EPISODE 736

[INTRODUCTION]

[0:00:39.4]

FT: Ever want to do the exact opposite of what your parents want you to do? I think we've all been there, still there kind of. There is just something about making your own choices and decisions as you grow up, but then of course we usually find out that our parents were right.

Welcome back to So Money everyone. I'm Farnoosh Torabi. Today's guest is Danielle Town. She's a New York Time bestselling author as of two months ago, and the funny thing is that her bestselling book is about investing. It's a topic that she admits she actively avoided her entire life. Her father, you might know him, Phil Town, is a highly sought after speaker about investing and a New York Times bestselling author in his own right. He wrote the book; *Rule Number One* many years ago which went on to be basically make him a household name in the world of investing.

The interesting part about Danielle was that she was raised by one of America's leading financial experts, but it really took her until adulthood to really want to master her own finances, and it's when she realized that her dad might have something important to say after all.

We'll be discussing her new book; *Invested: How Warren Buffett and Charlie Munger Taught Me to Master My Mind, My Emotions and My Money (with A Little Help From My Dad).* A lot of you have been asking me about my recommendations for books on investing, and this is definitely topping the list right now and it's one of the newest and best to hit the market.

Danielle and I explore her childhood, what was it about the friction perhaps between she and her dad that led to this avoidance to learn about investing. Tell you, our parents can do quite the number on us as we are growing up. They've since made amends and they actually co-wrote the book together. So obviously things ended well, but it's interesting going down memory lane and talking about her childhood and her adolescence and the influence that her parents had on

© 2018 Farnoosh, Inc.

her, and what is she investing in right now. It's just one stock, I was shocked to learn. What is that stock and why?

Here's Danielle Town.

[INTERVIEW]

[0:02:44.8]

FT: Danielle Town, welcome to So Money. Congrats on your book.

[0:02:48.3]

DT: Thank you so much, Farnoosh. It's wonderful to be here.

[0:02:51.2]

FT: Your book is called *Invested: How Warren Buffett and Charlie Munger Taught Me to Master My Mind, My Emotions and My Money (with A Little Help From My Dad)*, and we should mention your dad is Phil Town, who is the bestselling author of the personal finance and investing book; *Rule Number One*, which for me that's one of the all-time best books on investing. I remember my brother, Todd, actually went to one of your dad's seminars in the Bay Area. As you know, your dad has a lustrous resume and bio when it comes to educating people about personal finance.

What I found really interesting though, Danielle, and I'm sure you've been talking about this on your book tour, is that you didn't really arrive at this place in your life where you really cared about investing and personal finance until like much later. It wasn't something that you kind of grew up knowing was important or interesting. So talk about that epiphany and why you think you worked sort of late to it. Was it just a resistance because your dad was so much – He had all the ground covered and you just felt like, "I want to do something different."

[0:04:03.1]

DT: He did. It a great question. Yeah, I put him in parenthesis on the book title because he has been such a huge figure, but we thought it was so funny that he taught me all of these and yet he's just sort of so minor compared to the true gurus which are Warren Buffett and Charlie Munger, and growing up I always heard about Warren Buffett and Charlie Munger sort of in the periphery as something my dad did. I don't know if you experienced this, but it was just kind of like what he did and I didn't really pay a lot of attention to that and it didn't really interest me a whole lot.

I mean, for somebody who maybe is fascinated by math or numbers, they would have been more all over it, but I'm not. I'm a words person. I ended up becoming a lawyer. I really, to this day, am quite bad with numbers just naturally. It's just not my thing.

So he speaks in the language of numbers, and when he would talk to me about investing, or a company or analyzing something, the way he does it is he goes through the numbers in like rapid fire. For somebody who doesn't get it, which is me, I just zone out within about three seconds and he doesn't notice and he just goes on for about 20 minutes, and 20 minutes later you kind of sitting there like nodding along. My dad has had a great time by himself explaining something that only he understands.

He's amazing at what he does, but it didn't get through to me, and I have a younger sister as well and she's a doctor, and I'm a lawyer, and neither of us really took to it. But it wasn't until I was in my mid-30s, I had a successful career as a startup in venture capital attorney and I had accumulated a little bit of money. I still had student loans, but I had a house and I was doing pretty well and I thought, "Oh my gosh! What am I supposed to do with money?" and at the same time I was getting really burnt out in my job. I was working at a big law firm and had big law firm hours and was just frankly exhausted and my body was responding to all the stress I've been going through for years by getting sick.

So I was literally like getting fevers out of the blue and my stomach stopped working basically and had to go on all these medications and supplements in order to even digest food, and then I started vomiting randomly, and I had to go on medication, and I just got really sick. That was the real final straw of – I called my dad, I said, "I don't know what to do. I don't know how much longer I can keep this job up," and he said, "You have to learn how to invest." I said, "Hell no!" Because I thought investing was all these string of numbers the way he had always talked about it, and it took me getting into it and realizing that I could really turn this into something that worked for me before I really got into it.

[0:07:13.2]

FT: I was going to say, I'm surprised your dad wasn't the sort of guy who like opened up an IRA for you like first thing. My dad, we weren't an investing family necessarily. We talked a lot about money, but investing was sort of not the most exciting thing that we talked about. We like to talk about real estate and earning money, but he did help me open up a Roth IRA when I got my first job and he was big on like 401(k)s when I got my first real-world job.

So do you think your dad was a little bombed when he was going on these 20-minute tirades with you as a kid and you were just sort of yawning or –

[0:07:53.8]

DT: Yeah, he was bombed. Yeah. He never opened any particular like IRA for us, but I remember that one year he decided to give us both like a decent amount of money, but the caveat was that we had to learn how to invest with it and invest with it on our own, and neither of us did. So I just didn't happen. I mean, imagine that, somebody actually giving that to you. I look at it now and I'm just like, "What the heck was I thinking?"

[0:08:24.3]

FT: Well, what were you thinking? Because you didn't like the numbers aspect of it, the math aspect of it. You're a words person. I appreciate that. But what else do you think there was to it? Because we were talking before we went on the show about being a young woman versus maybe a young man and how maybe you would've had a different sensibility around it. I think, generally speaking, men are more sort of interested in investing. I don't want to get in trouble for saying something so general, but yeah.

© 2018 Farnoosh, Inc.

[0:08:56.1]

DT: No. But I agree with you. I think there are people who will cite studies that say that that's not true, and I have looked at those studies and I'm just not 100% sure I agree with them. Also, anecdotally, just in my own life, I have noticed that the men in my life and in my family in particular are the ones who are interested in investing and the women are not. It's not that we're not smart. We're just not that interested/I really think that we have so many other things going with us that we need to be doing, that If there's somebody around who's going to say, "Hey, I'll take care of that for you," we'll hand that off. Yeah, that's great. There're only so many hours in the day.

So the problem with that is that we've just handed off our power. We've just handed off something that is so important to our position in the world, which is our money, and we do it without even thinking. But to also answer your question about some other stuff going on with my dad when I was young, I mean, it's a great question, and I wrote in the book about how I discovered through this process of investing that there was actually all this deep childhood trauma that I had around money and my dad, and I had –If you would asked me this three years ago before I ever started this whole thing, I would've said, "Oh, no. Everything's totally fine. I feel totally comfortable about money stuff," and it wasn't until I really got into it and I was learning investing from him for about six months when we had started our podcast, the whole deal, and I just couldn't quite totally get into it and I didn't know why.

I sat down and really did some soul-searching and I realized that it was because my parents got divorced when I was about 11 years old and my dad essentially left and he took all his money with him and we literally had to sell our – We had a big house. We had to sell it. We moved into a trailer park. My mom had to get a job. She had never worked. When I was a kid, she was always a stay-at-home mom. She started teaching again, and it was a huge trauma in my life.

So I realized, and I had blocked it completely. So I realized that I was trying to learn about money –

[0:11:17.7]

FT: Phil Town? Phil Town left you and your mom for broke?

[0:11:21.2]

DT: To finish the story, he came back and they worked it out. My mom had hired a serious divorce attorney. They were fighting it. It was just a classic divorce war, and I'm not trying to take sides here. They both were doing stuff. But the fact is my dad controlled the money and that was one weapon in his war, and I don't think he realized how much it affected the kids. Even until we talked about it just a few years ago when I told him this, he had not realized what an effect that had. I hadn't realized it. I mean, nobody did.

They worked it out. They ended up firing both their lawyers and just getting together in a room with a mediator and working it all out and they're actually very friendly now. Obviously, my dad and I repaired our relationship. So there's a happy ending.

That experience of discovering that deep childhood mess that was inside of me and telling people about it has made me realize that other people also have this stuff. We all have a relationship with money that we grow up in. It doesn't matter what your situation was. I don't care if you are rich or poor or somewhere in the middle, you had parents, you lived with somebody else. Whatever your situation was, you had a context and a relationship with money that was taught to you. We are all still dealing with that as adults. To answer your question, I think that is actually a huge reason women don't want to touch money stuff. It's painful a lot of the time and money is so wrapped up in relationships for us.

[0:13:05.1]

FT: And I think what I'm hearing from you, and I feel it's echoed in so many other conversations I've had with women especially about money and what it means to them and why it means what it does to them, is that we associate money with power as a culture. That's, I think, something we can all agree on, that money is power. But, I think, how it gets sort of mangled, that definition gets mangled, is that a lot of women see it as a power to control, not a power to sort of help and heal and improve. In your childhood, it was a weapon that your father used in his divorce and he used that to have power over your mother, and I think that that creates an aversion to money.

© 2018 Farnoosh, Inc.

We see money as this kind of negative thing, and so we don't go after it. We don't negotiate. We don't ask for more. We hand over our power to men in our lives to manage the money. It is clear when you connect those dots.

I think that the most empowering thing that I – One of the most empowering statistics I've read in my career is that when women – First of all, women are more charitable than men. It wouldn't matter what level of income, what kind of a household. As a proportion of their income, women are more charitable. So I firmly believe that when women make more, and investing is a way to do that, the world can become a better place, because I think that as women we do see money – We can see money as a tool to help and heal and improve our lives and other lives. It's power to support people as opposed to power over people. I think that if we can wrap our brains around that and get behind that, it can be a wonderful thing, and that's why I love what you're doing, is because you're kind of democratizing investing for all of us, especially women who may be kind of anti or on the fence about it.

[0:15:08.8]

DT: Yeah, I could not agree more. Money is something that we have been taught is about having power over people, but it's actually power that we can wield good, and we are not doing it enough. We women and men are not doing it now enough. We are not taking advantage of the power that we have in the markets where we can actually choose fantastic companies that are doing good things in the world and put our money into those companies and support them in what they're doing, and we can also take our money out of bad companies, companies that are polluting, companies that are bad to their employees, companies that are hurting animals. We can take money out of those companies and thereby change the entire market.

I mean, this is something, as you're saying, that's on a very personal level, as more charitable. We can use the money for good in our own families, and it's something that by doing that we can make changes in the marketplace as a whole.

[0:16:04.9]

FT: There was a survey released by our sponsor, Chase Slate, that found that among other things, that families, parents, over 50% have had money moments, money conversations with their kids. So growing up, for you, what was the most pivotal money lesson that you got, whether it was from your mom or your dad or just witnessing that relationship, because sometimes it's not even a about a conversation. It's just about the modeling.

[0:16:35.6]

DT: I think, for me, beside the one I already said, which was probably the biggest one. Something I learned from my dad was a lot of kind of basic behavioral economics, I think before people even really talked about behavioral economics. He taught me the concept of sunk costs and how once you've purchased something. For example, if you purchased theater tickets, then that cost is gone and you can then decide if you actually want to use the results of that cost, as in doesn't actually go to the theater, go to the concert. It's sort of a funny little pinpointed thing, but my dad reiterated that one over and over and over to me.

[0:17:16.7]

FT: You said earlier, and it stuck with me, that like investing well and investing meaningfully is all about kind of – For you, it's been about finding your way. What is your way? How are you integrating investing into your life in a way that is interesting to you and that you can also stay with it?

[0:17:32.1]

DT: That's a great question. For me, investing has to be a practice. That's how I came into this in the first place. I said that I had to make it work for me and it would be different from my dad, because he's got just a different perspective on it. So I came in going, "All right. If I'm going to actually do this, I know that I have to do it differently," and what I can do is treat it as a continual learning process, where the point of it is the journey and not so much the actual result.

Now, the result is incredibly important and that's why we're doing it, but I have learned that, actually, through the process of educating myself about investing, particularly long term value investing, I have grown as a person in my own self-mastery in ways I never expected. I mean, for example, even the experience of going back into my childhood and realizing that I went through that kind money trauma. I would have never done that without coming into this practice and without being open to it as something I really needed to go through. It was really hard. It was really painful to go through that, to understand it, to kind of relive it in a way, and that changed everything for me. It's also been this process of discovering that I can vote my values with my money. I can put my money into great companies in the market the same way I do with my consumer dollars. That also changed everything for me.

Maybe this is something for women in particular. It took it for me from being this kind of – I hate to say greedy, but that's the word that comes to mind. It took it from being this thing that was kind of like, "Oh, I just need to like get some money and I'm going do this work and I'm going to get money for retirement," and it turned it into – And that's a really negative way to say it, but that's kind of – It's sort of there's a feeling of it to that, and it turned it into something more. I feel like I'm really helping the world in a very direct way with my choices, with my money. It makes me feel a bit like a warrior, and I know that that sounds kind of like grandiose and crazy, but when you're doing something that's as life-changing as this, that's what it takes and that's how it feels.

[0:19:56.4]

FT: So, your book specifically praises the methods of Warren Buffett. Who was the other person?

[0:20:02.9]

DT: Charlie Munger.

[0:20:03.7]

FT: Charlie Munger. Warren Buffett –

[0:20:05.6]

© 2018 Farnoosh, Inc.

DT: Yeah, he's Warren Buffett's investing partner. He's a brilliant lawyer and they've been fighting for like 60 years about investing stuff, and it's great.

[0:20:15.3]

FT: So their main method to investing over the long run is value investing. So, first I'd love for you to kind of explain briefly what that is. Then the second part of my question is, on this show and in, I guess, the investing realm, we advocate for investing with sort of a long-term approach, not worrying about market gyrations, knee-jerk reactions to market moves, timing the market, all of that, that you're sort of picking out a couple of index funds, a few index funds, riding them out. But I think that your strategy is a little kind of in between where you're not day-trading but you're also not super passive. So talk about what the cadence of your investing is like that you recommend. First, what is value investing?

[0:21:06.5]

DT: Value investing is choosing companies that have very good fundamentals, so they're making great cash flow and have a strong intrinsic and durable competitive advantage, and then you buy at a low price compared to the actual value of the company. Now, what that means is that price and value are different and there're a lot of people who disagree with that. But Warren Buffett and Charlie Munger have made a hundred billion dollars on that concept.

[0:21:37.5]

FT: That's it?

[0:21:38.2]

DT: Yeah, exactly.

[0:21:40.7]

© 2018 Farnoosh, Inc.

FT: How do you determine value then, if not price point?

[0:21:44.7]

DT: Here's how Charlie Monger says how to do it. There are four principles of investing that he follows, and this is how my dad taught me. Number one, you make sure you understand the company. Now, what that means is you can understand the general gist of what they do, what industry they're in, what's happening to them overall, what's happening to them recently? You can explain that company. What that also means is that a lot of things companies out there are just too hard. Warren Buffett actually has a too hard box on his desk. There's a picture of it and it says too hard on it, and he keeps it to remind himself that there are a lot of companies that he needs to just toss away and not go any further with.

So I would say maybe 95% of companies fall into this too hard. I cannot understand that company pile. The rest of them, cool. Okay, we move on. The second thing is it has a moat, which is an intrinsic and durable competitive advantage. What that means is that the company itself intrinsically, by the nature of what they do, has a very strong competitive advantage over the other companies in that marketplace. As in, if some other company tried to show up and enter their market, they would find it extremely difficult to do it even with the same amount of money as that company that you're looking at and there are actually some numbers that can help you with that.

The third one is management. We want to have management. Charlie says, "We would like to have management with integrity and talent," which I always get a kick out of because he doesn't say we have to. They also, at other times, have talked about how you have to have a company that's strong enough to withstand human error, because at some point some person's going to come along and screw up that company, and you've got to have a company that's going to be able to withstand it for a few years even if somebody is doing something just completely boneheaded with it.

Then the fourth thing, as I mentioned, is you buy at a sensible price. What Charlie means by that is a price that's lower than its value, and he likes to buy it at 50% actually lower than its value. So it's quite a strong discount. If you can company like that, and I say if, because this is a very strong criteria, then you will have a company that within, who knows how many years, let's say 10 years, is going to go up back to its intrinsic value, and that's where you either decide to keep it or you sell it.

So very, very long term, probably 5 to 10 year horizon. My dad sometimes says 20 years, and focused on companies that have extremely strong cash flow and are going to do well in the future and continue to grow.

[0:24:38.8]

FT: All right. This transitions us well into the next part of the question, which is that how do you recommend we monitor our investments? If there's one camp, which I'm sort of in this camp, where we talk about don't worry about picking stocks. Rather, pick of an index or a theme through an ETF, an exchange traded fund, to get into the market as opposed to cherry picking stocks. What you just described sounds like you're really going in and picking particular stocks. So what do you say to that? I mean, should we just do what you do, or should we find a way in the middle, or what?

[0:25:20.9]

DT: Okay. So number one, yes, it's totally cherry picking stocks. I completely admit it. The reason for that is that there's no reason to diversify if you're choosing great companies. It's all about the company itself, not the context that it's in compared to what else you've bought. To your question about worrying about market gyrations and timing, I really don't. I mean, you've got to make sure you buy the company when it's cheap, when it's on sale, which can be very much affected by the market. For example, right now, it's really hard to find companies at a good price. It's almost impossible.

So there're so many value investors who have been sitting around just waiting for this market to crash for about three years now and their returns are down because of that, because they're just waiting. They haven't really been doing much. So people are looking at that going, "Oh, look. Value investing doesn't actually work." Well, when you have market that's going skyrocketing to the moon beyond most previous times in history, yeah, you got to wait around for those prices to fall before you can buy. What Warren Buffett says is you want to make sure you have a washtub ready so that when it starts raining gold, you can run outside with your washtub.

So as far as indexes, what Buffett says is, as you know, he's a huge fan of buying market indexes, and the reason for that is that most people, he thinks, are not going to have the time or the inclination to actually research companies, to actually do the work and do all the stuff I just said, understand the company, understand the moat, understand the management and find it at a good price. Now, I think he's right about that. If you're not going to do that, an index is totally the way to go.

However, I would urge you to start thinking about putting a little bit of time into this investing practice, and I really do mean a little bit of time. I spend probably 10 minutes in the morning reading the business news. I spend a little bit more time on the weekend looking at particular companies. Sometimes I spent a lot more time, because it gets actually really interesting. I find a company I'm interested in and I'll start reading all the stuff about it for a few hours, and that's when I start going like, “Oh my God! Who am I? Who have I become? I’m doing this for fun.”

[0:27:39.3]

FT: I’ve become my father.

[0:27:41.7]

DT: Oh my gosh! No kidding. We send each other emails now, “Did you see this company?” “Oh! What did you think?” Every now and then I’m just like, “What has happened to me? This is crazy.”

[0:27:50.9]

FT: What are you investing in? Because we have to know now. Coming from you, what are you curious in?

[0:27:56.1]

DT: I'm going to preface my – I will answer, but I'm to preface my answer. What Warren Buffett says is that we should have a punch card of companies we buy in our entire lifetime. So a punch card like you get like at the gym or the yoga club, which has 20 punches in it. so you get 20 companies to buy in your entire life, which is nuts.

So, what he means by that – I have chosen to not take it seriously, and I think what he means by that is don't buy a lot of companies. Take it very seriously when you buy one. Think of it like a marriage. I've realized that if I buy a company and then I go on your podcast and I stamp my name on that company, that means a lot. It becomes this very big deal to buy a company as supposed to day traders or somebody who's in a more short-term view who's just like, "Oh, I have this thing. Maybe it's crap. I'm going to get out of it soon."

So to answer your question, right now I own one company, Chipotle.

[0:28:57.4]

FT: What? Even –

[0:28:58.6]

DT: Chipotle, I think is a fantastic company. It just got a new CEO from Taco Bell who revolutionized Taco Bell, and I just love their mission. So to Charlie's four principles, I have added my own, which is mission, which I've kind of mention, which is making sure that the company has a really strong consciousness in the world, and I love the way Chipotle focuses on antibiotic free meat. It treats their animals well. Its ingredients are organic, where they can get it. I think they've revolutionized the fast casual industry. They basically invented it. I love their food.

So I'm all on Chipotle, but it was super expensive for a really long time, and then when that E. coli thing happened, it was awesome, because the price dropped like crazy.

[0:29:44.0]

FT: Did you buy more?

[0:29:45.7]

DT: No, I hadn't bought it before that. That was when I bought it. Everybody was acting like it was never going to come back from this thing. Of course, like so many fast food companies had gone through something like this and they've come back, and Chipotle is going to be most clean and have the best standards out of any of them, because that's so important to them.

Yes, so I bought it then. Frankly, if it had continued to go down, I would still be completely happy with my purchase. That's something I've learned from my dad. When you buy something, you actually hope that it will continue to go down in price, because then you can buy more of it at an even cheaper price, which is great for somebody who things in 10 years it's going to go up. But this one actually popped up quite quickly. So yeah, I'm up now. I actually should be honest. I actually don't look at my account, like ever, but I think it's gone up like, 30% or something like that.

[0:30:41.9]

FT: So within your portfolio, is it just Chipotle or do you also have like index funds and ETF's and other sorts of assets?

[0:30:50.3]

DT: Nope, I don't have anything else. I have one other company which I own a very tiny amount of, which I'm not going to name, because it's something I'm a little unsure of, but every now and then I buy like a tiny bit just to see how I feel about it. This is my way of testing out to see if I really know a company well, to see if I really want to get into it, and that one I'm still a little unsure of. So I own a very tiny amount of that one.

But Chipotle is it. Chipotle is my guy right now, and I don't –

[0:31:18.3]

FT: You're going to retire on Chipotle, do you think?

[0:31:21.4]

DT: Sorry?

[0:31:22.4]

FT: Are you going to retire on Chipotle?

[0:31:25.2]

DT: No, because, also, my dad taught me not to put my entire trading account into one company. So, yeah, I've got my washtub ready. I'm waiting for it to start raining gold.

[0:31:37.1]

FT: All right, and then you'll – So you're looking for like a portfolio of 20 punch card stocks over a course of a lifetime.

[0:31:45.9]

DT: Correct. That the idea. Yeah. , if the market drops like crazy in the next year, which it totally could, then I would be happy to buy some other companies and I'm not sure exactly how many of that would be at a given moment, but small. It will always stay very small.

[0:32:06.7]

FT: All right, Danielle, this has been super valuable, because you've been telling us very specific things. I love the conversation we had about your childhood and connecting the dots, that was really, in a word, beautiful.

© 2018 Farnoosh, Inc.

[0:32:22.9]

DT: I do too, and I loved your insight about how money is seen as power, particularly with women and in relationships. I think that's such an important comment, an important thing to say to women who are debating whether or not they want to put time into investing work.

[0:32:38.4]

FT: All right. Let's do some So Money fill in the blanks, shall we? Just finish these sentences. Have fun.

[0:32:45.7]

DT: Okay. I'm ready.

[0:32:47.4]

FT: If I won the lottery tomorrow, let's say, a hundred million bucks, the first thing I would do is __.

[0:32:53.9]

DT: Oh my gosh! I would go spend it at like Saks Fifth Avenue. I would buy a whole new wardrobe immediately.

[0:33:01.6]

FT: Oh my gosh! That's a great answer. We don't get anyone saying that, because I think they want to sound like they're going to be really responsible and responsible and invest the money or buy priority.

[0:33:10.3]

© 2018 Farnoosh, Inc.

DT: Oh, I would do that, but that would happen once I was well-dressed.

[0:33:17.0]

FT: I love that. Yeah, treat yourself first. Feel good.

[0:33:23.2]

DT: Yes, treat yourself. That's right.

[0:33:24.1]

FT: The better you feel about yourself, the more you're going to giveaway.

[0:33:27.8]

DT: No. I thought you were going to ask me what I would do with it in general, and I was thinking, "Gosh! I would just do exactly what I'm doing right now," but then you said first, and I thought, "Oh!"

[0:33:36.7]

FT: Yeah, the first thing is you would go and get some nice clothes and you'd probably buy more Chipotle, I suspect.

[0:33:42.4]

DT: That would be the second thing.

[0:33:44.4]

© 2018 Farnoosh, Inc.

FT: How about this? The one thing I spend my money on that makes my life easier or better, or both, is __.

[0:33:53.5]

DT: I spend my money on technology stuff. That makes my life a lot easier.

[0:34:00.4]

FT: Like?

[0:34:01.7]

DT: Oh, boring stuff, like a new computer, and a new phone, and fast internet and that stuff, unexciting.

[0:34:11.6]

FT: I've been thinking about upgrading my MacBook Air, but my husband is telling me not to because the new version has a bunch of issues with the keyboard or something he said. I don't know.

[0:34:19.8]

DT: Oh my gosh! I'm telling you, I'm so down on Apple and I know that I'm like the one voice in this storm of people who adore everything they do and their stock price is going up like crazy, and I own Apple products and I use them, but their stuff is just not getting better.

[0:34:37.5]

FT: No. It's definitely hitting a saturation point. Do you watch Silicon Valley on – I believe it's HBO.

© 2018 Farnoosh, Inc.

[0:34:43.4]

DT: No. I was a startup lawyer and I have to say that show just hit so close to home with how stressed I was at work that I had to stop watching it.

[0:34:55.4]

FT: Well, they have this company called Hoolie, which is I think kind of the equivalent of maybe an Apple in our time, and one of the things they said on the show recently was – So they're coming out with this new product and the founder, CEO is like – He's like, "We don't care about long-term sustainability of this product. We want to sell as many of these in a month, because we just know like there is no shelf life to this product," right? I feel like that's kind of how a lot of products come to market. It's like how many – We want to sell as many as we can, as fast as we can and then we're done. We're going to leave. We're not going to really like – We're not worried about making this a lifetime product, because the goal is to always reintroduce the new version, the update, whatever.

[0:35:39.6]

DT: Right. We'll get version 3.0 out there and that'll make the other one obsolete. So this doesn't actually matter.

[0:35:44.9]

FT: So, inherently, you're not getting a quality product, because it's not meant to last.

[0:35:48.9]

DT: Yup, exactly.

[0:35:51.0]

FT: CTV does teach you a couple of things when you watch it.

© 2018 Farnoosh, Inc.

[0:35:55.9]

DT: My dad's constantly telling me I need to watch billions, but I haven't started yet.

[0:36:00.1]

FT: Oh, yeah. I kind of give up on this latest season. I just got – I feel like there're so many layers to it and I have trouble keeping up with all the characters, and maybe it's because I'm on my phone at the same time and I'm trying to watch you at the same time.

[0:36:13.9]

DT: Yeah. I know. It's like about investing or something is what people keep telling me. The problem is I live in Switzerland, so I have to figure out how to get show time over here. I'm sure I could just pay for it somehow.

[0:36:25.6]

FT: Yeah, or you could maybe borrow it from a friend.

[0:36:29.3]

DT: Or I could borrow it from a friend.

[0:36:32.2]

FT: Don't tell anyone I told you that.

[0:36:33.9]

DT: Got it.

© 2018 Farnoosh, Inc.

[0:36:35.4]

FT: All right. The one thing that I splurge on – So we talked about what makes your life easier and better, and that's technology. But what's like your big splurge that maybe you do once a year or you did once in your lifetime?

[0:36:49.8]

DT: Oh, a really big splurge. Once in a lifetime.

[0:36:53.5]

FT: Something that you've already done or that you have a guilty pleasure of spending your money on this.

[0:37:00.3]

DT: I tend to buy really expensive food and drinks every now and then. I love fancy dinners, artisanal, amazing food products that come from some particular farm, like in Italy and the cows or the – Whatever, were like massaged by the farmer. Then you have to have like the perfect wine that goes with it. I go a little crazy on that sometimes.

[0:37:30.1]

FT: Are you in the Bay Area, or where do you reside?

[0:37:33.0]

DT: No, I live in Switzerland, in Zurich, Switzerland.

[0:37:35.6]

© 2018 Farnoosh, Inc.

FT: What? Okay, that's so fascinating. Switzerland is one of the most expensive parts of the globe.

[0:37:42.4]

DT: Yes, it is, especially in food actually, because Switzerland is not part of the EU. So they have their own little oasis here and they tend to put pretty heavy taxes on the food they import. So, yeah, it's great because we're close to all sorts of amazing food products and wine and everything around Europe, but it's definitely expensive.

[0:38:10.7]

FT: So what brought you to Zurich?

[0:38:13.7]

DT: Farnoosh –

[0:38:15.8]

FT: Another podcast?

[0:38:17.2]

DT: Another podcast. A book, actually. It's part of my book. As I was learning this whole investing thing, really, this all happened at once so coincidentally, or maybe not so coincidentally. I don't know. I was trying to find financial freedom and I ended up finding this whole crazy new life.

I lived in Boulder, Colorado. I was a startup lawyer. I loved my work, but I was so burnt out, as I mentioned, and I took a vacation and I went through Europe on my own mostly. I came to Zurich to see a friend of mine who lives in Zurich, and on the very last night that I was visiting Zurich, she said, "I'm going to introduce you to my friend." She brought the friend over and he and I sat next to each other on the couch and hit it off. We just had this total evening of like basically

© 2018 Farnoosh, Inc.

becoming best friends and he said, "You should stay." I said, "No. I have to go to Paris tomorrow. Oh, I have to leave." He was like, "Okay, fine. I'll text you." So he spent the next week texting me, and I was going to England right after that. He ended up. He said, "I have to go to London for work. Can I come up and hang with you up in Oxford?" That's where I was for an entrepreneurial conference. I said, "Okay, fine."

He bought a plane ticket, he flew to London. It turns out he had never had to work there. He rented a car. He drove up to Oxford. He got a hotel room and he showed up at the pub I was at one night, and I was very impressed.

[0:39:54.9]

FT: That's impressive. That's love.

[0:39:57.8]

DT: It was kind of getting there to love, yeah. I went home and he came out to Boulder and stayed for three weeks and then went back, came back for another couple of weeks. I went to Zurich. We did this whole crazy thing, and ended up getting married, and I moved to Zurich.

[0:40:17.1]

FT: Wow! Danielle, you're amazing. Thank you for giving us so many insights and stories, and I really enjoyed chatting with you and connecting with you. I did share a panel with your dad many years ago on an MSNBC show called Your Business. JJ Ramberg has been on this podcast and I'm –

[0:40:36.5]

DT: Yes, that's a great show.

[0:40:37.6]

© 2018 Farnoosh, Inc.

FT: I remember meeting your dad. So it's lovely to connect with you, his offspring. Gosh! All the directions we went on this show, from your childhood, to your investing book, to your marriage and all the adventures in between. Thank you so much and congrats on hitting New York Times bestseller.

[0:41:00.6]

DT: Thank you so much. It's been so fun to talk with you and I hope we get to talk again soon.

[END]

© 2018 Farnoosh, Inc.