

Investor Nathalie Molina Niño Boldly Speaks Truth to Powerful Men



She launched her first startup at 20, and made lots of mistakes. Today, she runs [Brava Investments](#), which only funds companies that have the potential to put money in the pockets of millions of women. Raised by an immigrant family with deep entrepreneurial roots, where money was always dinner conversation, Nathalie satisfied her “need for freedom” by launching companies that took on the most abysmal state of venture capital investments in women of color, who she calls “the single most entrepreneurial community in this country.” Oh, and she wrote a book about all of it: [Leapfrog: The New Revolution for Women Entrepreneurs](#). Her motto: “We cannot wait for people give us what we’re entitled to. We have to build it ourselves.”

Alicia Menendez: Hello there, welcome back to Latina to Latina. On this podcast, I talk to Latinas about their success, their struggles, and what it takes to be truly great. Nathalie Molina Niño launched her first startup when she was just 20 years old. And, since then, she's continued to find new ways to build businesses that benefit women. She's the CEO of Brava Investments and she has a new book out, it's called Leapfrog The New Revolution for Women Entrepreneurs.

Nathalie, I'm so glad to finally meet you.

Nathalie Molina Niño: I'm so glad to meet you.

Menendez: Did you grow up knowing about money?

Molina Niño: Oh, gosh. It's funny, because when you put it that way, yeah, I suppose so, but not the way that you might think. I think that there are people who grow up knowing about money in terms of how to use it, save it, you know, all these good, positive things.

I, coming from immigrant parents who were always struggling, who were entrepreneurial, and a whole family that had intermingled businesses. I was very aware of money, but I was aware of the lack of it, I was aware of the hustle, of how we were going to pay this, and barter for that, and, are we going to be able to pay the bills this month? Do we need to think about alternatives? I was very aware of money.

Menendez: So, then, how did you actually learn about money, earning it, investing it, spending it?

Molina Niño: Trial and error. I have to say, a story that I sometimes tell about people thinking that my first startup at 20, being some of what it, an amazing thing for a 20 year old to do,

although I think a lot of 20 year olds can and should do it, as that the first big check that my partners and I got, we went and bought a house that had been reclaimed by a bank in cash.

And, then, for the next three months, until the next quarterly payment came from this client, we ate Top Ramen, because we spent all of our money on this house. Because it had been reclaimed by the bank, it was in the middle of a remodel. They had stripped it down to the studs. It didn't even have stairs to get from one floor to the other. There were ladders that were just makeshift. And it was in the mountains in Colorado.

This is when I was in Boulder, Colorado in school. So, we had a skeleton of house that we now owned and nothing to eat with. That's how I learned. I learned by making stupid mistakes and just sort of bumbling my way through and figuring out how not to do it.

Menendez: How did your family talk about money?

Molina Niño: First of all, we talked about it very openly. It was very different from families that I hear about all the time who talk about how topics of politics and money are sort of not okay dinner table conversations. That is all we talked about at our dinner table.

And, you know, how we talked about it was pretty unfiltered. There was no shielding the kids from the problems and the challenges and the dilemmas and the solutions about how we were going to make ends meet. It was very much almost a collaborative effort, where even as I got older, it became a question of including me in the conversation of whether we can really afford that Catholic school, or whether we were going to have to do something else, whether my mom who is working part time at a company in order to get us benefits so that we have health insurance and we have these basic things--does she need to switch to full-time in order to afford this new school that we want to put Nathalie into?

I think a lot of families shield their parents from that. I was deep in the trenches of these conversations.

Menendez: Growing up, did you think that success was money, that money equated success?

Molina Niño: That's interesting. Yes and no. I think that I received that message from the world around me. But in my house, I definitely received alternative messages. My dad lived in the United States for 40 years.

Menendez: Where is he from?

Molina Niño: Ecuador. My mother is from Colombia. And so, the moment that they got divorced, the first thing that my dad did when he was writing the sort of path in his life, it was to go back. My dad lives back in Ecuador and he was very anti-assimilationist. We were a Spanish-only home.

It was at a time when a lot of my friends who were Latino were being encouraged not to speak Spanish. Los Angeles is very different from the East Coast. It's very different from Miami, for example. And not in my house. In my house, it was Spanish only. In my, family it was Spanish only. I think in my house, there were a lot of sort of counterintuitive messages.

There was this awareness that outside the house I was getting one message, and inside the house I was going to get another. One of those messages was about money. The other messages were around culture. My dad was adamant that I not sort of drink the Kool-Aid and the news.

I remember him telling me, for example, that while Fidel, who was being maligned everywhere, is actually sending troops to South Africa to fight apartheid. The US is selling Coca Cola to apartheid South Africa.

I wasn't seeing that in the news, I wasn't hearing that story and he was taking me, giving me clippings from Le Monde in Paris and from the newspapers in Latin America, showing me these alternative narratives, right. And the same thing is true I think with money and success.

They knew what messages I was getting outside and so in the home, it was about being kind. It was about building relationships. It was about family coming first, and it was really a whole lot of messages that I think in hindsight now, were very much like a campaign to counter what they knew I was getting elsewhere.

Menendez: Where then does your entrepreneurial drive come from?

Molina Niño: Partly it comes from my family. I definitely come from multiple generations of entrepreneurs. Especially on my dad side, on the Ecuadorian side which are a working class entrepreneurial family.

I definitely would say part of my entrepreneurial drive comes from family, my roots. But the other part of it is just my need for freedom. I thought that I was going to be a scientist who was going to save the environment.

When I studied environmental engineering, that was my plan. And then I realized that scientists get fired. Not only that, scientists get midway through massive research studies that are in fact going to save the world, and then some bureaucrat somewhere decides to cut the funding off of that project and boom, that project is over.

I saw and I experienced some of those things and I thought, wait a second. That's not freedom the way that I envisioned freedom to be. I think I sort of accidentally in some ways gravitated towards entrepreneurship, but it was always because of that because I needed to feel like I could control my own destiny.

Menendez: What was the biggest defining moment of your 20s?

Molina Niño: The biggest defining moment was a moment that outwardly would look pretty quiet. Not that anybody would have noticed it, but it was potentially catastrophic for me and it was at 26 years old, finding myself running a multinational.

Menendez: Wait, I'm not a businessperson, so that means...

Molina Niño: A large corporation with offices all over the world. In our case, we had offices in 16 countries at the time. Stepping in to solve a really high profile problem, we had a situation

with one of the biggest tech companies in the world, our customer where we had been so far delayed in delivering a product to them.

We were in the business of taking software and making it work in Hebrew, Arabic, Japanese, Chinese. We were globalization of tech. And, we were so late delivering this product that this massive technology company was actually late in taking the product to market because of us.

We were so far behind and we had seriously screwed up this project that they were suing us, or threatening to sue us. Four people had tried to step in and fix the problem. Four people had failed. I was the last ditch effort to come in and fix this.

So, I went to Dublin, for many month, I lived in Dublin. I did the thing that I knew how to do which is to rally the troops, bring everyone in the room, fly people from all over. I was sleeping in a cot in the office.

People were flying in from all over, they were working nights, weekends. And we finally got to the point at the end where we had righted the ship. The project was on its way. Customer was happy. I was day-job working with the group, my team, and then night-job going out and taking my clients out to drink and make them happy.

Bottom line is everything was good and we were finally at a place where we were going to deliver the files, and on the day that were meant to deliver the files, super complicated, it required an engineer, many passwords, all sorts of complicated processes. The one guy on the team who knew how to deliver the files, that last thing that we had to do, calls in sick.

And at 26 years old, all I knew in terms of how to manage a business and how to function, was what I had seen and what I had seen modeled to me in the male dominated world of tech. I knew that as a woman, as a Latina, I had to do that plus.

If they were hard, I had to be harder. If they were cutthroat, I had to be more cutthroat. So, this thing happens and I say to my team, "Go to his house, bring him in the office by whatever means necessary, and have him teach three other people how to do this so that we don't have this dependency ever again."

That's what happens, they bring him into the office, he trains three other people on how to do this, we have a short delay but at the end of the day, we were back on track. Files were getting delivered, this is a now a multi-day process where we're going to spend delivering all these files.

And as far as I'm concerned, the day was saved. Things worked out. Following day, in the morning we're having this sort of daily check-in with the team, and somebody walks into the meeting, interrupts me and says, "Nathalie, Nathalie, Steven called in sick again."

And before she's even finished with the breath, I interrupt her and say, "I don't care. It's irrelevant. We have three other people who can deliver the files now." Basically, bug off. She kind of gets the courage to continue her sentence because I interrupted her mid-sentence and she goes, "What I was trying to tell you is that Steven called in sick again from the cardiac ward."

And it occurred to me like everything that I mentioned earlier about being raised, prioritizing family and kindness, and being a good human being, and all of the things that I had obviously forgotten sort of raced back in my head and I realized, I'm 26 years old.

In the eyes of people from the outside, I'm on top of the world, my career is going really well, and I have become a monster. I have put profits over the life of a human being and I didn't even see it.

I remember taking the rest of the day off spending the entire rest of the day until nightfall walking around Dublin and just sort of reflecting on what I had become and how I'd lost my way. It's not how I was raised. It's not how I was told to live in the world.

Menendez: You were modeling.

Molina Niño: Yeah, I was. That's an easy way out.

Menendez: It's an easy way out, but I do think you're underlining something really important, which is that women leaders very often don't step into their own brand of leadership. They replicate a brand of leadership that has been defined by men.

Molina Niño: Absolutely. And because we have to get ahead by playing that game and playing it better and being perfect, I think we think that we have to one up them. And I can't speak for others, but I felt that.

I wish I could tell you that that day in 2003 was a turning point and I had this epiphany and everything just magically resolved itself. But, I think a more honest version of that is that I saw the monster, I saw the sort of shadow side. I saw what I was capable of.

And I cannot get rid of the fact that I am ambitious and that I am driven. That's not something that I can do. Or if I would, I wouldn't be me. And so, the project since then has just been about being aware that that's there, that that's possible and that I choose not to go there.

But knowing that in my moments of weakness I will default to that, because that's how I grew up, my early adult life. That's what I learned. It's about constantly hearing that voice or feeling that tendency and remembering that that's not the path.

Menendez: Before you launched Brava, you researched the portfolio companies of funds that focus on women. What did you find?

Molina Niño: I'll say this first of all. I did that in 2015, 2016. It's now towards the end of 2018. We've seen some shifts in the market. Not enough, but what I found in 2015 and 2016 was a lot of disappointing things. One of them is I found that most of those funds that focused on women were led by women and most of them set out to raise 100 million, 50 million, whatever. Some ambitious amount. And actually if we're honest, not that ambitious because there are plenty of first time fund managers that start with numbers like that. And none of them had achieved the goal. They had all settled on a 10 million fund, a 20 million dollar fund, a 30 million dollar fund because they just weren't able to get there.

The second thing I observed was that when I looked at the portfolio companies that they were investing in, and who the founders were. The women were doing the exact same thing that the men in Silicon Valley do and that we complain about. Pattern matching, that they only invest in people who look like them. So, what we had was about 10 to 15 years worth of women led funds that were only investing in white women. And the numbers proved that out. People talk about how terrible it is that we went from 5% venture capital going to women, now to 2.5. Numbers are going the opposite direction. But most people don't talk about the fact that 0.2% goes to women of color.

And that's a horrible number, but there are ton of excuses that you can make for why that might be. It maybe a pipeline problem, it may be readiness, maybe all sorts of things. There's literally no excuse for that number when you think about the fact that women are starting more companies than men in the United States and that eight out of every 10 women-owned business, is started by a woman of color. The single-most entrepreneurial community in this country, is getting 0.2% of the capital to grow their businesses. There's no reason for that.

When I looked at what was happening in the space of investing in women and saw that they weren't actually tackling this problem at all, in fact, they were perpetuating it, I realized that I needed to take a different approach. I needed to take a much more systemic approach at taking that incredible group of already very entrepreneurial women and build systems to help them get out of survival mode.

Menendez: I think, one of the things I misunderstood about Brava Investments, because I was going with what one would assume when you hear like “women positive,” is that it's all women-owned, but really what you're looking for is companies and some way improve the lives of women, or benefit women. How do you define that?

Molina Niño: Economically benefit women. Meaning, and I'm super cutthroat about this. Show me the money. If you can prove to me that your model is putting money into the wallets of a large swath of women, not five women, not two founders, not even 100 women in a factory, but your model is designed to put more money into the wallet of hopefully hundreds of thousands of women if not millions of women, then that's the sort of business that I want to be invested in. Whether it's founded by a man or a woman.

Menendez: Can you talk to me through as someone who doesn't come from this world? How this all works, like it what it means to have a fund, what it means to be a company that comes to a fund and ask for that funding. And what the expectation is of return on that investment.

Molina Niño: I'll tell you that ... And I hate to use the word traditional, but I guess at this point it's become that. The traditional sort of venture capital model which I'm not particularly fond of. Having been exposed to venture capital my entire adult life, I know what that's like and I don't like the dynamic that it creates.

People like Peter Thiel, for example, use a strategy that's called “spray and pray.” Where you, say, have a 100 companies, you invest in all 100 of them in small chunks, which means you spray the money far and wide, and then you pray that one, two, three of them become a unicorn, à la Google, à la whatever, Warby Parker.

And the rest fall by the wayside. Either they go bankrupt and they disappear or they just pudder along and they don't provide the sort of returns that investor like this needs. Because, given that you're making all of your returns on the few exceptions, they have to make up for the millions of dollars that were invested in the others that went nowhere. Anything short of a billion dollar exit is a disappointment in that context.

I have a concern about that model, because I don't think that's how you build societies. You do not build societies by having a single digit success rate. You don't run a business by having an 80, 90% fail rate. And more importantly, it creates an environment where the only people who can play this game, are the ones who have no problem going bankrupt because they have family wealth, and they have trust funds, and they have safety nets that make bankruptcy just a bump in the road. Whereas, you and I know that in a country where the majority of families do not have 5000 dollars on their savings account, bankruptcy is devastating.

Menendez: Let's talk about your book. Because your book sorts of looks at it from the flip, which is someone who is starting a company and wants, needs capital. You have a series of what you call "hacks," and I want to walk through a few of them. Number 30. Start scrappy, stay scrappy.

Molina Niño: Yeah. One of my friends, Nely Galán, who is featured in the book, loves that one, because I think that women, especially women of color, do not need to be told how to be scrappy. The reality is, just as I mentioned before, right, most businesses that are starting today are started by women of color. However, 98% of them are stuck at the less than one million dollar a year in revenue mark.

So, we have challenges scaling. And the thing is once we do scale, and this is broadly for any entrepreneur, I think that the muscle for being scrappy starts to atrophy a little. And we get the beautiful car, and we get the nice house and we start to sort of enjoy the fruits of our labor when in fact, there is something to be said for staying scrappy.

When I started Brava, the example that I give is, I thought, you know what, people are dying to get time with investors all the time. I can think of multiple sites in New York that would be happy to give me free office space in exchange for being like the investor in residence or something like that and giving like a couple of hours of my time a week or month in exchange for having office space and also being in a community that probably is fun and thriving.

I thought about things like that. Even though, could I afford office space? Yes, I could. But this mentality of not just starting scrappy and then letting that muscle atrophy, but staying that way, I think is what keeps you fresh and it keeps you thriving. And it allows you to be like Nina Vaca, who now owns the fastest growing woman-owned company in the United States and is about to hit a billion dollars in revenue. And guess what, she never took a penny of outside capital.

Menendez: Because you're a big proponent of avoiding that for as long as possible.

Molina Niño: As long as possible, and if your model and if your growth is sustainable, where you can avoid it all together like Nina, even better, which I know is weird coming from an investor, but the reality is we don't talk about the dark side of getting investment. Equity investment

means you're giving away chunks of your company which means you're also giving away control. And in many cases--because I'm not even going to lie and say that it's only infrequently--in many cases, you lose control of your company and you give people the right to fire you from your own business.

Unless you're ready to go down that path, don't take equity investing. There are other forms of capital in the form of ... Especially, I talk a lot about this. I talk about embracing debt, loans, lines of credit.

Menendez: My hands are sweating.

Molina Niño: I know.

Menendez: But I was told to avoid the debt.

Molina Niño: Well, especially the Latino community. Dueda, I mean, debt is a thing you work to get out of. But the reality is venture capital is really expensive, not just because of the terms that you're getting but because of the ownerships that you're giving up.

Lines of credits are there and there are products that are actually really favorable to owners that have good terms unlike the horrible student loans that most of us have been subjected to. There's such thing as good debt. And it's necessary debt.

People often don't hear this, but there's such thing as a balanced capital stock, meaning that you have different capital coming from different sources that is applicable for the right things. For example, venture capital is not the right kind of capital to use to pay and make your payroll that month.

That is not what it's for. Venture capital is to help your company grow exponentially. A line of credit is a more appropriate source of capital to get you through that lean month where you need a little help paying payroll.

People need to embrace those sorts of capital because it's the difference between scaling your company and staying small. I think it's really important that people understand these dynamics, because what you end up having is right now there's so much excitement about getting women and people of color venture capital that what's going to happen is in 10 years somebody is going to look back. They're going to see that they all had unbalanced capital stock. They were using the same money for things they shouldn't have. That's going to translate into a bunch of companies failing.

Some happy analyst is going to look back at those numbers someday and see that women and people of color have a higher rate of failure, and I guarantee you that they're not going to blame an unbalanced capital stock.

Menendez: Number 20. Find your Dolores Huerta.

Molina Niño: The story that Gloria Steinem tells about Dolores Huerta is that when they were younger, and the protests around for example the great boycott and all these things were happening, Dolores would call Gloria before she arrived, for example, in New York. She would use Gloria as like her advanced team.

She would say, "Okay, Gloria, I'm coming, I'm bringing these people, I need you to set up a press conference, I need you to call the governor, I need you to do X, Y and Z." And young, just-barely-getting-her-sea-legs Gloria would go, "Who the hell does this woman think I am? That I can just like pick up the phone and call the governor instead of the-"

But Dolores just assumed and saw in Gloria that she could do those things before even Gloria could see that she could do those things. When I heard that story, I realized that Katherine Colburn is my Dolores Huerta. She saw in me way beyond what I thought I was capable of. And I realized that that's not mentorship, that's not sponsorship, that's not "lean in," that is somebody who literally looks at you and sees something that is so much bigger than anything that you could have ever imagined.

If you're anything like me and so many ambitious women, what you do in the face of that is you step into it. And you become what people think you can be. I think everyone needs at least one of those, and that's really kind of what the hack is about.

Menendez: Here's the last one. Number 22. Don't wait for folks to get woke.

Molina Niño: Maggie Lena Walker, is the first woman in the United States to run a bank, and it happened before women got the right to vote. It happened before the civil rights movement. It happened in 1902. And Maggie Lena Walker was a black woman.

And she was a product of the whole amazing promising thing that was happening in black Wall Street at the time that eventually got burned down and systemically killed.

But, what she was a product of, was something that one of the leapfroggers in the book, Trabian Shorters talks about which is mutual benefit societies. Organizations, that in the face of black community being locked out of banking, of insurance companies, of all these different things that a thriving economy needs, they built their own.

And they created these mutual benefit societies where, thereby with those alliances, were able to build their own insurance companies and banks and all these different things. Maggie Lena Walker was a product of that and what Trabian is advocating for and talking about in the hack is revisiting that idea of a mutual benefit society.

When the system locks us out, when venture capitalists take and put 0.2% of their money into women of color, then it's time for us to make like Maggie Lena Walker and build our own systems. We cannot wait for people to give us what we're entitled to. We have to build it ourselves.

Menendez: I can't think of a better note to go out on. Thank you so much, Nathalie.

Molina Niño: I'm so glad to be here. Thank you.

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Thanks for joining us today. Latina to Latina was originally co-created with Bustle. Now, the podcast is executive produced by Juleyka Lantigua-Williams and me. Ameeta Ganatra was the sound designer on this episode. Email us at hola@latinatolatina.com.

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