



Jake 00:10

Thank you, Sofia again for coming on, I appreciate it. And I'm looking forward to this conversation for a while. You are a serial entrepreneur and investor and recently raised your first fund for Trust Fund, which I love the name by the way. You're building business class where you mentor aspiring entrepreneurs, previously founded Nasty Gal, but you scaled to \$100 million in annual revenue. Author of a couple of books, including *Girlboss*, which became a Netflix series viewed by like 100 million people, I think plus. So you've done a lot, and you're still relatively young and are still, you know, you have a lot more to do, I think. So. It's great. And I'm looking forward to the conversation. But for those who aren't familiar, and just sort of could use the introduction, you have an amazing story. And I don't know how much detail you want to go into, but I'm here for all of it. So be great if you could, sort of, you know, introduce yourself to the audience.

Sophia Amoruso 01:08

Totally. I'll let it rip. Thanks for saying I'm relatively young, I think, you know, something I learned having been this kind of like wonder kid poster wunderkind, like poster child of entrepreneurship in my 20s. And raising 50 million, or whatever I'll get into it, is that you can only be impressive for your age for a while. And it's still awesome to be relatively impressive for my age. But like for everybody listening who's in their 20s that pressure is like real and it sucks. And you know, don't don't listen to it. But it's, um, you know, it's, it's, it's just interesting being on the, on the other side of it, I'm like, 39 It's crazy. But I

Jake 01:43

just, just to be clear, you're super impressive for you're relatively young age, not your age.

Sophia Amoruso 01:51

Yeah, I don't think about our love, but it's kind of like what? Alright, so hello, gentleman and Lady. This is I'm Sophia Amoruso. I am the founder and general partner at Trust Fund, which is a \$5 million venture fund investing in b2b businesses. And by b2b, I mean, broadly, products that live at the application layer where any



entrepreneur can log in and accelerate, build, start their business fund their business. So as an angel investor, I invested in pipe, which was an example. Passport would be another example of that. And then I've written three checks on the fun now to some awesome companies. One is called plot, another one's called gift shop, and the other one's called baton market. So I'm reading 100, to 250k, checks into like, you know, 27 to 30 companies over the next couple years. And I've got amazing LPs, like Marc Andreessen, and Chris Dixon, and Jeff Jordan, and Andrew Chen and Jeremy Liu. And, you know, Paris Hilton and Rob Hayes. And you know, like, it's insane. So that's very cool. I never had a trust fund. So I guess I'm building one for myself and kids, I don't have so I guess I'll just like keep it or something, I don't know what to do with it. But I'm going to do a good job. And in 10 years, it'll materialize. But so that's what I'm up to you right now. I also have an online course for entrepreneurs called business class, which I launched twice a year, which is super cool. It's business class.co. So really focused on entrepreneurs. And I'll tell you my story. And that story just kind of plays into how I can help founders and my, I guess, value prop as an investor. So I started a company called Nasty Gal when I was 22 years old. My last job was in the lobby of an art school in San Francisco at 79, new Montgomery Street called the Academy of Art College. And I was checking student IDs and having people sign in who didn't have IDs and directing them to the admissions office on the second floor. Prior to that, I worked at a record store, bookstore, photo labs, shoe store, mostly retail, all retail kind of hourly jobs. Starting an eBay store was an attempt to not work for other people, not as an entrepreneur, but to get away from what I really hated. And I thought it was like, opting out of capitalism, kind of, and, you know, not whatever, working for the man or something. And, you know, put one foot in front of the other and realize, oh, my gosh, when I do better, I make more money and customers are happy. And there's this amazing feedback loop where I get to learn and I get to watch my competitors. And I know what reverse engineering was. But hey, I'm a good copywriter, and I'm a good enough photographer and I can curate, like vintage clothing that people love was a vintage clothing store on eBay like not that, you know, novel of a concept. So I did that for about a year and a half. It's called Nasty Gal vintage. And the first year I did 75k in revenue, which was like, you know, exponentially what I ever made in a



full year. And second year was 250k. And that was the year that I left eBay launched my own website. And day one, it just sold out. And I was like, holy shit. So I had to go find more stuff and realize that I couldn't keep up with the demand with one off things from thrift stores, because vintages, they're all one of a kind. So I started going to trade shows. And that's what really allowed the business to scale because I could take one photo, like I did for vintage but sell six dresses, or 12 or, you know, eventually, hundreds or you know, I don't know 1000s And so your three did 1.1 million, your for six and a half, your five was 12. And on a run rate 12 month forward facing run rate of \$28 million. Totally profitably own 100% of the business didn't even have credit to take on debt. Some investors that I've never really known a lot about venture capital investors started contacting me. And, you know, some reached out and I did my research and I was like, okay, Andreessen looks legit. Lightspeed, looks legit, index looks legit. Greycroft looks legit. And so it was in 2012, that, you know, Jeff Jordan flew to LA to the nasty offices, Jeremy Liu, and Danny Rhymer from index. And that's when I met Dana sell from gray Croft. So those are really long standing relationships, right, like 11 years. And most of those people are our LPS now, which is awesome. water break. And the first money in was 50 million. It was closer to I think 60 was over two rounds. I took like nine and then I was like, let me get to know you. And then all right now index, you own 20% of the company. But I own 80% Because the first money I was out of a growth fund, and I had already built a really sizable business. And to everyone else. It was like a freak show. They were like, what, who is this? How does that happen? It happens because I had constraints financially. And because I didn't go to college drop out from community college in Sacramento. So my understanding of business was buy things and sell them for more and don't spend all the money. And that there would I wouldn't have had a business if I was doing anything other than that. So it's really not that special still in my eyes. And that, like put me in Forbes magazine that just became this like holy shit rags to riches, who was this girl, you know, in 2012 2013. And that was like, you know, Zappos see era was, you know, net a porter J. But none of the direct to consumer businesses that have emerged since and have like, Oh, my God, they can run their businesses on Shopify, I'm so envious. It was a really kind of interesting, lonely time. And from that 20 A million, built it to over 100 million



in revenue, burned through a lot of capital, of course, became unprofitable, because we raised our finger in the air. And we were like, well, this company's, you know, whatever, quadrupling in revenue every year. Let's expect it to do that next year. So I had hired a CFO, I had you no index on my board. And I hardly knew how to read financial statements, because there was just always money in the bank. It was not I didn't run the company. That way. I'd saved a million dollars in cash out of the back of my 1987 Volvo, and it was all in the company. And we like put our fingers in the air and we're like, Hmm, what should we? What should we what should our revenue be next year? And we were like, Let's round up by 100 million. So, you know, 2012 was like, I think 2012 We were on the upswing to 28 and then we were like, great. Let's hire 200 million let our 128 Excuse me. So we hired 100 people in here. It was insane. It was like absolute insanity. I I've never worked in an office that my name hasn't been on the lease of, you know, I don't want to say it's weird to be like I was at a disadvantage when such amazing things are happening. And it was very charming and serendipitous this like American Dream kind of rags to riches story. But the speed at which it happened was like, you know, the hockey stick was, like steeper than my learning curve. And I can learn pretty quickly. And for anybody listening who's like, doesn't have experience at all in anything, it's never worked for anybody or even know what leadership's look like, I recommend that you go, at least have an understanding what that looks like, because you're going to be a shitty leader if you haven't done it. Or maybe you'll just be like a special, special, young, empathetic person who gets it for some reason, but I wasn't that person. During this time, in 2014, I wrote a book called *Girlboss*. Hashtag *Girlboss*. It's been 10 years since I wrote it nine years since it was published. And it catapulted to the New York Times bestseller list. Spent 18 weeks there, it was a year after *Lehman* was published, you know, Sheryl Sandberg big book, which was, you know, a woman with a pedigree speaking to career women in the corporate world, which I didn't relate to, and my friends didn't relate to, and I knew my customers didn't relate to. And this book kind of threw a wrench in the business book section. The Washington Post called it lean in for misfits. And it's an entertaining story of me trying to be like a crusty anarchist, and like dumpster diving and going to anarchist book fairs and hitchhiking from Sacramento to Olympia, Washington, to being like, wow, I have



freedom. When I make money, nobody's gonna hassle me, I can control my life. This is crazy. Which everybody else like gets out of college and knows, inherently but I do things the hard way. And that was just like a crazy, crazy, crazy phenomenon, which just put me even more in the public eye in this like, really freakish way. And the book sold half a million copies. And the hashtag, you know, has been used over I don't know what 25 million times on Instagram. And it became this calling card for this, like zeitgeist of women who identified with it. And we're like, I'm a girl boss, because they never seen a woman in her 20s who didn't have a big education, who didn't go you know, who didn't start her job in a, you know, huge tech company, who didn't have rich parents start a business and scale it to the, you know, to the scale, I was able to with Nasty Gal and gave license to and inspired you know, the 99% of us out there who've got like a trial account to Squarespace. And we don't know if we want to pay for it once the trial period is up, you know, those are the entrepreneurs. And while you know, the people who are on this podcast, and I, you know, make the noise and get on the lists or whatever, raise the money. The majority of entrepreneurs like, aren't those people. And the woman who does eyebrows is an entrepreneur, you know, the person who the ceramicist is an entrepreneur at this point, I think everyone is an entrepreneur. And with trust fund, I'm investing in products that are for entrepreneurs, but I consider them consumer products, because I was a consumer of eBay. And I didn't approach the platform I used with an RFP, you know, the women, the people using you know, Squarespace and Shopify are, you know, making decisions in a lot of ways based on the brand and they've never, they don't even know what Sass is. So that's kind of the headset I come from, which gives me this weird kind of plebeian advantage. So the book happened, whatever, I don't know, Nasty Gal happen for 10 years from like, 22 to 32. And that was a great run in 20, beginning of like, 2015, I hired a CEO because I just hated that job. And I don't think I heard the right profile heard someone absolutely love, she was a merchant and product person, incredibly incredible, like taste level and super special person. And Nasty Gal happened for a couple years later, couple years longer, and at the end of 2016 kind of went for plunk because we had done over 100 million in revenue. But you know, our investors, you know, to raise money again would have wanted us to have like a billion dollar valuation and a markup that looked great to their LPs and you



know, for them to take it down round looks worse than you know keeping you know, Dean investment at like, whatever at cost. And fundraising just became really hard. Because index didn't want to continue investing. You know, fashion e comm was like it was it was like Beechman One Kings Lane era like direct to consumer it was called ecommerce, it wasn't called like, direct to consumer. And so Investing in like fashion ecom businesses wasn't really is on trend and we can become a little less favorable. And, you know, the private equity guys who would have bought us or, you know, invested in the company and been like strategic apparel investors weren't going to be willing to pay multiple \$350 million. And when we were doing 100 million in revenue, the cops are just different in that world. And 200 million or whatever it might have been, was just not good enough for my investors. And while I owned 80% of the company, and, you know, control the board, you know, there's stuff that happens behind the scenes that I think kind of like cock block my opportunity to raise money. And ultimately Nasty Gal went through a series of Hail Marys, you know, an urban retailer of outfitter of clothing, offered over \$400 million dollars for the business, which would have made me I don't know what over like 280,000,300, whatever a lot was on paper, I was worth so much money. And I turned it down at the, you know, the advice of my investors. And that's not to blame anybody who was just really young and naive and took a lot of advice. And so after that there was like a seal series of Hail Marys. And then we eventually did a down round. And index was like we own as much as we want. And the only way I can get my partnership on board, because I had taken some secondary, which like I had built a really sizable business. So like, I feel pretty good about that. There's a lot of people taking secondary last year who hadn't made \$1 And, you know, revenue at 100 million dollar valuations. But he said, I'll double whatever of your money you put back into the business. And I was like, Oh, my God, like, this sucks. This isn't, you know, his, his intent was, for me to prove my conviction that I could turn this around and make it worth a multiple of \$350 million. You get it profitable Ghana, I don't even know what, but I can't turn a business around, you know, I had a CEO, I was trusting the adults in the room paying all these C level executives, whose lives whose careers were longer than my entire lifespan, and expected them to, you know, do their jobs, but I didn't really understand leadership, or how to knit all of that together and



deal with pissing contexts and content contests, you know, cronyism and whatever. So I put 2 million back in the business, and I think, you know, index put, like five or something, and then Ron Johnson came in with his buds, and that didn't really move the needle at the end of 2016. After this, you know, series of Hail Marys, and like a little bit of cock blocking that I found out about later behind the scenes that kept me you know, from being able to raise and like, you know, some shitty culture and some shitty headlines and all kinds of shit. We filed for Chapter 11 The day Trump was elected. And it was, it was 10 years was an incredible run. I'm really proud of what I did. And it was also like, I was like, the only way to I mean, I didn't know that you could bounce but like the, when you raise money, the only way to like, get you can't quit and you can't be fired, I guess unless you're like Harry Hearst or something. So it was, I can't say it wasn't like a tiny bit of relief, even though a lot of people lost their jobs. And that may be like a super tone deaf and fucked up thing to say it's like also my life, right? Like, I don't know how eternally you can get in debt yourself to other people when you're fucking miserable and like clueless about what to do next. So that happened, started a company called girl boss that went on for three years raised a little money from Lightspeed and initialized, sold at the end of 2019. And then, I had been angel investing that that whole time, like over a million bucks into like, over 20 companies, my portfolios that whatever trust fund out VC, it's like, pretty good. And I've got like DPI on the books, and great Mike. And that wasn't supposed to be fun, zero. It's just like, I love supporting entrepreneurs. These companies are cool, awesome. And started this thing called business class. It's this like amazing course for entrepreneurs, and decided to start a fund last year and then went out in January of this year 2023 and announced in TechCrunch, that I was fundraising In public, and raising \$5 million, but and had all these amazing lps on board, like the ones I mentioned earlier, and said, Look, if you want to if anybody wants to invest between two and 20k, I'm taking applications and I'm able to take up to 249 checks, as long as my fund is under \$10 million. And so within a few weeks, I had over 1000 applications, and six and a half million dollars of like, tiny checks that people wanted to write. Which was awesome. And I've taken, I don't know what 50 or 75 of them, and I'll take some more, but the minimum is like 50k for individuals and 250 K for like, rich people that I meet. Don't tell them. And, and



I have some it's just it's been awesome. Having some strategic individuals who are like, a couple degrees away, or, you know, built interesting things or are in the finance world who can, you know, both help portfolio companies help amplify them if they have a platform, you know, have their internal teams be beta testers for the products. There's a lot of advantage to having strategic folks on the cap table table who aren't, you know, traditional investors. And since then I've had for over 4 million sign for over five committed and I'm still kind of like noodling, taking super qualified calls with people. But I don't want to I don't want to like go job interview with like, institutional investors, because that's just not who's gonna get what I'm doing, at least for fun one and I am just kind of unemployable. And they don't know how to answer their questions. So here we are, I'm talking on a quiet, legitimate venture, Bish, focused podcast with Jake. And, and it's, and we've now reached 20, June, June of 2023. The guests I left out, there's a Netflix series and whatever, like, Charlize Theron produced it and went for one season, it was called girl boss. And there's a girl in San Francisco named Sophia starting an eBay store called Nasty Gal, which was super weird. That's my story.

Jake 22:24

You almost forgot that little Netflix series that like 100 million people watched.

Sophia Amoruso 22:30

In every language. It's just, it's the whole thing is like, it's like, Wait, that happened. Like, I wake up every day. And I'm like, I want coffee. And then I say this out loud. And I'm like, fuck do I even want to like, remember, but it's, it was like the best, right? It was like the best, it was so fun. And this is fun, too.

Jake 22:49

Well, thank you. And for a couple of things, first of all, for coming on in first place, but but for telling your story and for making my job spectacularly easy to sit and listen to your amazing story. And unfortunate to ask a few questions afterwards and let people listen. But I think, you know, what you mentioned something that I just wanted to comment on briefly that, you know, towards the end of Nasty Gal,



it's a bit of a relief, sort of saw the light at the end of the tunnel for a while that things weren't going so well just scaled too far. And, you know, not profitable anymore. And sounds like a lot of complicated factors and sort of made that the case, clearly you were doing, you know, much more than fine on your own scaling all the way to like \$20 million run rate. 28 Maybe he said before, taking any outside capital at all, just owning the whole business, totally profitable scaling at whatever speed felt right and natural to you. And, you know, feeling like a little bit bad when you had to close the doors that like, you know, a lot of people lost their jobs, but not like super bad, because, you know, it's like your life and

Sophia Amoruso 24:02

you've gotten super bad, but I was also like, you know,

Jake 24:06

you got to do what you got to do. And and the other thing that I just wanted to like sort of contrast against that, though, is like, one of the things before we even got on that was just like crazy to me, you know, doing prep and diligence. And everything is like imagining the number of women I'm sure there's, you know, some men as well, but obviously, you know, largely female audience of sort of those like wanting to be entrepreneurs not want to be in like a negative way. But people you know, who are aspiring to do something where they're working more independently, rather than, you know, quote, unquote, for the man. And, like, just not having any examples. I mean, even you know, men who, like yeah, there's like tons of successful founders and entrepreneurs, but the vast majority of people are not those people like the vast majority of people are working for the man and so you look around you and the examples are far and few between mean of the entrepreneur decided to go against the grain versus the person who's taking the salary? Not there's anything wrong with that, but like, just is what it is. And on, you know, for women, it's just even more extreme. And you're able to set that example. And then, you know, be very transparent all along the way. And like, yeah, it sort of like blew up at the end. But like, it was a crazy ride and like can credibly successful ride, and then riding Girlboss afterwards, like, I can't imagine, like degrees in magnitude, you know, orders of magnitude rather more people must have been inspired to like start



businesses and like, just take the leap in life versus, you know, I don't know what couple 100 people and not to like, marginalize it or anything, but what like couple 100, people probably lost a job. And like, I can't imagine how many 10s, hundreds of 1000s of people have sort of benefited from all this that you've done. So I won't feel bad about it at all. But sort of rewinding back a little bit earlier. I'm curious, like, you sort of go through pretty quickly, the early days of Nasty Gal like 250k or 75k, I think in the first year or 250, in the second, a million dollars in revenue in the third year. Like that's super non trivial like that, especially, you know, back then there was like, there was no Shopify. No, you just see businesses like weren't a thing. There was just like, basically no anything, you're just like writing the playbook yourself.

Sophia Amoruso 26:30

Like rubbing two sticks together, like hard coding and add to cart button onto a product detail page. And like, you know, there's not even fucking Google Docs or slack or I mean, I think we use like, Gmail chat, maybe for sure. But like to build a, you know, a shopping app, I had to have a team of engineers and product designers because like, you know, again, that it was there was no front end that made it easy to do EECOM. It was wild.

Jake 27:01

Like, so before you had to hire, you know, 100 people in a year or some ridiculous pace. You were doing a lot of things, right. And you said, like, you know, it was, you know, buying product and selling it for more than you bought it for? And not spending recklessly. It was like a pretty simple formula. But obviously, like, it's not that simple. I think people tend to, I mean, it can be that simple in your mind, and that can work, but executing on it? Well, there's a reason, you know, everyone's not out here, you know, creating \$28 million, eventually 100 million dollar run rate businesses, it's like extremely hard, and you have to get a lot of things, right. What do you think was sort of, if you had to, like speculate on your formula, my outside view is that you're exceptional at like, branding, design, and sort of this taste and style that you have, which as far as I can tell, might sort of extend from building a great website to selecting great products or, you know, creating great products, to naming great



companies and having the brand new all sort of on point. But it might even have something to do with, like, how you hired people like your sort of taste? And people I don't really even know, but something along those lines, like what do you think was part of that magical formula and just like, take us through some of like, the big wins and positive that you can recall if you can from sort of those first two or three years, which was just going from, you know, like you said, all sorts of odd jobs to 75k revenue and a year 250k To next a million, the next six and a half the next like, crazy, crazy success.

Sophia Amoruso 28:38

Yeah. I mean, it was, thank you. It was it was it was step by step, right. Like the first person. I mean, in terms of being good at the brand. I looked at what was on eBay. And there was a lot of girls selling vintage clothing, and that shirts, like sitting around everywhere. And if you I learned the power of perceived value, by buying things for \$8 and describing them accurately putting them on a cute girl who's aspirational but not so aspirational that she's unrelatable and looks maybe kind of like an editorial in nylon magazine. So culturally contextual. She's going somewhere. She's not just standing there, like glum. She's got a handbag, you know, she's got sunglasses, there's movement in the photo. And this was a time when like, you know, Nordstrom considered their online store like one of their doors like it was like one of their department stores like econ wasn't even like in you know, an important channel for them. And I brought like a sense of life into EECOM photography, and copy and like levity that entertained me and connected with, you know, our customer or who saw herself in that girl or saw her future self and an aspirational version of herself, you know, girl that could be your friend, she's not intimidating. But she's got like a motorcycle jacket on. And she's going somewhere, and I want to go there. And I don't know, I've never worn a leather motorcycle jacket, but she makes it look cool. Maybe I could wear it, oh, shit, I bought it. Oh, shit, I'm wearing it. And I feel so much more confident. Like, I put a red lip on. And I am no longer a wallflower. A Nasty Gal brand, this level of confidence that had nothing to do with the clothing, the clothing was just a vehicle for it. And there's there was just this, like, insane emotional alchemy of women who identified with or identified with the girl they want it to be pretty soon, but weren't quite yet. And that's



like a super magical thing. And it's what Girlboss the book did, it's what I'm investing in with trust fund is products that, you know, for the most part of the average person would be like, oh, I want to build my business, I read the copy on the site, it I can see my if I use this product, like I can accelerate or start with this is and manage people better or fundraise or whatever it may be project manage. And to me that like consumer application or the consumer headset. And that level of aspiration is the throughput and everything that I've done. And I don't know where that came from, I think it's just like, you know, this is what I would have wanted. And with the products I'm investing in, like I stare at, like you said, like I stared into the void, you know, in this wild west of EECOM with like, no song like nothing, you know. And so I felt every pain point that a founder either at you know, the SMB bootstrap the level or, you know, venture back founder who's scaling experiences, and I've watched all these products emerge that helped them and and enviously. And because of that have this kind of unique perspective on what they need. Both the, you know, founder who has great background, went to a great school, they're going to encounter the same stuff, but I think what's especially powerful is this, like, founder out there who's like, am I a business person? Or am I just let's give this a shot, and is figuring it out as they go and they're not a traditional business person because they're freelancers or creators, or solopreneurs or service providers, and and I understand what needs to be demystified for the average person and I think that demystification was something that I did was style for Nasty Gal, and, you know, with this, I guess, aspirational, yet relatable picture of this, like, goofy drop loser who like figured it out and started C restore and got really far. I don't know, like, I like, I'm just I like laughing it like words and stuff. So naming stuff has always just been super fun and often, like rooted in culture. So, you know, I never hired an agency to name a business, I was so envious and kind of angry. When I guess resentful, like maybe that word, when like red antler emerge and these like, because when I was in the Bay Area, you can hire a graphic designer who didn't just do like straight up silver and white, like product design. There was like very little, like brand design. And I was so proud of like what I've done because it emerged from like my cultural references and things that matter to me in my understanding culture, and now someone you know, who's like, let's sell a mattress could just



like buy it, whatever. And so Nasty Gal was named after an album by a woman named Betty Davis, who was this amazing folk singer who was married and Miles Davis was allegedly too wild for her. So that didn't last long. She had a song and an album called Nasty Gal. And then girl boss. There's this like, relatively obscure genre of 70s film called Pinky Violence. And Tarantino has like borrowed a lot from it. And it's very specifically women. It's like female revenge films. And like women like street fighting, and like women in jail, like breaking out of jail, and it's really fun and that's like really cool, like Japanese women with like, insane style. And there's one called girl boss gorilla, like Gu, II, gorilla. And I just like love the name. So I was like, Cool name my book girl boss. There was never another name for girl boss and business classes and double entendre because it's like, yeah, it's descriptive. But if you go on our website, you see me dressed like a Pan Am flight attendant and everything. Like the modules are called flights. And the like lessons are called legs in our community is called the lounge and it runs for 10 weeks, but there are three layovers, which are like catch up weeks. It's just like endless fun. I just love it. It's just, like, entertains me. If you're going to do this stuff, you might as well entertain yourself.

Jake 35:40

Yeah, it's this like combination of the, like, you just describe a business class, the, the intricacy, I guess, of like, you take this top level name, and then build the whole thing around it. Like, there's no inherent reason why a class for entrepreneurs needs to be associated with like, flying or anything, but you came up with the name, and you liked it. And it's ironic, and it works. And then it just so happens that like, legs and flights and layovers, you make them all work in a way that's like, so seamless. And then like people, you know, go to the website, and like, trust anyone's trust fund IVC business class, is it what sort of domain for that business class Dotco business class.co. Like any of these Sofia's personal website, like, they're just like, so clean and pleasant. And that's just like the website design. But when you're talking about the photography, on, you know, some of the early items you were selling, like, you can hear it right away, like all these different elements that you're describing, all the thought that went into it, like the details, sometimes and like sort of have conflicting thoughts on this, because



just like that, sort of the level of detail that's worthwhile going into, you have like, sort of the Steve Jobs quote of like, you know, make sure the back of the, the dresser looks good, even though no one's ever gonna see it. So then he makes like the inside of the computer, the desktop computer, like everyone from Apple signs, and it's like, very nice, because it doesn't matter if no one's ever gonna see it, you just sort of do everything, every little detail with like, excellent. And then that sort of leaves to like an excellent overall thing. And that's like, sort of what I'm reminded by, by the way, you're describing these photographs. But then on the other side of things, there's like, well, you know, sometimes perfection is like the enemy of dawn. And like, you just sort of need to get it out. And there's like this ever lasting balance between these two things that I think about, but

Sophia Amoruso 37:34

definitely, when it's sorry, go ahead.

Jake 37:37

I'm just gonna say definitely, when you do, like, it's hard not to respect the people who do go down into the dirty details and just get every single little thing as as great as they can. And then eventually, obviously have to pull the trigger and, and ship it. Those are always sort of admirable perspectives to hear.

Sophia Amoruso 37:56

And I still do it. Like every word on the business class website, I wrote, like every word of coffee. You asked about scaling it and hiring people. And, you know, when you're playing in culture, it can be super dangerous to hire, quote, unquote, cool people, because they're working with like, accountants, and they're working with digital marketing people. And those people aren't, at least don't think they're as creative or don't have the same kind of creative roles. And what happened in STL is became this kind of like having have nots of, of like, what's cool, and people threw it around as a weapon, like Sophia wouldn't have liked that, like things like that would happen when I wasn't in the room, which I never like, you know, co signed on, which made other people feel really shitty. And it was way too late that we put together a brand book that was like, here it



is, there's this objective thing that we can now all point at. And that's the brand it's not me, it's not you. Like we can all hold each other accountable. Because it's that and when you don't have that, and it's really nebulous, and it can be, you know, and it's, yeah, when it's subjective, it can be like a really dangerous thing.

Jake 39:15

Yeah, I think it's hard to like, I mean, I don't know from experience of building like a large culture or anything, but just as an observer, it seems extremely hard to like, you know, every every culture kind of is toxic. I think to some degree, maybe that's like a really hot take, but like, you know, you look at at the largest levels, like our country, it's like, pretty toxic situation going on. You look at like, small companies, there's like founder disagreements that like kill many of these early stage startups. Just like really seems like a very difficult problem. And I think amazing cultures tend to be like, fleeting by nature, and maybe you had that in the early days of Nasty Gal. And that alone is like, quite an achievement, I think, but Uh, I know we're kind of coming up on time. And, and, you know, it's been great going on, on what we've gone too far, but we haven't talked about your fund at all. And I want to make sure if there's some, you know, wealthy individuals listening in that, that they're well aware of what you're doing there. So you sort of alluded to it earlier, some great LPs, raising several million dollars, and of that community raise as a part of it, which is really cool. You've got from what I understand, like some pretty incredible deal flow, I heard you on like a podcast in April. So you had like 400 Cold pitches already. And that was like, three or four months in. So with this, with all steel flow, like, you know, you've got, like you said, plenty of interest in investing in the Fund. And you're just kind of being conservative, from the beginning to not raise more than you feel comfortable deploying and sort of being able to learn and then scaling with the next one, sort of as you feel comfortable. The deal flow seems to totally be there. So it kind of comes down to judgment, how are you sort of figuring out where you want to allocate this money?

Sophia Amoruso 41:09

Yeah, I think it's like is this you know, for me to return a \$5 million fund. And I invest, I don't know what I don't know, 100k. If I



own 1%, of a company, and it becomes a \$500 million business, I returned the fund. So I'm kind of optimizing for like, one to 2% ownership, I'm not the first check in. And I'm, I'm looking for founders, you can build things that are, you know, that can be billion dollar businesses. And I also, a lot of people don't think of this and you're not supposed to think of it, but it's like, who's gonna buy this thing? Like, I look at stuff, and I'm like, Who would this be strategic for, and you never really know, I feel like I see all kinds of like wacky acquisitions, and it's like, really, those people bought out or that company bought that. But I still think about it, you know, \$5 million fund, people assume I'm investing, like, entirely at precede like, you know, million dollar rounds at like, 8 million post or 10, or something. And I just, you know, know enough, or have seen enough to know that, like, anybody can have an idea. If, and so I'm investing like, almost exclusively at seed, which means I'll own less, but I also feel more confident in what I'm investing in. I also often have, you know, top tier funds alongside me at seed, which you don't have as much at precede that, like, to a certain extent, like, of course, I'm not like a follower. But you know, a crew, capital's going to see like all the FinTech deals, and they're going to invest in the best ones. And they're going to be like, Oh, I've seen 10 of these, like, I don't see all of them, there's one of me, you know, I don't have like a FinTech partner in a, you know, whatever. Marketplace expert, like I'm investing in all of this stuff. And so, you know, there's a little bit a little bit of me that relies on that cosign, I, you know, look for founders who have operated in the area, they're investing or have felt the pain points of the end user, I also like to feel the pain point of the end user and have that level of empathy. So I can empathize with the founder I'm investing in and then also, because I've done it, but also and understand like the use case of the product, and then ultimately, what I consider their consumer and not, yes, it's a business. But, you know, a lot of freelancers aren't thinking about, you know, like I said earlier, if I love second time, entrepreneurs, like who doesn't. If I can invest in, in people who have already either pulled it off or blown it, pulled it off is ideal. But if they're impressive, and they learned a lot from their first business. And I talked to him, and it sounds like they can apply that to their second business. Awesome. And companies that like ultimately, yeah, I can make an impact on him. Like, internally, personally,



because of my experience, and network and ability to like, make introductions and all that stuff, but also amplify so it's not really relevant for me to amplify. I don't know what some dev tool to the million people who follow me across social which is like an awesome asset to have as an investor, but why to invest in notion. I would like my audience would be like, Fuck yeah. So to give you an idea of like, this gap market fit that I've found, I've been approached by, you know, Survey Monkey, and notion and Sophia, who I worked with, which is, you know, b2c, but still FinTech in the last six months, who are like, Hey, can we pay you to, like, evangelize our products on your social channels, so they got like marketing teams doing research, and it's not fashion companies coming to me. And I don't think the people who follow me care as much about fashion like, you know, they want to, you know, they're like, 3035, whatever, they want to build shit and buy a house. Right? So that gave me a lot of confidence, because I thought that was what the people who follow me like, and what I have some expertise in, but you know, marketing teams, agreeing is awesome. And then, um, what was I gonna say? Don't know?

Jake 45:58

Well, that's a good enough pitch for a lot of people, I think. And I think it's, it's really smart. And it's like, sort of humble honor. And I like this strategy. Because basically, what you're saying is like, Look, I'm not looking to like build a small team, you obviously been there, done that, not looking to do that, again, you're trying to advise companies that are sort of best suited, or, you know, will be most helped by your very unique sort of set of skills and advice. And, you know, so you're not trying to, like reinvent the wheel on like, some algorithm for identifying companies as early as possible. And you know, all that you're sort of leaning on and leveraging some of the best funds in the world who are already doing that. And you have tremendous access to be able to get allocations in those deals. So you can sort of take your pick of a letter. And then I don't think, you know, if I'm sort of understanding, right, like, what what you care about, what's fun for you is not like, diligence in deals, it's helping founders and with the problems that you've been through firsthand and want help other people avoid or mitigate to the best that they can sow. Sounds really exciting. And I guess, in closing, you know, because we're over on time, but I really appreciate you



coming on, it's been awesome talk with you. And before this, even just, you know, listening to other podcasts that you've been on and reading some of the stuff you've written, it's, it's an awesome story, and I appreciate you coming on and sharing it. But where can people go to, you know, if they are interested in maybe, you know, looking at trust fund to invest in their company or to invest in trust fund as an LP? Where do you want send people,

Sophia Amoruso 47:37

you wouldn't be trust fund.vc, we've got a link for pitches, we got a link for people to apply as, like LPs. And then, you know, you can go, I'm sure you a lot of people listening have got like degrees of connection. In my network. Twitter works. You know, it's like you contacting me on Twitter, I've made such awesome relationships on Twitter over the last year. And then like Instagram at Sophia, Amoruso, whatever, Twitter, same, whatever. And then I think, you know, one thing that you kind of refer to is, like I just wrote my first LP update. It's q2 23. So it may not be relevant later, but I also made that public and so you can link that in the show notes. And it's like, really fun and visual, and like, I loved writing it. So that might be an interesting place for people to poke around.

Jake 48:32

Yeah, I read that and I will link that and I appreciate you linking this podcast of an upcoming podcast that you were gonna go on. So thank you for doing that. Thank you for coming on. It's been awesome talking with you and hope to give that you too.