

**FT:** Laura Adams, Money Girl, welcome to So Money.

[00:04]

**LA:** Thanks so much for having me, Farnoosh. I'm a huge fan of yours. Love what you're doing and thrilled to be here.

[00:10]

**FT:** Oh my gosh, well thank you. Now, Laura, I feel like we're kindred spirits, you know, we have not connected until today, voice to voice, although, I too am an admirer of your work. I feel like we get each other because you're so, you know, like me and like you, we're both very busy in various aspects of personal finance, whether it's podcasting, writing, speaking, doing media appearances, you know, education partnerships, you're doing everything and I love when I meet someone who I feel can feel me, you know. I'm curious though whenever I meet somebody who is so diverse in the space of personal finance, you know, I feel like growing up, you don't grow up thinking "I want to be a personal finance expert." At least I didn't. What was the turning point for you when you realized I want to help people in this particular way with their money?

[01:03]

**LA:** Yeah, Farnoosh, you and I are definitely soul sisters where money's concerned, for sure and you're right. I don't think a lot of people grow up thinking "I want to help people with money." And, for me, it was kind of a long journey. I was doing a lot of things related to finance like accounting and corporate finance and it really wasn't until I got my MBA that I started to see the personal side of money and I'll tell you, it kind of, it was like a light bulb went off in my head when I was in my MBA program. There were a lot of really, you know, successful C level executives, people who had multiple Masters Degrees but they couldn't manage their money. So, these were people who were having a lot of success in their, you know, their professional lives but were still really, really struggling with money. And so, it was after that that I thought, you know, I feel like people should have help. If these very smart educated people are having trouble with their money, what's happening with the average person? You know they're really struggling and need help. So, that was kind of the beginning for me.

[02:15]

**FT:** And, the way that you teach people, the way that you converse about money with the average person it's so diverse. You have the very successful podcast, Money Girl, which has its own, you know, sub podcast as well. There's, you know, Money Girl for different types of categories within finance. It's super popular. You started this in 2008.

[02:35]

**LA:** I did. I've been podcasting forever.

[02:39]

**FT:** Oh my gosh.

[02:40]

**LA:** I started podcasting, actually, in 2007, before Money Girl and when I got invited to join the kind of brand new Quick and Dirty Tips network, I think we were like, there were only 2 podcasts in the network. Now, there are many, many more. But, it really just was a great time to get into it and I fell in love with podcasting from the very beginning. I was a consumer of podcasts like 2005, 2006 and I just was addicted to them. I mean literally I was listening to like 100 different podcasts. I was just obsessed with them and finally, I thought, “You know, I want to give back. I want to create content. I want to be a part of this, you know, this movement and so when I started podcasting, it was just something I knew that I would be doing for a long time and thank goodness the show did well and took off.

[03:36]

**FT:** It’s doing exceedingly well. It’s always in, it’s always a top, top podcast within all of its categories. A selfish question for me to you, as someone who is new to the podcast space, although I did dabble in it years ago, but then I moved on but now I’m really going full force, 7 days a week. What has been, now you’ve been doing this for now since 2007, what’s been the biggest element of surprise, a delightful surprise that, you know, we all do this, we all take on these new adventures without knowing everything that’s going to, what all the outcome is going to be. What has been the most rewarding or most surprising aspect to podcasting for you?

[04:14]

**LA:** Yeah, I definitely had no idea where we’d go when I began and I just knew I loved it. I knew that I wanted to continue giving back as much as I could. I think the most surprising thing for me has been the reach, you know, it’s something that people all over the world are listening to and I’m just always amazed by the questions that I get from listeners all over the world, so maybe they’re an expat living in Europe and, you know, they’re listening and they have questions about their lives and their finances. So, I think just the reach, you know, that surprised me. Now, we know podcasts are everywhere but back in 2007, when I got a question from somebody in Europe it was like, “Whoa, you know, this is really interesting that it’s gotten so far and I think that platform just takes off. It’s been just a door to so many opportunities for me and, you know new projects and meeting new people. So, it’s really been a gift.

[05:12]

**FT:** And, I echo that. I mean, for me, I think what’s been so awesome is that get these letters, these e-mails from listeners that are just of a different level, you know, they feel like they know me, they’re very personal and I feel like I know my audience a lot more intimately than I ever did and that’s a real gift. I definitely concur. Okay, let’s transition now, Lauren, talk a little bit about your background. You gave us a little bit of a snippet, talking about how you kind of had your ‘Aha’ moment to transition into personal finance but I’m curious to hear always, especially from people who are immersed in the money space, what is your number 1 financial philosophy, a money mantra that helps guide your particular decision making when it comes to money?

[05:56]

**LA:** Right. Well, I believe that we are most in control of our happiness when we're in control of our destiny and I think that controlling your money is a huge part of controlling your destiny. So, money doesn't bring happiness in it of itself but when it helps us control our future and our destiny, that's when it brings happiness and really enriches our lives. So, if I can empower someone to learn more about money, understand how to use it to control their destiny, I feel like I can help them live a happier life.

[06:31]

**FT:** I love that. Yes, because we have to be careful when we correlate money to happiness, right? But, I think that, I would argue that there are ways to reach happiness with your money but it's a journey. It's about controlling your destiny. I love how you've packaged that. It's really, it really hits home.

[06:50]

**LA:** Thank you. Yeah, you know, and it's something that's developed over time for me, you know, that's the way I see money personally for myself. It does not bring happiness. Anybody who thinks you can earn your way to happiness or spend your way to happiness is in for a big disappointment, you know, and I can tell you that personally, really, what has made me happy is being able to control what I'm doing, you know, the type of work I want to do, the people that I want to be with, the experiences I want to have and, you know, all of that you can do on a low budget, certainly but it helps when you have that income, you have that freedom to make decisions and make choices where you feel like "Hey, I'm in control. I'm not just working a job, working for someone else to make money paycheck to paycheck and then I'm a slave to that job or to that employer. That's a recipe for unhappiness and disaster in my opinion.

[07:47]

**FT:** Well, take us down memory lane even more, Laura. I'd love to hear about your biggest money moment, an 'Aha' moment, perhaps it was in childhood as many of us experience things as kids, only later as adults to really realize the impact that that moment had on us. What would be your, one of your biggest significant money moments?

[08:05]

**LA:** I think one for me is just a conversation that I had over and over with my Dad, my parents were very entrepreneurial and my dad would always say "Laura, you need to make money while you sleep." That was something he would say to me over and over, make while you sleep, and I didn't really understand what that meant as a child but I started to get it that, you know, really, if you can create passive income for yourself, that's one way to, you know, create success and that may not be possible for a hundred percent of the people. We may have to have some active income through our work but if you can create passive streams of income or potentially get to a hundred percent passive income that is the key to really leveraging your time. So, I witness them do that and it really stuck with me and it was just a goal that I wanted to carry forward throughout my life.

[09:01]

**FT:** Was money a pretty fluid aspect of conversing as a child? Like, did your parents talk openly about money as it seems that might have been the case?

[09:11]

**LA:** You know, somewhat, they did, they certainly weren't into high finance, you know, they certainly didn't talk about compound interest or, you know, 401Ks. They talked really about money more as a lifestyle, money more as, you know, just a tool to do what you want to do and to live and do the things that you want to do. So, I really saw it more as a big picture of my life rather than, "Okay, let's talk about savings rates." They were not into that. I really had to learn all that on my own.

[09:43]

**FT:** Well, let's transition now and talk a little bit about failure. I think failure is good sometimes as long as we have the wherewithal to extract the lesson from that failure and then use that to achieve success ultimately. When it comes to financial failure, Laura, what would be your biggest experience with that and what happened? Where did you go wrong and then where did you, kind of how did you take that lesson and create success with it?

[10:12]

**LA:** Yeah, I'm just like everyone else. I've had my fair share of financial mistakes and, generally, I think they've come for me when I've gotten greedy. So, there was an instance where I made an investment without knowing much about the investment, knowing much about what was behind that investment and it ended up being a Ponzi scheme. And, this was when I was in my early twenties. I was pretty inexperienced with money. I had some money to invest and, you know, ended up losing a lot of money. Like, you know, 5 digits worth of money in a Ponzi scheme and the guy ended up going to jail and it was kind of a little mini, you know, Madoff but it was something that really set a standard for me, I realized "Hey, if you don't understand something, never invest in it." It was like "Hey, my friend is doing this and, you know, I know somebody who's investing in this. You should do it too." And, it was a huge return. It was just pure greed that made me think "Oh, yeah. That sounds like a really easy way to get money." Well, when it comes to finance, you know, there really is no easy way to make money. So, bells and alarms should have been going off in my head but I was just too young and inexperienced to know better, unfortunately.

[11:29]

**FT:** At that time, was there any kind of voice in your head going, 'Laura this is a bad idea' or 'This is too good to be true' but you went with it because your friends were doing it and why would you friends be doing something that was fraudulent or potentially, you know, just bad news.

[11:49]

**LA:** Yeah, you know, there wasn't for me because I trusted the people so, so much that were into that investment and they were even like, you know, financial sort of gurus who I knew that were in that same investment and, you know, fortunately for me that money was something I could afford to lose, you know, so that's one key. And, that's one thing I learned is that if you're going to lose money or gamble money, make sure you can afford to do it, you know, if you can afford to lose it

and you're okay with that, well, that's one thing. But, if you really, really can't afford to lose, don't gamble, you know, don't put your money in places where you really aren't sure you're going to get a solid return on it. So, that was very eye opening and as much as, you know, I hate to lose money as much as the next person, it was a great lesson to have early in life.

[12:41]

**FT:** If only we had, if only all of us experienced these lessons as soon as possible. You know, it's unfortunate that people, you know, approaching retirement sometimes get involved in these kinds of messes and it happens to the best of us. It really does. It's not really, you can't look at someone and say "Well, you know, they should have known better." A lot of times, you know, I guess if it sounds too good to be true, that's the bottom line, if it sounds too good to be true it probably is.

[13:09]

**LA:** Yup, absolutely.

[13:11]

**FT:** And, I so agree with what you said about being able to stomach the loss. If you're okay with losing that money, then, you know, investing as far as, you know, picking stocks or going in to these kind of, you know, not Ponzi scheme but, you know, ventures, that's something that maybe you can afford to explore. I get a lot of people who write in and they say, "You know, I have this money that's just sitting in the bank. I want to tap it in the next 3 to 5 years to buy a home but in the meantime, I really want to get more than .0001 percent than it's earning in the bank." And I say to them, I say to these folks, "You know what, it's not about the interest rate at this point. It's really about liquidity and having access. You don't, if you're going to use this money in the next 3 to 5 years, you don't want to be putting it in anything risky and the most important thing is that you have an ability to access this money when you need to in the short term."

[14:04]

**LA:** That's it. It's all about 'what do I want to use that money for' and, you know, that's something that people really need to you know need to think carefully about and that's it. If the money is going to be used in the next few years, never put it at risk. You want to keep it safe, safe, safe.

[14:20]

**FT:** Totally agree, okay, let's talk, let's flip it now and talk success, Laura. You've had many wins I suspect in your financial history, in your financial life. What's one that you're extremely proud of and why?

[14:36]

**LA:** Probably one of the biggest financial successes for me was starting a business that I ended up selling successfully and it was a retail business in floor covering, of all things. I have a background in floor covering and the business was started kind of, you know, without knowing a whole lot about the business, a lot about the industry but my husband and I started the business, we actually bought it at a very low price. Built the business up, that was our goal and ended up flipping that business

and selling it for a nice profit when we were like in our early 30s. And, that sale was huge for me. It taught me so much about business. Number one, you know, creating business and selling a business and having an exit strategy but that capital from that business I was able to do other things with. Like, invest in real estate and do some other investments that have been profitable. So, that's something that I feel really proud about and I've had a lot, I've been fortunate to have a lot of successes but that's one that stands out for me it's being kind of unique in my history and I would definitely recommend it for anybody who's looking to, you know, to get into business, think about that exit strategy first, you know, a business is something that doesn't have to be forever and if you have a really good exit plan when you go in, it can be a really profitable exit.

[15:58]

**FT:** Right, because it can help to steer your decision making throughout the span of the business' life.

[16:04]

**LA:** That's it. You know, if you know what that ultimate goal is and I knew when we got into that business, I knew I did not want to be in retail forever. It just wasn't, I was something I wanted to experience and kind of master but I didn't want to be in it forever. So, having that strategy from the very beginning was key for me. So, you know, I've done a lot of diverse things in my career and I get bored very easily. I like to try different things.

[16:33]

**FT:** We are soul sisters.

[16:36]

**LA:** I think that's the key for me is keeping it diverse and fresh and trying new things and I don't think there's anything wrong with that. You know a lot of people said, "Oh, Laura, you've got this great business. Why do you want to sell it?" And, for me, that was just part of the experience and I wanted to move on. So, there's nothing wrong with saying, "I want to do something different" or "Hey, this isn't working, I'm going to pivot and I'm going to try something new."

[17:00]

**FT:** I really love your mentality. I so appreciate, like I can just sense, I'm not looking at you but I just sense you've got a big smile on your face, like you're just like a really, I don't know you that well but from what I can tell is your pretty optimistic, you look at the bright side, although, at the same time you're very savvy, you're very smart, you're strategic, you really have your eye on the prize. And, I really appreciate that because it really shows that while you do have a grounding in, you know, either MBA and you worked in accounting, I think that a lot of your success has to do with your mindset. It's a real mindset really managing your money well and this transitions us, sorry, it's Monday morning and I've only had one cup of coffee, transitions us well to my next question, Laura for you, which is, let's talk about habits. You know, it's hard to keep habits. Sometimes, it takes will power and a certain mindset but for you, what would you say is one tried and true financial habit that helps to keep you, it helps to keep your money where it needs to be?

[17:57]

**LA:** Yeah, for me, it's all about automation. You know, it just, I don't like to have to think too much about something. If I've got to, you know, put something on a calendar and remind myself about it, it tends to get pushed to the side. You know, I like to do things that are automated. So, for me, that means automating retirement and savings. So, that's a habit that I love to do without even thinking about it. So, anything that I can automate in my financial life, whether it's paying bills, saving, investing, I do it and I just, you know, I keep that in, keep it going into perpetuity. I don't let it change and that's kind of something that helps to keep me organized and keep me straight.

[18:41]

**FT:** I think this is something everybody should do, automation, I do it. On the one hand it can get out of hand. People automate to the point where they kind of lose touch with their financial reality, right? But, the important thing is that you, you know, you automate the bills so that you don't forget to pay the bills so that you can stay in good standing financial standing and you're, you know, you don't have to pay late fees, etc. But, check in once in a while. You know, check in to that quarterly statement or that monthly statement just to scan it and I actually have an app that I use. It's called Bill Guard. I'm not affiliated with it. This isn't a plug. But, Bill Guard, actually, what it allows me to do is to keep track of any kind of inconsistencies that might happen on my bills. So, it has actually alerted me to the fact that I've been double charged for things or that there's like a weird charge from a merchant in a location that I, you know, like seems suspicious, and I appreciate that and it's free. So, if anybody wants to kind of like add an extra layer of, you know, just monitoring to their bills for any kind of inconsistencies or potential fraud, I recommend Bill Guard. Again, that was not a plug. But, that would have been a nice plug. They should pay me for that, right?

[20:00]

**LA:** Terrific. I love it. I'll check it out.

[20:22]

**FT:** Okay, let's wrap it up here, Laura. You've been a super fun guest. Let's talk So Money Fill in the Blanks. I throw out a sentence, you finish it first thing that comes to your mind. If I won the lottery tomorrow, let's say, like an unlimited amount of money, a hundred million, you know, five hundred million dollars, the first thing I would do is \_\_\_\_\_.

[20:23]

**LA:** I would give a majority of it away, probably to a combination of family members and charities. I would definitely keep a little bit for myself. But, I would give probably 90% of it away.

[20:38]

**FT:** Good for you and that's a nice tax write off.

[20:40]

**LA:** Oh, yeah.

[20:43]

**FT:** Yeah, because honestly, it's a hundred million dollars, you'll still have 10 million left and that's plenty.

[20:48]

**LA:** Absolutely, you know, I think when we have these wins in our life that we don't expect, doing something really great with it is important, you know, we have to think that "Hey, this has happened for a reason" and I'm just a big believer in giving back and if you can give back either to family members who need it or charities that you really believe in, you know, I think those sorts of goodwill that's going to come back to you tenfold.

[21:18]

**FT:** One thing that I spend my money on the makes my life easier or better. This is probably my favorite question because we're all looking to simplify and become happier. Although, money doesn't lead to happiness, how does your money help you achieve an easier or better life?

[21:32]

**LA:** Yeah, I mean definitely for me it's about saving time. Time is the one thing I never have enough of so having someone clean for me, you know, having a virtual assistant, having really great people on my team, those sorts of expenses save me time so I can really focus on what I want to do and what I think that I do best and it's definitely not cleaning. I'll tell you that. So, having that cleaning person come, you know, is just an example of something that I know, somebody can do it better than me and I want to help other people with their business. So, if I have somebody who is really good at what they do, I want to pay them so that I can save the time and they can take their business to the next level.

[22:17]

**FT:** I love that. I don't pay for house cleaning. I'm not good at it and I have better things to do in my life. My biggest guilty pleasure, biggest guilty pleasure, it doesn't have to be so guilty, it could be just a big pleasure that you spend a lot of money on, probably too much money is \_\_\_\_\_.

[22:32]

**LA:** Farnoosh, I spend way too much money on eating out. I am a big foodie and especially since I moved to California, there are so many great restaurants. I'm in the San Francisco Bay Area and food out here is amazing so I go out to eat way more than I should but it's a huge pleasure for me and it's good time for my husband and I to sit down and, you know, really reconnect. So, it's, you know, it helps bring us together as well so that's kind of how I justify it.

[23:03]

**FT:** I'll need to get a list of restaurants from you. My parents live in the Bay Area now and we visit them frequently but we tend to stay kind of within a two mile radius of their home in the suburbs so it would be nice to have a cool list of fun places to try out. I'll take you up for that.

[23:19]



**LA:** Oh, I'd love to share. And, the next time you come out, we should definitely try to get together.

[23:23]

**FT:** Yeah, okay, I'll be out there in June.

[23:25]

**LA:** Terrific.

[23:26]

**FT:** One thing I wish I had known about money growing up is \_\_\_\_\_.

[23:30]

**LA:** Wow, I think that I wish that I had known there was so much opportunity. I think that as a child I was very focused on, you know, okay what's my career going to be? What's the one thing that I'm going to do and it kind of stressed me out a little bit. I wasn't one of those people that said, "I want to be, you know, X, Y, Z," as soon as I was like 7 or 8 years old. I didn't have a career. People would ask me "What do you want to do?" And, I didn't know and I think if I had realized back then that it was okay to do a lot of different things and it was okay not to have one specific career, I didn't have to be a doctor or a dentist, that it was okay just to not know and see where things go, I would have felt a little more at peace. So, that's a great message, I think, for a lot of young kids, if you don't know what you want to be when you grow up, that's okay.

[24:26]

**FT:** Yeah, there's a lot of pressure to have to have to figure it all out before you're 18. Yeah, it's not a time of life that I like to go back to necessarily with, you know, in that regard.

[24:38]

**LA:** Yeah, a lot of pressure there.

[24:41]

**FT:** When I donate money, I like to give to \_\_\_\_\_ because \_\_\_\_\_.

[24:44]

**LA:** You know, I have given to dog related charities. I'm a huge dog lover. I have a yellow Lab. I don't have any kids. We're just a dog family. And, I've donated to charities that help the blind. So, help, you know, train and create Seeing Eye dog programs for the blind is one of my favorite charities.

[25:10]

**FT:** I love that. We are hoping to get a dog soon, not to soon. We live in a small apartment in Brooklyn. I would go crazy if I had something else to take care of that was uncontrollable.

[25:19]

**LA:** Yeah, you've got a lot right now with a young child.

[25:22]

**FT:** Right. But, it's happening. Like, my husband comes from a dog family and he loves dogs and I didn't know anything about dogs when we got married and now I can like identify the breeds on the street because that's what happens when you're with my husband for the last 8 years. You just become a dog lover. And, finally, Laura, I'm So Money because \_\_\_\_\_.

[25:40]

**LA:** I'm So Money because I make money easy to understand so you can live a rich life.

[25:46]

**FT:** I love it. You absolutely do. Folks, run to iTunes and subscribe to Laura's podcast. It's called Money Girl and there are some affiliates too related to Money Girl, right? There's not just the Money Girl podcast, there're other ones as well.

[26:01]

**LA:** They have. It's a whole network of hosts so no matter what you want to learn, money, food, you know, health, nutrition, it's all there.

[26:08]

**FT:** Quick and Dirty Tips, I love it. Laura, thank you so much. I hope you have a great year and I hope to see you in the Bay Area when I come out this summer.

[26:14]

**LA:** Sounds good. Let's do it.

[END]