



## SCHOOL'S IN SESSION

### An Anecdote

Tristan Penrod is a very talented volleyball player at Oak Park High School. He's tall and thin and slightly shy. He is also one of the first students taking part in a Young Investors Society pilot and on the YIS Junior Advisory Board.

Last week he came into work with me for a "job shadow" project as part of a school assignment. As we were walking back from lunch he said "James, if only we could get other kids to understand the value of things today" I asked "What do you mean?" He responded "You know, if kids knew that instead of buying a new phone today but by taking that money and investing it, that buys them a house one day, it would seriously change the way we act". (He's right by the way: \$650, the cost of a new iPhone compounded at 12% over 60 years equals \$583,438, enough to buy a very nice house on the beach).

I recounted the conversation to Jane and Claudio the other night and Claudio's response was "His life will never be the same."

It's true. That's the potential of YIS.

### Website is Up & Running

This quarter we were able to launch our website. Overall, for a first iteration and built on the cheap, I'd say we did pretty well. We have some great ideas for Version 2.0 of the website to create more of a platform feel where the kids can learn through modules, but for the time being this does the trick. It showcases who we are, and allows us to reach out to schools, potential partners and donors.

### Pilot Schools

In the last board meeting we voted to make this year a pilot year, to test and perfect the curriculum. I remember Valerie commented on one of the calls, "You will be surprised at how much " And it's true. This quarter, we had a half dozen meetings with kids at my house, and now we've had a few club meetings, and we've learned so much already. Overall, I'd summarize the takeaways as:

- Kids really have a desire to learn this stuff.

## ONGOING PROJECTS

**Website V2.0:** When: 8-10 weeks. Who: Achint and Luutaa team.

Cost: \$4,000

**Video Filming:** When: TBD. Who: Brian & LeeAnne Adams, Jed Udall, ESPN studios  
Cost: \$7-10,000

**Marketing Videos:** When: TBD: Who: Nathan Frisk, Head Start Video.

Cost: \$1,000/each

**App:** When: TBD. Who: Sean Merrit, student at Oak Park.

**Insurance / Legal:** In discussions, currently receiving quotes

### Summer Camps:

Summer 2016

Auditorium costs are ~\$500-800/night

- It's like drinking from a fire hose for them. You can't cover too much too fast.
- The ones who start to get it, get addicted, and start researching stocks vigorously online.
- It's a challenge to control the content when the teacher or the kids are teaching the club, and ensure the lessons stay on track and foster participation.

We're aiming to keep it to six pilot schools this year. Thus far, we have two started (Oak Park, Agoura Hills), two more which have

agreed to run it but haven't started clubs yet (Franklin High in MA, Hough High

in NC), and a couple more that we are in discussions with.

### YIS Road Map

After many productive meetings of various YIS committees, we put together an outline and structure for how the school clubs will operate. We call it our "Road Map".

This is our first stab at creating a club structure from the ground up. The main tenets of the clubs are they will have monthly competitions and milestones to keep the clubs exciting and engaging, they will open each lesson with one student presenting a 5 min. topical presentation, there will be lesson plan meetings but also open

meetings (we call them Research meetings) where kids research on their own and help each other (the "reverse classroom concept"). We divide the year into two semesters where at the end of each we will hold prize raffles for the monthly school winners. Every lesson and monthly challenge will be building toward the National Stock Pitch Competition, which will be held in March.

### Lesson Plans

It has been exciting to see the lesson plans come together. It's been a lot of work, writing, editing,

thinking of fun activities, re-writing again, but I'm happy with how these are turning out. More importantly, the kids really like them so far. At this point, we have the first three lessons (out of 12) that are posted on the website in final form and have been pilot tested with the advisory board. We have the next three (4-6) that are in the final stages of editing, and we have pretty good first drafts for the remaining six.

I think the next task will be to think of how to take these lessons and make them into engaging online videos and modules.

### Partnerships

I don't think we've even scratched the surface of

reaching out to future partners and sponsors, but even now I'm amazed at the attention we've attracted. I'll mention two:

**Wall Street Survivor:** We've had a number of calls with the CEO of WSS, one of the leading online investment courses. They love us! In return for using our lesson plans on their website for paid courses, they sent us all of their animated videos, which gave us a great content library right from the start. We are also using their platform for leagues (practice portfolios), and promotional access to their paid courses as prizes.

**Robinhood:** Robinhood is a free stock trading platform focused at millennials, funded by Google Ventures. Their app won app of the year last year by Apple. One of their board members heard about YIS, contacted me, and I've had calls now with the founder, Baiju, and Molly, the Director of Marketing. They are totally excited by what we're doing. The idea is that we will run the Dollar-a-Day Investment Program through the Robinhood platform. I am trying to get them to sponsor \$15-20 for each student that participates. We also talked about them sponsoring our summer camps and prize competitions.

### Fundraising

With our website up and running, we're now ready to approach potential donors to contribute. The online donation

"IF WE COULD ONLY GET OTHER KIDS TO UNDERSTAND THE VALUE OF THINGS TODAY."

TRISTAN PENROD, OAK PARK

section makes it a relatively quick and easy process.

The good news is that we've received a couple of generous donations already and have about \$9,000 in the bank. For me, it's been very humbling to see these checks come in.

Our goal is get our budget and financial statements in order so that we can begin to apply for grants from foundations and reach out for corporate donations. If you know of anyone who may be inclined to give to YIS, it's a great time because that money will go very far.

### New Team Members

Speaking of donations, the most valuable donation we've received so far is the time of those that have been involved. I was thinking the other day that the spectacular team that we've put together here could probably build the next Fidelity or Google if we wanted to. But instead we're building Young Investors Society. I think it's a reflection on the type of people that you are.

This quarter we've had two additions to the board that I want to extend a warm welcome.

**Lee Mackay.** He is a partner at Nevers, Palazzo, Packard, Wildermuth & Wynner and also has valuable experience in business startups and working

with youth. Lee is also appointed to the Executive Board Committee, acting in the capacity as Treasurer.

**George Kamide.** He is a gifted digital brand marketing strategist the ad agency Merkle | RKG, and one of the smartest and funniest people I know. He's also an award-winning writer.

In addition to the new board members, we have also considered how we want to manage the build out of the volunteer team going forward. We've come up with the concept of

"I CAN'T BELIEVE YOU'RE FOR DOING THIS FOR US. THANK YOU SO MUCH!"

SEAN MERRITT, STUDENT

"consultants" that will be volunteers working on a specific project overseen by Committee Chairs. Valerie Funk Anderson, will head the Curriculum Committee and George Kamide will spearhead the Brand and Marketing Committee.

We've already had some tremendous work done by YIS consultants. Two I want to make special mention of are Maria Miles, who has been spectacular on the editing of the lesson plans, and Manny Sanoja, who has done some great work reaching

out to teachers, and helping out with the day-to-day operations.

We've also put together an org chart, to clarify roles and to be able to better divide and conquer going forward. Scary, we're actually starting to look like a real company.

### Outlook

This is going to be a busy and critical year ahead for YIS. We are going to get a flurry of feedback from students and teachers. We will build the world's best online investment lesson modules and videos for

teenagers. We will reach out to big sponsors and donors. We are going to host the first National Stock

Competition in March. And we are certainly going to hit many roadblocks along the way – but nothing we can't learn and improve from.

I want to thank everyone again for all you've contributed to YIS so far. It's a dream come true for me to do a meaningful work with people that I respect so much and love to be around. I truly believe we have the potential to change many lives.

Thanks for all your support!

-James

**MISSION: THE YOUNG INVESTORS SOCIETY IS DEDICATED TO PREPARING THE NEXT GENERATION OF INVESTORS. ITS MISSION IS TO INSPIRE YOUTH TO BE OUTSTANDING INVESTORS – INVESTORS IN COMPANIES, INVESTORS IN THEIR COMMUNITIES AND INVESTORS IN THEMSELVES.**