

EPISODE 297

[SPONSOR MESSAGE]

[0:00:34]

FT: Creating opportunities by starting your own business is one of the most empowering things you can do for yourself. However, it can also be overwhelming at times. The secret to getting more done isn't about finding more time, but rather finding the right tools. Our friends at FreshBooks couldn't agree more!

FreshBooks has created an amazingly simply invoicing tool designed for small business owners who need to focus on their work, not their paperwork. Oh, and invoicing is only the start! FreshBooks lets you know instantly when your client has viewed your invoice, and even imports your expenses directly from your business chequing account. Get ready to say "goodbye" to searching for receipts when it comes to tax time.

If you do have questions, just contact the award-winning FreshBooks support team and get help from real live humans, no phone tree, no "let me escalate that", just helpful service at the drop of a hat. To try FreshBooks for free for 30 days, just go to FeshBooks.com/somoney and enter "So Money" in the "How did you hear about us?" section.

[INTRO MESSAGE]

[0:01:38]

FT: Welcome back to So Money everyone. Thanks for joining me! I'm your host Farnoosh Torabi. Well ahead of introducing today's wonderful guest, I have to quickly share with you the charity fund raiser and competition that's going to be going on all month here at So Money, the entire month of November, in tandem with a charity fund raiser/competition going on with Joe Saul-Sehy's podcast. Stacking Benjamins

To tell us all about that, I brought on Joe and Joe, here you go, take the mic, you invited me on to this little fund raiser of yours and I am excited but also a little nervous.

[0:02:14]

JS: Farnoosh, I'm way excited that we're doing this together, we can raise a bunch of money for charity. And I love this, at the end of the year with Thanksgiving, for people in the United States, we end the month of November with Thanksgiving. And I thought, "What a great way for our community to help another community that might need it."

So we are going to be raising money for the Texas 4,000, which is a 4,000 mile bike ride that University of Texas students take to raise money for cancer research and cancer related causes. I know that they give a lot of money the M.D. Anderson Hospital, one of the premier cancer treatment clinics in the United States, in Houston Texas and then they also give it to worthwhile research or facilities around the nation.

We're going to be raising money at Stackingbenjamins.com/texas4000. It's cool because our organization Farnoosh, has a lot in terms of where the money goes, a lot in common with what you're raising money for. Talk about that for a minute?

[0:03:13]

FT: Yes! Well thank you that was a nice transition. So I have chosen, your team here at So Money has chosen the largest student-run philanthropy in the world near and dear to my heart as well because I was a part of this when I was in college. It's the Penn State IFC Pan Hellenic Dance Marathon. It's affectionately known as THON and it's a yearlong effort to raise money and awareness for the fight against pediatric cancer.

It's raised over \$125 million for the Four Diamonds Fund at Penn State, Hershey Children's Hospital. Next year's THON, 2016 is what we are fund raising for now and that will be taking place February 19th through the 21st. It's a 46 hour dance marathon, I did it and I survived. It was life altering but of course it's for an amazing, tremendous, and important cause.

Thon.org/somoney is where you can go to contribute. I know it's high season for canning and this is a way to join in on the fun, anything you can do, know that it will be well spent. Over 95% of funds go to the families.

[0:04:22]

JS: That's so great. And the rider that we're riding for, who is riding in the Texas 4,000, her name is Shelby Schreiber, her father was a single dad raising her Farnoosh and when she was in high school, he started feeling bad. Went to the doctor, it turned out he had terminal cancer and he passed away when she was just in high school.

Here she is without a dad and now she decided she's going to ride this 4,000 mile bike ride in honor of him. They spend no money on the bike ride. All the food along the way, all the housing along the way has donated too. So I love these organizations but, Stackingbenjamins.com/texas4000 and I hope together we can raise a lot of money.

[0:04:58]

FT: I think we will. Thanks Joe.

[0:04:59]

JS: Thank you.

[INTRODUCTION]

[0:05:04]

FT: Today's guest is a really, really special person. He's my brother. You've heard him on the show before as he was my co-host during some of the earlier episodes of Ask Farnoosh. Todd is here and as many of you may know, Todd and I have a very big age gap. I'm almost 11 years his senior, so you can imagine we have a special relationship.

I actually remember changing many of his diapers, babysitting him and driving him to kindergarten. Both our parents worked at one point and the only person who could take Todd to school in the morning was me. So I would actually take Todd to my first period history class senior year of high school and I'd have a special note that would let me leave school at 8:30 in the morning to go drop off Todd at kindergarten and then drive back to school.

So you could say that I was sort of single parenting at age 17 and it's not easy. Proud to say that Todd, a millennial, has gone on to achieve a great deal in his early 20's. He's currently a product designer at Petrolicious which is a media company and award-winning film series, showcasing the powerful relationship between vintage cars and their owners.

This job, by the way, he received by first just e-mailing the founder out of the blue. Talk about guts. Todd is also a teacher. He helps run a 10 week user experience design course at the technology school general assembly. Some of Todd's interest include basketball and tennis. He is a diehard Patriot's fan and he's recently taken up meditation. You wouldn't know we were related based on those hobbies except the tennis part. He and I took lessons this summer and he kicked my butt.

Some take aways from our interview. The details of that e-mail that Todd wrote to the founder of that company that ended up hiring him. Small steps he's taken to fill more purposeful and happy in his life and the benefits to negotiating equity at your job. We talk a lot about negotiating salary and health benefits and maybe if you're at a startup, you want to ask for some equity even if it is just a fraction of a percent outside of the monetary benefits there are other great, great incentives to doing so.

Here is Todd Torabi.

[INTERVIEW]

FT: Todd Torabi, little brother, welcome back to So Money. It's been a long time, people have been missing you asking for you so here we go. Welcome everyone Todd.

[0:07:23]

TT: How's it going Farnoosh? I'm glad to be back on So Money.

[0:07:27]

FT: You've been with me since before I was launching this. You've been a part of this, you've developed the website for So Money Podcast in your spare time. I didn't know how you did that. I was actually thinking the other day, you're probably just doing that for me because you're trying to be nice or maybe you were scared of me because you had so much going on.

And at one point, we tried to involve your roommate, who is also a designer and he was flat out like, "Farnoosh, I don't have time for this, you know? I have a real job," and somehow you worked it out quickly too, thanks for that. I'd like to think that you did it just because you wanted to but I probably put you under some pressure.

I wanted to have you on the show because one, I think you're doing amazing work and even though you are just 24, you will be 25 in January, I think you are very exemplary in how you pursued life from your career to your interests. And I think a lot of my listeners can relate because as you know, many of my listeners are the millennials and they're trying to take their lives from good to great.

They're trying to find purpose, they are trying to do meaningful things in their personal lives and their professional lives and they feel like you're on a journey. I am capturing you at this journey where I think you've grown up a lot in the last few years. You've done a lot of self-discovery and I'm not just saying that as your sister but as your friend and as someone who's been observing you.

Let's start though Todd with the teases in the introduction. I teased how you landed your current job at Petrolicious which I had no idea what Petrolicious was because I'm not a car enthusiast but it turns out, lots of people who love antique cars like Jay Leno and there is a website dedicated to feeding their interest. You are a fan, you are curious about the company and you just e-mailed the founder.

[0:09:22]

TT: Yeah, it was, yep.

[0:09:23]

FT: Tell me about that like what did that e-mail say because we all want to write these e-mails that change our lives and this e-mail literary change your life and the fact that they got you this job and now you're doing really impressive work with them helping them re-launch their website. Tell us about that moment when you decided to do that and how you really nurtured that into what ended up being a really nice job for yourself.

[0:09:48]

TT: Yes, I think it was about almost two years ago and I was in Dubai. I was working on a design project for Emirates and I just remember I was at work and I was working on the side business with my friend and it had a lot to do with vintage cars and classic cars and we were huge fans of Petrolicious, that was our favorite website.

And I just remember, there was one day that I was just so really bored at work. I finished everything I need to do. I was sitting around and was on Petrolicious and I just thought like, "What if I just e-mail this guy?" I heard so many stories about people e-mailing CEO's or founders or whatever and sometimes they don't answer but if they do, I was hearing a lot of good results out of that.

So I just e-mailed him and I didn't really had an agenda. I just e-mailed him and told him I like his site. I said that I am a big fan and I talked about how our grandfather used to run car dealerships back in the 70's and I said that this is really relatable to me. I also told him that I'm a designer and I've noticed a couple of things about your website and I would love to chat with you about cars and design and stuff like that. It was really casual and I didn't tell my friend about this but...

[0:11:06]

FT: What was the subject line because often I get e-mails and if the subject doesn't capture me, I don't even read the rest of the e-mail, what did you put in the subject? Hire me? [laughs]

[0:11:16]

TT: No, honestly I kind of figured that e-mailing someone like that, if I'm just going into it asking for a job or it smells like I'm asking for a job, I feel like that would lose interest immediately for some reason. I feel that there's probably a lot of people who were asked to worked there because it's a big passion for people.

And so I came in just appreciating what he does and relating to it on a more personal level like mentioning our grandparents. I also wanted to offer something, like basically free advice. So I think in the subject line I just said, "Love your site, design could improve" something like that.

[0:11:54]

FT: Woah, that's — I don't know. I mean you took a risk there because that's basically saying like, "You're great but you could be better."

[0:12:04]

TT: Yeah and he responded to it. I think any good CEO recognizes that. They're going to know they're good but things could always improve and I don't know. I was just very dry with him and I just told him, "Your site is great but there's a lot of things that I notice, just because I'm in that profession, that could improve". I was like, "Let's chat sometime."

[0:12:30]

FT: Long story short, that turned into a job that you're currently working on the site. Is it re-launched already?

[0:12:35]

TT: Yeah. It's public now and you guys can check it out.

[0:12:41]

FT: Petrolicious.com.

[0:12:42]

TT: Petrolicious.com, yeah. Right, so this was a super long process. From the beginning, it was just a really brief chat about his website and what can improve. Meanwhile, my friend and I had this side business we were working on that had to do with vintage cars. It was a little bit delicate. We didn't really want to expose too much on what we were working on.

So it was a lot of — it was stressful just like this relationship was, it slowly evolved into this partnership. We're still working on our side business and we're going to use their resources and their brand to grow our business and in exchange, I redesigned their website and work on their digital marketing and stuff like that.

[0:13:29]

FT: So that's amazing, that's a lesson learned and then I want to even go back a little earlier to when you graduate from college. You went to the University of Arizona and before you graduated, you were doing this job searches, career fairs and what was the feedback you were getting from recruiters?

You were majoring in economics which is not a light subject. It's something that you would think is a degree that could get you lots of job opportunities in the economy but they kept telling you that you didn't have skills, right?

[0:14:06]

TT: Right. Yeah, I mean even I guess I was good at selling myself because I was getting internships that I really wasn't qualified for. I didn't really have any hard skills. When I got into these internships because either I had a good interview or whatever it was, I really struggled during those internships and I think it brought to light that a lot of what I was learning in college was somewhat theoretical or somewhat conceptual.

Unfortunately, in my business program there wasn't much exposure to hard skills, things that you could really work on and be really good at in a specific way. And so I did study economics and I was trying to do finance but then I realize that I actually don't really like doing much of this on a professional level. I was always into design and I was more interested in doing something a little bit more creative. After college I knew that I needed to learn something like a skill that could make me stand out in some way rather than just being an idea man. I want to be someone who could make something.

[0:15:22]

FT: Which would you agree is what a lot of times college turns out is idea people and not skill driven or skillful people and that's where the internships supplement your education and make you marketable as someone who can hit the ground running when you graduate from college, but it really does highlight the importance of thinking of college as a return on your investment.

Because here you are, a smart bright likeable guy who's getting these interviews and getting this internships but ultimately, when it comes to hiring you full time, these companies are thinking, "Well what's Todd's skill set?" Because at that entry level they're not hiring you to make big decisions and be thoughtful.

They want you to run Excel sheets, they want you to make PowerPoint presentations and it's entry level work that requires you to move and do things and so you had to continue your education after college because of that and tell us what you did.

[0:16:18]

TT: Yes, after my finance internship in New York, I realized that I don't really want to continue working in that industry. And so I was thinking, "Okay, what can I do?" I was in an entrepreneurship program at school and I got exposed to design and technology in the startup world. I was really interested and there is this program in New York that your husband also worked for...

[0:16:42]

FT: Yes.

[0:16:42]

TT: ...as a developer and I heard it through him too. It's called General Assembly and they're all around the United States now. They're in almost every major city and they offer really practical hard skills specifically in the technology industry and design was probably the sector that appealed to me the most.

I was thinking, "You know, love the idea of creating an app or creating a website." There's so much into it that interested me and I learned a little bit more about it. I got a couple of interviews there and I was actually part of their first design program ever. It was their trial period. It was 10 weeks, this was this arduous boot camp of learning how to design apps and websites.

It was probably 60 to 70 hours a week of just constant movement of creating things and it was really hands on. It was a different environment than what I was exposed to at school. You go to class, you go to lecture and half of the students don't even show up. I went to U of A so it's somewhat of a party school.

[0:17:48]

FT: Hey, I went to Penn State but I think more schools should do that, I think put you in the pressure cooker and bring the real life into the classroom which is basically what you got at General Assembly but then also, maybe it was the timing too you at that point when you realized what it was you wanted to do and fortunately there was a program that supported that.

Now, as you are making the rounds and climbing the ranks in your 20's and trying to get experience and different job experience, you had like kind of a philosophical dilemma that I recently learned about that you then shared with the world on Medium. This is how I learn about you now. I have to read about what you're writing and then I learn what's going on in your head.

But you had this epiphany that turns out to really captures the Zeitgeist of the millennials right now which is that, "Everything is not enough," and you and I say "you" with a capital U. Your generation was raised generally with a lot of accolades, a lot of phrase. True or false, if you didn't win the basketball game, you still got a trophy?

[0:19:01]

TT: Yeah, that's true.

[0:19:02]

FT: Probably true so you grew up with this expectation that life is abundant and that you're going to get everything and then maybe you do get everything and it's still not enough as your title said so talk about this self-reflection that you've had over the last couple of years and how you see your purpose in life as oppose to what you thought it was.

[0:19:23]

TT: I think it's very complicated. I don't think that it's just because and again in my generation, yeah, we were raised a little bit differently. We were rewarded for things that maybe we shouldn't have been rewarded for. It certainly built a whole stack of expectations on ourselves but I think the biggest thing that I noticed in my generation is that there's this anxiety that we're not living up to a certain standard.

I think we believe in ourselves and I think we're very highly capable especially in this economy where some of the youngest people are running companies. I don't think it's by accident, I think it's because we grew up with this exposure to technology and we grew up with computers and

naturally, we're more skilled and we understand the opportunities a little bit better than maybe someone in previous generations.

I think with that knowledge and with the high expectations, I think people in my generation are just a little bit anxious. They don't feel that they're good enough sometimes or they're not doing enough sometimes and for me, from a higher perspective I think like, "Okay, I see what I've been doing in this last couple of years". I feel like, "Okay, I've actually done a lot". I'm proud of this stuff that I have been doing since college but for some reason, it wasn't making me happy at a deeper level.

[0:20:48]

FT: Fulfilling?

[0:20:48]

TT: Yeah. I guess fulfilling is the right word. I was never really satisfied with anything and I think at a certain point especially helping you run a company, there is a lot of pressure on you and its very result oriented. I think at some point you just burn out and I think it depends on your environment or how much you're working.

I think for me personally, I just burned out a little bit and I started thinking, "Well, why did I burn out and what motivates me? What am I doing this in the first place for?" Was it because I like to be creative or was there some other agenda going on? I think it's probably the first time in my life that I've ever thought that way. I started to rethink a lot of what motivated me and why I got involved in the things I did and just evaluating my own expectations of myself. Trying to understand a little better of where's my role and these kind of things.

[0:21:50]

FT: Yeah and I don't think it's a millennial thing. I think that every generation at this stage that you're at, the life stage, the early 20's, the young professional. You're sort of like thrown into the

real world like you've been bolted out of the cannon, you know? You just hit the ground running and you feel like you're just doing things to do things.

Because it seems the right opportunity, other people are encouraging you to do things and then you hit a point where you're like, "Wait a minute, what of all these things that I'm doing? Am I really doing it for myself?" And that question never really occurs to you as even a question that you have the privilege to ask yourself until you do. I think it's a brave thing to ask yourself that. It's even braver to pursue it and I think seeing you now actually taking small steps.

So the lesson for everybody is, if you feel like you're in this position where you're doing what seems to be all the right things on paper but you don't feel fulfilled, perhaps it's because you're not really fulfilling your needs and your wants. So what is that? Do that self-discovery and then the process Todd, you've done simple things like you've taken up certain sports. You've been dedicating a little bit of your day to meditation. Talk about the little steps that have been helping you with this bigger journey.

[0:23:07]

TT: I think it might sound cliché but I just started thinking a lot about, "Okay when I was younger, what did I really enjoy doing?" A lot of times, that's a really good way of finding out what you're just naturally attracted to. For me, I was always involved with sports like basketball or football or whatever it was and I was ignoring that for a long time. So I got back into rec leagues, I started playing more basketball, I picked up tennis.

And then another part is, even in high school you know I was into film and that was my way of creative expression. That's super important to me and I also was ignoring that for a while. I didn't have this kind of hobby to creatively express myself. I never wrote anything so I started getting into that. Also a lot of it is just — so I got into meditating a lot because I started reading a lot of self-help books and listening to psychologists. And because I was in a period where I was very unsure about what I was feeling. I couldn't really pinpoint what it meant for me. A lot of the questions that were coming up is like, "Okay, what am I doing that's purposeful?" "What is bringing me meaning?" And it's a very hard question to answer. There's not really one answer.

And I think a lot of times, when you can take a step back from everything, when you can meditate, when you can just take 10 minutes out of your day to breathe, it re-contextualizes a lot of your problems. When you're caught up in it and you're caught up in your thinking and you start worrying about what you're thinking and worrying about the future, it really complicates an otherwise pretty simple dilemma in your life.

I think what meditating has done for me in the last year is that it's helped me become more patient. It's totally changed my awareness of how I think about things and I don't get so emotional about things. I don't really react as much to anything as much as I used to. Aside from just the activity itself of being more aware of yourself, I think there's a lot of evidence that people who meditate regularly, their brains actually become restructured to use more areas of higher thinking and happiness. Scientifically, there is a lot of proof that this works and it was really fascinating to me because I was seeing the results. I was experiencing it.

[0:25:59]

FT: Yeah, quickly right?

[0:26:01]

TT: Yeah, not quickly. That's the thing, people start meditating and they don't see results and they get frustrated. Right? I think that's when people just give up on it but I think it takes about two months, three months to really see results. And for me, it's been so effective and I have been able to think a little bit more clearly about things. I actually enjoy my job more. I don't think as much about the future.

Obviously, you can't stop thinking about things. Right? That's not really the point. It's more about your relationship with what you're thinking. If I am thinking about my future, I'm like, "Okay, how's my company going to do? Do I have to make this trip to LA in some point?" Or whatever it may be. I don't freak out about it. It just becomes something you think about and you're like, "Okay, that's something I'll deal with. You gain more confidence about this kind of worrying rather than getting caught up in it and allowing it to ruin your day. I think that's the biggest improvement I've seen.

[0:27:09]

FT: Yeah. I heard this metaphor one time where you think of your thoughts as weight and at first, when you put on a backpack with one book in it, not very heavy right? At first. But if you carry around that backpack all week and you don't take it off, by the end of the week your back is killing you and that's the same way of these thoughts in our head. The more attention we give them, the more we allow them to carry with us through life, the more stressed we become. And it's not that that problem has gotten any bigger. It's not that that backpack has gotten any bigger, it hasn't gotten any heavier, it's just that you've allowed it to stick around and it's been weighing on your ability to really see through the light.

Let's talk about your relationship with money Todd. I am curious and also feel free to share any anecdotes of growing up with me in the house like how was that influential to you in a good way or bad way. Tell us about your money mantra. As a young person making money for yourself entrepreneurially and maybe growing up with immigrant parents. Tell us a little bit about how you've derived a money mantra of yours?

[0:28:25]

TT: Okay. Growing up with mom and dad they were very, I would say that at least for me, I always had to validate myself in some way in order to receive something. I think especially mom, if I wanted a video game and I was nine years old or whatever it was, right? Or I wanted to do something, she had me first accomplish something. Whether it's getting an A on a test or dad would give me a math project to finish. I think they just taught me the value of accomplishing something before you receive a reward.

[0:29:05]

FT: That money has to be received once you've accomplished something. Rather than just having us do real chores, they just made us do math problems I guess.

[0:29:13]

TT: Yeah, it's like they intellectually stimulated us in order to receive rewards rather than doing labor.

[0:29:20]

FT: You know I never thought of it that way because education was so important in our household that maybe even to a fault, our parents' really emphasized education, higher education, PHD's. Our dad was a PHD that that was their path to wealth. Whereas today, I don't know if that's a 100% the same. Back then, you could get a PHD and not go into debt.

[0:29:46]

TT: Well, I think it makes sense. I mean they didn't know better, they didn't know what the economy would be one day.

[0:29:51]

FT: It made sense during their time, absolutely. Yeah, okay so go ahead.

[0:29:58]

TT: So I would say the mantra would be — sorry to cut you off — the mantra for me would be, "It's not about what you deserve, it's about what you can negotiate." For me, growing up I had to negotiate everything with mom.

[0:30:08]

FT: I live by that. I actually say it all the time and I think it's particularly important for women as we talk about the gender age gap. Yes, there are a lot of people out there who believe men should get paid more and if you work for one of those people, that's terrible but at the same time, when they talk about money or anything, no one is going to offer you anything unless you

ask for it. Generally speaking, that's how the way the world works and I think I got that lesson too out of our parents.

Well, speaking of growing up, what would you say is your biggest money memory? Do you have a memory about growing up where money was involved whether it was how you spent an allowance, how you earned money at one point or even if you wanted to talk about your exposure to money as our parents dealt with it?

I remember you weren't even born yet but I remember going with mom to Macy's where she would go and pay off her credit card bill for Macy's every month and this was before online bill payment. She would actually go there, pay it off and she would do this and she wouldn't allow herself to shop there until the bill was paid. I didn't really know what was going on.

And I also remember dad taking me to the bank. We would pull up to this ATM but it had a person in it and they would always give me a lollipop. I always like going to the bank because it meant getting candy. Just, you know, visions of money when I was growing up. How about you?

[0:31:41]

TT: Honestly, I don't have any particular memory of lessons with money with mom and dad as much and that's probably to a fault. I didn't really come away with much lessons. I mean to be honest, you were setting most of the example with money because I was in high school and you were writing books about it already, you know?

I think just through that, naturally I gained some sort of education on how to handle money. I don't think mom and dad really had much of a talk with me and maybe that's because by being your younger brother, I wasn't making too many irresponsible decisions with money. I guess I was scared of like making a mistake because I knew I should know better at that point.

[0:32:32]

FT: I remember though you selling — we had different economies growing up by the way. When I was your age, like let's say when I was 10 versus when you were 10, we had a much different

economic situation in the Torabi family. Our parents got wealthier and more established as the years went on and by the time you were in high school and college, it was a different situation. By the time I was out of the house, it was a different situation.

So I remember though when you got the car at 16 or 17, you at one point sold it, right? You were always selling things. I remember you would get things and then you would sell them. I don't know if you had buyer's remorse or you just like the art of the sale?

[0:33:21]

TT: No, I think I was really spoiled in high school. I think when I got to college and I was around people who didn't have as much as I had, it's kind of your first glimpse of what being amongst a lot of strangers is like and just understanding the diversity of where people come from. You look at yourself a little bit and for me, I sold the car because I didn't feel that I really deserve that car.

It was a little bit of guilt. And just a lot of things like that. I just started feeling like I need to take more charge of myself. That's when I started that concert business in college. I wanted to be more independent with my money.

[0:34:04]

FT: Yeah, by the way audience, Todd has started a lot of mini businesses that did not thrive but I think through that experiences — I mean most people don't start anything. You started a lot of little things that I think were learning lesson for you and ultimately helped you identify opportunities better when you were now in your 20's.

[0:34:25]

TT: Yeah, in college I started this concert business. Actually, one thing I learned about money then was not to start a business account with someone you don't trust 100%.

[0:34:34]

FT: And who told you that before you opened up the account? Uh-huh.

[0:34:39]

TT: Yeah, you! But for example, we had this business and then my friend decided to take money out of our account to invest it in some equity or some stock and I was like, "What the hell?"

[0:34:52]

FT: Yeah.

[0:34:52]

TT: I mean you can't expect much more from a 19 year old but that really sabotaged me. I was just like I can't believe someone...

[0:34:59]

FT: Too trustworthy, yeah.

[0:35:01]

TT: Yeah, it taught me that you need to really work with people that you trust, have rules, have guidelines and I didn't had any of that.

[0:35:08]

FT: Would you say that was your biggest financial failure to date?

[0:35:13]

TT: I would say so, yeah. I mean now, I think of that all the time. Since then, for me it was pretty traumatic because you trust someone so much to work with and then they would do something

like that without telling you and it just makes you re-evaluate who to trust. Do you work with friends, do you not work with friends because it jeopardized our friendship.

I just saw this thing much differently and even till today, I still work with my friend but it's much more communication. We've set rules for each other so it's much easier to trust someone like that when there is guidelines.

[0:35:59]

FT: What's your So Money moment Todd? Do you have one? Like a time in your young life that you've felt financially accomplished in some way and it doesn't have to be you made all of this money but something that you did that you're proud of. I remember, if I may say something, at one point mom and you were having a conversation about how she wanted to help support you in New York with helping you with rent and you said, "No, I want to be able to do this on my own". I thought that was really cool because I would have taken their money and ran.

[0:36:34]

TT: Yeah.

[0:36:35]

FT: I knew that in my 20's, I was poor and any help I would welcome but you didn't want that for yourself for some reason. I mean I think that's very exemplary. That could be your story or you could share a different one, but that's the one that I like.

[0:36:52]

TT: Yeah, I mean briefly, that one I think I was out of that technology program in General Assembly. I was freelancing a lot so I wasn't making any money working for these small startups and I couldn't afford paying rent on my own but I always wanted to have that responsibility so I could just feel more empowered and more motivated to actually find a great job or to actually make money.

It's like this thing that you have to pay for every month and I knew that that would be good for me. I would have this pressure on me to pay rent and I know that sounds odd for someone who's just offered by their parents to pay their rent but I think with paying for your own stuff and taking responsibility for your money, it gives you a lot of power and you feel more of in control of your life.

I think if mom and dad were still paying for my rent, that comes with a lot of baggage, you know? And I knew that I was 22 and I was on the brink of finding a full time job and I didn't find any reason why that should still happen. But I would say probably the most recently So Money moment was probably this partnership with Petrolicious just because the negotiation was really complicated because we were essentially merging our own little small business with theirs.

It wasn't just like a strict salary negotiation. There was a lot to it, there is a lot of intellectual rights and ownership rights and equity stuff that was way above my head. I had to really reach out to people to understand how this all works and in a lot of ways, it taught me a lot about negotiating. If initially I didn't look into any of that stuff, I would have probably gotten a really bad offer.

I always say or my friends say, "Should I ask for equity? Should I not ask for equity?" To me, sure you could say that it's not worth anything today but I think what it really does is it give you, especially in my generation, so many people want that ability to make decisions and to be involved in bigger decisions and more creative decision making. I think equity gives you that seat.

If you are working for a small company or you're about to accept the job offer from a startup, I think it's really important to value equity because it all of a sudden, it makes you a decision maker. You own part of that company.

[0:39:35]

FT: You're experience there changes dramatically because of that so there is some intrinsic value there.

[0:39:41]

TT: Yeah, totally. If I didn't negotiate equity or if my friends don't, they're not going to be involved in the higher level decisions, they're not going to be able to even have an opinion about it. That's really invaluable whether this company makes money or not, that's irrelevant. I think for someone like me at my age, I think what's going to help in the long run is that I had some exposure to that.

I'm able to contribute to something about advertising or marketing or even now, we're raising money. I have some sort of influence on what that should feel and what that should look like.

[0:40:22]

FT: Right.

[0:40:23]

TT: Stuff like that is really cool. I mean I'm not the decision maker but I can contribute and so that's really good. I would say most recently, that's been the biggest and probably the best decision to just value equity in a negotiation.

[0:40:41]

FT: I like that. You put that into perspective that I don't normally think of when I think of having equity. It's not just, "Well you get to cash in if the company ever has a sale but you are talking more about the access that it gives you into the company's inner workings which you can take with you on as invaluable and it's almost like getting an MBA while you have a whole other job.

Let's talk about habits. You're way better at sticking to habits than I am, using the meditation as one example. I don't make time for anything consistently in my life, I should. What is a financial habit that you have that you practice? It doesn't have to be daily but it's consistent and it's conscious that you practice that helps you directly with your money.

[0:41:32]

TT: I would say the most recent habit that I picked up is I link all my bank accounts to Mint.com.

[0:41:39]

FT: You like Mint?

[0:41:40]

TT: Yeah, I really do. I don't really use all of its features but I use a lot of their budgeting features. What I do every month, I'll set budgets for certain things and every month it could change. This month, I'm taking tennis lessons so that's a new expense that I wouldn't normally have. I'll budget for that and try to decrease on my budget for something else.

It's taught me how to compromise on certain things in order to do things that I want to do. For example, tennis lessons cost \$200 a month and I'll reduce that from my restaurant budget so I will go out less because of that. It's a really easy way to track your expenses.

[0:42:26]

FT: Yeah, how expensive is it to be 25 in New York City? I mean it's been a while since I've been there and I don't think it's gotten any better since I was 24 or 25 in New York City but how do you not go into debt? I mean honestly, it's got to be a lot of conscious budgeting otherwise you could easily. I mean think about your friends, are they all struggling?

[0:42:51]

TT: Me and my friends we always say and I think James Aldrich who said this or I — don't know if it was you or him. But it basically said, "If you want to spend more money, don't save more, just make more". You have to do both but I think for us, we've been pretty aggressive in terms of negotiating a raise or finding other sources of income.

For example, like my roommate bartends, my other roommate sells his art, me I teach twice a week. It's this extra income that encompasses something that we like to do and it helps us afford everything or afford a lifestyle that we want here. I would say to live here, it completely depends on your expectations and also the cost of your rent.

My rent right now is not too bad but I have friends that pay double what I pay and it really straps them in terms of whether they want to go out or go to a concert. They're not able to do that. I think it is about priority and about your lifestyle choice. Do you want to be someone who goes out a lot or do you value being home and watching Netflix on a comfortable living room?

If you value the comfortable living room, it's all right well then pay \$2,000 a month but if you don't care, then pay half of that and just either save your money or use it to go to that concert every month or Nick's game or whatever you need.

[0:44:30]

FT: It sounds like someone read your So Money, achieving when you're not.

[0:44:32]

TT: Yeah, I read that. Every year I read it.

[0:44:37]

FT: You are such a liar but thanks for saying that but I agree with you. I would say that even when you're in your 30's and 40's and 50's and 60's that sometimes it's an income problem. You can save until the cows come home and you are still not able to feel like you're living a content lifestyle or even not living pay check to pay check.

At that point, you need to look at what you're bringing in, so that's a great tip. Alright, let's do some So Money fill in the blanks okay?

[0:45:09]

TT: Okay.

[0:45:09]

FT: If I won the lottery tomorrow, let's say \$100 million, the first thing I would do is _____.

[0:45:14]

TT: See okay, lot of people donate money. A lot of people say they would donate something but for me, I feel like I would start something that is related to community service. I've always said I have a soft spot for homeless people. I tend to — that's like a budget on my Mint account is to like pay, you know, give money to unfortunate people. I feel like if I made that much money, I would for sure start a shelter for them I just feel like it's something that's important to me. I don't like seeing that. I would start organizations around it rather than donating to someone else. I would feel it would be cooler to have responsibility to run something like that and that would be interesting to me. It means it's a lot of money, right? \$100 million, you could do a lot.

[0:46:03]

FT: You could do a lot of things, yeah.

[0:46:04]

TT: Yeah.

[0:46:05]

FT: So part of it would be to start your own foundation, I like that, or shelter. One expense that makes my life easier or better or both is _____.

[0:46:15]

TT: So I'm a big sports fan like football, basketball, baseball and I spend a lot on going to those games, I would say.

[0:46:26]

FT: That's right says the guy who went to the Super Bowl.

[0:46:29]

TT: Yeah.

[0:46:32]

FT: I forgot about that.

[0:46:33]

TT: Before you judge me, I knew I was like, "Okay, the Patriots were doing well last year." I was like, "There is a very high chance that I just make a very irrational decision and go to one of these games, these playoff games or the Super Bowl." So I literary did a web design project. I freelance for this small company and I saved that money just in case that I would go to a game.

And so back of my mind I was like, "Alright, I have this small extra income, the Patriots had meant so much to me since I was nine years old, eight years old so why not?" I don't know, it's important to me. A lot of people spend that kind of money on a vacation or whatever but that was my vacation and I got to go to Phoenix and see my friends from college, so it was really good.

And honestly, I would go again. If they make it again this year, I would consider going again. That's an expense that is really important to me. Sports is big part of my social life and like, just a hobby. I generally don't mind splurging on that.

[0:47:35]

FT: That answers the next one, which sometimes these two fill in the blanks...

[0:47:41]

TT: Mix.

[0:47:41]

FT: They mix and they are often the same answer so I would say and you would say that this is also your biggest splurge.

[0:47:47]

TT: Yeah, I would say so. I would say that that's definitely even at the game. I went to a Rangers game last night and I don't know, I feel like if I'm going to go to this game I might as well do it big, you know?

[0:48:00]

FT: Go big or go home, yeah.

[0:48:01]

TT: Yeah because I don't go to many and so it's important to me. It's a way to get my friends involved, and so it's a big part of what I like to do.

[0:48:11]

FT: And it's a great conversation starter.

[0:48:13]

TT: Yeah.

[0:48:14]

FT: And who knows who you'll see or meet at these parties or these events, I should say. Not parties, sporting events. You know we were joking before you left at the Super Bowl like, "You'd better bring business cards". [Laughs]

[0:48:24]

TT: I know, yeah.

[0:48:24]

FT: Because you know the people who go to these things, they're probably have influence or they are successful or at the very least, they have similar interest so you should keep in touch. Okay, so here is the next one, the one thing I wish I had learned about money growing up is _____.

[0:48:46]

TT: Learning about money, I would say just how hard it is to make money in general. I think that's part of the problem with millennials actually to go back to an earlier question. We have these young entrepreneurs running these companies and selling their companies within a year. I mean like Instagram was started by a couple of people my age and they sold it within a year.

Almost all of these new tech companies are created and sold within such a short amount of time and they make so much money out of it. So we grow up with the impression that money is somewhat easy to make. To be honest, even some of my own motivation in getting involved in tech and design was that I can create something quickly and provide value. Financial value particularly very quickly. And I think that with that mentality, you burn out a little bit faster than you'd think because that's not really the reality of things.

So I think for me, if I had a different impression of how hard it is to actually first create value and then second to make money, I think I would have been more patient with myself. Just be more present with what I'm doing, been more satisfied with what I'm doing, feel more purposeful because I don't feel like I'm insignificant in some way just because I am not making money fast enough. Yeah, I think that's the biggest thing.

[0:50:05]

FT: Yeah, I don't remember that conversation either so much as like, although I will say that dad was the one who really encouraged me to ask for raises in my jobs whereas I would have just been happy to be there. I'm just happy to get the job but he was like, "Did you ask them about the benefits? Did you ask them if they could give you more money?"

And I'm like, "I don't really want to have that conversation with them," and he's like, "No, you should and this should be part of your dialogue as you're going from job to job." So thanks dad! And last but not the least, I'm Todd Torabi, I'm So Money because _____.

[0:50:39]

TT: I'm So Money because I feel like I'm able to separate my work from my self-esteem.

[0:50:53]

FT: So your work doesn't define yourself worth.

[0:50:55]

TT: Right. It doesn't define me and I think maybe that's been the biggest change in me this year is that I have been able to separate the two. And I think that's really difficult, particularly for me it was very difficult and also just people I see, my friends or whoever, they tend to really associate their value, their self-worth to what they can create or what their job is.

I think that a lot of times, that's why this question of meaning and purpose comes up so often and it provides a lot of anxiety and worrying. But I think if you can separate yourself from your job and learn more about yourself and do things you enjoy doing, I think a lot of those questions are answered for yourself.

[0:51:36]

FT: Great way to end this interview. Thanks so much Todd. I learned a lot about you. It's nice to be able to catch up with your bro on a podcast.

[0:51:47]

TT: Likewise, yeah.

[0:51:47]

FT: Yeah and I know mom and dad will be really excited to listen to this so if no one else listens to this episode, at least they will and they'll be happy. Thanks so much and I'll see you at Thanksgiving.

[0:51:57]

TT: Yep, see you later. Thanks for having me.

[END]