

Report on Business magazine

Markus Frind

Plenty of Fish founder. Investor and 39-year-old centimillionaire. Husband and father. Relationship expert

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I started Plenty of Fish in February 2003. It was just past the dot-com boom, and every six months, I'd join a company and it would go out of business, and I'd jump to the next one and the next one. It was a very tumultuous time. Because I was jumping from job to job, I needed to spruce up my resumé, and there was a new programming language called ASP.NET. I never learn things reading books. I learn by actually doing it. So, in the span of two weeks, I wrote a dating site on my home PC, and people started signing up.

By October, I was generating 4,000 or 5,000 bucks a month, thanks to Google's advertising platform. And I thought, Well, I might as well quit my job and do this full-time. The following year, I was making \$200,000 a month. It just kept exploding.

In 2008, I was still running POF off my laptop while travelling around the world—I was vacationing half the time. It was at 15 million users and \$10 million in revenue, and that's when I started hiring employees. It's amazing how big you can get if you're taking it day by day and not really thinking about anything else.

Playing chess, I learned that you're going to win at some point—you just have to keep trying and trying and trying. When you're running a business, the two most important traits are grit and perseverance.

I never integrated into the Vancouver tech scene, because in a lot of these communities, you get into bubble-think: *Let's spend as much money as can, hire as many people as we can, grow the revenues as fast as possible, and sell it before we run out of money.* I was on the complete opposite end, where I was focused on building the business as lean as possible and generating as much profit as possible.

No matter how big your company is, there are always just four or five things a year that make any difference. The more people you hire, the more work you get done. But if what you're doing doesn't lead to either revenue or user growth, it's not going to matter.

The biggest challenge of getting to that later stage is that when you're talking \$100 million-plus in revenues, it's virtually impossible to find senior executives in Canada. You get specialized knowledge working at scale. If you have 10,000 users, it is utterly different when you have millions or tens of millions.

I could've given away shares in Plenty of Fish and brought in venture capitalists, but at the end of the day, I walked away with \$800 million from Match.com.

By the time I sold POF, I knew virtually all the code. I understood that business inside out. It was kind of boring at the end. I miss that fast-paced growth, but you only get that when it's growing at 30 or 40 percent.

Afterwards, I spent time with the kids—I have a one-year-old and a three-year-old—and spent a few months in Hawaii just travelling around. I bought some land for a winery. I'm just sort of taking my time. I'm starting to hire a family office now to have a more formalized investment business.

I like massive asymmetrical risk—that's my investing philosophy. Throw some money at it, and if it works, there's spectacular upside. And if it doesn't, who cares? I can afford to spend 2% to 3% on super-risky stuff each year.

I tend not to invest in the early stage, because the amounts of money are so large that I can write \$50,000 and \$100,000 cheques all day long, and it's not going to get me very far. I invest a lot in real estate and other things where I can deploy a \$10- or \$20-million dollar cheque.

I'm dabbling in a whole bunch of different industries, including a steel mill, of all things. The steel industry hasn't changed technology in, what, 50, 100 years? I think there's a large opportunity for me to go in and buy up existing old-world businesses that make tons of money, bring the Internet to them and build a bigger business.

All the transformation we've seen in the past five or 10 years is absolutely nothing compared to what's coming in the next five to 10 years, as all these traditional business get disrupted. All back-office functions are going to be automated, so you're looking at banks laying off tens of thousands of people. Anything menial—that's gone. You're going to see a lot more robots in manufacturing. Whatever seems like it's very simple to do without much education, those jobs are gone.

You can find love anywhere. I have detailed stats on tons of things, but at the end of day, one person has to be malleable. So if you have two people who are unrelenting or unyielding, love will never form. Another big predictor of love is income level. If you have a similar income level, then you can have shared hobbies, and that binds you together.

My best advice for entrepreneurs, especially the younger ones, is to spend time with your spouse. If you're working 80 hours a week, the world outside the business doesn't exist, which is why divorce rates are so high.

This interview has been edited and condensed.

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