

EPISODE 529

[INTRODUCTION]

[0:00:35.0]

FT: Welcome to So Money everyone. It's February 1st, 2017. It's my birthday month. Do you guys celebrate your birthday all month? I'm not one of those people, but February is a short month, and my birthday is right smacked up in the middle of it, February 15th. I don't know, maybe because I'm pregnant and my life is going to be a little more hectic in the coming months, I should just start celebrating now. What do you think? Advice, out there, for me, anyone.

Today's guest is Rachel Blumenthal, and she is the founder of Rockets of Awesome, which, let me tell you, is this really smart company that I've actually engaged in. How it works is if you're a parent or someone who wants to gift clothing to children, you can go on the website, sign up for a membership. They ask you a series of questions about your child; age, measurements, but also the taste of your kid. What kind of a kid do you have? Is she active? They gather all that information, all that intel and send you a personal box to your door with about 12 items for your child. It's really functional, really affordable, and the clothing is very unique.

I have to say, as someone who's now been buying clothes for little people for the past two, three years. It gets very redundant. When you go on the playground, a lot of the kids are wearing the same things. It's nice to find a resource, like Rockets of Awesome, that kind of does a lot of the work for you, brings the clothing to your house, catered to your family, and for very affordable price points. The genius behind this company is Rachel Blumenthal.

Prior to starting this company, she was the CEO of Cricket's Circle, a trusted resource and editorial engine for everything baby and toddler. Her insights from Cricket's Circle led her to the birth of Rockets of Awesome.

Another fun fact about Rachel; she is the partner of Neil Blumenthal, cofounder of Warby Parker. Of course, if you watched Follow the Leader on CNBC, and I hope you did, because you

love me and you want to support me, you remember Neil. He is the cofounder of Warby Parker along with Dave Gilboa. Of course, Warby Parker is, as they say in the tech world, in the entrepreneur world, a unicorn valued at over a billion dollars. They know how to run businesses and so does Rachel.

We're going to talk about their dynamic and also more about the company, more about her financial philosophy, why she checks her credit card statement habitually, and the significance of James Taylor and Oprah Winfrey on her life. You have to listen to this story, it's kind of insane, kind of unbelievable, but just goes to show you that life is sometimes made of magic. Here is Rachel Blumenthal.

[INTERVIEW]

[0:03:33.4]

FT: Rachel Blumenthal, welcome to So Money. Very excited to have you on the show. Congratulations on Rockets of Awesome.

[0:03:33.4]

RB: Thank you and thanks for having me.

[0:03:35.3]

FT: Before we get on, I just like — I'm a Blumenthal groupie. I, of course, interviewed your husband on CNBC. He's the cofounder of Warby Parker. You yourself are also extremely entrepreneurial. Do you think that's why you two got along so well? Tell me a little bit about your synergy.

[0:03:50.7]

RB: That's a good question. We've known each other since we were 18. We met the first week of freshmen year in college, and the secret is that we were friends for four years and never dated, and we dated each other as friends.

[0:04:05.9]

FT: So you got dirt on each other without really having to go through the relationship, right.

[0:04:09.6]

RB: Exactly. We reconnected about a year, post-graduation, and we've been together ever since. I think probably one of the reasons that we connected so easily and why probably felt so confident in marrying each other was that we had very similar backgrounds in terms of sort of our family values, and both of our parents have been married for 40 plus years, and very similar values around sort of risk and money and all things like that.

We both — If you look back on our childhoods, we both had very, very early beginning of entrepreneurial ventures back when we were 7, 8, 9, 10 years old, like most kids. I think that Neil probably had more sort of a version to — Or sort of a comfort around taking risk than I did. I think having somebody in my life that knew me so well, that really gave me the confidence to take the risk is one of the reasons that I've been an entrepreneur so long. I can definitely thank him for that.

[0:05:24.3]

FT: It's not often you hear of two entrepreneurs in a relationship "power couple" doing well and thriving and where each of them can feel empowered and feel like they're accomplishing what they want to accomplish and not feel like they're giving up a part of their success ambition for the other, which is — It's nice to hear that it can work. It can work out. I know you guys have kids too.

Speaking of kids, speaking of entrepreneurship, your latest venture is Rockets of Awesome which I am a huge fan of as well, as a mom, as a parent. One of the reasons you started the

company was because you felt that there needed to be a real big change in how we went about shopping clothes for kids. To use the word disrupt almost seems like — You explain it to me. Why did we need to disrupt the industry? Can we just go to the store and buy clothes? What's the problem?

[0:06:18.5]

RB: I think what I realized in retrospect is that ever since becoming a parent, everything I do is to try to simplify my life and outsource anything possible, whether it's my weekly reoccurring fresh direct delivery, or my weekly reoccurring soap.com delivery, anything that I can outsource.

What I found and what I was sort of shocked with having kids was how frequently I was having to shop for their clothes. It wasn't just a new pair of jeans here or there, it was literally replacing entire wardrobe every single season, because they had outgrown everything. It was terribly time-consuming both because there so much to buy. Coupled with the fact that I was always spending so much time digging and digging for the cool clothes at a really accessible price point.

Knowing sort of that pain point, I really believe that there had to be a better way for parents to shop for their kids. As a longtime entrepreneur who really just loves to solve problems, I really wanted to create a solution for parents. I wanted to be able to deliver a really simplistic way for them to shop for their kids where they never had to worry about it. I think that, for me, I'm that parent that my son sort of looks at me every few months and goes, "Mom, why are my pants three inches too short?"

I never wanted other parents to have to experience that. I'm also the parent who ends up in July and realizes that we need shorts, and every store is now selling back to school. I wanted to be able to worry about the problem for parents, do the work for them, put really, really exceptional style, value and quality clothing into their home without any risk at the beginning of every season and really do that work for them. That is where the idea for Rockets of Awesome came from.

[0:08:18.5]

FT: Doesn't your son know that capri pants are totally in?

[0:08:21.6]

RB: I know.

[0:08:22.2]

FT: Even in December.

[0:08:22.6]

RB: That they see what he wears all the time.

[0:08:25.8]

FT: You're right. I've had that same dilemma where I go to a store in the season that I need something. I remember, my son was — It was a blizzard and I didn't have a snowsuit for him. I couldn't find anything, obviously, I guess. I should have known better. That is something that a lot of parents can experience. One of the things that I was super delighted about when I got my box were the price points. I honestly wasn't expecting that, because if you're a member of one of these by the box memberships, they're sourcing clothes from Nordstroms and high-end designers. For some reason, I was just prepared for high price points. How do you keep price points low?

[0:09:05.1]

RB: Yeah. I knew and what we learned doing a ton of customer research was that value is critical to every single parent. Whether you are the Barney shopper, or you are the Walmart shopper, you want value when it comes to shopping for your kids. What we also want is style. We want everything. We are picky and we are demanding and we want it all.

What we learned looking at the market was that there really wasn't a great retailer that was not only delivering exceptional customer experience and really thinking about, "How do we simplify the life of the parents? How do we do the work for them, make their lives easier? How do we deliver that exceptional product?" For us, that meant designing and producing our own clothes with our own manufacturers and delivering that value direct to the customer.

We have a design in our office in New York that designs the clothes, and we work with manufacturers overseas to be able to deliver that exceptional style, quality and value. For us, that means really stylish, cool, sophisticated clothes that many of us would probably wear. Super, super, super, super soft and stretchy and comfy so that the kids have nothing to complain about and at that really exceptional price point. All of our clothes are \$12 to \$36. Delivering that value back to the customer.

[0:10:37.5]

FT: Is this something that you took out of a page from the Warby Parker handbook, because that's kind of what they too in order to keep their prices competitively low, is that they kind of skip the middleman.

[0:10:47.6]

RB: They do, and they certainly have paid the way for so many great companies to appreciate how important delivering that value back to the customer is. I think that for us, what we saw was that all these other categories where men and women and even for our homes, we could get exceptional product at a great value. For some reason, when it came to kids clothes, we were always being asked to sacrifice.

After looking what all these brands have been able to do, what Warby's been able to do and many other great brands, we knew that we should be able to do as well and that parents and kids deserve that.

[0:11:28.0]

FT: You come up with the most interesting names for your businesses, you had Cricket's Circle, now it's Rockets of Awesome. What's the genesis of that name Rockets of Awesome?

[0:11:37.5]

RB: Yeah. Rockets of Awesome — What we were most inspired by was that kids have this magical, unpredictable confidence and energy. There's no greater time in our lives when we're kids and we have that incredible confidence. We really wanted to celebrate that and we wanted to create a brand that really celebrated that confidence and that independence and enable kids to just be kids and to celebrate that.

We actually say that the kids are rockets of awesome. It's not necessarily a reference to any sort of space themed brand, but really celebrating that confidence that kids have.

[0:12:21.5]

FT: Can't say enough good things about the product. Really, the box, I pretty much kept everything except for a pair of shorts, because Evan already had a very similar pair, but I thought the style was really hip and cool and unique. It wasn't like everything you'd see on the playground. It was super soft and durable and then the price point, I don't think anything was more than \$20 or \$22, which was music to my bank account. Thank you so much.

You mentioned earlier that you grew up with — You have very strong roots. I want to take a turn now to talk about your upbringing and how many has been introduced to you from a young age. Maybe you could start by telling us what is your financial philosophy as it applies to, perhaps, being a mom and a business owner.

[0:13:14.6]

RB: Yeah. I would say it's being conservative. I always grew up with parents who weren't showy and we were very comfortable, but it wasn't about that sort of keeping with the Jones' attitude. It was about, "This is who we are and we have everything we need, but we don't need to have extra fancy car to prove that we're important or to represent our identity."

I think that that's really important. It's about having confidence in who you are and not the stuff that you have. I always grew up where my parents never purchased anything that they couldn't afford outright in cash. That meant that maybe we didn't have the largest home or the fanciest car, but that wasn't important. Neil and I grew up very similarly and we live our lives very similarly now. We never spend outside of our means, and that's really important, because you never know what's going to happen. You always want to sort of plan for the worst and expect the best, if you will.

[0:14:29.4]

FT: Be confident in who you are, not what you have. Thank you for saying that. I feel like I didn't get enough of that growing up. There's a lot of materialism everywhere you go, and people quickly...

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RB: I know...

[0:14:41.0]

FT: Yeah.

[0:14:42.1]

RB: I don't know. I think, for my parents, they didn't grow up with much at all, and they really worked for everything that they had and they really instilled that value in me that I needed to appreciate the things that I had and work really hard for what I wanted. That's probably the reason that I am so scrappy, is because I learned how to do a lot with not a whole lot, because they never wanted to spoil us or for us to sort of expect more than we really needed.

[0:15:19.9]

FT: Right. What's an example of a memory that you had as a kid growing up that was very much an example of how money was taught to you, like the financial principles that you now have. What was a really pivotal money memory that you experienced?

[0:15:36.5]

RB: It's a tough question. I just always remember that every time they would buy a car, they would only purchase it. They never leased a car. I had a lot of friends whose parents will lease cars and I would say, "Well, I don't understand why they got that fancy car and why wouldn't you just lease the car and you don't have to put that much money down."

My parents just always believed that you only spent within your means, and if we couldn't afford that car and cash today, then we shouldn't have it. I think that — I remember, it's sort of a silly example, but I remember getting in fights with my mom because she would wash our clothes and every time she would manage to either shrink my clothes or tie dye them. It was so upsetting to me, because I loved fashion and I really appreciated everything that I had, and I always felt like once it got ruined, I wasn't get another one. It wasn't like, "Oh, we'll just go out and buy four more of those. I really took great care of everything that I had, because it meant so much to me to have...

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FT: She would tie dye your clothes?

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RB: She was really terrible at doing the wash, and I think, actually, it was strategic, because what ended up happening is that my brother and I learned to do our laundry at a very early age. I think I probably started doing my laundry at age 7 or 8 because I was so frustrated with her destroying my clothes.

[0:17:06.1]

FT: Well, that's one way to teach your kids good domestic duties. I think that teaches good work ethic. Maybe now I outsource all my cleaning, but — I don't know. There's something about — The emphasis of making sure your bed is made and making sure that you can do your own laundry. I think those are good survival skills, really, at the end of the day.

[0:17:24.8]

RB: I think so. I would say I'm exceptionally self-sufficient, and maybe sometimes to a fault.

[0:17:33.2]

FT: Always with a Windex in your hand, that's me. I'm always like dusting. I don't know. Maybe it's just my way to avoid doing real work.

[0:17:42.3]

RB: Although, I have to say, when we moved into our apartment, I installed all LED lights, because I was so sick of having to replace all the light bulbs myself. I think that was me sort of acting out on not wanting to have to be self-sufficient.

[0:17:58.6]

FT: There you go. It ends up — It ends up — On the show, most guests, I would say, a lot of guests say that the one thing that they outsourced that makes their life easier or better is domestic work, any house work. I think Rockets of Awesome is definitely making my life easier, and better, and my son chic-er on the playground.

Tell me, what is your — Let's pivot now to financial failure. I know you're conservative. I know that you're very careful and calculated with risk. What would you say is an example of when Rachel really bombed financially, and what did you learn? What happened? Take us there.

[0:18:33.8]

RB: Good question. I think Cricket's Circle was a really great learning, and Cricket's Circle was a product recommendation engine and editorial content site for new parents. Helping them figure out what they needed to buy when they had a baby. We built Cricket's Circle at a time when it was completely normal to have a business idea and launch a business with no monetization strategy, whatsoever.

That was certainly a time in the startup world and technology, and what we did was we built this brand that had tremendous engagement that proved that we knew how to build a brand that spoke to this generation of parents that was so deeply authentic, that our customers were tremendously engaged and really would purchase and engage with any types of products that we recommended. What we shortsighted about that is that we didn't have a monetization strategy out of the gate. We raised venture funding and we continued to grow at a really nice pace.

As we navigated this world and this sort of logic of the time was, "If you build that they will come and then you can sell to them," we didn't necessarily prove that. What we did was we build that community and, fortunately, we were able to pivot to a business that actually makes money and makes real money with Rockets of Awesome. Had we not, we could have been in a really tricky situation. I think that it was a great learning for me, because my first business was, for all intents and purposes, a very sort of baby steps type growth and small business in the beginning and grew to a really meaningful business. We were always casual positive. I was very naïve in that time that I didn't even understand why or how people would raise venture money.

I went from that type of business to sort of the glitz and the glow of venture funded businesses at that time again where it was okay to launch a business with no monetization strategy, and certainly learned a lot in that process.

[0:21:05.1]

FT: The last I read was that you had raised seven million for Rockets of Awesome. How do you measure how much money you take on from venture capitalists? I know that it's also something that I've talked to other startup founders about and some just have a rule of thumb where I'm

not taking any money from VC. Others take everything they can get and then pay a price for it. How do you measure that to make sure that you're not in over your head?

[0:21:32.5]

RB: Yeah. I think, for me, it's the middle ground. I think it's important to be aware of what the market — What's happening in the market. There are certainly periods where it's easier to raise funding and other periods where it's harder to raise funding. You never know what's going to happen in the market. If you do believe in your idea and you have a very clear path to growth and eventually being cash flow positive, then I think that you can take more risk in those periods.

As a founder, you always also think about delusion. How much of my equity am I willing to give up at this period in time for cash? There's always that questions poll, "Do I want more?" I think sometimes more isn't always better. More doesn't mean that you're always going to make even better decisions of that you're going to grow exponentially more because you had added cash in the bank.

For me, it's always a balancing act of how much do we really need to prove that we are on to something? Whatever those goals are in the business in that period of time, for the next 12 to 18 months, we have to prove X and we need this much cash to be able to prove that. Once we prove that, we will feel confident to take on more investment or to take on more risk.

[0:22:55.2]

FT: Another balancing act that you're very good at is striking a balance between parenthood and entrepreneurship. I know that that's something a lot of interest to our listeners. How do you create the systems in place so that you can still be married, and be sane, and have kids, and have to be happy, and, by the way, start this really great successful business. Oh! Also your husband is also an entrepreneur with a very busy schedule. Tell us a little bit about the behind the scenes of the Blumenthal ecosystem.

[0:23:26.2]

RB: The circus.

[0:23:26.9]

FT: The circus, yeah. How do you guys make all “work”? How do you work it?

[0:23:33.8]

RB: I would never be so proud to say that we have figured it out. I think that when you are trying to balance so much, you never feel like you’re doing anything perfectly and you put a lot of pressure in yourself. Generally, I would say, first and foremost, I think it is tremendously beneficial, at least for me, and I think for Neil as well, that we’re both living very similar lives. Because we live very, very similar lives at work, it enables us to support each other in ways that I think are really difficult to understand and appreciate if you’re not also a founder in a startup. Of course, we’re different stages, but there are a lot of similarities in our day-to-day and overtime.

First and foremost, I’m deeply, deeply grateful for the fact that we do live those similar lives, because there’s such appreciation and support there and we’ve never making each other feel guilty or, “I can’t believe you’re spending so much time at the office,” or whatever it may be.

The second is I found that it’s really around scheduling. Having very strict schedules around time for family and time for work, and so for us, it’s that hour in the morning of complete chaos but of complete dedicated family time where nobody is on the phone, nobody is on the phone or the computer, anything like that. It is complete dedicated work time throughout the day. We both try to be home with the kids at least three nights a week during the week. If not together, then we’ll trade off.

That time at home for, probably, that hour or two before bedtime is, again, complete dedicated time where the phone is left in the other room and it’s just about the kids. We definitely sneak in some Snapchatting and some Instagram stories in there, because they’re really fun to document. It really is a dedicated time.

For us, it's having also very consistent and reliable support. We have a tremendous nanny that's been with us since our son was two weeks old. He's five and a half now, so she's a real part of the family. My in-laws live right down the street, so that is incredibly helpful as well.

[0:26:02.6]

FT: Yes, and you said you appreciated that now more than ever as a parent, because that's something that is just priceless to have, and they're retired maybe. I'm guessing — Or have more time than two entrepreneurs running a four-person household. That is really great. I love the idea of just making sure the phone is not there. Even if it's chaos, it's scheduled chaos and it's a dedicated chaos. It's great.

[0:26:29.4]

RB: It is. You realize at a certain point that your kids notice everything and they're super aware. The last thing they want to feel is that anything is more important than them.

[0:26:41.7]

FT: Your children now — Your son is — You have a daughter and a son, which is also why it's hard to buy clothes, because your daughter is getting a lot of the hand-me-downs.

[0:26:49.5]

RB: No. Shopping for a girl is really fun. She gets a lot of Rockets of Awesome now that she just started fitting into it, which is a perfect timing.

[0:27:00.0]

FT: I find the clothing out there for girls a little uninspiring sometimes. Compared to boys, boys is just like — There's so many active colors, and designs. Girls, beautiful, but I also feel like in some ways, is almost like telling girls, "It's okay to be more passive and not go out there and kill

it.” I’m looking for some options that are a little bit more — Strike a balance between being feminine, but also being strong, clothes that exemplify that. I should just go Rockets of Awesome?

[0:27:36.4]

RB: I think the best part about our clothes and our service is that it is completely personalized for the customer, and so the way it works as you’ve experienced, is that you sign into the site, you create a profile for your kids. You tell us what they love and what they hate. Your daughter might hate pink, but she loves neon pink, or she hates pink and she only likes blue. Guess what? Next week she loves red.

With that information, we send you a personalized assortment of 12 items to your home completely risk free. You only pay for what you keep and you send the rest back and we pay for shipping both ways, and there’s no membership fees.

What we love about that is it really engages the customer and we really, really push to give us as much information as physically possible. We want to know every single picky preference that you have and that your kids have so that we can make sure every single box feels really special.

We have boys that want to wear tutus and we have girls that want to wear boys flannel shirts. We do everything within our limitations to be able to serve every single customer. To your point, we have an awesome active wear line for girls and boys. If she is super sporty, we’ve got her covered.

[0:28:55.6]

FT: She’s not born yet, so I’m just — I’m guessing for her. Truly, one of the great qualities of Rockets of Awesome is that you really tap into the Zeitgeist of parents today and the evolution of kids as they’re really becoming more comfortable and expressive in their identity and how close can be a real facilitator of that and augments or that. Well done.

All right, we didn't get to this, but I want to, because we spent some time on failure. If we're going to talk about failure, we need to talk about success. What is your so money moment, Rachel? Like a time where you just felt that the financial stars aligned for you and it was thanks to your great effort.

[0:29:41.3]

RB: I would say less of a so money moment, but definitely like I've made it moment, which was — Okay. I'm going to take you back a little bit. Back in 2003 when I started my first business, so I was considering starting my first business, which was a jewelry brand. I was trying to decide if I should leave my amazingly, very cool job in fashion in Yves Saint Laurent to take a risk and set up shop in my living room to start my own jewelry company when I had no jewelry experience, no business experience, whatsoever, other than I had been featured in Lucky Magazine as a jewelry designer, and there was real opportunity there.

I had my, then, boyfriend over at the time, Neil, he's now my husband, who came over and was giving me advice on should I leave this glamorous job to take a risk. We were listening to James Taylor in the background and he just said, "Just do it. You're on to something. Just leave your job and you'll figure it out."

In that moment, I decided to leave my job and go figure it out. About seven years later, I was working from home one day and I had Oprah going on in the background and she had James Taylor on the show and he was singing a song that we were listening to in that moment where Neil told me to take the risk and — my job.

Oprah walked out on stage wearing my necklace.

[0:31:16.5]

FT: Stop!

[0:31:16.6]

RB: That was the moment where I was like, “These are those moments people talk about.” It was just one of those moments where all the stars were aligned.

[0:31:25.9]

FT: Did you know she was wearing your necklace? Did you know that was going to happen?

[0:31:28.2]

RB: No. I had no idea. Gayle came out, Gayle was wearing one of my bracelets. Follow up to that was that I was named one of Oprah’s favorite things that year.

[0:31:40.1]

FT: What? Oh my gosh!

[0:31:41.7]

RB: That was like a really, really cool moment in my early first entrepreneurial venture.

[0:31:49.0]

FT: Did you know James Taylor was going to be on the show?

[0:31:51.5]

RB: No.

[0:31:52.2]

FT: What? What?

[0:31:53.2]

RB: I didn't know anything.

[0:31:54.0]

FT: Are you spiritual? Did that make you a believer?

[0:31:59.5]

RB: It starts to make you wonder, right?

[0:32:01.8]

FT: Right.

[0:32:02.0]

RB: It starts to make you believe that the stars do align sometimes.

[0:32:06.1]

FT: Oh my gosh! I guess the lesson is keep your ears tuned in to the messages that are all around you and keep at it. Oh my goodness! That's one of the best stories I've heard. Kinda gives you goosebumps. That's crazy. Have you ever met Oprah?

[0:32:24.4]

RB: I have met Oprah, and I've met Gayle, and I told them that story, and they humored me and pretended like they remembered what I was talking about.

[0:32:32.4]

FT: Yeah.

[0:32:35.3]

RB: Yeah, it was a very emotional moment. You can imagine that I just basically started hysterically crying, and I called Neil and I was like, “You’ll never believe this.” It was pretty cool.

[0:32:44.5]

FT: My gosh. That’s cosmic. That’s incredible. That is so money. It’s so having made it, and it’s so almost like — It’s magical, basically. That’s just magic. That’s pure magic in action.

All right, what’s your number one money habit? What’s something that you do daily that helps you keep your personal finances on track?

[0:33:04.7]

RB: I always check my credit card statements. I’m really, really particular about checking my credit card statements.

[0:33:10.6]

FT: Is that because you experience fraud, or you just want to know?

[0:33:15.4]

RB: I’m just a little neurotic.

[0:33:17.6]

FT: Yeah. Are you one of those people too that pays off your balance regularly? Not once a month, but some people — I do this sometimes when I have a big balance that I want to get rid of, because it’s scary. I pay it off as soon as I see it. I don’t want for the bill to come.

[0:33:30.7]

RB: Yes — Immediately. Yeah, I probably check it specifically for that, probably once a week, because I hate having a balance — Yeah, that's just sitting there.

[0:33:45.4]

FT: Yeah. Let's do some So Money fill in the blanks and then I'll let you go and run your empire. Let's start with this fill in the blank sentence. If I won the lottery tomorrow, which it sounds like you've already won the lottery professionally, and relationshiply, and familyly, but if you won the mega lottery, a hundred million bucks, the first thing I would do is ____?

[0:34:08.5]

RB: I think I would send my parents and my in-laws on vacations.

[0:34:12.7]

FT: They need vacation?

[0:34:14.7]

RB: I just feel like they need to be treated sometimes.

[0:34:16.8]

FT: Pampered. Yeah.

[0:34:18.0]

RB: Yeah.

[0:34:18.4]

FT: Appreciate it. Yeah.

[0:34:19.6]

RB: Yeah.

[0:34:20.6]

FT: Where did you grow up by the way? I don't think I asked that.

[0:34:23.7]

RB: I grew up on Cape Cod.

[0:34:25.1]

FT: Oh, wow! I'm from Massachusetts as well.

[0:34:28.0]

RB: Oh!

[0:34:28.8]

FT: But a different part of Massachusetts. It's not so fun — Worcester.

[0:34:34.2]

RB: I was born in Brookline and I went to college in Medford, so I'm a real Massachusetts girl.

[0:34:41.9]

FT: Yeah. Which kind of — It makes sense. I think a lot of people there — My sense is that there's a lot of strong family values there, very — it's just very value driven compared to, maybe, living closer to the city or in New York.

All right. One thing that makes my life easier or better is ____?

[0:35:02.5]

RB: My husband, my nanny.

[0:35:04.0]

FT: Your husband, your nanny, good. Good combo.

[0:35:08.2]

RB: Yeah.

[0:35:08.3]

FT: Takes a village. One thing that I splurge on that I just can't do without is ____?

[0:35:15.2]

RB: I love good shoes.

[0:35:16.8]

FT: Yeah.

[0:35:17.5]

RB: Really good shoes.

[0:35:17.5]

FT: Who's your favorite — Would you have a go-to brand?

[0:35:23.1]

RB: Classic Manolo Blahniks. I love Chanel and — Let's see what else. Yeah, those are my favorites.

[0:35:32.7]

FT: No wonder you're checking your credit balance all the time.

[0:35:35.1]

RB: Exactly.

[0:35:35.2]

FT: Oh my goodness! Okay, one thing I wish I had learned about money growing up is ____?

[0:35:44.0]

RB: I wish — In retrospect to my education, I wish that I had a more practical education. I had a very theoretical education in a Liberal arts school. I wish that I had learned how to read a P&L earlier in life.

[0:35:57.2]

FT: Well, for you, yes. For others, probably not, "I'm good. I don't need to read a P&L when I'm eight," but, yes, if you are an aspiring entrepreneur — And parents out there, if your kids are

starting those lemonade stands, maybe it's a good time to also show them how money moves around.

When I donate — Here's a good one. When I donate, I like to give to ____ because?

[0:36:20.0]

RB: I like to give to children's causes, and I've been a very active member of Baby Buggy, which is Jessica Seinfeld's organization in New York for about six years now. It's really important to me.

[0:36:35.9]

FT: It's a wonderful organization. Last but not least, I'm Rachel Blumenthal, I'm so money because ____?

[0:36:43.8]

RB: I'm just deadly passionate about what I love and the problems I want to solve, and I will continue to fight the fight to deliver solutions to parents.

[0:36:55.6]

FT: And we thank you for it. Thanks for making my life easier and better, Rachel. Really, appreciate it. I'm looking forward to my next box when it comes in the mail, and the fact that it won't be breaking my bank. I really appreciate you. Congratulations. This is really—

[0:37:10.9]

RB: Thank you so much.

[0:37:12.4]

FT: You have figured it out. Rachel, thanks a lot, and have a great New Year.

[0:37:16.0]

RB: You too, thank you.

[END]