12:41.5]

FT: You're only good as your last tweet.

[00:12:43.5]

AT: Absolutely, yeah. And there's an expression, you know? It takes years to build a reputation and it can be destroyed in one day and that is very true especially for journalists because what you do is public, right? And you have to know that everything you do is going to be scrutinized especially today where there's so much scrutiny of the press in general. I think that some of it is overdone but that's a whole other discussion. But again, you know it's my name that goes on the product.

[00:13:12.5]

FT: Kudos to you.

[00:13:13.9]

AT: I'm the founder of my byline.

[00:13:17.2]

FT: Right. Kudos to you also for getting your podcast on the airwaves. I know that at some magazines there is some resistance to that for whatever reason. I mean there aren't a lot of barriers to starting a podcast and what's the worst that's going to happen? But you've done it well, obviously you have a history with doing podcast. You've hosted tons of content before, how has it worked out for traffic? How has it worked out for just the visibility and appreciation of the Fortune brand and of you?

[00:13:49.3]

AT: Right. So let me go back a little bit to the origins of it because it's interesting. So first of all, before I came to Fortune, I was at Yahoo Finance for every seven years where I was an on camera host for Fortune video and I was editor in chief of Yahoo Finance managing a small staff there and the whole time I was there, I was saying, "We should do a podcast, we should do a podcast." And the view then at Yahoo was that podcasts weren't big enough to move the needle at Yahoo where they work in scale and if it doesn't have hundreds of millions of viewers or listeners, they don't think it's worth their time.

So for years, I was trying to convince them to do a podcast and I come to Fortune and I said, "Hey, I'd love to do a podcast." But I was told look, "That's great but we need you to get the site in shape and get the staff focused on the things that we talked about before on just getting traffic every day and competing every day in the web," which never ends, right? So I was working on that, in the meantime independently of me, there were forces at work in the building saying like, "Hey let's do some podcasts." Sports Illustrated has almost a dozen podcast up and running.

[00:14:57.4]

FT: Damn that Sports Illustrated.

[00:14:58.8]

AT: Yeah, well the good news is that they showed other brands in the building like, "Hey this is a viable market and you could generate some revenue from this and this is something that you should experiment with." So there were discussions going on at Fortune about doing some

podcasts and I was invited to those meetings in my role as the digital editor of Fortune because this is a digital product and what do I want the podcast to be?

But there was another person here who is earmarked to be the host and I was like, "Sure, it makes sense. She's very smart, she's very talented." Her name is Lee Gallagher. She's a senior editor here at Fortune, she hosts a lot of videos for Fortune and it became obvious to me that she was a little hesitant about doing this podcast for reasons that I couldn't put my finger on and then it came out that she was about to go on a book leave this summer.

She's working on a book right now about Airbnb, it's her second book but it just so happened that the timing of that book lead was coinciding for when they kept talking about launching this podcast. And at one point, I said to our head of marketing who was dealing with the sales team and all the efforts leading up to the podcast, I said, "Look I love to do this podcast if Lee doesn't want to do it or can't do it," and she independently said, "You know what? I just can't take this on right now."

So this is, you know, the Lou Gehrig story. Lou Gehrig was on the bench and then the guy playing first base before him, who nobody remembers, was injured and then he stepped in and he had a consecutive game streak in baseball and was a hall of famer, right? So I am not saying I'm the Lou Gehrig of podcasts, but I'm saying that was that was an opportunity, I was there. They said, "Do you want to do this?" And I said, "Absolutely," because I have been thinking about it already that if my name was called, I had to be ready.

So we launched it in July. I spent the better part of June trying to build a library so that we can launch with more than one podcast first of all and have a choice of podcasts to choose from. By the way, it's called Fortune Unfiltered, available on iTunes, GooglePlay, Stitcher, wherever you get your podcasts.

And what I'm doing is I'm interviewing successful executives and leaders about leadership and their personal story, how they got to the place they are today, what drives them, what motivates them. And it's been fantastic for me just to spend, we're doing 30 to 50 minute interviews with these very successful people. So I am really able to get in depths with them and learning about what makes them tick? What drives them? Again most of these people are in a place where

they don't have to work but what is compelling them to continue to go to work every day or try something new. I interviewed Steve Case.

[00:17:48.2]

FT: Yeah, Steve Case, what keeps him going? Because he really doesn't have to work.

[00:17:52.4]

AT: He doesn't have to work.

[00:17:52.9]

FT: He doesn't even have to be on your podcast, and yet he had joined you.

[00:17:55.7]

AT: I know, right. Steve Case was the co-founder of AOL and the CEO of AOL and for people who don't remember or maybe only think of AOL as, "Oh they did that deal with Time Warner, and that was a disaster," AOL was the best performing stock of the 1990's. The whole boom, they were the best performing stock and he rode that huge internet wave, the free disk, the free CD's and we joke about it now but it was an immense business.

I think at one point, he said they had 80% of the American audience that was online, was online through AOL. I mean huge market share.

[00:18:27.8]

FT: It was the Facebook of the 90's.

[00:18:30.4]

AT: Yeah, they were the Facebook of the 90's. That is a great way to put it, yeah they really were and so they acquired Time Warner, he stepped down as part of that deal and again, doesn't have to work another day of his life. His grandkids don't have to work for another day in their lives either if he sets it up that way. But he's an entrepreneurial guy. He'd started several businesses before AOL and I don't think has the make up to sit around, play golf and go to the beach.

And now, he is doing a number of different things including he has something called the rise of the rest, which is a tour. He goes around the country to mostly, not rural America but not coastal America. What some people call "real America", looking for startups that need funding because so much of the venture capital money is going to Silicon Valley, obviously. But Boston, Austin, New York City, Seattle. You get out of those areas and there's isn't any funding for some great ideas.

So he is going around the country looking for great startups. So if you are an entrepreneur listening to this podcast and you look up Rise of the Rest Tour and if Steve Case is coming to your town go meet with him because he's got money to invest in startup businesses. Yeah it's a great...

[00:19:45.2]

FT: Are cameras following him? Because that sounds like a nice little miniseries.

[00:19:48.7]

AT: I think so too. It's a great idea and maybe you should pursue it with them. I don't recall if cameras are following him, but he is very much pro-Americana and I actually asked him, would he ever consider running for office? And he said "no" and afterwards, I kept thinking about Steve Case, I want to get on his bandwagon. A Steve Case 20/20, just because he's, you know, the way he talks about leadership and job creation in American and how important innovation and entrepreneurship is to America. It was really inspiring stuff.

[00:20:19.9]

FT: That's really interesting, I'll have to look that up.

[SPONSOR BREAK]

[00:20:24.1]

FT: Need a website? Why not do it yourself with Wix.com? No matter what business you're in, Wix.com has something for you. Used by more than 84 million people worldwide, Wix.com makes it easy to get your website live today. You need to get the word out about your business, it all starts with a stunning website.

With hundreds of designer made customizable templates to choose from, the drag and drop editor, there's no coding needed. You don't need to be a programmer or designer to create something beautiful. You can do it yourself with Wix.com. Wix.com empowers business owners to create their own professional websites every day.

When you're running your own business, you're bound to be busy, too busy. Too busy worrying about your budget, too busy scheduling appointments, too busy to build a website for your business and because you're too busy, it has to be easy and that's where Wix.com comes in. With Wix.com, it's easy and free. Go to Wix.com to create your own website today. The result is stunning!

[INTERVIEW CONTINUED]

[00:21:24.9]

FT: You also interviewed Gary Vaynerchuk, whom I tried to remind Gary of this, I don't think he remembered. But we worked with him at TheStreet.com. He was one of our contributors.

[00:21:35.7]

AT: That's right, yeah.

[00:21:37.1]

FT: Of course he doesn't remember me, but I interviewed him for Follow the Leader, you interviewed him on Fortune Unfiltered. Did you learn anything about him that surprised you? Because I feel like at this point if you follow Gary online, it's a lot of the same. He's very consistent in his messaging. But was there anything that you learned that blew you away or surprised you or you didn't know before?

[00:22:01.7]

AT: Well what surprised me, what I didn't think about, so Gary Vaynerchuk, some people think of him as social media phenomenon but he's building a media company for the new world that we live in, right? So his Twitter and Snapchat and other social platforms that he has is the calling card but his real business is VaynerMedia where he's acting an advertising and marketing agency for big corporations to do their social marketing, right? So Pepsi, big Fortune 500 companies are using VaynerMedia.

[00:22:40.8]

FT: General Electric, yeah.

[00:22:42.2]

AT: General Electric, yes, thank you. Huge companies are using him to figure out, "How do I market in this new world of social media?" And he said something to me about that he wants to build the biggest building. He wants to build VaynerMedia in all its incarnations into a huge company and I think again, when most people see him, he's bombastic and he says controversial things and he is very flamboyant and in your face.

But it's a little bit of he looks like a hare but he's really a tortoise, I guess is what I am saying. He is really thinking about building a business for the very long term even though what you see

presented then before you is very much about the here and now. It's a flash in the pan, social media phenomenon kind of thing.

[00:23:27.7]

FT: Yeah, one of the best weapons I guess in business is to be underestimated. I've learned that from him and others.

[00:23:36.8]

AT: Absolutely, yes and I think he definitely is. Yeah for sure, that's a great point.

[00:23:39.4]

FT: All right, let's talk about you. Let's get personal.

[00:23:42.2]

AT: Yeah, what about me?

[00:23:43.3]

FT: So the show is called So Money and the hope is that with our guest we learn about their financial perspectives personally. I mean you're a dad of four, congratulations. I thought that was the greatest aspect of your bio.

[00:23:58.0]

AT: It is my most important job, for sure and a husband and a good father.

[00:24:02.1]

FT: And your wife was Alison has been on the show, Alison Task. It was a very successful episode. If you didn't catch that, go through the archives at So Money Podcast and listen to that and it will give you, Aaron, some context as well listening to Alison's interview.

[00:24:18.0]

AT: Yeah, now I am competitive. Now I want to make sure that this episode is better than hers.

[00:24:21.3]

FT: Yeah, you want to do better than her episode. Well, all right let's get to it.

[00:24:24.2]

AT: Is that wrong? Should I not be thinking of that?

[00:24:26.0]

FT: Here's what you do, you just put us on the cover of Fortune.com, this episode.

[00:24:29.1]

AT: Oh boom, there you go. Got it.

[00:24:31.1]

FT: All right, great. I look forward to that. What's your money mantra? What's your personal financial philosophy?

[00:24:36.8]

AT: Well, my personal philosophy is "the oxen are slow but the Earth is patient". It is a Chinese proverb that I learned a long time ago which I think applies particularly to my career, because

especially in media, there are a lot of people who make it really big in a very young age and there was a point in my career where I found myself being envious of people who are getting opportunities and I thought I was as good as them or better than them.

And I realized that it is a marathon, it's not a sprint and I just like "the oxen are slow but the Earth is patient" better than "it's a marathon and not a sprint". I just think it sounds a little more poetic. The idea is that you have to go on your own pace at your own time table and hopefully the work that you are doing is quality and that will be recognized and you will be rewarded accordingly.

[00:25:34.1]

FT: So then along those same lines, you think that you believe in the saying that everything is meant to be?

[00:25:39.5]

AT: I'm not sure I believed everything is meant to be but I do think that things come in their time. There is the right time for everybody in their career and you have to be able to take those opportunities and see if you can capitalize on them. But I guess that phrase to me is a little bit too much that it is all up to fate. I just think it's more about...

[00:26:03.8]

FT: Creating your own fate, in some ways.

[00:26:06.2]

AT: Creating your own fate and keeping a perspective about it. Again, especially in the media world where if you're not on the Today's Show or in our world, CNBC or other platforms, you can feel like, "Oh, you know, I am not making it." But there is no one way to be successful and you have to do these things at work for you in the context of your life and your career goals.

[00:26:32.0]

FT: Right and your strengths because you could get on those platforms and then realize it's not for you and at least you tried.

[00:26:40.9]

AT: Absolutely, absolutely.

[00:26:43.8]

FT: What about growing up? You were raised in Jersey, right? So what was your first experience with money? Like a good money memory that to this day even as a father, as a husband, as a man, you remember that story, you feel like it was a building block.

[00:27:05.3]

AT: Right, a couple comes to mind. First of all, my father was very influential for me in terms of how I think about money. He was born during the depression. His father was a day laborer and a painter. So he did not come from means and at a very young age, they struggled as a lot of people did in this country in that time and again, it wasn't like they had money going into depression. So he was very frugal, right? Maybe to a fault I would say.

But I do remember him always coming home from work and empty his pockets and take the loose change and put them in a big jar that he kept on his dresser and I don't know how old I was and one day I asked him, "Why do you do that?" And he said, "At the end of the year, there's going to be a lot more money in this jar than you think and I will use that money to treat myself to something special."

He told me that earlier in his life that that was enough money to buy seasoned tickets to the Washington Red Skins when he lived in the DC area when I guess football tickets were a lot less expensive than they are today. But I still do that. Every day when I come home I have jars and I put money in them, loose change whatever I have collected during the day, because I still like to

use real money sometimes as opposed to credit or PayPal or Venmo or whatever electronic form of payment that you have. I know that at some point I'm going to want to treat myself or my wife to something and there's a couple hundred dollars sitting in loose change.

[00:28:30.2]

FT: At least.

[00:28:32.0]

AT: In my house right now.

[00:28:33.7]

FT: I do the same thing.

[00:28:35.8]

AT: That's great, yeah and it's just fun to go and figure out how much it is.

[00:28:39.6]

FT: Right, I feel like a kid. I am the only adult in line, there are children literally standing in line in front of me with their jars. But I don't care. Because you're right, there is fun in discovering how much is there and then there's the fun in deciding what to do with it. It's like a kid in the candy store.

[00:28:58.6]

AT: Exactly, yeah and I think most people, when you do it, you'll be amazed at how much money you can collect over the year just in loose change and to your point about there being kids in line when you cash it in, it's a great lesson to teach kids about money from an early age.

It's a real piggy bank, but again, when you add it all up at the end of the year or whatever period of time you think about it turns out to be a lot more than you think. So there's that story.

[00:29:22.4]

FT: Oh there's another one tell me?

[00:29:26.0]

AT: Yeah, the other one from childhood I remember is when I was a kid and I went to elementary school in the late 70's and early 80's, there was a passbook savings program where you would bring money to school and hand it in to your teacher and then I guess the school will collect it all and send it to the bank and then you would get your notebook would get stamped with how much money you had.

And again, I remember doing that all through grade school and at the end of grade school, I had \$600 saved up and it was a dollar or two every week that you would bring in and for some reason I remember it was every Tuesday that we would bring in that money.

[00:30:05.8]

FT: Go Jersey public school.

[00:30:07.8]

AT: Yeah and I doubt that they have those programs anymore, but it was a great lesson in savings and in those days, you could get interest in a savings account and of compounding interest although we never talked about that for sure.

[00:30:18.1]

FT: And did it get competitive with friends like, "How much did you save?" Trying to finish the year with the most money?

[00:30:24.1]

AT: You know what? It's funny, I don't remember. I remember being competitive with friends about baseball cards and sports but not about that.

[00:30:31.5]

FT: But still, really great. I wish schools — we got rid of home ec. I mean there's no hope for learning at this point about money in school. We need to reinstate some things.

[00:30:42.2]

AT: This is something I talked with Gary Vee, bringing it back and talked about it. He wants to develop a grade school program for young people who have an entrepreneurial spirit because the way schools are set up they don't teach those things and he felt that he didn't do well in school because he didn't have it for books. But he had a head for business and I had other friends who had similar experiences.

I know two friends in particular who weren't particularly good students and so in high school, he might have thought, "Well you know am I ever going to amount to much?" And both of them have a lot more money than I do right now because they are very entrepreneurial and they went out and when they got into the business world, that was their sweet spot and our education system just isn't set up right now for those people. And we all need to learn at least the basics of money, still the home economics skills, which should be taught absolutely in school.

[00:31:32.5]

FT: Totally and I mean entrepreneurship is, I see that more in more in colleges and some high schools I think it's because the kids want to learn. They're seeing entrepreneurship is the new rockstar, you know? Or the new rock concert. So kids are really into it.

[00:31:51.4]

AT: Yeah, these kids today who saw what happened after the financial crash either to their older siblings or to their parents realized, “Oh I can’t put my fate that I can have a safe “job” at a corporation. I’ve got to go out and make it for myself.”

[00:32:06.4]

FT: So if one of your children said, “I don’t want to go to college. I want to start a business” how supportive will you be?

[00:32:12.9]

AT: I would be very supportive at that. Because you can always go to college and especially if one of my kids says, “I don’t want to go to college, I just want to go sit on a beach somewhere,” that’s a different conversation. But if they say, “I don’t want to go to college, I want to start my own business,” absolutely. I know Alison, my wife, would be supportive with that too because she’s very entrepreneurial and college isn’t for everybody and it’s so expensive that if it’s not the right place for you, then you definitely shouldn’t go.

[00:32:38.9]

FT: Right. I wonder what’s going to happen to the 529? I’m getting a lot of questions actually from listeners saying, “I have a young child, I want to save for college in the event that my child goes, but if he or she doesn’t, I don’t want to be locked into a 529.” So it’s losing its luster for parents that are open minded to this.

[00:32:59.2]

AT: Yeah, well I believe though there are other things that you can spend that money on and I don’t know enough, all the details. But you can also...

[00:33:06.3]

FT: Culinary school?

[00:33:07.9]

AT: Yeah, culinary school, technical school. You could also transfer it to a sibling. So I think it is still a great savings vehicle and given what the cost of college is, I think I would advise people to put something into a 529 now just because of tax advantages of it.

[00:33:24.8]

FT: Right, right. You don't get that necessarily with just a plain vanilla savings account.

[00:33:29.3]

AT: Exactly.

[00:33:30.5]

FT: Biggest money failure? And then we'll talk about a success and then I'll let you go. But I've got to know your failure before I know your success.

[00:33:38.1]

AT: Yeah, my biggest money failure has to be buying a house in Northern New Jersey in 2004 when I was saying, "It's a bubble, it's crazy. I can't believe the prices that people are paying for these houses and there's bidding wars and I got caught up in it because I told myself, "well I'm in the right time of my life and I have steady income and even though I did it holding my nose but I still did it and it was a huge mistake and sold that house at a loss several years later.

[00:34:14.2]

FT: Ouch.

[00:34:14.7]

AT: That one hurt. That hurt yeah, that hurt.

[00:34:16.1]

FT: But it didn't make you turn off completely from buying. You still believed in the power of real estate or do you feel like...

[00:34:28.5]

AT: I do because conversely, the best financial decision I've ever made was buying an apartment in Hoboken in the late 1990's before Hoboken took off and at the time, it was so much money and I couldn't believe I was spending it but I did it because I had saved money and I had enough money for the down payment and I knew I could make the mortgage and I thought it would be a good investment and has turned out to be a wonderful investment just because of what's happened with both the town of Hoboken, which has boomed since then and real estate in general.

And I still have it now as a rental property. My wife and I talked about it and maybe we'll use it as a retirement place we could retire to as empty nesters. It's not fancy but it is sufficient and easy access to the city. In Hoboken we would need a car, those kinds of considerations or we could sell it and use that money for other things to do with our families. Buying a vacation house or if we decide we find the house of our dreams and we want to upgrade, we have that asset and equity sitting in it right now.

[00:35:33.4]

FT: Well I think that also speaks to buying and holding, you know?

[00:35:36.3]

AT: Yeah.

[00:35:37.3]

FT: I mean the market probably dipped along the way and had you decided to sell it at a certain point, maybe it wouldn't have been so lucrative. But now, it's really paid off because time has healed.

[00:35:49.3]

AT: Absolutely and this is the great Warren Buffett who's probably the best investor of our lifetime for sure, always talks about, "It's not what you buy, it's the price you buy it at that matters," and the price I bought the Hoboken apartment at was great whereas the price I bought the house in New Jersey was terrible, right?

So it's not about do I believe in real estate or not, it was just that you have to get the timing right. And the price you pay for something and the price you sell it are really two things that matter at the end of the day. So how long can you hold onto an asset that is not doing well. I mean these are all things people are talking about a lot when it comes to stocks, but it counts for other stuff too, definitely for real estate.

[00:36:34.8]

FT: Right, so most importantly make sure you can make those payments in good times and bad and then just ride through the waves and you'll come out on the other end hopefully with some cash in your pocket.

[00:36:46.5]

AT: Yeah absolutely and look, I am sitting here telling you what a great investment this apartment in Hoboken is, the market could crash tomorrow and I'm going to be kicking myself that I had all of that money in equity that I left on the table. But I still have faith in long term that that is going to be a good asset. So that is why I am holding on to it at least for the moment, the

plan is to hold onto it as long as I can rent it out and that covers my expenses on it and they're not moving to Manhattan anytime soon, it's still a desirable place to be, etcetera, etcetera.

[00:37:19.5]

FT: Unless it gets swept up by a Tsunami.

[00:37:22.2]

AT: It is on the high ground. It's on the high part of Hoboken, if you know Hoboken it's not far from Steven's tech, which is the highest point in Hoboken. But yes, if New York City and Hoboken get swept away by a tsunami, much bigger problems we have to worry about then.

[00:37:37.2]

FT: Everybody can come to Brooklyn, I guess.

[00:37:39.5]

AT: Yeah, Brooklyn will be fine I'm sure. I'm sure we're going to be fine if that happens.

[00:37:42.3]

FT: I'm not near the edge in Brooklyn, so that's good. Aaron Task, thank you so much and just because it's doing so well and it's relatively new on your to-do list, I want to promote again Fortune Unfiltered with Aaron Task, available, like you said, where all podcast air. Congratulations on that. I look forward to seeing you again soon.

[00:38:03.1]

AT: Thank you so much Farnoosh, I appreciate you having me on and you are So Money.

[00:38:07.9]

FT: That's the first time a guest ever told me that.

[00:38:10.3]

AT: How about that, see? I knew you were So Money the first time I met you.

[00:38:13.5]

FT: Awe, well thanks because sometimes a girl needs to hear that.

[00:38:16.6]

AT: Absolutely and a guy too, thank you.

[END]