

EPISODE 772

[INTRODUCTION]

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FT: What do Gloria Steinem, Kim Kardashian, Jessica Alba and Chrissy Teigen all share in common? Well, you've got to meet our next guest to find out. Welcome to So Money everyone. I'm your host, Farnoosh Torabi. Today, we are in conversation with Jaclyn Johnson. She turned a job layoff into an incredible career comeback as an entrepreneur, and her business Create & Cultivate now hosts the premiere conference for female entrepreneurs.

Women love her conferences, because she brings in female powerhouses, a few that I just mentioned, as her keynote speakers. She creates an atmosphere of camaraderie that can't be beat. Today, we'll be talking about how she started her business. The days of being an intern making \$18,000 a year, what it's like to meet so many incredible celebrities and her latest project an upcoming book and podcast called WorkParty.

Here's Jaclyn Johnson.

[INTERVIEW]

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FT: Jaclyn Johnson, welcome to So Money. How are you?

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JJ: I'm so excited to be here. I'm good.

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FT: It's a busy time of your life and year for you. You've got obviously, Crate & Cultivate is killing it, but also you have a book launching, you have a podcast, I think you also recently got married. My goodness.

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JJ: It took you everything I was inside, that's totally insane.

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FT: Just jam pack it all in.

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JJ: Yeah, why not?

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FT: I mean, relative to other years was this a busy year, or like an average year?

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JJ: It's been a wild year. I mean, I think the past two years actually had been a roller coaster, both personally and professionally, which is awesome. I'm sure you know when you get this momentum, it's like you write it out as much as you can and you're like, #blessed to have this excitement. I'm enjoying every minute of it.

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FT: Yeah, you can always sleep in 2019, I suppose.

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JJ: Of course.

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FT: I love your story, because it starts out where a lot of us start out, which is an internship, or two or three and big dreams, big hopes. Take us back to when you were making \$18 an hour, because that's also something that I share with you. I made \$18 an hour at my first magazine job in New York, which is no feat, no small feat. Did you have these big aspirations back then? Are you surprised to see where you are today? Two, sidebar, how did you make \$18 an hour work in New York City? Or sorry, \$18,000 a dollars a year, which is less than \$18 an – that's like \$9 an hour.

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JJ: Yes, yes. I mean, and this is also a while ago. Yeah, 100%. I think for me, the one thing that stands out about myself and growing up and all these things, and I'm sure my parents and friends could attest to is I love working. I genuinely loved building a career, internships, trying new things, I always was pedal-to-the-metal, driven by careers and success and all of these different things. I've always been that way.

Now when I was first starting out, I wanted to be a magazine editor, I was like, obviously I saw all the wrong comes we saw growing up, all these things and I was like, that looks fabulous, that's what I'm going to do. Did all the right things; I went to journalism school at NYU, I studied magazine production, I interned at Conde Nast. I made all the moves you need to make to do that, and honestly fought my way through.

I talk about in the book, my parents are car dealers in Florida. They have zero connections to the bustling big city of New York; I had no ins, I had no relationships, I had no contacts and I literally just worked my butt off to get any connection and intro. I actually interned at a PR company, a small PR company under this woman Caroline [inaudible 0:04:21.5] and she – I mean, it was one of those things where was her and I think co-founder and the two of them out of her New York apartment, but big clients and I was all of 18 and just basically helping run that company, was obviously a great boot camp in working under self-made entrepreneurial women and seeing their hustle.

Luckily, one of them went on to work at Conde Nast and I weaseled my way in with an internship, because obviously that internship program is very difficult to get into. Then eventually, obviously coming out of it, was offered this job. I was so excited. I mean, dreams come true, editorial assistant. At a lore, it was amazing. Then when I heard the salary, it was one of those things where I had to give myself a reality check. I didn't obviously have a trust fund and coming out of college. It was really, really difficult and I actually had to turn down that job, because I just couldn't make it work.

I remember telling the HR team I was like, "I can make this work. I'm going to work on weekends, I'm going to work at nights." They were literally like, "No, no, no. You'll work weekends and nights at this job." They were like, "You'll get so many clothes and makeup." I was like, "I can't eat makeup."

[0:05:34.8]

FT: Makeup doesn't feed my 401k, sorry.

[0:05:38.2]

JJ: Exactly. It was devastating obviously, because it was such an exciting opportunity, and I quickly had a pivot into a different type of job, and that's how I got my start in marketing and advertising.

[0:05:52.1]

FT: Fast forward, you launched your business, which is, well, you just – it's not part of Small Girl, but Small Girl's PR, but no subject, right?

[0:06:03.8]

JJ: Yes.

[0:06:04.5]

FT: Explain what that – was it like a PR agency? Branding agency? Again, something that you started in your 20s; I think that's so admirable. You did it after a layoff too, by the way.

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JJ: Yeah. Thank you. No subject had many iterations. Basically when it first started, which was a long time ago, it was a social media marketing agency. This is peak social media timing, when everyone and every brand is like, “I need a Facebook page. I need to update it. We need to be sharing content.” I basically was like, “I know how to do all that.” At that time, there wasn't that many people offering that service, so social media agency out the gate, soon realized a couple years in, this is really difficult to scale, it's really difficult to hire again. More and more brands were like, “We want to do this in-house.”

Then I pivoted into more of an influencer marketing agency, focusing on working with influencers. Again, peak influence our timing, and then eventually went into more experiential and events. That company had a lot of different life, a lot of different service lines, like over the seven years I ran it, and then eventually sold it to Small Girl's PR. Yeah, it was amazing. It was honestly happenstance. I had no business plan. I essentially was laid off like you said, reached out to my network as you do when you're looking for work and said, “Does anyone know anyone who needs services that I can provide?” Started with a few clients, started with a few more, eventually hired employees and eventually grew it to what it became.

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FT: On the side, because you weren't busy enough, you launched Create & Cultivate, which is this incredible conference that brings together women of all kind and headlined by people like Gloria Steinem, Issa Rae, Chelsea Handler, Jessica Alba, the list goes on, and it's just like – the [inaudible 0:07:49.5] met, like can you imagine it sells out within hours. When you first got the seed of the idea for Create & Cultivate, where do you even begin to say like, “I want to put – bring together all these badass women.” Did you – at this point, I know, you didn't come from a

lot of connections, but at this point did you feel you had a nice rolodex, that you were leveraging to do this, or did you also have to start from scratch for this kind of a conference?

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JJ: I had a decent rolodex. I would say the way I started was small. Basically, the first Create & Cultivate, which most people don't even know about was a very small blip on the radar. It was about 50 women in Palm Springs. I had on the side of running no subject, kept my blog. I had this blog going. I had a little bit of a following there. I was able to monetize that as a side project, but mostly used it to meet other bloggers and influencers.

I had this great network of up-and-coming influencers and bloggers who are now superstars. Essentially, I was like, "Hey guys, I'm thinking of doing this thing in Palm Springs. It's going to be a day of workshops and talks and cocktails and dinner and all this stuff, and I want to use you guys to teach workshops and host conversations."

Luckily, I was able to really leverage that and get together a really amazing group of women to host these things. Obviously, this isn't Kim Kardashian, but it was amazing women willing to lend their time and their expertise to other women. It was very small and very informal and I never in a thousand years thought I would ever do it again. It was like a one-and-done in my mind, but I was like, that was so great and amazing and I got to meet all these awesome women.

Basically what happened was people just kept asking about it like, "When's the next one? Brands were interested." It got that organic momentum that you can't look away from and you can't ignore. That's when I was like, "Okay, maybe we should try this again and maybe do it a little bigger." Then from there, it was incremental growth, until about three years in when it really exploded.

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FT: Take us to where Create & Cultivate is today. It's not just a series of events. This is a real business and brand that you're building, and of course, the book and the podcasts are offshoots of that. What is your goal ultimately with Create & Cultivate mission?

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JJ: Yeah. I mean, the mission for Create & Cultivate is to entertain, enlighten and inspire women to create and cultivate the career of their dreams. Whether that's as an entrepreneur, I'm building your own business, or whether that's using your entrepreneurial spirit to build your career in the corporate world, we want to provide the tools, tips and tricks you need to be successful. The way that manifests itself is through three different channels for us. It's community and offline experiences, it's content and digital, and then it's going to soon be commerce and products next year, which is really exciting. We're figuring out the ways where we can provide value to our audience through different channels. Then obviously, we have the podcast and the book as well.

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FT: Anything you guys are doing on the money circuit?

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JJ: In terms of content, or –

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FT: Yeah, content, empowerment, education. How important is the money piece to these women who are out there trying to build their careers?

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JJ: It's the most important piece. I mean, truly the number one question we get at conferences is hand up, how do I raise money? I think that's a really interesting conversation, and we've had amazing BCs and experts and things like that come to the table and really provide that real talk information you need to know about raising money. The second biggest question we get is

around negotiation. How do I know how much to charge? How do I know when to push back? How do I ask for that raise? All of these questions.

For me, I love talking about money. I mean, I always say women should not think of money as a four-letter word. I mean, we really have to be able to speak about money, talk about money and empower women who are making money, versus hating on women who are seeing success and thinking it takes away from your success.

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FT: WorkParty is the new forward-facing brand. It's the name of the podcast, it's the book. It's a really cool name. How'd you come up with WorkParty?

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JJ: Thank you. Yeah, well it was really funny, because essentially, the Create & Cultivate internal vibe is like, we're throwing these parties every six months essentially. They're a ton of work and there were a lot of things that go into it, but essentially, it's a work party. It's a giant celebration of women coming together, empowering one another, sharing knowledge and really going out and manifesting that in the world.

We had this idea of when you think about work party, at least for me, or when I look back, it's like this boring party you have to go to, it's like a holiday party, oh, it's a work party. We wanted to flip that on its head and really reimagine what a work party can be. Saying that you can go out and create and cultivate the career of your dreams. Oh, and guess what? You can have fun while you're doing it. Because truly, I look back on my life and my career and I never in a million years when I was 12 years old thought, "I'm going to run a female empowerment platform." I would never think that was a job. I mean, I was like, lawyer, doctor, astronaut; those are the things you think of when you think about businesses, or building a career, especially when you're younger.

Now it's really – I joke because I'm like, now being a content creator is a job, now being a podcaster as a job, now being all these amazing things that you can do on your own is a career.

It's really flipped its head – flipped the career on its head in that version of like, work is work, whereas, work can be fun.

[0:13:25.1]

FT: Work can be fun. Yeah, there's something else you wanted to say?

[0:13:28.5]

JJ: Oh, no. That's it.

[0:13:29.1]

FT: Okay. You're just taking a sip of water, because that was a lot. All right, let's transition to some So Money questions for you Jaclyn. I love having these trailblazing women on the show. I think you're going to be able to really inspire so many of us, more than you have already with your money journey. Let's kick it off with your number one approach to money. Do you have a financial philosophy, or a money mantra that guides you with the way that you manage your own personal finances?

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JJ: Yeah. I always say I'm pretty conservative when it comes to money. My mom is an accountant. I grew up with the overarching accountant mother who was always concerned with what our credit scores were when we were like 13. I've been around in that money conversation since I was really young. For me, what always is really stuck with me is what my mom said. She always was saying, "You need to be independent in your finances and be able to always support yourself at any given moment."

I always took that very seriously. For me, saving was a big part of my story. Also I would say, I'm very big on money in, money out. The reality of things and it's very basic is, I always want to be making more money that I'm spending, which feels like, duh. It's something that people don't really think about. They don't budget, they don't think about things in terms of the money in,

money out the door, but I think about that very specifically when it comes to my business and my personal life. I want to be hitting certain thresholds along the way to make sure I'm saving for what can be down the line, like a future that I'm not just scrambling to make things happen.

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FT: What did you do when you actually started to make more than \$18,000 a year? Because it was a big jump, right? You left that job, but it was – I read that you made six figures in your early 20s and then that you sold a company and made even more than that, like triple, quadruple that. At some point, your tax bracket changed, and how did that immediately alter your financial life, if at all? Because I remember, I'll be the first to share that when I first started making six figures in my 20s, I was 27, 26, after making – basically doubling my salary, I got so excited.

I started to obviously, think about where I would put that money to save, but I got so excited as far as like, what clothes I could buy now, clothes that wouldn't deteriorate. I didn't have to go to H&M all the time. I could actually buy a real suit, or a real pair of black heels, and that just made me feel like I'd made it, even though I should really feel more I've made it when I see money in my brokerage account. You know what I mean. You're 26, that stuff excites you.

[0:16:21.6]

JJ: Oh, totally. Legitimately, so I started – when I was in my corporate career, like the corporate phase of my life, I started making a lot of money really quickly. I doubled in salary pretty much over three times over two years, only because I moved positions, which we all know about. I moved in to different companies. I also had a very specific skill set, so I was an expert at “social media” and this is in 2008 when no one else knew about this. I was first to market in that realm of employee. Brand saw that, they capitalized on it. They saw the campaigns I was doing and I moved up very quickly.

My parents legitimately thought I was a drug dealer. They were like, “We don't understand why you're getting paid this much money. What is this company?” I was like “I swear it's legit.” They were just so confused. The reality was, it was really exciting. I remember my biggest money move I made was, and to this day it's the thing I spend the most money on was real estate. I

remember I moved into a really nice apartment in New York. I mean, it was a studio, but still it was a doorman building, which is upgrade life in New York.

It was a big deal for me, because I would be coming in a one-bedroom, mice-infested place for my whole life in Union Square that was very nasty. I just was hustling my face off in New York and it was one of those things where I remember just signing that lease and obviously being horrified at how expensive it was, but it was I felt so empowered that I could do something nice for myself. To this day, that's the exact same thing I did when I sold my company; I bought a house.

It's funny, because that's how I really think about spending. I'm not a big spender on clothes. I'm not a big spender on those type of things. I mean, I probably should be more. For me, what excites me is how do I use this capital to reinvest and make more money in the long run?

[0:18:16.7]

FT: Your parents must have done something right, right? I mean, maybe it's in your DNA, but I wonder if also you had some good learnings growing up. Our sponsor, Chase Slate, has done a survey looking at the discussions families have around money with their children, and they did find that over half of parents have had a conversation about money with their kids recently. What may have been a real important life lesson for you learned early on, thanks to either the examples that your parents led with, or the actual lessons when they sat you down and told you about something money related.

[0:18:53.6]

JJ: Yeah. I mean, I really have to credit my mom. One of the things she did early on and what teaching my sister and I about money was she opened a credit card for us, I believe when we were 14. We opened a credit card and every month, she would make us get gas once a month with a credit card for her. We'd use our own credit card, we put it in and then we'd pay off that, I don't know, 30 bucks it was every single month.

She was showing us and building our credit along the way why that was so important. To this day, I have incredible credit, because I've taken those things and applied them to my life throughout it. I start really early. It was one of those things where I had three jobs in high school, I was doing – that I always was working and saving money and my mom would always show me, “Hey, this is how much you made, this is your play money and this is what you can spend, but here's what's going in your savings.” I've always been taught from such a young age to save, save, save, save, save, it's so important.

I think that comes from the fact that one, my parents are entrepreneurs, they own a business together, so I've seen that hustle lifestyle and known it for so long. Two, is that my mom was always very conservative with money. I always joked, because I remember the first time I bought something from a mini-fridge and like the guilt of my mom coming over. We stay at hotels growing up, she was just like, “Don't touch the mini-fridge.”

It was so funny, because I was like, “I can afford this \$4 water or whatever.” It was things like that where we were always very careful about money. She always wanted us to be able to, especially my sister and I, be able to always no matter what the situation, be able to walk away from a bad situation and be able to support ourselves financially.

[0:20:26.6]

FT: These days, you literally cannot touch a mini-fridge, because it is activated by motion. I got charged once for \$8 for a diet Coke that I did not even touch, because I walked past the mini-fridge. Rattled. I think, we can all relate to that mini-fridge story. To this day, I don't care how rich you get, no one's – if you're paying \$18 for cashews, you have not made it. You've lost your mind.

[0:20:56.5]

JJ: That's a problem, yeah.

[0:20:58.3]

FT: That's a problem. Tell us about – so we did get a glimpse into your So Money moment. Perhaps, that was when you got to get the apartment that didn't have the rats in it. Even with like – when you first started to feel Create & Cultivate was capturing a lot of momentum, what was the first sign of that? What do you think it is about your events in particular that women can't get enough of, because there are listen, there are a lot of different kinds of conferences and events for women, by women that go on all the time all year. Yours has really differentiated itself, not only in the women who are so excited to attend, but the people that you attract to the stage is unprecedented, unparalleled. Maybe I just answered my own question, but what do you think is the secret sauce?

[0:21:52.3]

JJ: Yeah, secret sauce. Yeah. No, totally. I mean, I think it's a combination of things. When I was running my first company, a lot of what we did was we created and executed influencer events. We've all seen them in Instagram. They're super lavish, super luxe, really beautiful. What I realized was so many women who weren't influencers were commenting, “Oh, my God. That looks amazing. I wish I could go to something like that,” you know all these things.

What I realized it was, why isn't someone throwing these type of events that are beautiful and fun and amazing, also educational and valuable for women? What I did was I really applied that model to a – I took that influence, or model and applied it to a consumer model. When I really look at Create & Cultivate, I wanted it to be a full 360 experience.

A couple weeks before the conference I said with everyone I say, “Walk me through my experience as an attendee. Walk me through registration. Walk me through when I have to go to the bathroom. Walk me through when I have to do all these – from soup to nuts.” I want to make sure they have a premium experience.

The reality is we always try to keep ticket prices as low as possible, because I really want to give this access to women and which is also why we do free events. Because it's really not about capitalizing on our audience, it's really about bringing in brand partners to subsidize, make these experiences great. When it came to the panelists, I really wanted a wide range of women. I didn't just want to contact traders, I didn't just want celebrities, I didn't just want CEOs

and executives. I wanted a full range of women that could provide overarching story and narrative that can be applied to any type of business.

I wanted you to hear from really successful CEOs. I wanted you to hear from marketing executives. I also wanted you to leave feeling inspired and hear from these mega, mega stars, but also incorporate and talk about political issues and diversity and inclusion and equal pay on all these difficult issues. I think there's no reason why you can't have fun, it can't be beautiful, it can't be an amazing experience, and also, talk about business, talk about money and talk about these difficult topics. It's something that men have a very hard time wrapping their head around. I mean, they see a pink book cover, they see a pink stage, they see Kim Kardashian and they're like, "That's not business." I'm like, "No. This is a real business." The women attending have real businesses and the women speaking, guess what? They have real businesses too.

It's something that I've really pushed to the forefront, and women obviously get it but. It's funny, because it still has that stigma attached to it, but we've really pushed through, created a name for ourselves, and I think we're just focused on our girl, our woman, our attendee and making her life better.

[0:24:26.2]

FT: All right. Okay, tell me a failure, a money failure that you've had that was extremely important to go through, because it's now really prevented you from more mistakes of the kind.

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JJ: Yeah. I mean, I think some of the – I would say the most prominent money failures I had is something that a lot of people can relate to. When I first started out, I'm running my first company, obviously you're just like, "I need to get money in the door. I need to get rolling." I did a lot of handshake deals. I didn't wait for contracts to get signed. I was like, "They're going to do it. Let's do it. Let's start on the work. Let's get going." Then push came to shove and things happened and we didn't get paid, and I didn't have the paper trail to back it up.

Those are really hard lessons to learn when you're first starting out, because you're so eager, you want to be successful, you want to make the clients so happy. One of the biggest lessons I learned and the advice I give is get everything in writing, wait for the contract to be signed, you don't have to rush it, and you can be aggressive about getting that done before you do any work. It was something I really regretted and learned from when I was first starting my business.

[0:25:31.6]

FT: Wow. How bad was it? Was it the majority of your vendors, or was it just a few vendors? Was that a trend?

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JJ: Yeah, it was a handful. There was a few people that we did a lot of work for and actually even had some signed contracts, but had to obviously bring in lawyers and then lawyers had to expedite this and that. You're a small company and you're going up against these big, big clients. It was one of those things where social media didn't exist. I couldn't put these people on blast. Now there's some site that my employees tell me about, where freelancers will report and talk about companies that don't pay. I think that's so empowering and amazing, because you can obviously share your stories. Now companies are like, "We don't want to get on that site."

At the time, I was just some girl in downtown LA that they were like, "I don't have to pay her. She can't do anything." I didn't have the resources to pay a lawyer X amount of dollars. If they owed me \$5,000, it ended up having to pay the lawyer \$2,000, then I'm like what? Is it really worth this \$3,000? It was that really tough situation to be in. There was a few times I really fought and pushed back and was able to get paid, which was great. There was a few times I lost out and it's a real bummer. I think about those people quite often, now that I have a little bit more success and a little bit [inaudible 0:26:50.8] and recognition, and definitely always think back to, "God, if I knew – if I had the power I had now that I had then," but the only thing you can do is just warn other women about people like that and honestly, any entrepreneur, yeah, and just rub your success in their fates. No I'm just kidding.

[0:27:09.9]

FT: Well, and it's true that unfortunately, it is a cost of business sometimes. You have to budget for the scammers, unfortunately.

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JJ: Pervasive. It really is a problem, but it's just – for any freelancers out there or people going through it, it does happen unfortunately.

[0:27:29.2]

FT: Well, you took the high road.

[0:27:31.4]

JJ: Yeah.

[0:27:32.4]

FT: All right Jaclyn, let's round this out with our So Money fill-in-the-blanks. This is when I just start a sentence and then you finish it first thing that comes to mind. All right, if I won the lottery tomorrow, let's say you won a 100 hundred million dollars, the first thing I would do is?

[0:27:48.8]

JJ: I would love to start a fund to invest in female founders.

[0:27:53.5]

FT: That's a great extension of Create & Cultivate and WorkParty. I mean, why not? Bring it back into the community.

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JJ: Exactly. I mean, hashtag goals, but I mean, that is definitely something that I would love to do.

[0:28:06.2]

FT: Awesome. I love that. Okay, onto a good start. Okay, one thing I spend my money on that makes my life easier, or better, or both is?

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JJ: A housekeeper.

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FT: Yes.

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JJ: The best thing that's ever happened to me honestly, it's one of those luxury expenses that use, but there's nothing better than coming home and having a clean house.

[0:28:27.9]

FT: I just came home before an interview to a clean house and it'll be destroyed within 24 hours though, because my kids – I mean, let's be honest, like four hours. I've already begged my son not to throw out all of his toys onto the floor. Just give me 30 minutes of enjoying the harmony that is the Feng Shui of my apartment for 10 minutes. Yeah, you'll see. You'll see what it's like one day. It's all good. Someone said to me it's like the *Messy Magnificent Life*; Geneen Roth brought that book, pick it up.

[0:29:04.0]

JJ: So true.

[0:29:05.4]

FT: All right, one thing I love to splurge on that I am unapologetic about is?

[0:29:13.0]

JJ: Travel. I love to travel. I don't take a lot of vacations, but when I do, I really go for it.

[0:29:18.8]

FT: But no minibar.

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JJ: But no minibar. Minibar is off-limits.

[0:29:23.6]

FT: All right. When I donate, I like to give to blank, because?

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JJ: Time's up. We have a partnership with Time's up at Create & Cultivate and me personally, and I just think it's so important right now, and it's so crucial to give to causes that obviously give back to community.

[0:29:38.4]

FT: I love that. All right, one thing I wish I had learned about money growing up is?

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JJ: It's really hard to get and really easy to spend.

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FT: All right, and last but not least, I'm Jaclyn Johnson, I'm so money because?

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JJ: I support other women.

[0:29:56.2]

FT: Thank you so much for the work that you do Jaclyn. We will be keeping an eye on future events with Create & Cultivate, but also your book and your podcast launched this week, WorkParty is available everywhere, and I love the tagline; First We Leaned In, Now We Stand Up. It's such a great time to be a woman, isn't it?

[0:30:13.8]

JJ: Absolutely, absolutely. Well, thank you so much.

[END]