

EPISODE 381

[SPONSOR MESSAGE]

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[INTRODUCTION]

[0:01:33.9]

FT: Hey, you're listening to So Money everyone. Welcome back, I'm your host Farnoosh Torabi, this is first time ever on this show. We have a former Victoria Secret Model. Anyone here remember getting the catalogue growing up in like the 90's. We used to get the catalogue and it wasn't very risqué back then, mostly like women and lovely bathing suits and they also had a really cool section for regular clothes like shorts and T shirts and sleep wear.

Anyway. The woman who is in that catalogue more than probably any other woman that I remember growing up was Frederique. Famous super model back then and little did I know, this

woman was quite the entrepreneur as well. Back then, models were starting to become more household names, they were more than just a face and a body, they were individuals that had personalities and you knew where they were from and maybe they had some side businesses.

Now, 30 years later probably, here I am speaking to the one and only Frederique and she's doing some press right now because she's promoting a new E-commerce site that she created called Frederique's Choice. It's the ultimate location for beautiful curated flowers, directly from the growers where every bouquet tells a story.

So I'm curious to find out why Frederique wanted to start this particular kind of business and also since she began her journey as a model, how she parleyed that into entrepreneurship and what kind of business she like to go in to and how modelling really created a platform for her to be able to be a business woman.

Frederique is from Holland and she really believes growing up in that country gave her this down to earthiness that she was able to use as an asset, as a model and then later as an entrepreneur.

Here we go without further ado, here is Frederique Van Der Wal.

[INTRODUCTION]

[0:03:15.2]

FT: Frederique Van Der Wal, welcome to So Money, this is a real treat for me, I can't wait to connect with you, welcome.

[0:03:22.0]

FVDW: Thank you.

[0:03:23.4]

FT: Frederique, you've had an enormous career. I mean I think of you back to my childhood even when I would get the Victoria's Secret catalogue, my mom and I would pour through it and this is before the Victoria's Secret fashion show.

[0:03:41.1]

FVDW: Yes it was.

[0:03:43.3]

FT: And so of course you being really the poster woman for Victoria's Secret for many years and then from there from a model you became an entrepreneur and I also want to say too that you are probably of a generation of models, first time I think of you the Cindy Crawford's where there was actually a personality, a person behind the face, behind the picture.

[0:04:06.5]

FVDW: It's actually, it's kind of interesting, I was just talking about that sort of in the mid-90's, all the girls then really got a name and we were brought out into television and actually became much more talking heads and the personalities was very key and actually excelled our careers and created also quite a bit of longevity in the career.

It was kind of interesting because nowadays, I mean the attention span has gone down quite a bit in general. Things sort of happened fast and then it's gone but in the modelling industry and the whole fashion industry is really has changed quite a bit and we kind of don't really, you know, we know a few names but not that many interestingly enough.

[0:04:57.5]

FT: Right, was that a natural transition for you? Did you enjoy the transition where you entered modelling thinking, "I'm going to be a model," but then there were bigger expectations, there were bigger hopes for you and you seem to really make the crossover very confidently very normally but I would love to know, what was that process like for you?

[0:05:20.2]

FVDW: Well what is quite interesting — growing up in Holland is definitely, we work quite entrepreneurial from grounded and entrepreneurial and I was actually supposed to study economics. And when I sort of by coincidence got introduced to the modelling industry and I was able to join, it was called the look of the year, it was a contest done by Elite Modelling Agency and I again sort of by accident to me and those eyes, I was so not envisioning a career as a model and I won a contract.

So I came to New York and modelling really was not planned but once I sort of entered New York and the mix actually of the Dutch grounded-ness and the American spirit of anything is possible really, it opened my horizons a lot. So even as a model, I always try to combine things with it. It was also, if it was a calendar or if it was a workout video, to combine these efforts. In those days it was much more licensing deals but I always liked the entrepreneurial aspect with kind of the brand I was becoming and using my Dutch entrepreneurial spirit.

I think slowly it moulded further and further and I think living in New York, it just opened so many doors. Actually then moving into how things happen in 2005, the Dutch government in recognition of my career in fashion named a flower after me and that kind of put so many things into suddenly this perspective. Flowers have always played an enormous role and I had a choice and that's where Frederique's Choice came in as a name for my company.

It just made sense, I love flowers, always been a big part, obviously the Dutch heritage but also the opportunity I saw with the open space in the E-commerce sense of a brand around flowers and using all my learning's and exposure in fashion and television into my own company. It's funny, the transition I think was sort of my full life already as it played out and learning along the way.

[0:07:58.9]

FT: So Frederique's Choice, that was a great transition, I wanted to ask you next about that. So it's a website that you launched and it's primarily to purchase beautiful flowers directly from

growers. How are you finding the competition right now in the market place? Because there's so many other established vendors, whether it's a 1-800-flowers, FTD. How are you differentiating and how are you finding your market?

[0:08:26.9]

FVDW: When I started and I launched first in Europe, really at the source of — because flowers really is very much a Dutch, Holland emblem. And I really wanted to create a brand, it's really about an experience, so it's a lifestyle choice. In that sense, already there's a differentiation in the fact that we're really setting up a brand centred around flowers and a lifestyle choice.

Also the fact that obviously I can go on and talk to you or I go onto Today Show or I just was in Philly and doing something for a morning show and talking about flowers. There's actually a voice and a real life person connected to it so it makes it very authentic. Also we really think about packaging and how, if you order flowers, I put the bouquets together, we created this collection, really thinking out of my fashion background.

How you put yourself out there. That's the thing, the fantastic big companies like the 1-800's need to exist but we really are a lifestyle choice, we like to say to people, look, we make choices for you how we put this bouquets. I've designed them for people and then people can do subscriptions or that it becomes an everyday thing. Yes, we love location but it's also an everyday situation.

We really try to, if you like white flowers, you get white flowers, you don't get orange flowers. So it's really like ordering online for clothing, you want to be inspired and that's really what we do and when you order something you want to receive that what you responded to. That's how we really differentiate ourselves and we're very lucky we have a partnership with Horizon Media, I don't know if you're familiar with the company?

They're one of the biggest media companies and so we've been able to leverage also something on not only with a TV program by the way, which on A&E we have. It's called Home Grown Makeover with Frederique and Carter, which is also a way of differentiating, of telling the story, it's really about a makeover at home and how to bring the outdoors in. Showing people

yes, you can change the color of your wall and have a new couch but also how can you bring in flowers and plants to change your environment and what an affect that has not only on the look and feel in a place but also on the people itself. I mean flowers have been proven to bring happiness and have health benefits to people. So it's also telling that story has been great.

[0:11:31.9]

FT: It seems too that your customer, your target market is somebody with disposable income, this is a luxury in some ways. So how are you protecting the business in the event that those customers find themselves in situations where they can't afford this anymore? Because I'm thinking back to even like the recession, things that were considered discretionary, luxury, those were the first things to fall of people's budgets. How are you maybe...

[0:12:00.0]

FVDW: Well actually it's interesting. I am trying, and it's come to maybe from the Dutch way, but I'm trying to position as something that should be accessible and approachable. The look and feel is quite luxury but actually our price point is pretty decent. We can compete also with the bigger companies, I mean we have a bouquet of \$49.95, we also do this rose boxes that are in \$29.

So I am trying, and not to say that's money, but it's also, we really want to make this a part of when you would say, "I like to get that manicure and pedicure. I want to go to a Soul Cycle class." This is a choice in life you start making to say I want to change that environment. I want to wake up and feel that what flowers do to me and we've created also with this subscriptions where in the end, it's yeah.

I mean it's definitely a choice you make, we definitely go for that person who is a little bit more mindful, who looks for the Soul Cycle type, the manicure, pedicures but who also likes to treat themselves? When they give to somebody that it's a thought out gift. We do a biodegradable box, we have a biodegradable vase, it comes in this canvas bag so it's also very handy if you would bring it to a person. Yes, it is a choice you make but I think by starting not at a \$150 with

the bouquet and which we often see in places like New York and LA, it's really that we want to be approachable.

[0:13:58.2]

FT: In your years as an entrepreneur, Frederique, what do you think has been the hardest lesson learned for you?

[0:14:05.3]

FVDW: Probably a few and still learning. I mean one of the things is definitely learning how to delegate that you can't control everything. In the beginning especially when a brand is so close to your own heart, it's so key to find the right people around you. Very important also is to keep a strong focus yet to be flexible that — because you can have sort of an idea, "Okay, this is how I see the company go."

And it's very important to have a clear understanding of your first five years to be able to manifest it. Yet at the same time, it's learning to understand that things change and the ups and downs and problems that occur, there are reasons for that and so to be also flexible for that. I think also daring to embrace, to let it go, to go with the flow I think is also a key element. I think it's a constant learning curve.

It's just funny, I was just talking to somebody, a woman who I admire in her work and a true entrepreneur and she was saying. Those days when you lay on the couch crying that you think is never going to work and then the next moment you see the light and you say, "Oh fantastic what I'm doing." It is so key. It is a bumpy road and you have to just sort of embrace that.

[SPONSOR BREAK]

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[INTERVIEW CONTINUED]

[0:15:59.4]

FT: I'd love to pick your brain about money now if I may. This show is all about personal finance and I think you're such a great guest for our audience. I'm curious Frederique if you've ever followed your life to the tune of a financial philosophy or money mantra? Do you have something that you think about when it comes to money that helps to be your guiding light?

[0:16:25.7]

FVDW: There's definitely, and I think growing up in Holland, that I think money, my mantra would be is that you should spend money that it is an experience rather than material. I think that is more fulfilling. So I really tried it. This is more on the philosophical when you ask that.

On a thing if it's about investing money, I've learned and I know that some of the questions you have about that also, but my mantra is really that you're able to understand it and be proactive and not sort of put it away and say, "Let somebody else deal with it." Be very hands on.

[0:17:18.4]

FT: Yeah, experiences are what we have — studies show that at least when you spend on experiences, that actually can make you happier. So while money maybe doesn't buy happiness, the money that you spend on experience whether it's travel or yoga class or a beautiful bouquet of flowers, that can actually increase happiness in some way.

[0:17:38.6]

FVDW: Very much so, very much so. And a great dinner with friends is better spent. I personally, I get much happier about that than spending it on a bag or something.

[0:17:50.7]

FT: Exactly. What about your upbringing that was very instrumental in teaching you about money, was there an experience you had growing up in Holland as a child that really was a very initial kind of introduction to money, taught you a lot about money, anything like that?

[0:18:09.7]

FVDW: Yeah, I had at one point this job where I clean the kitchen after this sort of restaurant was closed and I would go there on my bicycle, clean this kitchen and funny enough I found it very somewhat very satisfying because I really saw a difference by the way of the work I did if I look back now I'm thinking, "Oh my god, I have to clean the kitchen in the restaurant, what a disgusting idea."

But I enjoyed it very much, the empowerment of it and that I made the money, it was very empowering to make your own money and so at a very young age I started doing several jobs. But there was this particular time that I was being paid for this job of cleaning the restaurant kitchen and then I was on my bike going back and I was very proud coming home and showing my mom the money.

I had lost it and I was so upset and she took me in the car and we sort of retrace my route to the restaurant and never found it. It's interesting because when I was thinking about that early memory, it's just, it taught me the value of money and it was a very important thing. So yeah, it was so upsetting.

[0:19:31.5]

FT: I'm listening to you and it makes me want to cry because it kind of happened to me as well. I was a waitress in college and I remember one night, I was tipping out, my boss would make me basically take my tips and I had to give a percentage of it to the bartender and the bus boy and

by the end of the night I had like \$5 left and I'm thinking, "Did I lose money? Did I actually drop money along the way?"

A few nights of this, I started to get paranoid, the money must be falling out of my pocket, I would go home in tears because not just because it taught me the value of money but the value of my time and the work. Working in a restaurant is an honest, hard day's work.

[0:20:13.1]

FVDW: Tough, yeah. Oh god yes, it is.

[0:20:15.2]

FT: It's not passive income and it's the most thankless job in some ways. So to leave that job with pennies if nothing, I later learned that my boss had miscalculated...

[0:20:26.3]

FVDW: Really? There you go.

[0:20:26.9]

FT: ...all the tip outs. I got money back towards the end of the month but still at the time, I thought, I must be like, my pockets must be dripping money so I completely know that feeling and I guess in some ways, it's better that you experience it when you were younger than later.

[0:20:43.9]

FVDW: Totally. It's funny when I think about that of experiential that started, I had my first modelling job and suddenly was much easier money, it wasn't yet New York rate but in Holland I had this one job and I remember taking my mom to a dinner in one of the better restaurants in the Hake where I grew up. I remember the feeling of being empowered as a woman that could

do this. It's funny, it's also something that definitely, I find it being independent in some sense, I found very empowering.

[0:21:22.7]

FT: That's an interesting thought because when you think of being a model sometimes, at least today, I don't think of it always as an empowering position because there's so much pressure. People want you to look a certain way and — but when you were experiencing modelling, what were your memories of that? I mean surely there were good times and there must have been some tougher times?

[0:21:45.9]

FVDW: Oh very much, I think it's very — when I look back of how I grew up and having a certain grounded and humbleness so that helped me very much when I came to New York and that industry obviously is very competitive. But I definitely, the empowerment of travel and making that kind of money, I very much embraced that. I tried to also when people were saying, "We don't want you," you got again rejected for a job.

And this happens by the way to the best, to everyone. This is the industry, acting and modelling is all about rejection and you have to kind of realize it's really not about you and it's just about what some campaign just wants a brunette then or this or that, it has nothing to do with you and I think a lot has to do with who the people are around you, how you were brought up to deal with that.

Because I think a lot of models got very hurt and very fragile as women and I think it has a lot to do with this constant being appreciated just for looks and being rejected all the time. I think my upbringing definitely gave me strength and I got lucky that I spoke up whenever I was feeling also if the photographer just told me off who said, "I want this," I would say, "Excuse me, you don't talk to me in that way." As a woman, I stood up for myself.

I'm also very pro women and I find that being, embracing us as women as entrepreneurs as models as whatever, to be able to do that is very key and I think it was a part of my upbringing

too but being in New York and now being — we work with quite a few women, I think it's fantastic and I think we need to do more of that.

[0:24:04.6]

FT: Who were your role models in the sense that these were the people that really inspired you to take an entrepreneurial route? Not all models have the wear with all or the foresight to say, “You know what? I’m not going to be modelling this steadily all my life, I really should have something else to not fall back on but to really make my next step in my life.” Who kind of gave you the motivation and the inspiration to take this route or was it just all in your DNA?

[0:24:36.8]

FVDW: No, I’m thinking, it’s experiences, I think a part of my motivation was New York. I mean meeting people that had ideas and beliefs and said you can fail and you could stand up again, that’s very much the American way and I think that combination of the Dutch being somewhat more grounded and then the American way of taking risks has definitely been a motivation, New York in itself.

I don’t think particularly in the fashion industry of models that I looked at, it was more what I saw around me and realizing for me that I wanted to find a bit more meaning in what I did. That yes, the modelling I was incredibly grateful for that but it didn’t always fulfill me. Finding somehow that I could use a sense of humor or my idea of a brand or my brain in different ways. SO creativity in a different way, it became more rounded. I think that’s how it developed.

One woman who has been for me an incredible mentor is a woman called Beatrix Ost who is definitely not an entrepreneur in business but an entrepreneur in life. She is a very dear friend and funny enough, she’s — I dunno her age, but she’s much older, maybe even, she’s ageless. But she has shown me how important it is to thrive and to be exceptional and there to take risks and know that life always gets interrupted.

There's always things that happen that you didn't see coming and that are very difficult but to also embrace it, that that's very much part of that journey. That has helped me just watching her and be that inspired by such a wise woman who has lived so many lives.

[0:26:45.3]

FT: How much has failure been a part of your learning process? What's your biggest financial failure?

[0:26:52.6]

FVDW: Well actually, that also was very young that happened and it was a funny one. An adviser to my stepfather actually, talked about this land in Florida, it was called something like General Development or whatever. I started making some money and I always believed, okay, you have to invest it, be wise about these things and I sort of joined in.

Anyway, it turned out it was a complete scam, wonderfully paid for about a few years, a monthly fee to watch this land. It didn't exist and it was such a good lesson because you need to understand how you're investing and if it is indeed land or buildings or houses or apartment or whatever. It's great because it's something you can touch and in this day and age, even better probably but you need to see it and need to go there and make sure that indeed this is what you're doing.

If you can't, you need to do some homework and realize what this companies are that tell you that you can be part of whatever real estate deal. It was a very early age, I think this was like 19, 20, I learned that, I was taught to definitely investigate but I think also to do invest has always been something I firmly believe and at a very young age, I was able to already buy my first apartment in New York.

[0:28:34.5]

FT: How old were you when that happened?

[0:28:37.6]

FVDW: I could. Let's see — probably 20 or something, ridiculously young. Yeah, 21 and I always remember that the people I bought it from, they found it quite difficult that I was so young and I was definitely not arrogant about it at all, it's not at all in my nature. I was even a little bit sort of like, almost apologetic because I could feel that they felt funny about it.

[0:29:09.9]

FT: Yeah, I can only imagine. Did you hang on to that apartment for a while or did you?

[0:29:16.1]

FVDW: A long time, yeah. I got lucky, I got very lucky.

[0:29:19.0]

FT: I'm sure you turned it around for a nice fortune because as any piece of property in New York that sits for a few years, it does well.

[0:29:27.6]

FVDW: Yes.

[0:29:28.5]

FT: What's your number one habit Frederique, a financial habit that you practice that keeps you on top of your finances and improves your financial health?

[0:29:40.1]

FVDW: Well, I think it's funny because in some ways I definitely, I don't check something every day, I think that if you make an investment, what's happening for example now in the last few

months with these markets being volatile is that you have to sometimes sing it out, this minuses and another thing is that I am in control. I pay my bills, I see what happens.

I am aware of that indeed what's going on in the world and to be diverse so that not everything is in the stock market but that you have a mixture and it doesn't matter at whatever level you are in investing or in owning money but to be thoughtful and diverse and to save a little bit and invest is a very smart approach. So yeah, being proactive and be part of it. But also not to let it rule your life because I think that's very unhealthy.

[0:30:49.1]

FT: Frederique, it's been so great to speak with you. Like again, I was telling you before we even went live on the podcast that it's so funny where life takes you, probably if I knew if my 12 year old self knew that someday we'd be talking together on a podcast about money, let alone modelling in your career, I would be so excited to just — I wouldn't want to wait to grow up. So thank you so much for sharing a time with us and congratulations on yet another stellar business. I hope that it brings you — I hope it blooms.

[0:31:24.3]

FVDW: I hope it blooms too. Thank you. Thank you Farnoosh, great meeting you.

[END]