



# Titans as Teens

## Transcript: Ho Nam. Episode 4

The podcast is here:

<https://www.titansasteens.com/ho-nam-venture-capitalist>

### [Theme music]

**Brody** [00:00:07] Hey there, Brody here, with a new episode of Titans is Teens, a podcast where I have detailed conversations with interesting people from all walks of life about their teen experience and the knowledge they have for teens today. Today, I have the pleasure of speaking with incredible venture capitalist Ho Nam.

**Ho** [00:00:25] The path that really worked the best for you is the path that fits with your particular set of strengths and your particular personality. So you have to find what's right for you, because if you try to find the path that is copying somebody else's strategy for success, it's not going to work. It's going to fail.

**Brody** [00:00:45] Ho Nam is one of the most intelligent people I have had the pleasure of speaking with. He holds an incredible array of knowledge on things both physical and mental. Ho has an impressive track record as well, getting his MBA from Stanford, his bachelor's in science at Harvey Mudd. He then began his career as a venture capitalist, becoming increasingly prolific over the years as a co-founder of Altos Ventures. I started by asking him how he ended up going to Andover, a boarding school in Massachusetts.

**Ho** [00:01:12] Yeah, so it was a funny thing because they came to recruit at my junior high school. So I went to junior high school at this place, Robert Louis Stevenson Junior High School. It's in the area of L.A. called Boyle Heights, which is really right in East L.A., a very tough neighborhood, maybe ninety five percent Hispanic. You know, I didn't live too far from there, but I was bussed into that location because they had a - in L.A. they had this program called Mini Magnet Program that had basically specialty schools for different people who tested for different skill sets.

[00:01:47] So this particular mini magnet program was for gifted kids that maybe tested high on IQs or something like that. So I was bussed there, and I was like the only person on this big school bus, going to the school for a while. And then after a while, there was maybe one or two other kids on this big school bus. So I don't know how the school system afforded that, but it was a fantastic program and I signed up for it. Now, it was very interesting going in junior high school there, because it's like people like sometimes bringing knives to school and there're gangs. So it was that kind of a crazy environment. But as part of that, there was a little oasis that people who were really curious, interested in learning, and had some great teachers. So Andover came through to these kind of inner city schools looking for scholarship students, probably looking to get scholarship Hispanic students. In my year - you know I got lucky. I mean, they picked two students instead of



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just one. And so I, I got accepted. And then my best friend from that school also got accepted. And so that's how we ended up Andover.

[00:02:52] And the thing is, I started at Andover in the ninth grade. At Andover they called ninth graders juniors. So I was in this all junior dorm and they asked me to actually step back a grade. So my friend went in as a sophomore. I went in as a ninth grader - as a - called a junior. The sophomores they called lowers at Andover and then 11th grade is uppers and then senior is the same - senior. So I started as a junior, which is a freshman.

[00:03:21] And then I quickly realized that, hey, look, Andover is actually a top notch school, of course, very well known, but maybe wasn't as tough as academically as I thought it was. And I think mostly they probably wanted me to step back because they thought I was immature. So that's probably true, I was immature. But I was taking all these more advanced classes with people a year ahead of me, sometimes two years ahead of me. In math I was already a couple of years ahead of my grade. So I think halfway through my ninth grade year, I decided to basically apply, not apply, but just petition to skip a grade. So I ended up going from nine to 11th grade and then ended up graduating on time with my other friend. But that's kind of the story of how I ended up at Andover.

**Brody** [00:04:07] There's a lot of really interesting parts with that story, especially like I'm not sure if you want to call it luck or whatever, but it's honestly like so cool that you and your best friend got to go.

**Ho** [00:04:16] Yes, completely, completely lucky. And look, I didn't grow up in the kind of a neighborhood where we knew about boarding schools. I don't even know if such a thing existed. And then when they gave this presentation about Andover it was like, wow, this sounds like such a cool place. Like that's the place that's the school that JFK Jr. went. And but both of the Bushes, the Bushes were not presidents, of course, back then. But I think the older the senior Bush was still kind of well known. Maybe he was vice president at the time. So it was like that's the only school I applied to. I didn't know about any other boarding school, so I didn't know there was a school called Phillips Exeter that exist. It's like, oh, OK. You know, it's funny because later on, as I when I grew up, I ended up rooming with a good friend of mine who was an Exeter grad. It was like "oh yeah we were at rival schools".

**Brody** [00:05:03] It sounded like you were like, really, I mean, you said you were really ahead, which is awesome. I mean, obviously, that's probably part of the reason why you got in. And apparently you said they were they held you back because you thought you were immature.

**Ho** [00:05:15] Yeah.

**Brody** [00:05:15] Was that reflected in your, like, social standing at any point?

**Ho** [00:05:18] Yeah, well, I'm sure it did. I was kind of a geeky kid and awkward socially. More into science and math and music. I was actually pretty advanced, in music, I played



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in the orchestra all four years there. But the interesting thing about a place like Andover, is even though you have kids from all different kind of areas, the some ways maybe it was helpful that I was kind of clueless socially, because I think maybe if I if I grew up in Upper East Side of New York and I knew the social pecking order of, oh, jeez, that guy is from such and such a family or versus another, I had no idea. And so I had no idea on, during spring breaks, if somebody went off to some island on a private jet, I was not hanging out with that crowd. I was probably hanging out with some of the other scholarship kids or some of the other nerdy kids who were misfits. We were kind of into games, Dungeons and Dragons, you know, doing geeky things, playing cards. I had my certainly track on music. I did sports a little bit, but I was not really part of the whole varsity sports crowd.

[00:06:22] The nice thing about Andover is like, you're stripped of all your pretenses in some ways. Again, again, there are some people who carry, because maybe they started, you know, they grew up in certain areas of New York or whatever. They knew everybody from pre-K, right? Growing up. But again, I was not part of that. And whatever privilege you came from, you left it all behind. Like the clothes people wore, you were not allowed to have any cars on campus. So there's no sign of status. And if anything, I mean, the wealthier you were, the more ratty clothes you were. So it's not like you could tell. So so it was kind of a meritocracy in some ways. You were just - you who you were.

[00:07:04] And if you expected to be treated differently because you came from such and such a family, you're like you're such an asshole.

**Brody** [00:07:11] Ya.

**Ho** [00:07:11] I don't don't want to deal with you. And so I think I think everybody was treated for who they were. And you had to you had, of course, had to find your own way. But I don't know, there was, again, that much advantage. And after having grown up, maybe I realized I was kind of oblivious or clueless to all of those kinds of social cues. But to me, it felt like I was free to roam, free to be myself. And it was pretty much about meritocracy and especially having, being able to skip a grade or something. I could take classes in the areas that I was interested in. And regardless of where you were from or what grade you were in, you could kind of interact based on the classes we were taking.

**Brody** [00:07:54] Yeah, I mean, for me, that's like the main benefit of private school in general, not even just boarding school, like being able to modify your curriculum to fit you.

**Ho** [00:08:03] That's right.

**Brody** [00:08:04] Is there anything that like now as an adult, you think, one thing that you could change to the public school system that would improve it?

**Ho** [00:08:13] Oh, God, I don't know. This is that is such a, big, big problem. You know, overall, I mean again, I was very, very fortunate to have a chance to Andover, but even Andover, whether it's public or private, I kind of as I was growing up, I viewed school as like a little game. Right. And my my game, the way I try to maximize was, I tried to get



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away with doing as little work as possible. While still getting acceptable grades. To me, I guess acceptable is I mean, I still I was still competitive and so I didn't want to have bad grades. But so at Andover I had I had pretty good grades, not the straight A like outstanding grades, top of the class that I did at the public school. But very good grades. But I tried to do it with, like doing the minimal amount of work. And then I had to calculate - I knew that if you missed a certain number of classes, you would get expelled. And so I always knew exactly how many classes I could miss and not be expelled. But if you missed a certain level of classes, the number of classes, you would be on probation. So I was literally on probation every single semester in my high school years. So probation means you have to come in earlier on weekends, which didn't matter because we just lived on campus. It's not like we went out, and then you had to do chores. We had to do chores anyway. At least back in those days we did chores like cleaning toilets, shoveling snow, working in the mess hall. That was a part of the duty for every student. But if you're on probation, you had some extra chores you had to do, but that was the price to be paid.

[00:09:54] And so, yeah, the thing is, so my biggest regret in school in general was, I think, just the regimented nature of it. It wasn't as appealing to me. So so I just made fun of it by trying to play it as a game that I could optimize for my own happiness. And I think it was only later in life, after school, that I really got much more curious about learning - about life about and certainly in my line of work, always trying to figure out how to solve these kinds of problems.

[00:10:28] And so I've done way more reading out of school than I ever did in school. Whether it's high school or college. Yeah,.

**Brody** [00:10:36] Learning for not just the grade, right?

**Ho** [00:10:38] Yeah, not for the grade, but learning for the sake of learning. Whereas in school I would say that I was not there to learn, I was there to get through and get, get the grades and, and win the game, but not necessarily not focus on learning.

[00:10:54] So, so to me that, that, that's the biggest regret. I don't know how I could have convinced myself that learning is more important than grades. But during school, I didn't appreciate the great opportunity I had. And I think, unfortunately, when you think about public schools, they're so focused on the Common Core and that the schools and the teachers get evaluated based on how the students do on these standardized tests. And they're just kind of making learning not fun at all. It's all about making these, passing these stupid standardized tests to make the school look good, you know? And to make the teachers look good. And just really it's a shame. So I don't unfortunately, I don't have a solution for that. The biggest thing is how do you instill kids the love of learning, right? Because if you give them - I mean, they're naturally curious. Right? So if you if you don't kill that curiosity and, then have them want to learn, then the sky's the limit. They're going to want to learn. But the way things are done at schools now is I don't think they teach kids to love learning. They teach kids that they have to pass tests.



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**Brody** [00:12:06] It sounds like to me that you would say and tell me if I'm wrong, that the school curriculum, like the actual curriculum that's being taught, the thing you're supposed to learn is not actually the important stuff. The important stuff is you're supposed to learn how to learn that thing that you're supposed to learn. That sounds incredibly convoluted. And then apply that later in life to jobs, life, social, anything like that, right?

**Ho** [00:12:30] For sure, learning how to learn is critical. And I think one of the things I learned in college from a philosophy professor is really that learning how - thinking about the right questions to ask. Like asking the right questions, is sometimes much more important than getting the right answers.

**Brody** [00:12:48] I have to think about that a lot for the podcast.

**Ho** [00:12:50] Yeah. Yeah. I can't remember who told the story, but there was some story about like, how would you solve this particular problem? And there are some people who then just go right to work and solve the problem. There's other people who sort of just sit there and do nothing. They're just thinking about the problem. And then spend the last ten minutes solving it. And so they're sort of asking the right questions is being thoughtful about what problem you're solving, what questions you're asking will direct you into a certain path.

**Brody** [00:13:22] How did you make the journey from Andover? Did you go to Harvey Mudd or Stanford after?

**Ho** [00:13:28] After I went to Harvey Mudd afterwards, so Stanford was for grad school, for business school. So I went to Harvey Mudd for undergrad because it was very unusual because I had never even heard of the school. I think it's a little bit more famous now. But back in those days, especially going to high school in the East Coast, you never would have I never would have heard of it. But they they sent me this junk mail. And what got my attention was, the junk mail literally said it was a two inch headline, said "JUNK MAIL". [laughs] But it was from Harvey Mudd College. And so their headline was Junk Mail. And then it read like, "Oh, I know based on your test scores, you get a lot of these kinds of solicitations", because back in those days, I don't know how it is now because it's so much more competitive to get into good colleges.

[00:14:16] Back in those days, these colleges were sending you materials, saying you should apply to our school. So they said, I'm sure you get a lot of this kind of junk mail. You should look at really look at Harvey Mudd College. You probably never heard of it. They're very humble, but funny in a way. But they had data. They had statistics that were like really impressive. It's like, oh, my God, x percentage of grads go to these top grad schools, X percentage, have this kind of starting salary. This is the average SAT scores like, holy cow, I've never heard of this college. But like these scores are like off the charts. This is very impressive, obviously very smart people.

[00:14:53] And so I decided to apply there and ended up getting a scholarship, which is an important point for me. I think of my parents as well. And then and then it's such a small



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school that there was only one hundred forty six people, or one hundred forty eight people accepted into my class, not accepted but started in my class. And then one hundred twenty eight people graduated. There's always, always a big drop off in those technical schools. But one hundred twenty people graduated. So tiny school and because it was tiny, I got letters and emails from like the head of various departments from the physics department, chemistry department said, oh, you should think about majoring in this major or that major. Then I got calls from and personalized messages from alums in the area. And one of our alums was an MIT grad, he went to MIT and settled in Boston. So he was near my high school and he met his wife at Scripps College, which is an all girls school right next to Harvey Mudd. So talking to some of the alums and again, hearing from the professors is like, wow, I didn't get this kind of attention from any other school. So anyways, I decided to give it a shot, and I'm glad I did. It's such a such a special little school that I think it's just a very unique environment.

**Brody** [00:16:05] I get a lot of very different answers to this question I'm about to ask, and I think you'll probably have a very unique one. How valuable do you think schooling is? Like do you think you could have been, I don't like to say successful, because that can mean anything, but where you are today, without going to both Stanford and Havey Mudd and Andover, that was three...

**Ho** [00:16:31] Yeah, it's such a tricky question. You know, I think the course of events in my life, it all went through those different schools. So if I changed any one of them, then my life would be so different. So so I think - another way of thinking about it is - there's a kid that we hired who's a high school intern in our firm a few years ago, and he is phenomenal. And I said, look, I would hire you, and he's just graduated from U Penn, so I would hire you. You don't need to go to college. I would hire you right now. And I think he would have been better than most college grads and maybe even many MBA grads. So he could do the job of being a junior venture capitalist, scouting for deals, he was just phenomenal. Again, very curious kid. And of course, I couldn't hire him because his parents would just kill me if I hired him out of school. But lo and behold, after an internship at our firm, he's interned at a number of other venture firms and he's going to be a VC. And I think he's going to be very good at what he does. But he's been kind of doing the job ever since he worked for us that summer. So I think there are people like that who really don't. If you're curious and you're learning all the time and you're networking, you can go out and just do the job right. But again, for me, it's hard to answer that question because, well, if I had been at this place that led to that place, that led to that place, then I would have met my wife or I wouldn't have gotten this job. And that wouldn't have led to the career that I eventually had. And so I wouldn't necessarily change it for myself. But who knows, maybe could have been a lot better if I decided not to go to some of those places. Who knows?

**Brody** [00:18:10] Yeah, I agree that that it touches on a common thread that I've heard that, I mean, of course, you wouldn't change it because you're pretty happy where you are. But it doesn't matter where you go or what experiences you have, as long as you're driven and you actually are trying. People like to say, oh, Bill Gates was a college dropout. Right. So I can be successful, too. But Bill Gates was incredibly driven and had a goal.



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**Ho** [00:18:33] Exactly. So if you're Bill Gates, that's a case in point. You don't need college. You can do whatever he wants. And there are lots of people who are like that for you. If you really believe in something and you want to pursue it and you know that's what you want to do with your life, you should go do it.

**Brody** [00:18:47] It's more of, college is more of like a driving experience, but if you already have that drive, you may not need it.

**Ho** [00:18:54] Yeah.

**Brody** [00:18:54] I want to start talking more about your experience as a VC and entrepreneurship, because that's obviously what you're most versed in.

**Ho** [00:19:01] Yep.

**Brody** [00:19:01] You've said that one of the most important things a manager can have is passion. And can you explain this to me?

**Ho** [00:19:09] Yeah. Well, first of all, that's what Warren Buffett said when I asked him that question. So I asked him this question one time, many years ago, it was at one of those Berkshire annual meetings. And then I didn't realize that that question got captured. All of these meetings were being recorded on video. So I then later I'd found it.

[00:19:29] So I asked him the question because he talked about great managers and good businesses. And he said, well, what what what do you see in a great manager. And what's the difference between a great manager and a great entrepreneur/founder? Because some of the companies that he's purchased, he's bought from these guys who started those companies from scratch, build it to massive scale, became billionaires after he bought their businesses. So is there a difference between somebody who could start something from scratch versus managing something that's already a successful company? And basically his answer was, I thought, very thoughtful.

[00:20:00] He said, hey, look, by the time they hit our radar screen, because they don't acquire little companies, they only acquire very successful businesses. We know they're competent. So they've already done a lot of things to know that they can get the job done. But what he's looking for is something else, something more than competence, because he knows as soon as he buys that person's company, that person is going to be so wealthy he doesn't have to work another day in his life. And the last thing Buffett wants to do is hire a company and then run it. He's an investor. He's not he's not an operator. And he doesn't have a team of people. He's going to put in some of these private equity firms. So he just asked himself, does he love the business? Do you love the business more than the money? And he said it's OK to love the money. The money buys you a lot of things. But if that's all you love, then as soon as you have enough of it, you're going to just quit, right? Versus like look at Jeff Bezos, he also copies Warren Buffett. He says he tap



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dances to work every day. That's another Warren Buffett line. And so he taps dances to work every day and he's just getting warmed up. Right.

[00:21:07] So how do you find that, if you have somebody who is like that, boy, that person is going to go really, really far? And we look for those kinds of entrepreneurs. And a lot of people ask, well, how do you know? It's like, well, I don't know. I wrote a blog post recently called 'How Do You Know?' And the thing is, I don't know. But I get to see these people, develop and evolve, I get to see the businesses evolve over time. I get to see the people evolve over time.

[00:21:33] And what I've seen is, as companies get successful, and I've asked this question to my partners, business partners, as well as to these entrepreneurs we back, as they become successful. Then then we say, OK, at some point you are tempted to cash out, right? You sell your business, you become really wealthy, right? Or you take it public and you sell your shares. So we ask the question like, well, how much liquidity do you need? Because you could be sitting on all the stock, but it's not going to feed you. You have to turn into cash for to change your life. So how much of the stock you want to sell. And said, well, I need a million dollars or whatever because I need to buy a house for my family? Well, I got to pay for the kid's college educations. So there are various expenses. And being an entrepreneur in Silicon Valley is very tough because it's such a expensive place to live around here. It's hard to keep up with the Joneses. So sometimes the answer is pretty big. You need maybe multiple millions of dollars just to have the basics of a house, roof over your head in a good neighborhood, and pay for your kid's educations. So. So anyway, let's say you take care of how much you need.

[00:22:40] Well, after that, listen, if the company continues to be successful and you haven't sold all your stock, now you have to decide how much more do you want to sell. And then we start asking the fun questions of, well, how much liquidity do you want? So now you're talking about more than needs. Well, I really would love to get this dream car that I've always had. Or maybe an airplane or a yacht or a second house. OK, look, by the time what you want gets to be this long list of other fun stuff, I say, well, good for you. You know, you've worked really hard. You're very successful. Sounds like what you really want to do is retire or go have fun with your toys. That's great. You work hard. You deserve it. And that's what that's what you should do. You shouldn't be running this company. Right. Doesn't sound like this is what you want to do with your life. What you want to do with your life is something else.

[00:23:31] But but when you have these entrepreneurs and again, it's a very, very small subset of them, like a Bill Gates, let's say. Like, no, what I want is not all these other material things. What I want is I want to keep doing what exactly what I'm doing. I want to change the world. I want to build this amazing product. I want to service my customers. I want to create all these jobs and continue to work with all these great people I've been working with for the last ten or twenty years. And this is fun for me. This is my fun thing, not playing around on some Caribbean island or something like that. Right.





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[00:24:04] So there's this question that I asked Buffett, and he answered that question to me, I think it was maybe seventeen years ago, I've been thinking about it. And the thing is, as it manifested itself in my own work, as I work with entrepreneurs and see some of these companies grow and see some of these people become successful over time. Wow. And it comes back I really get it now because I've lived through it and I've seen these entrepreneurs who a lot of times start with nothing, and some of these guys become billionaires or multibillionaires, and you get to see what they're really driven by, once they have the money. They said, no, that's not important to me, but I really want to do is keep working. And there are many other people say, I want to punch out, I'm done, and that's fine. That's good for you. And we all part ways. We all made some money together. And, you know, I'm doing my thing and they're doing their thing. That's fine. But there are other folks which to say, I want to keep going on and on. And we're still on that journey with some of these guys, which is really fun.

**Brody** [00:24:58] Yeah. And oftentimes those people who keep going are actually the ones who end up making more money in the end.

**Ho** [00:25:04] Exactly.

**Brody** [00:25:04] It's a strange way, that it happens.

**Ho** [00:25:07] Yeah, well, the thing is, look, if you cash out, you can't make any more money. Like you get - good luck. You put it into the bank. And what are you going to make? Less than one percent interest right? Now you could reinvest it, I guess. But what if you just kept it into an amazing business that you built over a period? You know, this business. Now if it's not an amazing business, of course you should cash out, because maybe it'll blow up. But if it's an amazing business - if you don't cash out - first of all, you don't have to pay taxes. Right? So you don't pay taxes and now you're compounding your money, on a pretax basis, and it just keeps getting bigger and bigger and bigger. So that's how you create the great wealth, is keep it working in a business that is a compounder, not take it out and put it into the bank, at zero percent interest rate.

[00:25:55] Or try your luck at buying some stocks and being an investor. Good luck, you know most professional investors can't even beat the stock market. Right? I mean, professional investors can't be the stock market. So if you have a business that you know that you've built, why not keep it in what you know, invest in your own circle of competence. That's another key Buffett thing. And if you don't understand what your circle of competence, or the edges of your circle of competence is, then you don't even have a competence. If you don't have a competence that you don't really understand what the edges are. If you have a very strong competence, you know what you're good at and you know what you're not good at.

**Brody** [00:26:31] Hmm. That brings up another question that I had for you, which is simplified: is it possible to force yourself into like a job? Say I want to be a VC? Is it possible for me to just train and study for like years and I'll become a VC or if I want to



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become an entrepreneur, same thing. Is it possible for anyone to be anything if they try hard enough?

**Ho** [00:26:51] Yeah, that's that's a great question. Look, I think we're all born with different abilities, different interests and different personalities. But having said that, I certainly in the in the field of venture capital and investing, I just learned on the job. I mean, there was there's no class called venture capital in school, in any of these schools - maybe at Stanford Business School, they have some classes now. But you don't really learn anything in those classes. You just you learn by doing. And so that's that's kind of how I learned. And I think one of the things that I've observed also about investors, whether it's venture capitalists or any kind of investor. I've seen over time, that there are a lot of different ways of making money. And so the path that will work the best for you, is the path that fits with your particular set of strengths in your particular personality. So you have to find what's right for you, because if you try to find the path that is copying somebody else's strategy for success, it's not going to work. It's going to fail. So that probably applies just in general to everything. But certainly in the investing world, there are many ways of making money and you have to be authentic and genuine to who you are, and you have to find your own path to investment success. Yeah.

**Brody** [00:28:12] That really reminds me of a conversation I had the other day with Jared Friedman, who's a worker at Y Combinator. He was talking about how pretty much Y Combinator's things is, they don't accept anyone who they don't like. It doesn't matter if it's the best idea they've ever seen for a business. They won't accept it if they don't like the person. But if they see a person that they really like and it's a pretty shitty idea, they'll still take that person because for them it's all about the person. As we said earlier, that passion really just makes the business.

**Ho** [00:28:46] Yeah, I think that's so true. You know, I had this interesting lesson many years ago that when my first venture job before I started Altos, I was at a firm called Trinity Ventures and we had this one entrepreneur team. We love the entire team. It was just such an amazing group of folks. And we thought they had a bad idea. They were making ISDN routers, and you don't even know what ISDN is. But back in those days, it was a way for the telephone companies to provide data services over traditional analog networks. And we thought, no, ISDN's really not going to be successful. And we passed on the investment even though we loved the team.

[00:29:23] And so this is what ended up happening. So we passed on the deal. And I think NEA ended up doing it ,and ended up being one of their best hits of all time. The company failed in that first product. And then they morphed to a second product and then and then they failed on the second product. It's crazy. But then by the time they did the third product, the Internet started to take off, and they created these concentrator boxes, whatever, and their business took off. This company called Ascend Communications, they ended up going public at a four billion dollar valuation and then ended up getting acquired by Lucent for like eight billion dollars. It was such a massive, massive miss. And we loved the team, that's the thing, it kind of killed me to pass on this team, because they're so great. But we don't like the idea. And the thing is, we were right. Their idea sucked,



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because their product failed and the next product failed. But eventually it was a massive, massive win.

**Brody** [00:30:23] It's just that grit, you know, like that will to keep going.

**Ho** [00:30:26] Yeah. The thing is, what you're betting on then is on this great person, this great entrepreneur. That they're going to keep - they're not going to give up. They're going to keep keep iterating. But eventually. They have to find it, right? Eventually the idea has to be good enough, so that's the thing. So it's not just enough to have a great person. The great person eventually has to stumble upon that great idea, because if you don't have a great idea, eventually, if you don't find a discover a great business and great business model. You're going to still fail. So this is the other lesson that I've learned is that, look, you can't just it's not that easy. I've seen amazing people, some great people who just didn't make it, right? And they say, well, you know, there's a lot of luck involved and, yeah, maybe there's definitely there's some luck involved.

[00:31:20] But this is another Buffet term. He says, hey, look, a management team with a reputation for brilliance, going against a business with a reputation for bad fundamental economics, right? The reputation of the business is more likely to remain intact. Right. So, like if you're on a boat in a river, you know sort of how fast you go is not as dependent on how fast you row. But what kind of boat did you get climb into? Is it a fast boat? And are you going with the tide? Are you going with the currents? If you're moving with a fast current, you're going to move really, really fast. And so so there is there's truth to both. I think that the team is really important. And again, yeah, for me, yeah, life's too short to be working with people just because I think they're going to make us money. I think I want to work with people that I think are really great people that I want to hang out with and that want to partner with for many, many years. And I think they're going to do great things.

[00:32:21] But I've also had the bitter lesson that, look, just because you're working with great people doesn't mean they're going to be successful. We have to figure out the business and it has to be a great business. And if it's a great business, we're going to do really, really well. And sometimes you have people who are not as good, that are in great businesses and they do incredibly well, so there some luck element. But what I will say, though, is that if you have bad people in a great business, they could make a lot of money, but eventually the luck's going to run out. Eventually they're going to screw it up. Eventually, some competitor catches up, something's going to happen. And so you still need the great people and the great business. And if you do, then you're going to capitalize on your incredible stroke of luck. You're going to keep building on it and building on it and building on it. Because if you're an idiot running a great business, eventually I think the time's going to run out. You better exit. In that case, you better exit because it's not going to be one of those long term compounders. You're not going to want to hold on to that business for decades. You won't want to get out. But if you have a great business with a great person, you're not going to want to get out, because it's going to just keep going and going and going. Right. And that's what we're looking for.



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**Brody** [00:33:24] Something I've also learned while doing this is there is an element of luck, as you mentioned, and there's a lot of luck. But something that I learned from Naval [Ravikant] just by listening to his podcast, I haven't spoken to him, and a lot of other people who came on, is you can make your own luck, right? Luck isn't just something that you have it or you don't. You can put yourself into a situation, where luck comes to you.

**Ho** [00:33:48] For sure.

**Brody** [00:33:49] Like if there's the Internet starting, maybe you want to make an Internet company because that's the next big thing. It's that kind of thing.

**Ho** [00:33:56] There's no doubt in my mind that that's true. So you have to you have to keep believing and you have to keep trying to make your own luck. And eventually you're going to have your chances for sure, I believe that.

**Brody** [00:34:08] Is there some kind of tip that if you were to give a teen entrepreneur today, you think it would exponentially increase their chance of, not succeeding, but at least furthering their goals?

**Ho** [00:34:21] I think, just never stop being curious and never stop learning. There's a sense of humility that gets built in if you're always learning, because you're always learning, no matter how great you are, you're always getting better and you're always not like where you can be. I don't think you need to be necessarily overly or false - I hate false modesty. I don't think I think you could be very confident in your abilities and what you have to offer. But I think if you're always learning, you have a built in humility always, because you're not as good as what you can be or what you will be like if you just keep keep going at it. Right. And I think if you had that attitude, I think the sky's the limit.

**Ho** [00:35:07] Yeah. I mean, we've all heard that Socrates quote "I only know one thing and that's that I know nothing", So you've just got to keep that mindset..

**Ho** [00:35:14] Yeah.

**Brody** [00:35:15] ...I mean, of course, you don't know everything. There's so much in the world that it's not even possible to learn one percent.

**Ho** [00:35:22] Yeah, yeah. That's the thing. And I think the people who really know that understand that are the ones who have been pursuing knowledge for so long and who really, really know a lot, because the more you know, the more you appreciate how much you don't know.

[00:35:37] What I've observed is looking at some entrepreneurs. But I think it's true in sport, in sports, music, science, any field where you if you're pursuing something, that that has no end to it, and you're just constantly pursuing, the better you get at it. The people who are on those kinds of journeys, to me, I call it a spiritual journey. I think we're all on this earth. We're on a spiritual journey. Right. And as long as there is that growth, then



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you're working toward something and they go through huge ups and downs and failures. And, you know, and you realize how much how little, you know. You know, the more you go down that journey, it really is, to me, fascinating. It's a spiritual journey. And I see people who are on the spiritual journey and they just keep evolving and growing, for a really long time.

[00:36:31] And then I see other people, it's kind of a shame that maybe even at a young age, you think you know it all or you figured it all out. And then eventually they get tired and they stop growing and they stop evolving. There is no spiritual journey. Once you've figured it out or once you stop, you stop getting curious. Once you think this is all there is and you kind of stop. And that's to me just one of the great tragedies. And you can you can stop at the age of 20 or at the age of 80, some people to stop. And then there are other people who never stopped. They've just always growing to the last last days, right?

**Brody** [00:37:09] Yeah. I mean, it's a double sided coin, that knowledge that there's so much knowledge, like some people when they realize that they're like, then what's the point in learning? And that's that's obviously flawed because as you said, the more you know, the more you'll be able to do and the more power that you have - obviously, knowledge is power. And it really reminds me of something Craig said actually, where he was talking about - if you think what you if you think, you know, the only way - then if a better way comes along, you won't be able to adapt,.

**Ho** [00:37:39] You'll be blind to it. Yeah, that's right. That's right. And one thing, this is a more of a recent topic of interest that I've been thinking a lot about, and reading some of these books on this topic is that... We are as human beings, and I think animals in general, I think we are adapted for survival, all right? Not adapted to understand reality and understand truth. And so that's why the pursuit of truth and pursuit of what's real, is kind of elusive. It's tricky, OK, because.

**Brody** [00:38:16] We weren't meant to do it.

**Ho** [00:38:17] Ya, because we were meant to survive. And and we're we're going to adapt, as you say. And when you said adapt, that reminds me. We're meant to survive and replicate. And what's the best survival strategy sometimes is not getting at the truth. Sometimes you want to be blinded from the truth that maybe sometimes it is there could be so many different hypocrisies in life. And the thing is, if you if you're a hypocrite and you know you're a hypocrite, you're not going to be very happy with yourself. And so just for my self preservation perspective, you want to be blind to it. And so there's so many people who are kind of blind to the truth, are blind to reality, because maybe they want to be blind to it, or that's just a survival mechanism. So I think it's very tricky. Like true thirst for knowledge and true search for the truth, will help reveal some of the stuff. But it's tricky because we are, we're flawed human beings. We're like conditioned for survival, not conditioned to discover truth all the time.

**Brody** [00:39:15] Yeah, I agree. And you mentioned failure and like failure is the really big turning point for so many people, where some people experience failure and they give up



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and other people experience failure and and it drives them further. And there's even more people who experience the failure of others, like they witnessed failure, and they learn from that without even having to experience it themselves.

**Ho** [00:39:35] That's right. That's right. Charlie Munger had a funny, funny saying once. He said you said you don't have to, like, piss on a electric fence to know that that's not a good idea. Like, why do you have to do it yourself? It's like that is not a good idea. So there are, of course, some of the most visceral lessons you learn in life are the experiences you have to personally go through. But there's a tremendous amount of learning you can you can have by observing what goes on and and learning from other people and learning the journeys that other people go through. I think I think one of the best things to do in terms of reading for young people who are studying - and what the podcast you're doing is fantastic - studying other people, studying - you know reading biographies. I love autobiographies.

**Brody** [00:40:22] I agree one of the most fascinating books I've read recently was The Autobiography of Andrew Carnegie.

**Ho** [00:40:27] Yes.

**Brody** [00:40:27] Wonderful book.

**Ho** [00:40:28] Yeah.

**Brody** [00:40:29] So good.

**Ho** [00:40:30] Such a fascinating guy.

**Brody** [00:40:32] And even there's an evolutionary advantage to what we were talking about. Like it's stories. Telling stories is, back in the day was so you wouldn't get bitten by that snake that you saw. But these days we can use our brain to, as you said, learn from other people's mistakes. Don't piss on the electric fence.

**Ho** [00:40:48] Yeah, absolutely. Sometimes you have these biographies because these people are dead. So somebody else has to do the research and write about them. But if you could read directly from the writings of some great people, that's even better. Right. And so I love business biographies. People just sort of are real practitioners and they built real companies and they know how hard it is. And and none of these people are perfect human beings. You know, they're all everybody is flawed in their own way. But if you get to see that, I mean, that's you could really learn from other people that way.

[Theme Music]

**Brody** [00:41:24] That was Ho Nam. If you want to learn more about the podcast or other episodes, visit Titans as Teens.com for tons of information and further reading.

[Music up, end cold]