

**EPISODE 120**

[INTRODUCTION]

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**FT:** Welcome back to So Money everyone. I'm your host Farnoosh Torabi, and boy do we have a cool guest today. Do you remember watching The Apprentice when it first aired? I'm not talking Celebrity Apprentice, but you know, the very first Apprentice that kicked off. I think it was 10, 11 years ago. It was an epic debut. Do you remember that first season? It was the one with Omarosa. Yeah! It was the number one new show of 2004, according to Wikipedia, and I'm excited to say that we have the winner of that first season joining us on So Money today. Bill Rancic, a former cigar business owner turned Donald Trump apprentice, turned mega entrepreneur, is here to share some of his personal financial insights and ideas with us. And Bill is busier than ever. He is one of the most sought-after motivational speakers on the subject of entrepreneurship and business. He shares his entertaining lessons that vary from a pancake business he started with his grandmother at age 10, all the way to his multi-million dollar real estate enterprise in Chicago. He's also a restaurateur. He is also highly engaged in charitable activities, and Bill is about to complete his second trip to Haiti building homes for victims of the earthquake. So he is very, very busy doing all good things.

A few takeaways from our time with Bill. The moment that he realized he had what it took to become an entrepreneur, and it was long before The Donald hired him. And speaking of, what's it like to work with Donald Trump? What's it, you know, really like? And Bill's money mantra that he learned at a pretty young age growing up in the Midwest.

Here is Bill Rancic.

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[INTERVIEW]

**FT:** Bill Rancic, welcome to So Money. You're one of my favourite, favourite entrepreneurs out there. I've been wanting to have you on the show since I launched it in January. So this is kind of a dream come true for me. So thanks for making it happen.

**BR:** Well thank you for having me. I appreciate you taking the time.

**FT:** And you may not remember, and I'm not gonna hold this against you if you don't recall, but back when you won the Apprentice, years and years ago, and you were promoting your first book, the book called "You're Hired" - I was a little ol' producer at New York 1 News, making \$18 an hour, eating tuna fish out of a can, booking a lot of interesting people on the show, and you were one of the most amazing guests I had on the show. And I think it was then that I kind of realized, "Okay, I need to up my game." I need to get higher. I wanna hire myself, I wanna work for myself, I wanna leave this crazy hamster wheel of a life in news and be entrepreneurial. So thank you for that. You don't remember me, but I remember you. And you impacted a lot of people during that time when you won The Apprentice, and now years later continuing to have a major impact on everyone.

What would you say was the greatest kind of unknown that came about from your experience working with Donald Trump and winning The Apprentice? What was one thing you didn't even expect to happen, but it did?

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**BR:** Well, I mean I think the whole thing was really an unknown. When I reflect back on it, it's been 11 years if you can believe it, and I had no idea what was in store for me, you know? Everything had happened so fast, the show was such a hit. I mean, from the minute that first episode aired in January of '04, everything changed. I just remember looking back and appreciating it, and saying, "Wow, what an experience. If it lasts for 6 months, wouldn't that be something?" I remember it was the night before the finale, and I was out running in central park with my buddy that I grew up with. And I said, "Man, imagine if I could ride this thing out for 6 months." And that was over 11 years ago. So the moral of the story for me is, you have to be grateful, you have to appreciate it. You know, I see some of these folks who are on these shows like winners of American Idol and some of these other shows. And the they go and they bad-

mouth the show and they forget where they came from. You know for me, I'm always grateful for Donald Trump and what he did and the show, and I'll never forget it. Because it changed my life, it gave me an opportunity of a lifetime, I got to learn so much. For me, it was like getting your PhD and then some, you know, so quickly. I was thrust into this different world that I never would have had access to. For me as a small business owner to be able to learn and work with one of the great entrepreneurs of our generation was something that was spectacular, you know? It'll be one of the great highlights of my life.

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**FT:** Not everyone has the opportunity to be on national television and compete for the position of apprentice for one of the most recognized billionaires of our time, but you're helping people out in the best way you can now with a competition. A little competition, helping one lucky entrepreneur, small business owner, land a spot during the Superbowl 2016. It's one of the most coveted advertising spots there is. So tell us a little bit about QuickBooks' Small Business Big Game

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**BR:** Well, you know, QuickBooks is a company that I've been working with for the last 3 or 4 years now and what I love is that they are real champions of small business. They value what the small business owner brings to the table, they realize how important they are for our economy. And we're launching this competition called "Small Business Big Game" to shine the light on the importance of the small business owner. So QuickBooks is going to give one small business owner a fully-paid, fully-produced commercial that's gonna run during the biggest football game of the year. And you know, when you look back on those commercials that run during that game, so many business have attributed life-changing moments to that. And I'll go back to Apple. Apple was not doing well, they hired Ridley Scott, they gambled everything and had Ridley Scott produce the commercial. And if you look back on the old interview Steve Jobs gave, he attributed so much of the success that Apple's had to that one commercial they had running during that game. So we're pretty excited that we're gonna be traveling around the country, we're gonna be looking for small business, but we're also gonna be doing so much more over the next year. We're gonna be giving small business takeovers, we're gonna be

helping small businesses have access to capital. Intuit's committing \$100 million to a fund to help small business owners get loans. And these are small businesses that ordinarily wouldn't have a chance to get a loan. And they're gonna make sure they can give these small businesses a chance to really have a level playing field and compete. So I'm excited to be apart of it, they're great partners and we're gonna make some pretty cool things happen for a lot of small businesses over the next 10 months.

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**FT:** You can't be too small if you're gonna get a spot during the Superbowl though, right? Because you have to anticipate people will be wanting your product, you need to be ready for that. That's probably one of the ingredients you're looking for right?

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**BR:** Well, you know, it's funny because we certainly don't wanna set anybody up to fail. And I think that's the great thing that we're gonna do. The folks at Intuit are going to help align them with the right people to make sure that they have success. So we're gonna give these small businesses the right tools so they can prepare for this onslaught of business because let's face it, it could hurt people if it's not done right. We did this two years ago and we had one small business who got that commercial, and it was called "GoldieBlox", and her business has skyrocketed since then. But we made sure that she was armed with the right tools and we prepared her for success. And she had a float in the Macy's Day Parade, and you know, I can go on, and on with all of her successes. She's gotten her products in major retail stores as a result of that exposure, and we're hoping we're gonna be even bigger and better this year with Small Business Big Game Part 2.

**FT:** Well good luck with that. I'd love to transition now and learn more about your journey starting as early on as childhood. I mean, little Bill Rancic, you grew up in the Midwest, right?

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**BR:** I did yeah. Chicago.

**FT:** So what was your number one money memory? I know you talk in your bio about having started business at a young age, one with your grandmother, so what would you say was a very pivotal financial experience for you growing up as a kid?

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**BR:** Well, I think one of the defining moments for me was when I was in college and me and my buddy Jerry started a small business. We were washing and waxing boats in the summers in a town called New Buffalo, Michigan. Now we didn't make a lot of money doing it, but what it did for me was it changed my perspective on entrepreneurs. You see I grew up and my parents were educated, so the people that they surrounded themselves around were other educators. So as a kid, the only adults I really had any contact with were teachers and principals and superintendents at school, things like that. I started that boat business and I met all these wealthy business owners and I took care of their boats. And they trusted me and my buddy to take care of their 3, 4, 5 million dollar boats. And I got to know them, and I got to meet them. And I realized, "Wait a minute, they're not different than me. If this guy can do it, I can do it!" I learned about work ethic, and sacrifice, and passion. And after those summers of washing and waxing boats I started to say, "Why not me?" And that was kind of my mantra, "Why not me?" So then when I got outta college and I decided to start my own business I had the confidence to go out and do it.

**FT:** You had a cigar mail-order business, right? It turned into a super success. I mean, you have to have work ethic, you have to have passion, but you also have to know the market. What made you know that that was gonna be a slam dunk?

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**BR:** Well you didn't. You know, I don't think you ever do. But there were a lot of leading indicators, you know. We had just seen the inception of this magazine, it was this big cigar magazine and you had Demi Moore on the cover smoking a cigar and these celebrities were starting to come out. And it just became the in-vogue thing to do. And we'd started it and had some success, didn't get super rich from it. And then I started to get into real estate after that

and had a lot of failures in the real estate market. I didn't really know what I was doing, but I learned from the mistakes. And that was when I got the call to go in and meet about the show with Trump. And I thought, "Wow, I really wanna get into real estate," I was falling in love with the business, and I thought, "Wow, what an opportunity to learn from one of the great real estate developers of our time."

**FT:** I have interviewed Rebecca Jarvis on the show, correspondent for ABC News, second season of Apprentice she was a runner up.

**BR:** Runner up, yeah. I was the judge that season.

**FT:** Okay. So to hear her talk about the process, first just even applying and going through the process of getting selected, can you share a little bit about the behind the scenes with us, especially since this was the first season. Did you go into this kind of really wanting it, or did you just kinda go into it going, "Oh I dunno, there's a line so I'll get in it"? [Laughs]

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**BR:** Well it was kind of, it was unusual for me cause I got a call from this friend of mine, this girl I went to college with. Her mom was a talent agent in Chicago and she'd got some fax that had come across her desk and they were looking for young entrepreneurs.

**FT:** A fax?

**BR:** This was back in '02 I guess, right?

**FT:** Yeah.

**BR:** And she said, "I made you an appointment to go meet with these people. You'd better be there." And I went there and they started explaining the concept of the Apprentice, and they had 215 thousand applicants that first year.

**FT:** Wow!

**BR:** And then they narrowed it down to 50, and they flew the final 50 to LA and they put us through a battery of testing. And then I got called into a room and I got offered a spot to compete on the first season. Everything was so new. See Rebecca had seen the first season, so the mystery wasn't quite as big as it was for us, you know? We didn't know what the next day was gonna hold cause we'd never seen the show before. It was all brand new. Reality TV was so new. You know, you had Survivor, and then The Apprentice. That was pretty much it. So this was really the infancy of reality television in '03 when we filmed it. So everything was very much a mystery, very much a surprise, we didn't know what the next day was gonna have in store for us. It was a heck of an adventure, I can tell you that.

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**FT:** And I would only imagine that when you win that show there's a tremendous amount of pressure to succeed, to be successful. All eyes are on you. You have been appointed at The Apprentice. Did you ever have a huge public failure or any sort of failure that while it did happen and it was a tough time, you actually were thankful that it happened?

**BR:** Well, I was so damn busy. I didn't have time to get in trouble and I was a little bit older. I think I was about 32 at the time. So fortunately I wasn't a 23 year old coming into this. I was so young, I'd kind of live a little bit. So for me, I didn't wanna blow it. I didn't want to blow this opportunity. I'd seen a lot of athletes and people who've let things go to their head. I kept things very real, I tried to stay very humble, and I tried to use it as an opportunity to learn as much as I could. Which for me, I certainly was able to take advantage of that and use the opportunity wisely.

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**FT:** Yeah. I was gonna say, you know, you talked earlier about how you had this entrepreneurial philosophy which is "Why not me? So let's go do it!" So if you were to maybe describe a money mantra, or a financial philosophy that has guided you through your choices as an entrepreneur but also as an individual, what would you say that is?

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**BR:** Well it was advice my dad started giving me ever since I was a little kid. It's not how much money you make, it's how much money you save. And when I was young my dad made me read the book, "The Millionaire Next Door". I think it's by professor William Desko and it basically taught me the importance of being smart with my money. You don't have to make a million dollars to be a millionaire. Taught you how to spend your money wisely, and how to let your money work for you. So my dad made me read that. My dad was a very smart man, he had his PhD. He was superintendent at schools, and then a professor, and he gave me just great wisdom. He was someone who was very smart with his money, he made sure that we didn't want for anything. And my dad never made a ton of money, we weren't poor but we weren't rich, but boy he made sure that we were all taken care of and he was a great man. I certainly miss him today. I wish he was around to see all the success because he would've been so proud.

**FT:** Truly, what a gift, what a gift.

**BR:** Yeah.

**FT:** You've accomplished so much Bill, you know, you said you were 32 when you won The Apprentice, but you've gone on now to write more books, do a lot in real estate, you're on television, you're very charitable, you're a dad, you're a husband. What would you say is your So Money moment. If you had to distill this and just say, "You know here's just like one moment that really capture my proudest financial achievement? What is it? What happened? Where were you?"

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**BR:** You know I think it was very I was younger, I started to make a little bit of money and I surprised my dad and took him to Vale, skiing. And it was like I finally was able to show my dad that I'd done it, you know? And I took him on this great trip and we spent 4 or 5 days on just a guys ski weekend, and I could tell he was so proud of me. Cause I paid for everything, I made sure that it was just a great time. For me that was something I'll never forget.

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**FT:** There's something about being able to treat your parents that's absolutely priceless. And I know, I hear from a lot of successful people that that is something that they want to do immediately. I ask this question at the end of the show, "If you won \$100 million dollars, what's the first thing you would do?" Lots of people say, "I'd buy my parents a house. Or I'd take care of their finances." That's really great.

**BR:** Yeah. And I try to do that. You know, my mom's a widow, my dad passed away in '99. I certainly try to take good care of her. I'll be at her house on Wednesday cleaning out her garage.

**FT:** [Chuckles] You're a good son!

**BR:** It's not so much about the money, it's about the time. She wants me there, I'm her helper.

**FT:** Exactly. Time is sometimes far more valuable than anything else. How about habits Bill. What's a big financial habit that you practice, that is conscious. It may not be everyday, but it's an important part of your financial health.

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**BR:** You know I think obviously I'm pretty on top of it, I try to be. I try to talk to as many people as I can and get different people's opinions on whether it's investments on the market, on what's happening in the world because it's hard to try to take it all in and make sure that you're getting good guidance. So you always wanna have checks and balances in place, just you know, trust but verify and make sure that you're doing everything that you should be doing and that you surround yourself around good people. You see a lot of these professional athletes and they're all broke because they've surrounded themselves around people who are giving them bad guidance, putting them in bad investments. I always tell my wife, I don't ever wanna be an athlete. We're in a very unique business and we wanna just make sure when it's over, and this Hollywood this show business, it ends. I know that. It's not a matter of "if", it's a matter of "when". And you gotta be prepared for when things slow down and when the phones aren't

ringing off the hook for opportunities. So that's something we've always tried to prepare ourselves for as best we can.

**FT:** It seems like such a missed opportunity to go in and help these athletes who make so much money at such a young age, at such an impressionable age. Is it just that they're getting too much too fast and they're also living in an environment where it's all about excess and shiny objects or what? Cause it's so repetitive, you know? It just happens all the time it seems.

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**BR:** I mean if, and who knows, but if I was 21 and someone gave me \$10 million, who knows how I would've reacted back then. You know what I mean? For me, it's slow and steady. I've never had that kind of fortune when someone just plunked a bag of money in my lap. But I think whether it's the NFL or the NBA, they should have some mandated program where, "Here's a pool of 100 financial advisors that we've vetted, have our stamp of approval, and this is who you need to use for your investments, your guidance. They're gonna put you in things that aren't risky. You're not gonna be buying these crazy, speculative investments that who knows what's gonna happen.

**FT:** Alright Bill, we are almost wrapped here. Are you ready for some So Money Fill in the Blanks?

**BR:** Sure.

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**FT:** It's silly, but not. Because you know what, it allows you to sort of speak stream of consciously. I won the lottery tomorrow, let's say \$100 million, I would \_\_\_\_.

[00:20:34]

**BR:** If I won the lottery tomorrow.

**FT:** Not that you play the lottery, but let's say a big sack of money just fell from the sky.

**BR:** I would, gosh I dunno. That's a tough one. I mean, my initial reaction is you know I'd wanna make sure that I was a good steward with the gifts I was given. Use my powers for good and not evil.

**FT:** Alright. I like that, yeah. Take a moment to think about what you actually wanna do with it to make an impact. The one thing that I spend my money on that makes my life easier or better - I had Tony Robbins tell me that it was private jets. Tim Ferris told me it was outsourcing his laundry. So it's a wide spectrum of possibilities here. What's one thing that you spend your money on that makes your life easier or better?

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**BR:** One thing that I spend my money on that makes my life easier or better. I valet park my care now.

**FT:** Alright. Saves you time.

**BR:** It saves me a lot of times. I can just dump my car off and call, and I used to self-park and now I pay the extra money and I have them valet it for me.

**FT:** And you don't have to spend all that time looking for it.

**BR:** I'm pretty frugal.

**FT:** Are you?

**BR:** Yeah. I wish I was like Tony Robbins flying first class, that would be damn nice.

**FT:** Well would you say that part of it is - it's helpful that you live in Chicago and not LA?

**BR:** Yeah. Well we live in LA part of the time. So you definitely see that world. But eventually we're gonna live in Chicago full time and that's where we're gonna raise our son.

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**FT:** That's great. Okay this is sort of a side bar to the last question. Do you have any guilty pleasures? What is your biggest guilty pleasure that you spend a lot of money on? I know you're frugal, you just came off of telling me you're frugal, but if there is one big area?

**BR:** I drink good wine.

**FT:** Actually, I went to your restaurant in Chicago, I forgot to tell you. It was awesome!

**BR:** Oh thank you. Thank you, thank you. Which, RPM Steak or RPM Italian? Because we have two of them there.

**FT:** I think it was RPM Italian. I'm not from Chicago, I was sort of I was there on business and they organized it. It was, first of all, it was so hopping and it was like a Wednesday night and I thought, "Wow if this is Wednesday night, what does Friday or Saturday look like?"

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**BR:** We are very blessed that we have a brisk business. I mean, someone once joked that Monday's the new Friday at our restaurants because even on a Monday it's just packed. So we're very fortunate that people still love it. We're opening up our 3rd restaurant this summer in Washington D.C.

**FT:** Well congratulations. I know restaurants are a tough business.

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**BR:** Yeah. We've been really lucky, so we're grateful.

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

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**BR:** One thing I wish I woulda learned about money growing up, that you have to respect it and you have to appreciate it and you have to be smart with it.

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

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**BR:** I like to give to organizations that help kids because I really believe that they're the underdogs, that they are our futures and they are the ones who need a level playing field because many of them they've been born into a situation that isn't fair. So I always try to do things for kids. That's something I'm very passionate about.

**FT:** Yeah. Just give them a chance sometimes you know? And last but not least, I'm Bill Rancic and I'm So Money because \_\_\_\_\_.

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**BR:** [Both laugh] I'm Bill Rancic and I'm So Money because I think I'm a great father. I'm a very hands-on dad, I am there every step of the way for my kid and I think that's my most important job of my life.

**FT:** Well he's a lucky son and we're lucky to have you on this show. Tell us a little bit more about where we can find you and also get in on this contest. If you are a small business owner you want in on this contest.

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**BR:** Well we are encouraging small business owners to go to [jointeamsmallbiz.com](http://jointeamsmallbiz.com). And we are going to give one lucky small business owner an opportunity of a lifetime. But we're also gonna

be doing some other great things along the way, we're gonna be creating an environment for small business owners to communicate, we've got \$100 million in a fund that QuickBooks is going to be providing loans to small businesses and certainly gonna be doing business makeovers and other very exciting things that we hope every small business owner takes a part of.

**FT:** Awesome. Well I'm a big fan of QuickBooks, a big fan of Intuit, and really it's an honor to have you on the show Bill. We will be following you.

**BR:** It sounds like you've come a long way since those early days 11 years ago.

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**FT:** It started with my interview with Bill Rancic 11 years ago at New York 1. Thank you so much Bill. And I wish you continued success.

**BR:** Thank you so much. Buh-bye.

[END]