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Oral History of Thom Weisel

Interviewed by:
Marguerite Gong Hancock

Recorded December 10, 2018
Mountain View, CA

CHM Reference number: X8870.2019

Hancock: Good morning. Today is December 10th, 2018. And thank you, Thom Weisel, for welcoming us here from the Computer History Museum to your office.

Weisel: It's a pleasure having you. Thanks.

Hancock: We're really thrilled and honored to be adding your important oral history to our collection. And we're delighted to be here in your office, to be capturing your story, which has had a remarkable impact not only in the world of entrepreneurship, but in investment, Silicon Valley, and the tech world, and also in art and sports. We hope that with the time together we'll capture your story for the record and have it for generations to come as well as for our exhibits and education materials. Let's jump in at the beginning and ask you for the record to talk about where you were born and where you were from originally in your roots and your family.

Weisel: Sure. Well, I was born in Rochester, Minnesota. My dad was serving his residency up at the Mayo Clinic. He turned out to be a thoracic cardiovascular surgeon. And then he moved from there to Milwaukee, Wisconsin, where he was head of surgery of five hospitals in the Greater Milwaukee Area. So, that's where I grew up.

Hancock: As you think about your family life, him being a distinguished surgeon, what were the kind of ideas or values or people that shaped your early childhood?

Weisel: Well, I love sports. And, so, that was a big part of my life. My dad was a great runner, played semi-pro hockey even when he was at Harvard Medical School. And so, I probably got my passion for sports from him. He was a very, very hardworking person, worked seven days a week, long hours, as I think most surgeons do. So, by osmosis, I got a lot of determination and hard work ethic in me, which I think just kind of came naturally.

Hancock: When you think about your time in school as a young student, were there any topics or books or people that kind of captured your imagination? Or was your focus and your passion mostly on sports?

Weisel: No, I was intellectually curious. I don't know, I was kind of a rebel, I think. You know, I didn't like sitting in classrooms very long and was restless. And, you know, I went to public high school and most of the competition both in grade school and high school were girls, intellectually in the classroom. And I wasn't terribly comfortable in that arena, I guess, is the bottom line with that! <laughs> But coped with it and tried to be excellent at both academics as well as other things in life.

Hancock: You ended up choosing speed skating as your sport. But, before then, did you explore other sports? And how did you decide on that area as something to—

Weisel: Well, I loved sport. I loved doing everything. And I just got lucky when I was young in speed skating: I went in a contest when I was 10 years old in the state championship and two kids were in front of me and they fell down. So, I finished first, got my name and picture in the paper with a woman who was also 10.

Hancock: Very fortunate.

Weisel: You know, yeah, I—

<laughter>

That made an impression on me! <laughs> I think that kept me going for a few years. And, at least, in Milwaukee you were either doing something in skating or you were in basketball. And for some reason I liked being outdoors. I didn't like being indoors in a basketball court. But, you know, loved playing football, loved running track, eventually started riding a bike. Very few people back in those days were riding a bike and, you know, my family were skiers. Did some swimming. You know, did a lot of different kinds of athletic activities back in those days.

Hancock: As you looked ahead for your college days and your college career, what were the kind of careers or path that you envisioned for yourself as a high schooler and how did you decide to apply to Stanford?

Weisel: Well, okay, two parts. So, in 1959 I was third in the Olympic trials in speed skating. So, I thought I was going to be in the '60 Olympics. And that was the year that I was going to college. So, I wanted to take the winter quarter off, so I only looked at schools that had a quarter system to it. So, at the time, it was Dartmouth and Stanford. And so, I applied to Stanford for that reason, because I wanted to go to school. I didn't want to take a whole year off. And I didn't have any particular vision about where and what I wanted to do afterwards. I knew what I didn't want to do. I didn't want to be a doctor. I think, again, back at 10 years I started to observe one of my dad's operations at one of the local hospitals and I fainted. And, eventually, when I woke up I got out of the hospital, took a cab home, and said to myself, "I'm never, ever going to observe that again." So, my brother, who's two and a half years younger than I am, followed in my dad's footsteps and he became a thoracic and cardiovascular surgeon also.

Hancock: Oh, really? Interesting.

Weisel: Right. So, I knew what I didn't want to do. I had no idea what I did want to do. Until I got to Stanford my dad told me that if I wanted to be successful I had to go into engineering. And I think Sputnik and all those sort of things that were going on at the same time influenced him. So, I enrolled in mechanical engineering. Hated it, lasted for a couple of quarters, and had to make the difficult phone call to him, even though he was paying for my education, that I was going to change majors.

Hancock: How did that phone call go? Do you remember?

Weisel: You know, I don't remember.

<laughter>

I think, you know, I was, whatever, 3,000-4,000 miles away <laughs> and already in Stanford. I'm not sure that there was a lot that he could do about it. But I became very enamored with economics and started reading the stock pages in *The Wall Street Journal*. I also was very interested in political science and, particularly, current political thought. So, both of those became my passions while I was at Stanford.

Hancock: You mentioned the Olympic potential, and later some of the people that you supported in Olympic committees said if you had had the opportunity to be in the Olympics, maybe your history and your career might have changed. Can you tell us about qualifying for the time and then what happened that made it so you didn't end up participating?

Weisel: Well, so, I went to Stanford and I trained that quarter as hard as I could. I was on a bike and running and there was about a month and a half between when the quarter ended and when I was going to compete in the Olympics. And I went up to Squaw Valley, but the ice machine broke down. So, turns out it wasn't a very good idea not to be training on ice during the fall, which a lot of people had done. The other thing that happened was they had another round of qualifications, which I didn't know about. I wish my dad had studied this a little bit more, because I think that was unfair.

Hancock: Were you working with a coach at the time?

Weisel: No. No. I wasn't. You know, I was just up there by myself and didn't skate within a second of my last year's times and didn't even make qualifying as an alternate. They took four people on the team and I was third in the Olympic trials. And one of the fellows that I beat in the Olympic trials actually got a silver medal in the '60 Olympics. And then, four years later, Terry McDermott wins a gold; I never lost a race to him in all the age-rated races we had over the course of whatever it was. Seven or eight years. So, any rate, it was a difficult experience for me. But, you know, I usually look ahead and not behind and, so, now I had three months. So, the winter that I had nothing to do—I love Alta, Utah—so, went to Alta, got a job as a handyman at the Rustler Lodge, and perfected my powder skiing.

<laughter>

So, used my time wisely.

Hancock: Looking ahead is a great theme. If you don't mind, I'd like to just ask a little bit about that difficult time. So many young people, as they are facing hard times for the first time, difficult moments, they want to understand how others have found resilience or determination to get beyond incredible disappointments. As a young athlete who was national, world-class at the time, how did you face that difficulty and get beyond it?

Weisel: I think I've always been very resilient. I think in business and in life there are a lot of disappointments, and you can dwell on them and think about how things could have been different or you can move ahead and have that as a learning experience and build on it and grow. And, for me, I don't know why or how, but that's the way I've always felt, period. And so, regardless of the disappointments and setbacks, I would just plow ahead. And the more difficult things get, the more I want to persevere and the harder I work. And so, that's been a personality trait for a long time. Where, how I got it— probably from my dad.

Hancock: So, you went and skied a little while in Alta, Utah, beautiful powder, right? And then returned back to school at Stanford.

Weisel: Yeah, I mean, I've got to be honest that I was getting pretty sick of training kind of mano-a-mano. I think being a professional athlete or being a serious world-class athlete requires a certain amount of perseverance and a lot of what you do is in isolation. I can do that for a few years, but only a few years. And so, I really admire athletes who can do this for, you know, two or three or four quadrennial cycles. Because the amount of discipline and really isolation you go through is pretty extreme. And because you are spending most of your days training, eating, and sleeping, there's not a lot of intellectual stimulation and there's not a lot of stimulation from different parts of life. And I was kind of at the tail end of getting sick and tired of that. And, plus, going to college and meeting new people and absolutely loving Stanford, you know, I was really ready to move on.

Hancock: So, as you were ready to move on, you were studying economics. You expressed some interest, I think, in the stock market and in investments at the time. What was the milieu around Stanford? It was the very early days. There wasn't investment around in the time. There was no venture industry. You know, Stanford was still early in its kind of role in the valley. How did you discover this interest and then what led it next when you got your first job?

Weisel: Well, I wanted to go to business school. I was having such a good time at Stanford that I decided that I had to go to someplace else, because I was just going to be more of the same. So, I set my sights on Harvard Business School. And I wanted to be a success in business. I didn't know what that meant. I think I eventually saw the financial service industry, although it wasn't very well defined as what I wanted to do. That became a little more clear when I went to Harvard.

But then I ran into Reid Dennis. Reid at the time was one of the original venture capitalists and he was running the investment department at Fireman's Fund. And he offered me a job. And so, I worked for Reid for six months in between Stanford and Harvard. I traveled in six months in Europe with my brother and the other six months I worked for Reid and his investment department. I learned not only a lot about investments, but I learned a lot about what was happening in the world in terms of both venture investing and Wall Street. Donaldson, Lufkin and Jenrette had just started. They were writing big research think pieces. They came out, I believe, with their first report on General Motors, which I found very, very intriguing. So, I was able to observe a fair amount of what was going on in terms of Wall Street, before I got to Harvard.

Hancock: Before we get to your HBS time, you mentioned that you really were enjoying life at Stanford on the Farm and I'm curious what made that so enriching and enlarging for you-- the people, activities, classes?

Weisel: Yeah.

Hancock: What made that difference for you?

Weisel: Yeah, I loved the intellectual challenge. I mean, everything from biology to constitutional law, a lot of bright young people. I was in a fraternity. I was a Beta. And the people that I met in the fraternity, and actually other fraternities, I found a common bond. I wasn't playing any sports so I had two to three hours every day to work out, which I love doing. Had a number of fraternity brothers that liked doing the same thing. So, you know, you kind of fall into a regime that was, you know, part academic, part athletic that you defined and part social. And, you know, I think during high school it was pretty much study, train, eat, sleep. Whereas I think I was able to participate much more in the social aspect of life, if you will, at Stanford, which I just loved it.

Hancock: Amazing. So, you gradated with distinction in 1963, I think—

Weisel: Right.

Hancock: —you have that period of time working at Fireman's Fund and then went off to Harvard. You had set your sights there. Can you tell us a little bit about who were some of the key classmates that you met and the professors that went on to be influential for you for the years to follow?

Weisel: Yeah, it's a good question. So, C. Roland Christensen was my professor in strategy. And beyond just trying to crystalize issues about enterprises and getting at the strategic thrust of companies, I do remember him asking the class what their number one goals were. And my number goal was <laughs> to live on the West Coast.

<laughter>

Hancock: And how had you decided that?

Weisel: Well, I just loved it. Growing up in the Midwest and then coming out to Stanford, I mean, I thought I'd died and gone to heaven. You know, I just loved the weather. I liked the access to the mountains. I loved the access to the ocean. I just thought the lifestyle for me was nirvana on the West Coast. So, of course, he brought this up in front of the whole class and didn't malign me, but <laughs> he thought there were more important things that you ought to be centered on as a young person getting out of graduate school. But that's just how I felt.

The other thing was that there were only two courses on entrepreneurship at Harvard and I thought that was disgusting. You know, we had manufacturing, we have marketing, it was all about Ford Motor or Procter & Gamble— all large companies, which I found somewhat interesting, but not really. I mean, I really wanted to start something. I wanted to build something. I didn't have any idea what it was, but I wanted to be an entrepreneur. And so, I found that somewhat disillusioning. The professors in those two subjects were fantastic. You know, if you think about the early '60s, there wasn't a lot of new company generation. Certainly, there wasn't any venture capital industry at the time. So, that wasn't too known. But I still wanted to pursue some bent along those lines.

Hancock: It was early days. And there wasn't a field for study yet. Not only not at Harvard, but really anywhere.

Weisel: Right.

Hancock: Entrepreneurs were not yet heroes known for the American or global economy. How did you know that you wanted to be an entrepreneur?

Weisel: I don't know. You know, I just had this interest and passion. I don't know where it came from or how it existed, but it's just something that was resonant inside me. You know, I enjoyed all my classmates. I'm still very close to a number of them--two that I have spent a lot of time with after graduation are Michael Bloomberg and Eric Borgen. Michael went to work for Salomon Brothers and because we eventually were in the same industry, we would spend a lot of time talking to each other. And because New York was the center of the world and finance, I spent a fair amount of time in New York. Eric went to work for a mutual fund organization in Denver. Eventually he bought Founders Mutual Fund, eventually sold it to Mellon. But the three of us bought a condominium together at Snowbird, we skied up in the bugaboos, and other places out of a helicopter together. You know, we were enjoying life as mid-to-late 20-year-olds, doing things like that together. And we're still very good friends today.

Hancock: It's wonderful that your lives joined, connected at that time, and have continued. So, you graduated in '66. I think that's right.

Weisel: Yes.

Hancock: And you mentioned you wanted to come back to the West Coast, but there wasn't this venture business. So how did you end up choosing FMC as your first job.

Weisel: That's correct. Yeah, I mean, I literally couldn't find a job on the West Coast. So I took a job in the strategic planning department of FMC. They were acquiring 10 or 20 companies a year. They needed to do strategic analysis on a lot of these companies. So, you know, I joined them while I continued to look for a job inside the financial industry.

Hancock: What were some of your early assignments as an analyst there?

Weisel: Oh, God, the only one I remember was looking at Arctic Cat. They were thinking about getting into the snowmobile business. And, so, I remember analyzing--

<laughter>

Hancock: You remember the snow part of this.

<laughter>

Weisel: I remember that particular assignment. I'm not sure--

Hancock: Did they end up investing?

Weisel: No, they weren't smart enough. No. They were mainly interested in building large farm equipment. I think this was even before they might have had a chemical division. I can't remember too much about that. But I went to all the asset managers. They weren't hiring. There were a few regional brokers and with small investment banking departments. They weren't hiring. I was having a devil of a time just getting into seeing people.

Hancock: Another really difficult time: you've just graduated. You have your newly minted degree.

Weisel: Yep.

Hancock: Best business school and no job in the area that you would like to work in.

Weisel: No, no. So, Dick Kramlich-- Dick is from Wisconsin and so am I. We're both from Milwaukee. And he suggested that I go and see Tommy Davis. I think either just before or just after that Dick went to work for Art Rock. Art and Tommy Davis had a venture firm together and I think they were just splitting up. And, so, I thought, "Well, that'd be great. Maybe Tommy Davis would like to have someone like me to go to work with him." So he was nice enough to see me. Said he wasn't looking for anybody, but that he had a friend, his name was Bill Hutchinson, that was starting an investment bank. Bill Hutchinson was a large producer for Mitchum, Jones and Templeton and he was starting kind of a DLJ of the West Coast. So, I found that very intriguing. I interviewed him. He had five other partners and they offered me a job on the spot as an analyst. So I started in September of '67 with them analyzing everything from cement companies to Weyerhaeuser.

Hancock: Where was that office located?

Weisel: We were at 44 Montgomery. Right at the base of Montgomery.

Hancock: So just Hutchinson, five partners, and you?

Weisel: Yeah.

Hancock: Still very small.

Weisel: Really small. I was there on day one, non-partner. I spent the first six to 12 months analyzing companies. But then I could see that the guys that really made the money were the salesmen, not the analysts. So I asked if I could switch and become a salesperson. And they let me do that. That's where the network that I had built from Harvard kind of came into play, because I'd say a good dozen-- maybe two dozen of my classmates had gone to work for various asset managers around the world and the country. So along with just knocking on doors and trying to get in from a startup on the West Coast that no one ever heard of, to asking a few classmates to introduce me to their bosses or their bosses' bosses, really helped me get into a number of accounts.

Over the course of the next couple of years I became a pretty large producer by Wall Street standards and became the second largest shareholder of William Hutchinson. But then the firm was never making any money and it wasn't very well run. So after four years of being there I went to Bill Hutchinson and said, "Look, Bill, I think I'm more qualified to run this company than you are. And I think most of the people would like me to run the company," because I'd already talked to them about it. "And you can keep your share and be the chairman and we'll both be better off."

Hancock: How did he receive that message?

Weisel: He said, "Well, let me think about this."

Hancock: Oh, he did?

Weisel: Yeah. For the weekend. So, the next Monday he came in and said, "Well, this is not going to work. We'll probably have to have a proxy fight." And I said, "Well, okay. I quit." So, I left.

Hancock: Huge loss for them. You'd been one of the highest producers, shareholder.

Weisel: Yep. I know, but it didn't look like the firm was going to go anyplace. And so I was out of a job. Then one of my other friends from Milwaukee, Bob Coleman, invited me to some weekend party that he was having down in San Diego. I went down there and I met his partner Sandy Robertson. They had just started Robertson, Coleman, and Siebel. So we began to talk. They had a retail brokerage firm and a small venture activity. And, of course, I had an institutional practice by that time that was pretty accretive to whatever they had. So we decided to reformulate a company. They were willing to give me an equal share, 20 percent, along with theirs. And I went and bought a New York Stock Exchange seat and started an institutional department for them back in 1971.

Hancock: And the firm was re-named with you added.

Weisel: They were nice enough to add my name. <laughs> Little did I know within five or six years that they were all going to be gone! <laughs> And I'd have to re-name the firm, Montgomery Securities, back in '78.

Hancock: Before we get to Montgomery Securities, the '70s weren't an easy time for investment banking. What was going on in the industry at the time and then what led to everybody leaving?

Weisel: Yeah, it was really tough times. We took a few companies public, but I think that was probably the issue with the firm and the industry. The institutional brokerage business was doing fine. You know, it wasn't straight up. Negotiated rates came into view in the '75-'76 timeframe, which squeezed and compressed margins in the brokerage business, but it still was more than ample. The volume was climbing both listed and unlisted securities versus a lot of activity in the IPO marketplace. And there wasn't many secondaries going on at that time. So I think that was one of the biggest issues. Because with negotiated rates coming in I needed to build a trading activity. We were a research house, researching young growth companies on the West Coast, and yet without having a very high-quality trading operation we weren't going to survive. And I needed a percentage of the firm to give to these new people that I was hiring out of New York. It had to come out of some place. So that became friction. Ken Siebel left in '75 because he really wanted to be more in the asset management business and the agency business. That happened and then in '78 both Robertson and Coleman left. And I changed the name to "Montgomery" at that time.

Hancock: So as you were starting Montgomery, what was your core idea about what the business model was going to be for Montgomery Securities and the people that you brought together for this new venture that you were starting?

Weisel: Well, there were a number of very fine, high quality, research-based firms in Wall Street. They were all in New York. But there were a number of analogs where you could see that this would work. DLJ was really the role model on the East Coast and we would be on the West Coast. By that time the tech world was starting to emerge. And there were also a number of other young growth companies emerging on the West Coast.

Hancock: Who were the ones of note that you would call--

Weisel: Well, we eventually got involved with Micron Technology and Amgen. We had already taken Applied Materials public. Intel we didn't take public, but eventually saw that happen. We took ROLM public. We took Tandem Computer public. So, in the '70s and early '80s, these companies were venture-backed and very early, but emerged as leaders in their respective fields. So the model was to do a serious amount of research and institutional brokerage on the one side, but do investment banking whether it's strategic advisory and/or IPO and secondaries for young growth companies. And hopefully both of those would be somewhat equal so that the ups and downs would be moderated.

Hancock: Let's talk about some of those technology companies. It was not necessarily easy although there was this rapid growth kind of up and to the right. Could you tell any stories about kind of helping those companies go public? It's incredible, we can spend some time on this…

Weisel: A long time.

Hancock: …on any of those…

Weisel: Well I can remember that Applied Materials was one of the most difficult offerings I'd ever done. Because it was such a cyclical industry and being an equipment manufacturer, people just really couldn't see how they could make money looking through cycles. But we tried to sell that company as one that you had to look over four or five or six years, and not just one or two years of growth, because it clearly was going to be like that. We eventually got it done and…

Hancock: What made the difference? As you say, it wasn't easy going.

Weisel: I had a number of very good friends that were fund managers at various places and so in the last analysis they would take a risk with things that we were doing. I think that was the difference. But then I think in the early '80s taking both Micron and Amgen public, and Micron went from 14 to 40 to 4, Amgen went from 14 directly to 4.

<laughter>

Weisel: This was before EPO. We had done three private placements for Micron. They were under serious duress, Japan had taken a direct assault approach to Micron. And I'll never forget because I got very close to the Parkinson Brothers, and it was Morgan Stanley and ourselves. To this day, Jack Wadsworth is a good friend and he was the investment banker for Morgan Stanley. And we decided that we would take Joe to Europe at Micron to raise 15 million dollars, just to get him through another six months of this assault. Which we did, we raised the money and fortunately for us it worked and the stock went up. I think the next fund raise was 100 million dollars a year later at substantially higher prices. I mean this is kind of what you did back in those days. You're just in the trenches with these companies and grinding it out and working hard, and there were only maybe a half a dozen that you worked on on a yearly basis. It wasn't like the '90s where there was literally years where at Montgomery we would do 100 IPOs a year. But back in those days, it was a much different world.

Hancock: So was '83 and '84, right, with Micron and Amgen.

Weisel: Right.

Hancock: Do you want to say anything about ROLM and Tandem, other early deals?

Weisel: Yeah, I mean Treybig at Tandem and Ken Oshman at ROLM were fantastic entrepreneurs, Jim Morgan was eventually the CEO of Applied Materials. Those three were just amazing people, all very, very different but all world class at the way that they went about building those companies. Applied Materials is still on its own, the other two eventually sold but had a good number of years on their own and did extremely well.

Hancock: So you had these really close relationships with these amazing entrepreneurs at absolutely critical times, helping them get breathing room, key funding, go on the market. Can you describe your working relationship with any of those entrepreneurs and what did you learn from them, how do you think you influenced them?

Weisel: Well certainly, I didn't have any technical expertise about where and how they differentiated themselves in the market. But I think what I did have was a really good feel about when and where and how much capital they could raise. And they had little or no capability in that area, so I think it was a terrific partnership. We always had really terrific analysts, they were independent thought leaders. But they had decided before we would do any of these deals that they too agreed with the product positioning and the management team, that these were sustainable companies. And so we would be the voice for these companies and the analysts would be the voice for these companies, not that they would just take everything that they would say but they would be independent. But there's just so much a company could do whereas someone from the outside opines on what they do, could be very, very helpful for them.

Back in the early '70s we started this investment conference out in San Francisco, and by the '80s and '90s this became a big deal. We would showcase a number of these companies at this investment conference. It was through that and through non-deal roadshows or something where we would introduce many of these companies to very substantial institutional investors really around the world. So capital markets advice, strategic advice when it comes to M&A and kind of helping them face the institutional world on a yearly basis were kind of what I think our roles were with these companies. They learned to trust us. Most of these companies were venture backed and so we worked very, very closely with the venture people in addition who didn't have a lot of background in investment banking and/or capital markets. But once you've been down the road a number of times with the venture capitalists and things have more or less turned out like you thought they might, I think they're very appreciative.

Hancock: Especially when things went so well.

Weisel: Well, you know, I want to be somewhat modest. Not everything worked out like you think it's going to, but I think we had a very good sense, nose for those sorts of things. It's that kind of trusting relationship that over years we built up with a lot of the venture people that have led to continual business with them.

Hancock: I'd like to pull the lens back a little bit and talk about the evolving landscape for finance in the Valley. Montgomery Securities, as you said, was tied into the venture community and also into the large institutional companies, Fidelity and others. Who were the other key players that you were working with at the time and how has that evolved? And this was a new kind of ecosystem that really the world hadn't seen before and you were helping shape that. Describe what it was like during the '80s and '90s when it was really taking form.

Weisel: Well, look, I mean, Robertson, Hambrecht, Alex Brown…

Hancock: Four Horsemen as you're called sometimes.

Weisel: …were also very fine firms. I hate to admit it, but they were just as good as we were; they had high quality people; they were passionate about what they were doing just as we were. So the four of us did a lot of this business, more than the bigger New York firms. This was at a time when the pension fund rules and laws were changed and so the growth within the asset management business was very, very dramatic, particularly during the '80s. So you had Capital Research out here on the West Coast, you had Fidelity, you had Wellington. There were a number of organizations like those three in particular that grew very, very fast. And of course they're interested in making money as anybody is and had a voracious appetite for both research and getting close to companies that they could invest in as they could. So I think it was a pretty symbiotic relationship between the companies, the four growth investment banks and the large asset managers.

Hancock: Can you give us some sense of the scale and scope of your operations during that time of rapid growth?

Weisel: Yeah.

Hancock: You mentioned you'd grow to be doing 100 IPO deals a year, in terms of numbers of people working for you, assets under management deals, dollar deals.

Weisel: In the '70s we went from zero to $10 million in revenue. In the '80s we went from $10 to $100 million. And in the '90s we went from $100 to a billion. So it was kind of a step function, we sold Montgomery for 700 million dollars and we were doing $700 million when we sold Montgomery in 1997, we had roughly 700 people. We doubled the size of the firm a year after that because we had capital and we were getting into new businesses, so had roughly 1,500 people then. And I think we tried to have diversified revenue bases in terms of industry verticals so we kind of started with tech and had healthcare and then consumer. But we tried to build out other verticals whether it's financial service, energy, other growth areas within those bigger industry verticals, and then tried to layer on different products. So we were mainly equity shops, tried to add debt, derivatives, other activities, other product sets where our clients could use that capability.

Hancock: Another big deal of the time just in those mid '90s was Yahoo, right, in '96. We recently interviewed Jerry and David adding on their story and they established a founders collection with early artifacts about Yahoo. Would you like to share any stories about that deal?

Weisel: Yeah, that was a lot of fun. Tim Koogle was the CEO, he was kind of the adult supervision. <laughs> I'll never forget going to Yahoo's first headquarters, I think it was in Menlo Park and it must have taken me 15 minutes because there was no sign anyplace about where it was.

Hancock: And what was it like, what did you find when you got there, the unmarked place?

Weisel: I think the early days of Yahoo, there were a number of other competitors, if you remember, at the time. So it wasn't entirely clear whether it was going to be Yahoo or AltaVista or a number of the other potential competitors. But certainly they did a great job of branding themselves and eventually became very successful.

Hancock: I'd like to talk about the culture of Montgomery. You were creating not only a company but really a whole generation of people that went on to lead. How would you describe the culture of your firm and the values?

Weisel: I think we were much different inside than what people viewed us outside. I think people on the outside viewed Montgomery as maybe overly competitive…

Hancock: It did have that reputation.

Weisel: …a little bit hard edge. And look, we encouraged that, I mean we liked hiring athletes and winning for our clients was paramount. We liked the fact that people would think of us in that light and therefore want to hire us because we'd do the same for them as we did for others. But in actual fact, I think it was an extremely supportive, uplifting growth experience for many of the people at Montgomery, including myself. I can't tell you how many partners of Montgomery are still very good friends. We have alumni events once in a while, we get back together. Many people look back on the '80s and '90s at Montgomery with incredible fondness, it was a magical place.

I think part of it was that we tried to hire the best of the best, and while everybody likes to do that and everybody says they do that, I think we got lucky and actually in most part were able to do this. And this was whether you were a trader, whether you're a salesperson, whether you were an analyst or whether you're a banker. We moved a lot of people around, our head of research became head of one of our banking teams, our head of sales became head of research. We took athletes that were really good at one thing and moved them into another thing, and that seemed to work. And many of these people have gone on to other very successful business careers beyond what they were doing at Montgomery, which has been really satisfying for me.

Hancock: Absolutely, this sort of magical place that was so influential. The Warriors just got listed as the Sports Person of the Year and there are rare times when a group of people really represent the sort of pinnacle in their area of work. To what do you attribute the magic of that period of time for Montgomery?

Weisel: I think it's three things: one, luck. Two, a bull market. And three, we were entrepreneurial. So if someone was looking at some of the better firms, say, in New York, Goldman or Morgan, and they looked at us, they had a decision to make: "Do you want to go to the established larger firm and take a number? Or do you want to make a difference in a small growing entrepreneurial firm?" So almost by self selection we got the people that wanted to go take a chance, they wanted to be more entrepreneurial, so we just attracted that kind of person.

And we actually had some very successful women in our firm. I remember Alice Ruth in particular told me just the other day that she was looking at Montgomery or Morgan Stanley and decided to take that risk. And another woman that was one of our COOs of our investment bank, we were on a panel together and they asked her, "Why did you go to Montgomery?" And she said, "Because I saw so many successful women in that firm."

Hancock: Those were early days for women to be…

Weisel: I took that as an enormous compliment and yeah, we're totally gender neutral if that's a word in terms of quality people. So at any rate, I think those three things were kind of the more important aspects of being successful. I'd like to say that it was because we had a better strategy or whatever, but no, it was…

Hancock: Thank you for summarizing that. Building on your sports analogy, you've talked about these athletes, very skilled in one area, you move into another area. Who was the equivalent of the general manager or the coach at that time-- because you were attracting very talented young players who did move up and around-- who played that role in the firm and how did that play out?

Weisel: Well I think that was my role. Look, I've always been someone that wanted to be in the arena, always sat on the trading desk and wanted to be a role model. I never asked anybody to do something I wouldn't be able to do myself, so I wanted to lead by example. And yet, I was extremely interested in furthering people's careers. Part of that, I think, is being very transparent and being very, very direct about how people are doing. I think even if people aren't doing well, they surely want to hear about it rather than sugar-coating something and then after three or four or five years, you're having a frustrating experience or you're leaving, you're gone.

So I think for personal growth, but I think also for the health of an organization, if they've got someone that's fair-minded as a boss and is very direct and really rooting for you to win, that's a healthy environment. And yet, you know, people are going to make mistakes and we're going to lose money in certain deals and that's okay. I mean I think that's all part of learning, and people weren't criticized for that as much as they would have been for other things that might be deemed more stupid where you've made some mistakes, some real mental mistakes.

Hancock: So in your leadership role, as you think about your philosophy, you've mentioned openness, transparency, direct feedback. Can you think of an example of an incident, a story, an occasion that could help illustrate your leadership style?

Weisel: It was every day, I mean I would spend two or three hours a day on the trading floor, talking to salespeople, talking to traders. So this wasn't something where there was an incident or whatever, I mean this is a dialogue you're having with almost everybody on a very interactive, regular daily basis. So you're just not sitting in a corner office having a year-end review with someone that you don't know, because you've been doing deals with them or you've seen them, watched them produce countless times and days. So I can't really recall any aha kind of moment, if you will, where that leadership came to the fore. And look, we had an executive committee, they usually represented all the major aspects of the firm. We met on a regular basis at least once a week, we had monthly partners meetings where we would talk about anything and everything. So there's just a high degree of interactive dialogue going on, and whatever was going on that was important for the firm, every department head knew about at the executive committee and would transfer that information down to their department as they deemed appropriate.

Hancock: So as you think about the inflection points for Montgomery, were there any that you would like to point out before the '97 acquisition by NationsBank? What were the things leading up to that and how did you make that decision?

Weisel: Good question. I think as we built our client base, they were becoming bigger and bigger and their needs were becoming bigger and bigger. So capital became more important, we were losing a lot of clients to large New York firms to do bridge financing, to do M&A, do bought deals, all that sort of thing. And we needed to build out our product set, so I actually sold Montgomery Asset Management about 9 or 12 months before we sold Montgomery because I wanted to take the capital and put it in and build a high yield desk, which we did.

Hancock: So you were re-shaping it all along the way.

Weisel: Trying, trying. We had limited financial capability, so these had to be little baby steps because we were private and it was all our own funds. But I think at some stage when the banking laws changed and the larger banks wanted to get into investment banking, that was the change. And from our standpoint, we wanted access to more capital, so that's why we sold to NationsBank, which eventually became Bank of America. I think before us, that's why Alex Brown sold to Bankers Trust, and so we could all continue to grow our business and grow with our client base.

Hancock: So fast forward a little bit, not too long after the acquisition, you decided this wasn't a good fit for you. How did you make that decision and then what came next?

Weisel: That's a good question. So we had a whole set of requirements for this merger and it had to do with the areas of responsibility that Montgomery was going to do within NationsBank: we were going to control the capital and the high yield and other fixed income areas, blah, blah, blah. Well it turned out that the management of NationsBank didn't want to see that through. So after a year, Hugh McColl who was the CEO at the time, Jim Hance who was the CFO came to me and said, "Well, look, you're right, this isn't going to happen, what would you like to do?" And I said, "Well, I'll tell you what, just let me out of my non-compete and let me get liquid in the stock that I have in Bank of America now, and we'll just go our own ways." They said, "Fine, done."

Hancock: Was that an easy or hard conversation?

Weisel: That was a really easy conversation, yeah. And so that's what happened. I got inundated when that was announced from people that said, "Well what are you going to do, you should stay in the business?" So within a year, I just went across the street with 150 people at Montgomery and another 150 people from outside Montgomery and started Weisel. That was just before 2000.

Hancock: I mean think about timing, right?

Weisel: Yeah, I think that's right, I think the timing-- I mean things were just going nuts. The first full year, which was 2000, we did 500 million dollars in revenue.

Hancock: Crazy.

Weisel: I mean it was the beginning of the internet. We established the entire firm around the internet, I think we had 13 or 14 or 15 analysts in various verticals in the internet. Chris Rome [ph?] wrote a white paper on retail on the internet saying that within five plus years, ten percent of retail sales were going to be on the internet. And people thought that was absolutely ridiculous.

Hancock: Mind blowing.

Weisel: Mind blowing.

Hancock: There's this time, internet has changed everything, right, and you defined your firm around that, created almost overnight this huge new firm, Thom Weisel. This is January of '99, right?

Weisel: Yeah.

Hancock: And you made this critical decision to hitch your whole firm around the internet. What was it that you recognized at the time and also the bet that you made in terms of investing in these areas with analysts and leading these deals?

Weisel: You know, it wasn't terribly difficult because it just looked like the building out of the infrastructure for the internet. So you could do the picks and shovels in terms of equipment manufacturers. And of course these stocks were going crazy, I mean we had taken JDS Uniphase from basically a 100 million dollar company to 140 billion dollar company.

Hancock: That feels good, doesn't it?

Weisel: Well, I guess we should have seen that that was-- I mean you go look at the top companies, whether it's Cisco or others, and they were selling at two times the multiple that they had sold in any time in history. Red warning lights should have been flashing.

Hancock: A lot of people missed that.

Weisel: But you could just see that the internet was going to change almost every industry and so we wanted to be on the front wave of that. We also wanted to be a merchant bank, so we raised a $1.4 billion fund to invest half in venture and half in private equity, which didn't turn out great because we got hit with 2000, 2001.

Hancock: That was out of your control.

Weisel: We should have been a lot more careful. We actually salvaged that fund and it did all right as it all turned out. But at any rate, we were trying to create something new and different.

Hancock: You mentioned JD Uniphase, and there were other companies like GeoCities. What were some of the other big tech deals that you were involved in?

Weisel: Within a week or two or establishing Weisel, Tim Koogle called us and asked us if we would represent them in their acquisition of GeoCities, so we did that.

Hancock: A relationship that continued, right, from a prior deal?

Weisel: Yeah, sure.

Hancock: Were there others like that? You mentioned that you attracted repeat business because you had done well with entrepreneurs. Who were some of the other ones that you had over several companies or years?

Weisel: Well, there are a number of entrepreneurs that have stuck with us during both the Montgomery days and then on into the Weisel days. And they're all over the world of tech, whether it's internet media software, hardware, semiconductors, et cetera, but also in the healthcare and the consumer space. Those were kind of the three verticals that at Weisel we wanted to build out. And so if entrepreneurs had something else to do in their present company and/or they left and started something else, they knew me and/or many of my partners and wanted to get us involved. So we were very appreciative of that.

Hancock: We've talked a lot about how you saw technology or were a part of the technology trends. In a sense, technology was also changing your business during this time, electronic trading was taking hold and others. Can you comment a little bit about how changing technologies were impacting your business and how did you respond?

Weisel: I missed what the very negative impact was going to be, no question that electronic trading in the 2001, '02 time period forward had in terms of squeezing margins, in terms of changing the cash equity and actually the debt business. So algorithms and electronic trading became a much larger part of all trading. The old model of making or covering your whole overhead through the cash equities business, and therefore anything you did in investment banking would be profit, was no longer operative. That was the real challenge and clearly it impacted us after the 2000, 2002 waterfall downward, trying to right size the firm given the fact that you couldn't make the kind of money that you used to be able to make in the brokerage side. And yet there were periods, very lean periods in the investment banking side, that made it much more challenging for a small, growth-focused investment bank to flourish. And it’s exactly why we sold to Stifel back in 2010 because it was a much larger company. It had more verticals. It had more products. But half the firm was a high-net-worth asset manager that kind of gets through the down parts of the investment banking cycle with increasing revenue and profitability. It's a terrific model built for kind of the new world with electronic trading.

Hancock: So there’s difficulty. We skipped over 2008. You have these incredible headwinds and challenges, you called it a waterfall of the Internet-bust, dot-com bust. And then we had it followed on in 2008. What kinds of lessons did you learn from having to manage your firm through these two big macroeconomic recessions?

Weisel: The problem with both of those periods, and particularly 2000, is you've got your foot on the accelerator. So we went from 0 to 500 people and $500 million to 1000 people thinking we're going to do a billion. And yet we went to 250.

Hancock: Overnight almost, right?

Weisel: Overnight almost. And so, 2008 or '09 became a very difficult time, but we had already gone through that. In 2007 or so we were still running the firm on a much more conservative basis. So it didn't as affect us as it did back there where we had a swing just really dramatically from a growth phase to a downsizing phase. It wasn't that 2008 wasn't difficult. It was. But at least there we were somewhat prepared given what we've gone through five or six years before that. And things spiked pretty quickly out of there in '09. The S&P was down over 50 percent and so it recovered pretty quickly.

Hancock: Great leaders really face difficult times. Everything is not up and to the right. As you think about some of the difficult times, there have been not only macroeconomic challenges, there were probes into some of your former employees, right, of stuffing or other things. How do you help navigate through difficult times? And business leaders talk about dark moments and the resilience that helps them to move forward beyond challenges like that.

Weisel: I think it helps to have really good people around you that you can kind of problem solve with them. And I think we've always tried to do things right. The only legal issue we had was the SEC mandating this research settlement. And I didn't agree with it. I thought that this was one more meddling along with a whole long list of governmental policies that were going to be very, very detrimental to the capital markets. And the system was working and separating research from investment banking, the way they wanted to do it, and asking for settlement. So I held out. I think I was the last company that held out. And finally, I think, we just got tired of fighting and resolved that. But that was really the only legal issue that we had. That was a number of years it lasted. And it hurt us because I think the marketplace was wondering if we were going to be able to survive this because we weren't a highly capitalized company. So managing the PR of this was as difficult as managing any kind of settlement talks.

Hancock: Yeah, the perception, especially in the investment world, is an important one. But you survived. And now, in a sense, you've returned back to your midwestern roots as you've come to Stifel. Talk about your decision to join and your role now since 2010 here as part of Stifel?

Weisel: Yeah. I really actually enjoyed it. I'm co-chairman of Stifel, essentially doing the same things I was doing at Weisel and Montgomery, spending a lot of time with venture capitalists, and I have many clients that have wanted to keep me as their advisor. And so many of the key roles, whether it's head of investment banking or head research or head of legal or whatever, at Stifel are filled with old Weisel people. Because of that I feel very connected to the firm. We've got a pretty young CEO Ron Kruszewski, mid-fifties, and frankly at this stage of my life and career, not having to pay people and count pencils is something I relish. And still be able to work with clients. So I'm really enjoying it. It's been eight years now and absolutely the opposite experience than inside Bank of America at the time. And so hopefully I can keep doing this for a number of years from now.

Hancock: Tell us, you could be doing anything and everything. You have done so many things. What is a typical day for you now in your work? What are some of the issues you're thinking about? Who are you talking with? What kind of decisions are you making?

Weisel: Well, I work with Ron and Victor and a number of the other top people in terms of strategy and helping to build out their board. But most of it is working with clients. And, if anything, I'm working with a number of clients that are younger and earlier, trying to help them build their companies, not just raising capital but really advising them in a lot of other ways. And all of whom, if they're successful, can become very large clients of the firm. So I seem to be spending more time with companies earlier in their cycle and it's just kind of worked out that way. Either the entrepreneurs or the venture or financial backers of these companies have drawn these companies to my attention and got me involved.

Hancock: You have this more than 50-year career in building not only the investment sector but also major tech consumer health companies. Are you seeing different kinds of opportunities or challenges now than in the past? And how would you describe the current situation?

Weisel: I'm seeing the opportunities being far greater. I am just blown away by the path of innovation and the number of incredibly interesting companies addressing very, very large markets.

Hancock: What's capturing your passion right now of those?

Weisel: If I sat here and listed the kind of companies, the industries that I'm getting involved with you'd go, "You're crazy." I've got one company that is an AI robot that's eliminating all of the labor at the physical layer in a data center, so it's playing off cloud and that whole trend. To an organic indoor farming technology that I think could revolutionize that area of the world and literally can be applied to any place in the world because it's indoor farming growing leafy greens.

Hancock: Does that have sensors? Is there a tech angle to this?

Weisel: There's a large tech angle. I mean this AI robot, they've got an algorithm that figures out how 1000 ports can change within seconds and then has a robot that manually manipulates it. So it's really a Caltech engineer that figured out this algorithm and it's got 38 patents. It's incredibly on the edge of technology and brains. The other ones when you see it and see what their patentable product is, it's so simple you kind of wonder why no one else has figured it out. It's one of those sorts of things.

Hancock: It becomes so essential and ubiquitous.

Weisel: I think it could be. It's not right now, but I think it could be. But at any rate those are just two examples of something that I am currently working on that I'm having a lot of fun with.

Hancock: As you think about the Valley as it's changed, so many people come from around the world and look closely under the microscope to try to explain, what's the success? What's the secret sauce? What's the DNA of Silicon Valley? Do you have an answer for that? What's your view?

Weisel: No, I don't. You've got so many bright people. And they've got unbridled optimism about what they think they can create. Clearly only a small percentage of them are going to make it. But the optimism is just incredible right now to change the world, to change things, whatever that might mean in those areas. I think younger people have got a really great handle on the next 5 or 10 years and how older industries and an older way of doing things can be disrupted and there is a better way of doing it. Delivering goods, services, the product, whatever, that is pretty amazing. And the center is definitely right here in the Bay Area. When you think of all the major negatives about the Bay Area, whether it's the cost of living, the difficulty of moving around, et cetera, et cetera. People want to be here just because the environment is so infectious. It's such a laboratory of innovation that you can't help but see, feel and observe it every hour of every day. And every month there's 10 or 15 new companies and almost new emerging industries. Like these scooters, for instance. You just pick up the paper today and talk about the fact that, I don't know if they'll make it or not but they're getting $2 to $4 billion valuations overnight, companies that haven't been around for more than a year or two.

Hancock: Is Lime going to be Uber? I don't know. Right.

Weisel: Right. Exactly.

Hancock: So many things have been written about you, but one biography used some nouns to describe you: entrepreneur, investor, athlete. We've focused so far on those first two. If you were defining some of your high points of your professional career, I do want to talk about your athletics, but what other nouns or adjectives would you use to sum up your work in investing and entrepreneurship as you reflect back on your career?

Weisel: Well, I hope that I've been a good mentor to people. I've really enjoyed the interchange with people. And I hope that many people that have been part of the organizations that I've run have felt that they've learned a lot. When and if they've left I've been nothing but encouraging and supportive, and I hear back from a lot of these people. I like to stay in touch, and I'm in awe of what many of them are continuing to do. So that to me has been one of the really rewarding aspects of what I've been able to experience in this business.

Hancock: Wonderful. With the time that we have, I'd like to talk about your athletics because that's been such an important part of your life that has had a huge impact on you. It's time to talk about ski racing and cycling. How did you get involved with those? And can you describe your role not only as an athlete but also an organizer and investor and leader in those areas?

Weisel: Sure. Well, skiing, first it was just something I enjoyed doing. My family, born and raised in Milwaukee, we would drive out to Alta or Sun Valley, long drives, but skiing for a week or two and I enjoyed it. Picked it up as an adult. But then Warren Hellman, when he was the president of Lehman Brothers, asked me to go on the board of the U.S. ski team. I think he knew that I was passionate about the sport. I didn't know much about ski racing but I enjoyed that. And eventually when he stepped down as chairman they put one other individual in charge for about a year and that didn't work out too well. So one of the older members of the board called me to his office in Salt Lake and asked me to take over the ski team as chairman. And I said, “Look, I'm just building Montgomery. I have no time. There's no chance that this is going to happen.” And a number of hours later he talked me into doing this.

Hancock: Is that ’83?

Weisel: That was in ’83. So I went to over to Sarajevo in ’84 as chairman. We were incredibly successful. I didn't have anything to do with that success. Warren Hellman had put all the pieces in place in terms of funding, organization, coaches, and we had some great athletes. I became good friends of Phil and Steve Mahre’s and a number of the athletes. I just saw Debbie Armstrong down in Colorado just last year, for instance, who won a gold medal in the giant slalom. But as I took a look at the sport, the organization made no sense and then the finances were in a shambles. As a matter of fact, I had to write checks out of my own checkbook to keep the team afloat. Security First was the bank, Spence Eccles’ bank in Salt Lake. I had to cosign. I was fortunate I had a partner that helped me kind of oversee the ski team at the time. Chuck Ferries is his name. He was the CEO of Scott, but he had enough time and he had to go to Salt Lake anyway; so for a couple of days a week he would go in and physically run the team. But those were tough times in the eighties. I mean ’88 we got no medals in Calgary. We got skunked.

Hancock: You were giving it life-support?

Weisel: Yeah. I mean just slowly trying to raise money, get more people involved. A lot of it is just money. And then you can hire the right people and you can put the right organizational structure in place and start developing athletes younger and build a pipeline, and all those things.

Hancock: This makes me scratch my head. I understand that you were also a championship skier during that year. So you were training for skiing, is that right?

Weisel: Yes, I was.

Hancock: So for the record, can you mention your medal list that you received during that time period?

Weisel: Yeah, I won the bronze overall. I was third overall in the Masters National Championship. But it wasn't that much time that I spent on that. The thing that I was most interested in beyond just getting the organizational structure on a good financial footing was to reorganize the sport. It was a large board. The U.S. ski team Olympics and championships and competing on the World Cup was in the U.S. ski team, but the domestic programs as well as all of the national governing body organizational structure was inside a different organization. So I hired McKinsey. I hired Barbara Waterman to recommend what I thought he should do which is merge these two, give us the rationale for this. This was the only way this sport was organized in the world. No one would take the development part of the sport and pull it in a different organization as well as the relationship with all the international bodies, that's all in a different sport. That's a different organization than the U.S. ski team. So at any rate, a lot of people were out of jobs in terms of the boards because I collapsed the 60-odd person board down to 15 and limited the scope of it. But eventually, we got that done. So I’d say that that beyond anything else was the major contribution that I made to that sport.

Since I was pretty successful, even though it took me a decade, Cycling Federation came to me and asked me to do the same thing for them. And so what took me 10 years in skiing took me less than 2 years in cycling. Cycling was in as bad a shape from a financial standpoint, but at least that board was open to change. So that was pretty easy just to take kind of the footprint that I thought had worked at U.S. skiing and apply it in terms of governance and size of world and reporting and structure to cycling. And I like those two sports because they're under the radar. They're not flashy and they're out there in front of a lot of people. You can kind of do your work and it doesn't have to be under a microscope. I'm pretty pleased that both of those sports are two of the better financed and run NGBs in the country. They are two of the sports that are given some of the highest amount of funds from the USOC, definitely skiing is, and I think that cycling is one of the highest-funded sports in the Summer Olympics.

Hancock: Give some sense of scale when you say some of the best-funded sports from the Olympic Committee.

Weisel: Yeah, it's in the neighborhood of $7 to $10 million that USOC gives skiing and slightly less in cycling.

Hancock: Your involvement was also that you're a competitive, cyclist, too. Right? And then you started Montgomery. You had your own team, Montgomery Sports. Can you say a little bit about that, too?

Weisel: That was a lot of fun. But, again, as I went back on speed skating I think becoming a very world-class Masters athlete, I did it for a couple of years and that was kind of it. I certainly didn't enjoy the doping part of the road cycling. I'm sorry that I got involved in that aspect of the sport trying to build a pro cycling team. But we continue to do really, really good work with U.S. cycling. We're contributing over $1 million to the development program in the United States getting young people involved and building their capability. And I think that most of the sport is clean now particularly on the sprinting and track side of things where a lot of our new Olympic medals might be gotten in Tokyo and beyond. So I'm pretty happy with where both of these sports are now.

Hancock: You were very close with Lance Armstrong and the Tour De France is an internationally watched races. Any comments on lessons learned from that era in the sport?

Weisel: I wish I was a better observer of character. I gave him his chance when he came back from cancer. No one else was willing to hire him. I didn't realize that he was as flawed an individual as he is. I think he's a self-promoter beyond anybody else in this country and continues to be so. So you're trying to help a sport and trying to help an individual and they turn out to be something different than you thought they are. Again, I've got to move forward and move on and not look back.

Hancock: So as we knit together these different parts of your life you've also been very involved with art as a serious art collector, a leader for the Museum of Modern Art here. Can you tell us about that aspect of your life as a collector and supporter of the arts?

Weisel: Well, you know, it's that whole trying to live a diversified lifestyle. And it's the old right brain versus left brain thing. Business and athletics are pretty much kind of hard-hitting, disciplined, focused approach, whereas art is in the eye of the beholder and means so many things to so many different people. So I've really enjoyed getting to know artists, getting to be familiar with art, in general. It turns out I've got a pretty good eye for art and have been doing it, literally collecting for over 40 years.

Hancock: How did you get started? You have these threads, certain strands in the Southwest. How did you decide your philosophy and what your passion was in the arts?

Weisel: I had an old friend in New York who was an art dealer, Allan Stone, who used to say, "Do you like this piece of art?" And he said, "If it doesn't talk to you don't buy it." That stuck with me for 40 years. If it talks to me I want to collect it. It can be a canvas, a painting, or it can be a bowl done 2000 years ago or it can be a wooden figure that was carved in some place on some outer island in the Oceanic. Good art is good art. And I react to art probably different than anybody else and what I deem is good art is maybe not so good from someone else's standpoint. But I just enjoy that process. I enjoy being around it. I enjoy the artists themselves. I've gotten to know many of the living artists. I consider Wayne Thiebaud a good friend. Richard Diebenkorn, et cetera, et cetera. It's been just a really rewarding enriching part of my life.

Hancock: You start to connect these dots. Do you see them as connected, athletics, business, and art? Are there strands that connect them? Or are they different parts of your life?

Weisel: I think they're totally different by design. Many of the people that I know and really appreciate in the art world have no clue about either business and/or athletics. Many of the athletes just are pure athletes whether they're skiers or cyclists, I mean, they're just in that world and that's what they want to do and that's what they're pursuing. I think there are elements of being successful at all three of those things, you know, if you kind of look at…

Hancock: What would those be?

Weisel: Clearly, there are people that are able to get to the essence of what it takes to be successful. Athletics, clearly you've got to add some DNA but it also takes a certain kind of mind that can blank out pain, that can be tunnel-visioned and focused particularly when it really counts. The same thing in business in terms of understanding relationships and getting to the critical success factors, the essence of building a relationship, a trusting relationship with an entrepreneur, with a client, so speaking either as an investor and/or an investment bank banker. But I see many of those same qualities as an artist. They're risk takers. They're willing to try to go beyond. They're always trying to grow. You talk to Wayne Thiebaud he is always inventing images in his own mind. Here he is 95 years old and he's still doing phenomenal work. So seeing these people getting to the essence of what they do, go through the process that they go about-- there are quite a few similarities between all of those aspects of life.

Hancock: Thom, we've spent a lot of time on these incredible areas that you've worked in in your professional life and in these other areas of passion. You've talked about wanting to lead a balanced life and how important your family is. Can you talk about that now?

Weisel: Sure. I'd say that those three things-- business, athletics, and art-- are important but family is the most important thing to me. I used to have seven kids. I've got six kids. One of my sons died, actually, today a year ago. He had an autoimmune disease. And I've got eight grandkids. And it's so rewarding. I'm so proud of all of these kids. Jen and I have a three and five-year-old and they're two boys. They are a handful but they're so enjoyable. And then I've got two middle kids Olivia and Kipling and they're the love of my life. I just enjoy being with them and supporting them. And they're actually getting to a stage in their life where I think I can actually make a difference in some of their decision-making. My son is at Dartmouth and has been on the U.S. ski team for four years and doing well in both, studying economics. My daughter is a freshman at Middlebury and studying both studio art and history of art. So both of them are kind of entering adulthood and in areas that hopefully I can be of help to them. And then my three older kids, one of which is deceased now, with eight grandkids, the grandkids are in high school and college. So it's a big family and just unbelievably enjoyable. I spend every bit of time I can with them.

Hancock: I see why your family is growing not only in each individual but as a clan. Are there any messages, as you think ahead to your three-year-old girl and five-year-old or your grandchildren, as something that you would like to share with them that we can have for the generations that will follow?

Weisel: Oh, God, just follow their passions and enjoy life, really.

Hancock: You've defined your life's work in all of these areas by looking forward and also reinventing as you've created and re-created new entities, new organizations across all these fields. If a young entrepreneur, innovator in any of these fields were to come to you and say, "Could you give us one word of advice?" What would that be? I asked you a little bit earlier to write that down. Could you please share with us that word and tell the story behind what that is?

Weisel: Sure. I put down "growth" because I think people need to keep growing. You just can't be complacent. And even if you're happy and you really love what you're doing, people should definitely follow their passions. I think if you stop growing, you know, you stop actually living to the fullest. While I could give a lot of other advice about hard work and perseverance I think the one element that keeps people really alive and really passionate is growth.

Hancock: Well, Thom Weisel, it's been a pleasure to be here. I'm Marguerite Gong Hancock from the Exponential Center at the Computer History Museum. On behalf of all of the Museum, we thank you for your time and we're very grateful for your impact and your career and for it now being a part of our museum collection. Thank you.

Weisel: Thank you.

END OF THE INTERVIEW

