

**EPISODE 777**

[INTRODUCTION]

**[0:00:37.9]**

**FT:** From broke to millions of dollars. Our guest today, I would say is a financial warrior and executor. Welcome back to So Money, everyone. I'm your host, Farnoosh Torabi. Happy Labor Day, by the way. It's an appropriate day, although we're not working, but to be reflecting on work. Kim Perell is our guest, and at 39-years-old, she is the CEO of a digital marketing firm called Amobee, which has rigged in hundreds of millions of dollars.

Kim's journey had difficult beginnings. She landed what seemed to be a dream job in her 20s working for a tech firm as the director of marketing, but then the dotcom bubble bursts and she was left with the task of laying off several close friends and eventually being left unemployed herself.

No sooner than three months later, three months, with \$10,000 borrowed and credit card bills mounting, Kim rebooted her career and started anew. It was the beginning of launching many new business, which have gone on to be sold and producing hundreds of millions of dollars. All of her success has led her to a new book, *The Execution Factor*, the one skill that drives success. In addition to being an entrepreneur and financial warrior and executor, Kim is the mom to twins. Lots to talk about.

Here we go, here is Kim Perell.

[INTERVIEW]

**[0:02:01.9]**

**FT:** Kim Perell, welcome to So Money.

**[0:02:04.2]**

**KP:** Thank you. I'm so thrilled to be here.

**[0:02:06.9]**

**FT:** Broke to multi-millionaire by the time you were 30. We're going to talk all about your So Moneyness. What's also really exciting given the time is that you've got a book coming out September 10<sup>th</sup> called *The Execution Factor*. This is something's that's – you've been heralded for. This is so you. That you are somebody who knows how to execute, and your book is really trying to differentiate between the dreamers and the doers. Why do we get so stuck in the middle?

**[0:02:37.6]**

**KP:** Well, it's more fun to dream probably. It's easier. You just sit back on your couch, or on your bed and just dream. I mean, that seems like the easy part. I think the hard work comes in, put the execution of that dream.

**[0:02:50.3]**

**FT:** In your book, you highlight all these different things that have to fall in place on your way to execution, that there are these traits that you have to master. One is vision, passion, action, fourth is resilience and last is relationships. I feel as through relationships could be the hard one for a lot of people, because everyone has that thought like, "I don't know anybody, I'm not connected, I don't come from a place of privilege, I have vision, I have passion, I know how to do things, but how do we solve that relationship quotient?"

**[0:03:21.3]**

**KP:** Yeah, I think based on my experience what I found is if you don't ask, you don't get. That's really my philosophy, the ASK, the GET. How does that work? It's being – you're afraid to ask and it's scary to ask, even from a mentor to a new opportunity, to being rejected when you're trying to start your first company for either funds, or business relationships, but it's about putting

that fear aside and developing an asking for the relationship anyway, because when you really find that kindred spirit, you'll know, and I think that will help push you forward. It's really overcoming the fear and really embracing that it's not going to be a slam dunk, but putting yourself in the opportunities where you can build really great strong relationships.

**[0:04:10.0]**

**FT:** Your book is important, because it's apparently a huge problem. We maybe take for granted getting to the finish line, but actually 90% of business strategies fail, because of poor execution. You yourself, you arrived at this book after a huge journey yourself; you're a startup entrepreneur, you've been an internationally renowned CEO, Angel investor, I read that you had pretty modest beginnings at your kitchen table. You started with these ideas and then you hacked them, later led you to making millions of dollars by the time you were just 30. Then you sold your last company for 235 million dollars.

Along the way Kim, you had to learn the way. Maybe it was – a lot of it was inherent, but probably a lot of it was also learned as you were going along. What was the hardest lesson for you, or the hardest obstacle?

**[0:05:07.4]**

**KP:** Really, I think that success is not linear. I think it's important. Growing up, I thought of my life as very sequential, so I – whether it be starting a company, starting a family, going to school. Success always finishing one before the next and really many years ago, a great mentor of mine asked why I had to do them sequentially and why I couldn't do them in parallel. It really forever changed the way I looked at my life.

That's when I found that my work enhanced my family, my family enhanced my life and it was really the passion projects renewed my energy, sparked creativity in everything I touched. Knowing that success is not linear and understanding there are going to be so many – I mean, the challenges that you'll face on your journey, they're never-ending. I think the more – as many entrepreneurs know, it truly is a ride, is a roller coaster of a ride, but knowing how to integrate that resilience and incorporate it into your life, so it becomes part of you. I think that's what – I

learned as I went through my journey of starting my own company and having previous failures, it's really been – it's a muscle that I'm developing and resilience is a muscle you develop and it's trying to understand, building that into your plan that something will go wrong, I guarantee it, right?

**[0:06:36.4]**

**FT:** Right. Oh, yeah. Of course. I mean, that's part of why people don't get to the finish line is because they get discouraged by all the setbacks. There will be setbacks, so just accept that and just know that you're not alone. Both your parents, I understand were entrepreneurs. Was it always the mindset growing up that you were going to own your career and be your own boss?

**[0:07:00.3]**

**KP:** No. No, I was thinking after growing up it was so hard. Growing up in an entrepreneurial family I thought it sounded much better to get a 9 to 5 job, not a 5 to 9 job. I was planning, I mean, the reality is I was planning on getting a great job that was more let's just say stable than what I had I grown up with, but unfortunately it was at a time when the market crashed. Inevitably, I guess nothing is secure. I think that's what I learned is like even the stable jobs aren't secure and my company ended up going bankrupt and I found myself unemployed and without a job and without a future, and that's –

I guess, knowing and I've been – had seeing my parents gone through that growing up, I was able to then take advantage of that maybe, because I've seen those failures in my life and I'd embraced them. Not meant that that was the path I wanted to take, but it really was an opportunity that I was able to seize because of my experience in growing up, I think definitely helped. I think it's also an opportunity anyone could see. I think that's why looking and writing the book is really having – you don't need entrepreneurial parents to become an entrepreneur.

**[0:08:16.4]**

**FT:** No.

**[0:08:17.7]**

**KP:** You do have to be able to embrace that risk. There is risk.

**[0:08:22.9]**

**FT:** Yeah. There is a great expression that not everyone can be an entrepreneur, but entrepreneurs come from everywhere. Really they do.

**[0:08:31.1]**

**KP:** That's right. I love that.

**[0:08:31.9]**

**FT:** They come from all walks of life. Going back in your timeline, I also read that one of your companies XDrive went bankrupt and you call that the worst time in your life. It also gave you the ammunition to start your next company, which then you went on to sell for hundreds of millions of dollars. It was just within three months of XDrive going bankrupt that you came up with your next plan. I mean, three months I'd still be like hiding under my bed covers. What is it about Kim –

**[0:09:03.1]**

**KP:** I was.

**[0:09:04.4]**

**FT:** What is it about you, what is about the, like Kim Perell DNA that gets you so motivated after a failure like that, that would crush people normally? They wouldn't execute on anything else again?

**[0:09:15.1]**

**KP:** Yeah. I think looking back, the easy decision was to get a job. Get another job and I think that would have been the easiest decision. Trust me, I did hide under my covers for weeks. I can remember where I'm coming home, just wondering what's wrong with me. You feel like such a failure after such – that moment. Having the courage and belief and wanting to have the freedom, and I really think after having worked for a company that I didn't have control and I really want to control my destiny. I think the best bet you can make is on yourself and I was willing to at least ask my grandmother to make that bet on me, because I didn't have the capital.

Having the passion really fueled that desire to create my own company. Looking back, just having the belief and it comes back to relationships as well, just the belief and the vision, but also I had great relationships in the industry in which I believed I could start something new.

**[0:10:17.3]**

**FT:** Right. Frontline Direct, I understand you launched with just \$10,000. It was an idea that you hatched at your in-law's kitchen table. You had credit card debt. Let's talk a little bit money, because you also seem to be someone who takes a lot of risk financially, good risk when it comes to investing in ideas and your own ideas.

**[0:10:39.2]**

**KP:** Yeah, definitely. I think that just comes back to when you look at the investments you're going to make and really believing in yourself. I think that's personally and professionally, and the payoff is exponential, so I'm always looking for – I'm reading, I'm learning and that's why I want to write a book as well. I don't want to reinvent the wheel. How do we help others achieve success without having to go through those failures, or at least having the knowledge and being able to accept when you do have a failure, how do I become more resilient?

I've always just pushed myself, just to be better – better tomorrow than I am today, and that really is in all-aspects of my life. Even when they do scare, because they do, right? Even writing a book, and it is quite a personal book. That's scary and I think that's putting it out to the world some of the – some things that people don't see when they look from afar. It's scary to do it, but

I feel it's so necessary to show that success again isn't easy, but anyone can achieve it by mastering execution.

**[0:11:44.2]**

**FT:** I love that. Try to be better tomorrow, because then that's also giving you a little bit of a chance to relax that you have another day hopefully to reach that goal.

**[0:11:55.2]**

**KP:** Exactly. Exactly.

**[0:11:57.4]**

**FT:** All right. You went from having credit card debt to being a multi-millionaire. Let's go to the So Money moment, which is when you struck gold with selling your company. How did your financial life change really, materially and also how did you start to really see money, or feel about money after that, if it changed at all?

**[0:12:21.6]**

**KP:** I'm pretty coming from an entrepreneur family and having really not a lot of growing up. I'm quite frugal I guess you'd say, so really looking – always looking on the profitability of the company. I think when I sold my first company in 2008, I remember being in Vegas at this conference and the buyer wired the money to my account. I was never going to the ATM, and the cash file was so big, it exceeded that piece of paper that you get on the receipt and I was jumping up and down just being like, "Oh, my gosh. I can't –"

**[0:12:53.5]**

**FT:** The zeroes were falling off the receipt.

**[0:12:55.6]**

**KP:** Yes. I was like, “Oh, my gosh. I can’t believe this is actually – it actually happened.” Then I went back to work. I think it would be nice to go, even just with a Black Jack table and gamble it, but I’ve worked so hard that it’s really about having a very strong work ethic and really being, I’m so appreciative and grateful of the opportunity that I’ve been given. It’s just how do I ensure that I continue to live that still a very – a very responsible lifestyle, I think. It’s important.

**[0:13:30.9]**

**FT:** What did you – what were some of the concrete first steps you took with that new money? Did you buy something significant? Did you invest it in certain ways? Did you give back? I want to know, because I always – I think we all dream about the day when we’re going to cash in like that, like a big windfall, and we have all these ideas of how we would go about executing that. What was your story there?

**[0:13:55.9]**

**KP:** Yeah. My first big purchase was a real estate. I firmly believe in real estate. My father was in real estate development growing up. I believe it’s a great investment, if it’s with that long-term. So really was looking from an investment strategy, putting money into real estate, because I believe, I believe just long-term it has – and it has been really lucrative. That was a big investment I made, and I feel that was – and I was able to pay cash, which was really – it’s a great feeling to be able to do that, so definitely that was the big bet I made.

**[0:14:33.9]**

**FT:** We have a sponsor here on the show Chase Slate, and they did a survey recently looking at the relationship between spending money and then sharing our purchases and our experiences with folks. They found that three-fourths of millennials made a purchase in – recently posted it on Instagram. I always want to ask guests when I have the chance, was there a purchase that you shared, or an investment, or a transaction that you shared with friends, whether it was online, or some other way, but I think there is something to be said about being really proud, or excited, or grateful about, of something that you afforded and then sharing it with people?

**[0:15:14.1]**

**KP:** Yeah, I think probably 2008, so I don't remember if Instagram was as popular today, or if it was even here today. Realistically, I grew up humble and humble beginnings. Less about showing that success. I think really my intention is to be grateful on every – and generous on every occasion. That house I bought, I now use as just a place to stay for family and friends. That's how I guess I'm enabling others to share in that success with me is to be able to have a place where they also can really embrace that success, but I guess more in a private manner.

**[0:15:58.1]**

**FT:** I can't get that thought out of my head of you being in Vegas and like your ATM receipt and then you went back to work. Who did you call first? Did you call – who did you first tell it? Did you share that with anybody?

**[0:16:12.1]**

**KP:** Oh, yes. Well, first I called my father, which was – and he was so – from just having his own experience, he always taught me to have, like he would call it FU money, which is that at least six months of savings to cover maybe basic living expenses, because it gave me the freedom to be my – and to see over my own life. Calling him I was – I have enough savings that I don't need that. It's massive ability for that freedom that I've so longed for. I think it's really a game-changing and obviously, he was such a huge supporter and so proud. It was just such an incredible moment. Being an entrepreneur, he knows and knew how far it is to get to that outcome.

**[0:17:00.2]**

**FT:** Yeah, I think a lot of what keeps us from executing well too is like we self-sabotage a lot of the times, because we have these stories in our head that say things like, you're not good enough, who do you think you are? We get so close to the finish line and perhaps even, and we almost think like this can be – this is too good to be true. It couldn't possibly work out well. Do you address those kinds of mental barriers?

**[0:17:23.1]**

**KP:** Yeah, I agree. I think you're scared if you do, you're scared if you don't, you're scared of what would might happen. I mean, there's so many fears that run through your own internal mind all the time. I think how I'd like to frame it is really how do I leverage that to pay it forward, and that's really what I'm thinking is once I – my strategy, once I had sold, the first time was really how do I invest in others to help them achieve success? So I've invested in about 70 plus companies, and really I want to give – my grandma made a huge bet on me and I want to pay that back.

I think having that in your mind, just being – the mindset is really about how to help others achieve similar success, which is not about me. I think if you take it out of your own personal how you view yourself and really reflect on how you can give back to others, that's what makes it special and I think it removed some of that fear, because if you put – it's really about embracing the success of others as opposed to your own.

**[0:18:20.6]**

**FT:** What's a money habit that you practice Kim that helps you keep your financial priority straight? Is there an app that you like to use? Is there a motto? Is there just some recurring practice that you have that helps you with your finances?

**[0:18:35.8]**

**KP:** Yeah. I think, from business and personally, I always knew a two by two, which is it can twice as long to achieve whatever I want and it's going to cost twice as much and I am not the exception. Really reminding myself in whatever I'm doing financially as knowing, as I'm going to remodel a house it's going to cost me twice as much. If I'm going to buy a business at a percent, it's going to cost me twice.

Just knowing that's going to cost more and it's going to take more time than anticipated, like helps create that financial framework to ensure success. Because if you can't – if you don't have

the funds to be able to get – to be able to do twice as much or twice as long, then yeah, I usually don't start.

**[0:19:18.7]**

**FT:** We buried an important lead in this interview thus far, which is that you are the mom of twins.

**[0:19:26.0]**

**KP:** Yes.

**[0:19:27.7]**

**FT:** I must ask, how has it fueled your ability to execute? I find that being a mom is one of the best catalysts for being productive and having follow-through and being efficient. What it's been like for you? What's a secret that you can share with us?

**[0:19:46.3]**

**KP:** Yeah. I mean, being a mom is the greatest joy. I think from when I look at my twin four-year-olds, they're so cute right now. It's such an incredible age. Looking at they ask where I'm going, I don't say I'm going to work. I say, mom is going to change the world. It's just a frame of reference, because we're developing the future leaders of the world. All of our children are and how do we help them their dreams without it seeming, I guess from my experience like work. How do we actually help them make time for things that they're most passionate about, right? I think that's what – I just feel really lucky to be able to – it's changing their perspective and starting very early on that.

**[0:20:31.5]**

**FT:** Yeah. I think it's about also showing the rewards of work. Work not being this four-letter ugly word. Someone said the other day like, opportunity is all around us, but the reason we don't recognize it is because it's disguised as work.

**[0:20:48.3]**

**KP:** Right. It's so true.

**[0:20:50.6]**

**FT:** You got to put in the work. I mean, I was never afraid of work. I loved working. I don't know, maybe it's because I just knew it was on the other side of it. I was educated on that. Like there's opportunity, there's freedom, there's money and all these other stuff that I found to be very rewarding.

**[0:21:08.1]**

**KP:** I agree. I couldn't agree more. I like to work, but I think you have to be passionate about what you're working towards. If your children see you excited about what you're doing, that's reflection of your own happiness, and I think that's reflected in the way how they see that "work," right? I think I love what I do, I love people. Seeing the energy for myself, just about going out and doing great things hopefully is inspiring them to think in their own life how they would possibly impact the world as well.

**[0:21:40.9]**

**FT:** What motivates you these days to execute new projects on new projects? You've made your millions, you are at the top of your career. Many would say, maybe you don't feel that way because you've got a lot of other plans.

**[0:21:55.3]**

**KP:** I'm just warming up.

**[0:21:57.1]**

**FT:** You're just starting out. Yeah.

**[0:21:59.5]**

**KP:** I'm just starting out.

**[0:22:01.4]**

**FT:** Where do you get your – where does your fire these days come from? When you get really excited about something, what does excite you these days and what motivates you? Because you can't say it's about the money, right? Because you've got a lot of that.

**[0:22:17.3]**

**KP:** It's not about the money. It's not about the money. No, I think looking back in my career, and looking at all the executive, all the investments, all the entrepreneurs I know, I really without a doubt believe the one thing I separate success from failure, everyone I've met in the last two decades is execution. I love to help others achieve success, and whichever and that be that personally or professionally. I believe that – that's energizing. Everyone has a great idea and I love the idea. I'm like, I love listening to all the ideas. I love looking at ideas, but then when they actually get to how do I take that as my idea and make that a reality, that's fun. I mean, that actually is – if I just on all day just thinking of how to take the ideas to reality, that's what excites me and that's what drives me. Why I keep investing and write out with the book and continue to help other entrepreneurs and individuals achieve that success. Yeah, that's what I'm passionate about.

**[0:23:26.9]**

**FT:** Well, we can learn more about it next week September 10<sup>th</sup> when your book comes out. Before we let you go Kim, I want to ask you some So Money fill-in-the-blanks. That's when I start a sentence and then you finish it, and – Let's say – we just said you're not about the money anymore, but let's just say you won the lottery, okay? Like a big win fall of a 100 million dollars. The first thing I would do is?

**[0:23:52.3]**

**KP:** Set up a fund to invest in more companies.

**[0:23:56.0]**

**FT:** Yeah. What companies are you interested in? What are some ingredients, or factors that you – that when you hear them you're like, "Yes, I want to put my money in that business."

**[0:24:11.5]**

**KP:** It's interesting. I invested in a lot of different companies, anything from skin care to supplements, to technology, to healthcare, [inaudible 0:24:17.6], you name it. I invest in people and I invest in people that can – Yeah. I invest in people that can execute, and I think that's what I'm looking for. I believe in great ideas and that's a starting point, so you have to have a great idea. At the end of the day, I'm investing in people.

I think some of your comment earlier, people need someone to believe in them. That's what I'm looking for; people that have that vision and they just need some of those – maybe a relationship with myself or someone else to help them move that lot forward.

**[0:24:49.3]**

**FT:** I love that. All right, one thing I spend on that makes my life easier or better is?

**[0:24:56.1]**

**KP:** Helicopter fuel. My husband is a stunt pilot.

**[0:25:02.8]**

**FT:** No way.

**[0:25:04.0]**

**KP:** He is able – Yes. He takes me to work from San Diego to LA in the helicopter, which saves me so much time in that traffic, if you know how bad that traffic is in LA.

**[0:25:16.6]**

**FT:** You're never late. That's pretty nice.

**[0:25:18.7]**

**KP:** I'm never late. I'm never late, but it's definitely – I get to spend time with him and I get to cut the traffic.

**[0:25:27.5]**

**FT:** I have never gotten that answer to that fill-in-the-blank. I think that's awesome. Oh, my gosh. Yeah. I guess, that's the only way to beat LA traffic is to fly over it.

**[0:25:38.8]**

**KP:** Yes, exactly. It makes you so much happier.

**[0:25:42.5]**

**FT:** Yeah. Oh, my gosh. That's a first. All right, when I was growing up, the one thing I wish I had learned about money is?

**[0:25:50.7]**

**KP:** It doesn't equal happiness. I think it doesn't.

**[0:25:56.3]**

**FT:** We talk about this on the show a lot, and there are a lot of perspectives on this. I mean, I don't know if we can – if I buy believe that necessarily. I think that's certainly money spent certain ways can be more meaningful and lead to happiness than others. Yeah, I think that to necessarily believe that that is the way to happiness is a dangerous way to frame your mind.

**[0:26:22.2]**

**KP:** Yeah. Or maybe just the things that money can't buy are most important to me. Over years of learning, and it's important, I think that's why so much about relationships it's like, money can't buy a great relationship. That's time. I think it's making sure you're really prioritizing that time to spend time with people you love and people that motivate and inspire and energize you.

**[0:26:49.7]**

**FT:** That is a really great way to put it. The most important things in life money can't buy. Put that on your vision board everybody.

**[0:27:00.4]**

**KP:** It's true.

**[0:27:02.1]**

**FT:** Yeah. All right. Last but not least, I'm Kim Perell, I'm so money because?

**[0:27:08.4]**

**KP:** I'm an execution expert and execution is the one tool and one skill you need that you can learn and I'm here to teach you.

**[0:27:18.6]**

**FT:** Yeah, whether you're on a startup business. It's applicable to so much.

**[0:27:25.3]**

**KP:** Yeah. With your mom that wants to talk about diet hustle, you're a millennial with an entrepreneurial spirit, whether you want to quit your 9 to 5, execution is for everyone. That's what the book is able to provide, that blueprint to success.

**[0:27:39.1]**

**FT:** Can you write a book about how to execute as a parent? Because I'd like to execute well on getting my kids to eat their dinner.

**[0:27:48.1]**

**KP:** Oh, my gosh. Please, I'm still learning, so I don't have the answer to that one. If you have –

**[0:27:52.4]**

**FT:** My son is four, like your twins are four and I just feel like I'm always stopping short of executing. At least the way the way I had planned.

**[0:28:04.9]**

**KP:** We could write that together. I could use that book.

**[0:28:08.6]**

**FT:** All right. Let's add that to your to-do list, because you're not busy.

**[0:28:11.3]**

**KP:** Thank you. Exactly.

**[0:28:13.0]**

**FT:** Oh, gosh. Kim, congratulations on your forthcoming book, *The Execution Factor: The One Skill that Drives Success*. It will be available next week September 10<sup>th</sup>. Congrats and thank you for coming on the show.

**[0:28:24.1]**

**KP:** Thank you so much for having me. I appreciate it. Have a great day.

**[END]**