



Jake 02:18

Thank you, Danielle, for joining me on the show today. I've been looking forward to this conversation for a while and I appreciate you taking the time, you are the co founder and general partner at 1517. Fund. And before that you're known for, for working at the teal fellowship for a while helping them do some of the amazing things that they did over the years. So looking forward to digging into what the magic was behind finding all these great founders and individuals. But first and foremost, welcome to the show. And I would love to get started by hearing you tell your own story, as usual, from as early as you're going to start to where you are today and how you made some of the decisions you made along the way. Sure, absolutely.

Danielle Strachman 02:59

Thanks so much for having me. Jake, I really appreciate you taking the time. You know the the point that I think will be good to start with. And we'll go into some storytelling here is actually just sort of my own educational journey. I was, gosh, I was 18 in 1998. And I was going to college. And I didn't really know why. And I remember even questioning it a little bit I got into the school that I wanted to go to, which is actually an all women's school called Simmons College in Boston. And when I got the acceptance, it made me think a little bit of like, Wait, why am I even doing this at all? And I remember saying that out loud to my mother. Like, hmm, does this even make sense? And she was she was pretty right on it. I was one of the first persons in my family to go to college. And everyone in my family had me slated to probably go on to, you know, much more higher education than that. So she basically said over my dead body, are you not going to go to undergrad? And also at the time, I didn't have a lot of ideas of what else I would do. You know, when I was starting college, you know, laptops were becoming more accessible to the general public. You know, but you still couldn't necessarily like, you know, build a startup on it or something like that. So I don't think I was having any machinations of that there was a particular other thing that I would do, but just this light question in my head of like, Hmm, I wonder if there's something else or something different, but that's kind of as far as that question went at the time. And I ended up finishing school with a degree in psychology as well as performance music. And I was on my way to grad school. I had applied to a bunch of different places and I was going to go to school, potentially for Neuro psychology, which is part of what I do I studied in undergrad and I had an internship for a couple of years at the Beth Israel Deaconess Medical Center in, in Boston, which is a very prestigious place to be, I think, I don't even know what's going on to date. But at the time, I was the youngest intern they had ever had. And I kind of just made this opportunity happen for myself, where I



walked in the door and said, Hey, I think what you all are doing here is really interesting, is there an opportunity for me to shadow people who work here. And it was the first time anyone had done that. And they brought me on board. So I thought that's where my career was gonna go. And I had applied to grad school. And I remember that when I got into grad school, I had the same question of like, Hmm, am I going to spend all this time in school? You know, when I instead I could potentially be out in the working world. And it was a big decision, because when I thought about it, most of the people I knew who had gone on to grad school weren't finishing until they were in their late 20s or early 30s. And so it was like this really big question of like, Am I really going to triple down on this particular commitment. And one of the things that came to me was kind of like this early quarter life crisis where I said, Gosh, you know, the thing I've always wanted to do is actually to teach, but everyone growing up, told me those who can't teach, you know, the pay is terrible. There's no respect, like, basically, everyone was sort of veering me off on this other path. And when I would tell people, I was going towards something like neuro psych, they'd be really excited. Even my friend groups, it sort of meant something, it was like, Oh, you must be smart if you're studying this particular area. And I actually struggled in school quite a bit, you know, in elementary and middle school, and so getting that kind of kudos from people was very gratifying. And I think it, it made me not listen to myself at a certain point and listen to what other people thought was interesting or cool. And I noticed that I was kind of going to grad school because other people thought that I should go not because I had this burning desire. And that's kind of what happened to me is I woke up one morning and figured out wow, I do not have this burning desire to go to grad school. So why would I do this. And I looked back through my past and thought, gosh, I've always really loved teaching. But I don't want to be like a traditional teacher, I don't want to be in like a typical classroom and, you know, go through half two subjects and whatnot. But what I thought about was, you know, what I could do is be a private tutor. Because in that realm, I can be working with students all the time in different things every day is kind of different. I don't have to think about classroom management. So I started a tutoring company instead of going to grad school, and started working on it. And I, I fell into this interesting sphere of people who were homeschoolers and unschoolers. Back when I was starting this company, it was before Craigslist was totally creepy, and I had ads on Craigslist for tutoring. And I had a couple homeschool families reach out to me, which was really great, because the majority of my families had been public and private school kids, which also meant that most of my work all started after like two or three in the afternoon. And, you know, I wanted things to do earlier in the day as well. And also, one thing about public and



private school students was that I kind of felt like I was putting a BandAid on a bullet wound, because I was basically going over to people's house, to do homework help and try to catch people up. But you know, when someone is three grades behind on something, and you're trying to catch them up, while maintaining the work they're doing, it's very difficult. And then I remember the first time I went over a homeschoolers house, it was a totally different experience, the children were so excited for me to get there. They would ask if I could stay for multiple hours, can I do math and science and reading, like, they were just sort of like, oozing with enthusiasm. And the students I was working with who were in public and private school, they enjoyed that I came over to help them. But they didn't like what we had to do, because we kind of had to do all the half do stuff of school. And they appreciated that I would try to do it in a way that would work for them and make it more fun. But it was just very different when you go over someone's house, who is abundantly overjoyed to see you and is enthusiastic about learning. And I found that this extended to many homeschooling families that I worked with, and I ended up working with a homeschool Co Op. That was a group of secular home schoolers in San Diego and I loved working with that group. And that group actually really influenced my own way of thinking about what it means to be an educated person and a learner. And the woman who started that group came to me one day and said, hey, you know, I've been thinking about starting a charter school. Would you do it with me? And you know, we didn't have startup vernacular at the time. But what she was basically saying is, hey, I want to scale what we're doing in this Co Op, you know, would you do with me? And at first I thought she was crazy. I was like, You're not so like, we hate school. Why would we want to start one. But one thing was true is that we kept seeing parents come to our group and say, Hey, I don't have time to do this, you know, but I would love to work with a homeschool Co Op or something like that. And so that's where we got the idea. I will fast forward some of the story here. But my my co founder and I, Christine Coogan, we started innovations Academy, which is a public charter school in San Diego. We opened in 2008. But we took two years to found the school starting in 2006, which is nowadays, considered relatively fast, I remember we just couldn't wait for it to start. And we had this whole philosophy about learning by doing and really non coercion and respecting where students and their families are at with something. So instead of coming in with our own preconceived notions about what someone should be able to do, or how much they should be able to accomplish in a given school year, really looking at each independent learner. Being a school principal, because myself and my co founder shared that responsibility was a lot of work, I always say I would not wish school principalship on my worst enemy. And in fact, my one of my best friends Christine Coogan, that co founder is still the director of that Turner



school, and I am on the board and will probably be on the board forever. But it's been one of the most amazing things that I've done. And also the most challenging, and we went through all the sort of startup up up and downs that you can think of in terms of getting funding, losing funding, hiring staff, firing staff, you know, we were responsible for actual children, we opened our doors to something like 160 students, our first year, the school supports about 400 students now. So you feel really responsible when you have, you know, young people in front of you. You know, and you're promising to, to do a good job and better than what other schools are going to be doing in the area. But it was a really, really amazing time, and really grounded me in a lot of educational philosophy, which is actually directly linked to what I'm doing now with 1517. So after starting the school, I ended up moving up to the Bay Area, I had a boyfriend in the area, and we were doing that flying back and forth thing the school was in San Diego. And it was time to figure out who would go where and there was sort of a great migration of friends from SoCal to NorCal. And I said, Okay, I'll go north. I didn't have a job. I didn't know what I would do. I remember searching on Craigslist for places that I could live that, you know, I could sort of eke out some of my savings, but not spend a ton. And I remember at the time thinking that 800 bucks for the room I had was crazy expensive, even though it was the cheapest thing I could find. But nowadays, I look at that and like, wow, I really had a sweet deal in Mountain View. That was pretty good. But I came to the Bay with no plan. I don't, you know, I don't know how to code. I don't have like direct access and science and tech. So I really didn't know what I would be doing here. So sometimes I look back on when I came here 11 years ago and think wow, I could never imagine the position that I'm in now. But through a through a matter of events. I got a call from this woman. Lindy Fishburne who worked at the tell Foundation. And her words were to me were, hey, the foundation has lost their mind. They're starting this new program that the teal fellowship, to award young people who are 19 and under \$100,000, over two years to work on a science or tech project. They need someone to come run the program, I think you'd be really perfect for this. And I was like, wow, fortuitous like this is perfect for me. Like there's a lot of my sort of homeschooling philosophy and non coercive sort of pedagogy that would fit right into this program. So I immediately jumped on board, I did some interviews over there. And myself and my colleagues started building the till, the teal fellowship. And we had such an amazing time, working with those young people and learning so much and creating the program with them. And seeing after five years, the successes that people had, like photopic Buuren, Dylan field of figma, Laura Deming of the longevity fund, Ritesh Agarwal of Oyo rooms, that we said, hey, we think we could scale what we're doing here at the Foundation by starting a venture fund 1517 and take our



work to the next level. So myself and Michael Gibson from the foundation, we started 1517, six years ago, to really further that mission of being able to show that one path is not for all, and it's it's been really extraordinary. I love working on the venture side, we make very early stage investments, sometimes just you know, mentoring people and working with them over time, sometimes a 50k check, sometimes a grant check. We actually have a 1k grant program we run and then we write presea checks as well. And that thesis is still true for us of we work predominantly with people who do not have a college degree, I'd say 85 to 90% of our founders fit that thesis. And what we're thinking about, you know, more recently is, we've gone from being a fund where you have a single fund to a firm, where you have multiple investment vehicles, to really thinking about what does it mean for 1517 to be an institution. And, you know, identity is something that is really interesting to me. And I don't think of ourselves as necessarily like we are investors, and we do venture work. But it's not who we are. It's it's the mechanism for how we do the work we do. And so what we've come to, with where we want to go as an institution is that we're an anti establishment educational institution that happens to do its work by funding people. And so that's what we're kind of looking to set a foundation for actually coming up in 2022 and beyond. So that is like, that's like the long, that's probably the short, long version of the background. But I thought I would start all the way back at that sort of inkling of, hmm, you know, maybe there's something different out there. And it doesn't have to just look like going to four years of school.

Jake 16:14

Yeah, that's a that's an awesome story. And I definitely appreciate the the short, long version, maybe next time, we can get a long, long version. What other stories come out and that one, but But yeah, it's great. And it's interesting, the common threads throughout obviously, a couple directions. I want to sort of take this. But first, I want to start something you said kind of early on in the story, the difference when you were tutoring between homeschool students and kids who were in public and private school. homeschooling, I know, there's a few companies that are sort of working on making this, you know, better or more easier for parents to handle, I guess, through technology. Yeah, like I had the founder of primer on is one of my first episodes, done some work there. But it seems to me that homeschooling especially with increased costs in private education, COVID. And the fact that a lot of parents sort of got a first taste of what it's like to do homeschooling in some fashion by force, it seems like a trend that should only continue to sort of increase in how many people are doing it. And for me, personally, it's just very interesting. I've heard a lot of these stories



and seen a lot of success stories from individuals who were homeschooled. So I'm curious if you could sort of like, dig into what what you think was at the root of the fact that like these, these homeschooled kids just seem so much more enthusiastic about learning. And did that translate to just generally better life for these kids? Do you think or what's your sort of assessment of, of homeschooling versus more traditional?

Danielle Strachman 17:50

You know, one thing that I found really interesting, the homeschooling families I work with, was that there were a lot that were so flexible, and how they thought about things. So there were families I would have, where there would be five kids in the family. And maybe three kids in the family were homeschooled, and then maybe two, at some point had said, Hey, I really want to go to school. And then the parents had found either the private or public school that those kids wanted to go to. And I really admired those families a lot. Because what they were doing was thinking they were making a conscious decision for each family member and in that child being considered in that in respective for what their needs were and what their choices and wants and desires were as well. And so with a lot of families, even for families who are, you know, you might say, oh, like, this kid goes to school or whatever. But if there's that conscious discussion going on at home of hey, is this the best fit? is, you know, is this a great place for you to be? I consider those families in almost that homeschooling bucket as well, because they're not just saying, oh, yeah, you go to the school that's down the street, or, Hey, you know, our family for generations has gone to the same private school. So that's where you're gonna go sort of thing. And so, one of the things that I think is an undercurrent in a lot of homeschooling in not all homeschooling, but is this idea of that the child is respected as a human being who maybe can't make full decisions on their own necessarily, maybe they need some guidance and support, but that the parent is really more like a facilitator, you know, than the authoritarian who says, No, you have to do X, you have to do Y and I've seen that a lot in these families that you know, I would just say are like conscious educators where they're making those decisions together as a family for is homeschooling the right thing is private school. The right thing is public school, the right thing for each independent child. And the other thing that I see with homeschoolers in particular, is that you get a lot of things where each person in the families is considered a learner. So you might have one child who really goes down a deep rabbit hole of history, let's say and then that person becomes sort of a You know, the one in the family who people go to to talk about that subject or in these homeschooling coops that I was part of, you know, sometimes those children would become like the authority figures on something on a particular



topic. And so there was just this idea that it didn't have to do with your age or particular standing, it was like that you could sort of prove just on your own, like what you knew, which is kind of interesting, I've actually something that sort of like to two brain cells are coming together, right now, for me about, we say the same thing with our founders of like, we're not looking for a signal, we're not looking for that you went to Harvard, or that you went to a particular private school, or that YC has knighted you or whatever, what we're looking for is that, you know, you're just showing us like, sort of the raw horsepower of what you know about something. And I felt like this was also true for the young people that I worked with when I was tutoring. And I think that agency is really important. And being someone who is, excuse me, agency young, I do think that it leads to a potentially more productive adulthood.

Jake 21:08

Right, so that's interesting, you drew the parallel from like these homeschooled kids to the founders that you're working with now. And I was curious how you thought, initially, when when the teal foundation reached out to you about running this fellowship program, how you thought that experience might translate or how they even identified that that experience? Yeah, translate, and then how it did in practice? Yeah. And then maybe from there, we can go a little bit deeper on to sort of what you did there. And sure, trying to parse out sort of the, how you were able to identify these amazing individuals, some of whom you named earlier?

Danielle Strachman 21:46

Sure, no, absolutely. You know, I think for me, it was very apparent when the foundation reached out that the homeschooling philosophy and long course of pedagogy was going to be a perfect fit for what they were going to do. And I think, you know, people over there knew as well, I worked with Jim O'Neill, who was on the board of the foundation, and he homeschooled his children, mostly for their early years in elementary school, maybe some middle school as well. And so there was definitely an alignment on that. And then it did filter into the program as well, you know, one, we didn't say it like this when we were at the foundation, but we've just been sort of coming to these particular Inklings lately with 1517. And they do play all the way back into the foundation, which is that we don't believe in playbooks. You know, we really believe that each person is an individual, and they're going to have different needs. And so we set up structures with what we do. And we both did this at the foundation. And where do we do it with 1517, as well, where there are structures to support people, but it's, I don't know quite how to say it. It's like, for example, with teal fellows, they would have reviews with the



foundation and with a mentor, and often with other teal fellows in the room as well. But there wasn't anything prescriptive. It wasn't like, Oh, your fellowship should look like this, or hey, you know, you're, you're a seed stage company. So you should definitely raise X amount of money. I see a lot of playbook stuff coming out of accelerators. And I don't think it serves founders very well, I think that it's efficient. But efficiency isn't always effective. And it's something that we think about a lot in terms of each teal fellow we worked with, it was like just an older young person's homeschooling program, where each of them was getting different support that they needed. But giving them all the support in the same way wasn't going to make sense. It's like when we had, you know, a negotiation workshop, we wouldn't insist that every single teal fellow come we would say, hey, if this is you know, if this is a resource that is useful to you, then then come in enjoy this, like I always described it, like a buffet table of we're gonna put lots and lots of stuff on the buffet table, but I'm not gonna force feed you to eat. And it was hard because the teacher in me, you know, I feel this FOMO about learning of like, Ah, I can't believe this one person didn't come to this workshop, because I know that they could like extract a lot of good information from this, but you know, they're not here, they prioritize something else. And what we learned was that people want information when the house is just barely on fire. So I remember talking to certain teal fellows and being like, Wait, why on earth? Wouldn't you come to the negotiation workshop, you're negotiating all the time, like in your life in what you want to build? It's just like, a great human skill to have. And they'd be like, Wow, I just didn't feel like you really needed it right now so that that relevancy piece wasn't there for them. And so we'd present a lot of different material so that when something was relevant, we had it right there sort of on tap. And I feel like that's true also for 1517. We're not going to say to you Every precede founder, hey, here's what being a precede founder looks like. Exactly. Because, you know, in some cases, we have a b2b SaaS company. In some cases, we have a biotech company, and it would just be ridiculous to literally hand them, you know, essentially a worksheet and say all of you are the same. So that was something that was very much baked into the tail Foundation. And I think there's no, there's a piece of criticism that often gets tossed around that, you know, there was no program or no structure. And that was just absolutely not true. It's just that we didn't make it look like force feeding things to children, because we didn't treat them like children, we we treated them like capable human beings.

Jake 25:38

Yeah, and I mean, at a certain point, you know, people can critique a lack of system or lack of structure. But the proof is kind of in the pudding on that



one, a lot of just really an amazing group of individuals, like you compare it to Y Combinator. And I don't know if the numbers off the top my head, but I think it's like basically several 100 companies that YC has funded over the last decade and a half or so. Versus I think at the tail fellowship, you guys are taking like 20 or 25.

Danielle Strachman 26:09

Yeah, we're taking 20 people under 20 years old, so they had to be 19 or under, in within that first batch of teal fellows, I believe. I think the stat is probably even better. But on my last count, which is probably a couple of years ago, even one out of 20 teal fellows created an opportunity that was worth over a billion dollars. absolutely mind blowing statistic. And, you know, I know, there was a teal fellows company that went public recently from a later batch. And it's like, Man, this is this is pretty incredible to see. You know, what, what young people can do. And I think part of like, our whole message is just that, you know, we always said at the foundation, some ideas just can't wait. And that's what it's about. It's not just about the cost of college, it's about the opportunity cost. And it's also about the opportunity cost of other people infantilizing people when they're in some of their most prime working years.

Jake 27:05

Right. So I guess the next question I have is, like you, I think, let me know if this is sort of unfair, but I would just like roughly split, what goes into making these successes as sort of, on the one hand, like identification of the individuals and on this get a second hand development, or incubation, I guess you could call it like something like that. And we spoke a bit to the development piece, like pretty unstructured buffet style, take what you want whatever's helpful, not gonna force feed you make sense. And it's like, generally, what I've heard from the few teal fellows that I've had on the show or talk to otherwise. And so I think there's definitely something to be said for that that like, flexible, somewhat autonomous, yeah, I've freedom, high encouragement, pursue your passion homeschooling type of approach. And if there's anything else on that side, I would love to hear about it. But I guess I'll start there. Is there anything else key on sort of the development side before I move over to the identification piece?

Danielle Strachman 28:10

You know, one thing that I think might fit on the development side is this idea of belief. One thing that we found to be very powerful over time is just being granted permission. And we saw this as a huge thing, especially at our final rounds, where we would have these people come in, and they'd say, Wow,



thank you for inviting me to this like, like, you see me, you see what I'm doing. And it was, it was interesting within the foundation program, as well, because what we had were a lot of people who, when they would get the teal fellowship, they would have like this early 20s life crisis, where they were like, Wow, holy mackerel, like, I just got this amazing grant and this huge opportunity. And now I think the thing I applied with isn't even like the thing I fully want to work on, because now I have the opportunity and like having the opportunity is different than dreaming about it. And I think there's something in that development piece about having a supportive community that like points and says, like, yeah, we believe that you have the potential to do something greater than, you know, then even you know yourself possible. To do and we just see this, we see this all the time, especially with 1517. Now, people come back to us six or seven years later, hey, you gave me a grant when I was in high school, you believed in me first. And that helped me to figure out that, you know, I did want to go to grad school later. You know, in this particular topic, and this happened the other day, I had a coffee with a young man who came to one of our events, and he said, you know, that event really opened my eyes to technology and progress. And you know, now I'm at Cal getting my PhD in AI and ML, and I just can't thank you enough. And I was like, I didn't even know we did that. Like I had no idea that we had made any difference in this person's life. And it was only because they tweeted out at me over Twitter like, hey, yeah, I love that event I came to when I was 14 years old. I'd love to catch up and tell you where I'm at now. And as I was blown away.

Jake 30:04

Yeah, I think another way to say it, I mean, the way that you said it is great, like the belief, I think is, is definitely one word for it. Another way that I think about it, if you didn't say explicitly, it's just sort of like recognition. Totally. A lot of people, I think that's like a pretty both having people believe in you, and having some recognition from others, they're sort of synonymous, but maybe a little bit, you know, that they're both helpful in their own ways, and definitely come one in the same. But I think that a lot of people are sort of growing up, like, you know, you ask us kids, what they want to be when they grow up, and they want to be like astronauts, and professional athletes and all the rest, right? Famous actors, whatever it might be. And then you sort of get far enough through the education system, and you get ranked according, you know, along with your peers, and you're not the smartest one in your class. And like, you sort of stop believing in yourself, probably. And especially like, you know, you join the workforce, there's just more and more, placing you in competition and saying that you're not the best at this sort of generic game where like, if



you're, if you excel in one particular thing, you're not going to be the best that like the average of all of them, or whatever. And so getting recognized by like, you know, by Thiel, or his foundation and the fellowship, you know, 21 I think a lot of people, I think a lot of people sort of hang on to that high hope and belief in themselves through high school through college. Not everyone, but like, certainly, it hasn't been beaten out of everyone yet. And so to be recognized at that stage of your life, I think, something like that, especially when you're getting funded like \$100,000. It can give you like another 10 or 20 years of runway to believe in yourself, potentially. And it's great. They brought that up, because I think that must have been a pretty powerful factor for a lot of people.

Danielle Strachman 31:55

Yeah, I think I think I think you're absolutely right on, I even wrote down the word recognition, because I think it's a great word to use.

Jake 32:01

Yeah. Well, I appreciate that. That's just sort of I tried to hold the mirror to what you said. And yeah, no, that's a little bit, but I think it's an important thing. And I definitely wouldn't have thought of had you not mentioned it. So jumping to the other side, which I think may or may not be as or more important, as the identification, because just the sheer numbers of it, like you put together the best program in the world, even. You put 20 people in who are sort of, of average or even 75th percentile, or even like 90th percentile capability, even 99th, probably, you're not going to get any billion dollar companies out of that. You have to plug in Super exceptional people in terms of what they're capable of, and what the max of their potential is, to get these absurd outcomes that that the teal fellowships realized. So, yep, I'm curious, like, there's again, there's a few different pieces of this funnel, and like I took a few notes beforehand, but I think it's sort of recruiting because you need to, like solicit the applications in the first place, then the design of the applications themselves, the evaluation of those applications that are submitted, and then sort of like the final interviewing and decision making process. So if you could walk through that, or if or if there's different stages. That work?

Danielle Strachman 33:20

Absolutely. And yeah, you're right, identification is really important. And outreach is really, really important. And, yeah, there's like many thoughts spinning through my head, but I'm going to attempt to tell a linear thing about sort of start to finish, and I'll add some commentary as we go. But, you know, one of the important parts was, we really had to put out like, we



called it a bat signal for the teal fellowship, because this idea in 2010, of, hey, there might be some young people out there that don't want to be sitting in a classroom, who are 19. And under, in might want to join this wacky program and get a grant work on something for two years, it was completely radical, you know, it was sacrilegious to talk about it. And so we, you know, we had to go out on foot on campuses and meet people, where they were at, and that was a big part of our outreach and still remains a big part of our our outreach is we really, really believe that there is amazing talent out there. But you have to go to places and you have to turn over stones because the type of person you know, like someone like a, like a metallic type, he's probably not like watching means, you know, and consider again that this is like 10 years ago, like maybe, you know, I wouldn't have considered social media necessarily like a news outlet, like it is now. But 10 years ago, I wouldn't have thought like, oh, yeah, batalik is gonna hear something about us, you know, on a program on TV, and then he's going to apply, it's like, that's not how this is gonna work. We're gonna have to go out and scout people. And so we spent a lot of time on different campuses. We took lots of different especially the first year We just, we just went, Yeah, we just went to lots of campuses and talk to people about the program. Peter himself did some of that outreach as well, which is really great, especially that first year, after that first year, we also got a lot of sort of referrals of like, hey, like, if you were looking for someone like you, where would you go, Look? Where would you turn over stones. And so they'd give us recommendations to their high schools or other programs, they were part of FIRST Robotics was mentioned a lot. So a lot of it was just boots on the ground, like getting out there and working with people. Once people were inside of the applicant pool, we did, we would always do a first screening and it doesn't work like this anymore. So I'll just speak to how it used to work. Excuse me, we, we would get applicants in they would apply, we would do a first skim always by humans, to look at applications in any application that you could tell the person had put some amount of effort into and wasn't just like, Oh, I'm throwing my hat in the ring for some free money. We would go on to a mentor stage where we had a pool of mentors who would review all those applications and write specific feedback on hey, here's what I think you should do to push this forward. We will actually give that feedback to these applicants. And what was super interesting about that was later on, we asked this question about, you know, what is the next 10 years look like? What is the next two years look like? And what are the next two months look like? And because the application cycle was four months long, we can go back to people and ask them about sort of, hey, how those two months ago, and it wasn't a gotcha like, oh, did you do the thing you said do you do is more like what did you learn during this time, because you know, with all good



intent, you can set what you think is going to be a goal and then find out it's much harder to achieve. And so it was very interesting to see who was kind of good at goal on level setting, who would take some of the mentor feedback, we would give and use it that was sort of coachability we were looking for. And then eventually we would do a phone screen for around I think the top like 80 people or so. And what we're trying to get to was the top 40, to bring out to our finalists round. And I think there's anything in particular, I mean, I think there's something about at that screening, it was often sort of just like a phone interview that we were doing. And a lot of what we were looking for is really like enthusiasm of, hey, this person's like working on this idea. They're very excited about the space. You know, we could see them using this time and this money effectively. And then we flew people out to our finalist round, which was top 40. And those finalist events are very interesting. I remember I was always sort of concerned about oh, gosh, like, I don't want this to be science fair. I don't want this to be hyper competitive. I want this to be the place where young people come and say like, wow, like, I'm loving who I'm meeting here kind of thing. And we were very lucky in that very first finalist round. We had this one young man who had shown up to the hotel pretty early, and he decided, like all on his own. He was going to make himself Welcome Wagon. And so he sat in the lobby and would greet every young person who he saw walk into the lobby and be like, hey, his name is Brom. He'd be like, Hey, I'm Brahm, nice to meet you. We should all grab dinner tonight. And we should do this and do that. And I was like, Oh my God, this guy's amazing. Like, he's totally diffusing the science fair, who's gonna win the competition energy that could naturally come up. And so I still know, Brom. And I'm thankful to him to this day for what he did. Because it was amazing to get these young people together, because what they would say at the event was, Wow, I've never met other young people like me. And I remember digging into that a bit because I was, I was confused. I was like, okay, but aren't you meeting other young people on your campus? You know, who are kinda like you like, smart, interesting people? And they were like, No, you don't understand. It's not about that. Like, there's plenty of smart people on campus. But there aren't people who are doing something outside of school, just because, like there aren't people geeking out about something because they just love it. It's because it's gonna get them a grade or be used for their resume, or to get them that, you know, primo internship or whatever. And people just look at you if you have six heads, if you say you're like, trying to start a project or a startup. And I thought that was super, super, super interesting. And actually, it was that feedback that made us go and say, We bet this sort of ethos extends down the applicant pool. So we started doing something called RTL summits, where we would invite a couple 100 young people to really meet other people like them,



and those were incredibly impactful events. But right now we're talking about identification, so I'm not going to go down that rabbit. But at that finalist round, you know, it was interesting, especially that first year because we didn't really know what we were looking for. I remember reading Tom's application from the first batch of fellows. And I had read 150 applications, I felt like my eyeballs were bleeding out of my face. Just because I had read so many things. And I hadn't quite hit on anybody yet that I was like, this is the type of person we're looking for. But there was something in his application that was really infectious. We had people send in written and videos, and he like told these stories about when he was in elementary school. And he decided he tried to like build a house out of bamboo in his backyard. And he was always the kid who was like trying to sell things in the classroom when the teacher wasn't looking and stuff like that. And he was working on a solar technology, mostly in robotics. And he was just really interesting. And I remember when I read his application, I was like, Oh, my God, this is the type of person we've been looking for. It took me 150 application reads to find this type of person, but I think there's some there were like things that were standing out that made him seem like a couple standard deviations above what the rest of the applicant pool was looking like. And so then we kind of were using certain Apple applications as like a baseline of like, okay, these seem like the types of people we're interested in, or like Lord Deming, had this deep, deep, insatiable passion for longevity, and not just passion for it. But she had been like interning in people's labs since the time she was a young teenager. And she was like, really invested in the space. And it was another one of these examples of like, okay, this is one of those, like, couple standard deviations out people. It actually wasn't until a couple weeks ago, maybe a month ago that our team on the 1517 side, we said, we think we now after 11 years, have enough data to like really come up with what we would call some of these qualities. It's taken us a long time to figure it out. Because it's hard to articulate it, I always tell people like, you know, the people we work with are very, very curious people. But when you see that everyone thinks of the curious person they know, they don't think of two standard deviations out on curious. And so it's like, I have cousins who are 20 years younger than me. And they're great. And they're smart. And they're very curious, but they're not. They're not what we're talking about, like there's something cat like literally categorically different. So one of these trades, I'll just name off one for now that we look for something called hyper fluency. And it's this ability to talk backwards and forwards about a space ad nauseum and be able to scaffold that communication up and down where you can talk to an expert in your space, but you can also talk to your grandma about it. And the reason this is super important to us is because if you're building a team and other



people, you need to be able to talk at different levels for things and very articulately. And the skill set of people who can do both of those things is pretty small. There's a lot of people who can talk super high level, and there's a lot of people who can, you know, use like, I don't know, regular nomenclature, but the people who are super savvy in an area and, you know, can talk to you about it, like it was written out of a children's book is very, very thin. So that's one of those traits. But that identification piece that that you're mentioning is huge. And it's something that we tweaked over time. I remember in the first year of the teal fellowship, we were very much sort of emulating college a little bit too much we used to ask for sh t is an sh t tos and I think it was after the second group of teal fellows, we let go of that section. And you know, started looking more at like, what is this person doing? Because we found that even people who were signs for winners and people who had great SAP is when you put them out in the wild and said, Hey, you can do whatever you want for two years. They were like cool, but how do I get my a and we're like, you don't get an A there's no classroom here. Like, you're now in a totally different environment. They did not do as well as the people who really understood Oh, I'm driving my own destiny now and I have the opportunity to make and build something. Yeah, what am I going to do with that time?

Jake 44:29

Yeah, that's a that's an awesome overview. And especially at the like, I like the beginning you talked about like putting out the Bat Signal boots on the ground. I thought it was particularly interesting to ask the people where they would find others like themselves as sort of a way to to track them down. And then you know, skimming from however many applications came into at phone calls and ultimately 40 in person for the final round. It's impressive for me to hear that you guys well how many applications Did you start off with I

Danielle Strachman 45:00

guess, the first year was the first year was 400. Applicants?

Jake 45:04

Yeah. So skimming from 400 to 80. Yeah, that's like 80%. Got without even talking to the people. And I think that's just like pretty impressive. I often wonder if you have to talk to people to sort of make that evaluation, but it sounds like at a high level, no, you know, you never know who was maybe left in the, in the 80% bucket that didn't get the call. But still, it seems like that was sufficient to cut the first 80% And then another 80 to 40. With the phone call. Makes sense. And not, you know, 50%, cough, a phone



call seems very reasonable. Yeah. And then the 40 in person. So it's an interesting filtering, for sure. And then, towards the end, the fact that you guys didn't really know what exactly you were looking for, maybe I'm able to figure it out just by pattern matching the types of people who just evidently stood out. You guys weren't looking to like match to some criteria, you just sort of recognized,

Danielle Strachman 46:07

like, we have to see what's in this pool of people, we were very open to maybe nobody in this pool of people, is where we should be going. And like if we need to, like delay the onset of the program, we would do that. And so we were very open about like, we'll see what happens. But I do remember that first Final Australian, I'll never forget, because we were getting to meet these people in the flesh. And I always say that people are 3d and materials are 2d. So like reading what someone wrote on an application versus meeting them in person was like, transformational for everybody. It was huge. And I've you know, this, I've always been very curious about the experiment of like, yes, we always picked who we thought would thrive most in the program as the sort of top 20. But there's a there's like a mischievous part of me, that always wonders if we had just done a random assortment of, you know, those 40 and said, Okay, we're gonna, you know, throw a die and pick the 20 based off that, that, I think I think we could have had some very interesting results from from that experiment.

Jake 47:13

Yeah, I mean, that's at that point, that's already the top 10%. And at that point, I think you're, you're splitting hairs probably. So make sense. I'm gonna ask you another question that I'm not sure whether or not you'll want to answer. So I'll give you a backup in case you don't. But you talked about the term hyper fluency, which I thought was super interesting. I've never heard that term before. I don't know if you invented it, we made it, we made it up. Okay, awesome term and word and what it describes, I think there's just, you know, people who I've always found that the smartest people can describe the things that they're experts in extremely simply. And that's often what I asked people on podcast who are experts in their given field to do. And it's just super impressive when they can do that. And sometimes people can't they just live in that, like, really, really deep in the weeds area, and sort of can't come out for air. Not to say that they're not, you know, I haven't like identified that term or anything. I never thought these people, maybe

Danielle Strachman 48:13



we have a term for those people. What's a, what we call that is the cloud of abstractions. There are people who are really smart, and they sound really smart. But when you ask them a very pointed, like, hey, this question is an answerable question they tend to answer in really big abstractions. And what we've seen with those folks, is that it is often a way of trying to hide that not a whole lot is going on. It's like, okay, you sound really smart. But when I asked you, where does the rubber meet the road, and, you know, like, one of our favorites is, we always ask people about their 10 year vision, but I always ask people, What are you doing on Friday? And when they can't answer for me, like, here's what I'm doing on Friday, something is wrong. Like, and it's not that something's wrong with them. But it's that something is not equating to this person is is going to be a pattern match for the type of person who is going to maybe work well with us. Like maybe there'll be a successful entrepreneur, maybe other things will happen. You know, our job is to miss a lot of the time. But in our opinion, you have to be able to do both, like know what you're doing on Friday and have that 10 year vision.

Jake 49:21

Yeah, it reminds me of the guy in the bar from the movie Good Will Hunting. Yes, quoting the textbook, Good Will Hunting would have got into the program, but maybe that guy not so much. Yes, that's exactly right. You got it. So the question I want to ask that you may or may not answer. And then the second question, which we'll get to either way, but you decide if you want to skip there. The one you might want to skip is I'd love to hear as many terms and descriptions of those terms as you have sort of labeled and it sounds like you just got to doing this like a couple of weeks ago, which is I know it's like 10 years of learning maybe but if you're willing to share it with others to hear it. And then second, would love to talk about 1517? And how you've translated a lot of what you learned it to, to what you're doing today.

Danielle Strachman 50:09

Yeah, absolutely, yeah, I have these terms in front of me because I haven't like committed them to memory yet. Because it's like, oh, yeah, we're just, we're still figuring this out, we're only 11 years old, we're figuring this out. One of them is we look for people who have this characteristic that we call edge work. The idea is that it's people who are somewhat comfortable being uncomfortable. So there's a, there's a, there's an example of this, where if you're riding a motorcycle into a tight turn, you have to lean pretty far over to go into it. If you don't lean over far enough, you skid. And if you lean too far, you also like fall, like so it's this really interesting edge, where you have to be over to a point that feels uncomfortable. But if you don't go there, you're gonna mess up. And like, you



know, on a motorcycle, if you mess up, sometimes you mess up big. So it's this idea of people who can kind of lean in to an edge on something and be uncomfortable. But, you know, ideally, not to the point of distraction. So that's one that is important to us. We have one we call Friday night, Dyson Sphere, these are the people who love to geek out, you know, maybe in the past, these would have been the people who like hung out on LAN parties on a Friday night. You know, these folks want to stay up over the weekend in our like, eating, drinking and sleeping, like really big, ridiculous ideas. So we love those folks, I'll go over maybe just two more of them. One is what we call the Zen arrow. It's this idea of egoless ambition, where people have a target that they are going for, but it's about hitting the target, not about them being the arrow. So you know, I always say with 1517, we have a no asshole policy. And I think this kind of hits at it a lot. It's mission driven people who can kind of get out of their own way. But at the same time, again, be focused on this target. And then the last one we call acorn to Oak, which is kind of the the, what are you doing on Friday question of like, okay, you've got this vision, you're going to become like this oak tree, or your company's going to become this big thing. But again, you have to start somewhere with this acorn. And that's that Friday question of like, well, what do you you know what, you know, I love gardening. So it's like, you know, what are you planting on Friday to get to where you want to be as an oak. So those are, those are just some of them. But it's been really fun for us to put these together. Because I think for a long time, it's, it's been really difficult for us to articulate what we're looking for. And the only reason we even know what we're looking for is because of the many 1000s of people that went through that application process in the tail Foundation, and then many more 1000 that we have gone through with 1517 that has given us the insight into what these characteristics kind of look like. And without that, without those training wheels, I you know, I feel like I would be flying blind. I mean, I remember in the first year, the tail Foundation, we were so nervous, because it was like, you know, we didn't know what was gonna happen for these people. We didn't know what was going to happen with Peters reputation. We didn't know what was gonna happen with these young people's reputation. And so something good would happen. And we would be like, hurray, something good happened today for somebody. And then the next day, something bad would happen for somebody, you'd be like, Oh, no, something bad happened today. So it was this extreme emotional roller coaster. And I think if I had to ride that roller coaster while making, you know, investment decisions, it'd be very difficult. So we got five years of sort of riding a longer term emotional roller coaster, and we're able to see some of the outcomes so that we can get out of our own way, kind of that Zen arrow ourselves of being able to see like, Okay, this is the target, you know, and we're gonna do the best



we can. But we're also going to sort of release that a lot of this is luck and chance and other things that are going on. So, so yeah, that's a little bit about those areas. And then I know you wanted to talk more about 1517.

Jake 54:26

Yeah, that was great, and much more than I expected you to share. So I appreciate it. And I'm looking forward to listening back because I think I expected that you would you know, the first one was hyper fluency. I thought that the list might contain, like, regular words, but it's Yeah, it sounds like you invented a bunch and sort of define them. So

Danielle Strachman 54:46

the reason I think it's been important for us to invent these terms is that when you speak a language, everyone is supposedly on the same page about what you're talking about. So this is when I would get frustrated sometimes and be like, yeah, we're looking for people, you know, I'd say You know, our investor would ask us, like, what are the traits that you look for? And I was like, listen, I can write all these traits out on paper. But like, it's not gonna make you better at identifying somebody, you're gonna think you know, something when you don't, it's about actually working with people and starting to see these traits for yourself. And so when we would say things like, you know, super curious people, everyone thinks that they've met someone who's super curious, and they probably have at some point or another, but like, we have gotten to meet really, really, really super curious people. That's that like, two standard deviations out thing, and people just package what they know in your language. So that's why we like came up with our own terms. And then people can't, they can't put their own view on what we do. And at least we hope that it gives people the ability to listen a little, maybe more differently and nuance to what we're saying then assuming that they know what these traits are.

Jake 55:53

Yeah, I think by making up the words, they basically have to understand the definition that you make that word represent. And with the definition, you get a lot more opportunity to sort of specify what you're talking about versus just a word, which can be really generally interpreted and misinterpreted in a lot of cases, I think. Yeah, yeah. So yeah, last thing I know, we're actually over on time. But I know you've got a couple of minutes left, fortunately, without the hard stops, so we'd love to talk about what you're doing today. And the 1517 fund, how it's sort of taken these learnings from the teal Fellowship, which was not like a fund is just sort of a nonprofit, I guess that was giving money away. Expecting no returns. And I've



always been super curious as to how could you scale the teal fellowship to something that could make returns not not because like, you know, returns are the end all be all, but it's hard to like, have a nonprofit sustain for a very long period of time. And you can just scale it a lot more in a for profit way. I would imagine. So curious to hear how you guys are seeking out to do that?

Danielle Strachman 56:58

Yeah, absolutely. So we are super excited with our third Fund, which we're going to be launching in the new year. To really be, yeah, scaling 1517 out as this anti establishment educational institution. And so this means, you know, writing more checks into companies, this means writing more grants to people, we're probably we've been sort of tinkering on some new grant ideas, and other types of funding as well. And so, yeah, it's, you know, the, I've been thinking about, we're coming up on our investor meeting in December, and I've been thinking about kind of putting out a theme for the new year. And I think our theme is going to be Foundation. And it's really about laying this foundation of what it means for 1517 to be becoming an institution. And that's going to mean looking out for things that we're like, positively inclined for, and what are the pitfalls of institutions. Because, you know, there's systemic things that happened within that sort of context that I think we're going to have to be aware of. So I'm very curious to start digging into that and building that out more. We've been very fortuitous, one of our founders, Austin Russell, had an IPO. And that was in December of last year. And so he is one of the youngest self made billionaires, and he's really helped to sort of push out our message of one path is not for all and, you know, so the question that is always on our minds is, how do we find more Austin's kind of like that turning over stones question. And it's a very long game that we're playing. Because within investment, you don't get to find out, you know, in your to even like how things are going, you might have an inkling of how things are going. But we don't count our chickens before they hatch. And we've seen companies that looked really great on the surface later on crash and burn. And we've seen companies that didn't look so great on the surface, like really thrive. So it's really again, about what we talked about before about identification of people, as well as development within those groups. And we're super excited for for this coming year, because we're going to start doing more content, more founder retreats, more events, since the world is opening back up. So I think maybe the the word I'll leave off with is more like we're just really excited to do more of what we do.

Jake 59:18



More sounds good. More of what you've been doing would be great. It sounds like and appreciate you spending the time talking about some of the teal fellowship stuff I know that's a little bit in the past, but these things take a lot of years to sort of Yeah, so we can do the the reflection on 1517 Maybe in the near future but definitely excited about everything that you're doing and really appreciate you coming on again, Danielle, where can people go to keep up with everything you're working on and you know, check out 1517 fund and all that

Danielle Strachman 59:50

salutely I would recommend checking out 1517 fund comm I can also be emailed at Danielle at 1517 fund.com Always feel free to reach out and my Twitter is De Strachman so yeah very happy to connect with people.