

URL: <https://stvp.stanford.edu/clips/turning-down-money-on-principle>

As Backstage Capital founder and managing partner Arlan Hamilton struggled to raise her first fund, she was offered a significant investment that would close out the fund. Vetting the investor, she discovered that the investor was actively supporting a political candidate whose platform and behavior was fundamentally opposed to her own values. She describes why she made the difficult decision to stand up for her principles and turn down the investment.



Transcript

The first fund.. So our first fund was ended up being 1.2 million.. And I mean, it was so hard-earned.. It was brick by brick by brick.. And we needed that last bit of it to close it out because we had companies in queue that we had chosen.. That's 2% of what we have seen.. So we really needed it just to keep going too.. And, so this person who's very wealthy came in, their people got in touch with me and said we're interested in doing this, they wanna be anonymous publicly so you wouldn't say who it was.. This doesn't, so I know who it was, and the stuff started happening with Trump getting, he's gonna be the nominee and he was the nominee and he was gonna do all this.. And then these tapes come out of him saying the things about grabbing women and sexual assault, him admitting of that..

And the same kind of time period, Peter was a partner or like a vision partner like commentator.. Now, I just told you earlier that Sam Oltin was a friend of mine and helped me before.. That did not stop the fact that I felt it was wrong for Peter to still be there and enjoy that privilege of being there so I called that out on Twitter.. I said, I'm no longer gonna be sending companies that where they, I'm not stopping them from going there, I'm not saying you're bad if you go there, I personally will not continue to send the deal flow that I have been helping what I see with.. Until he's gone.. That was just my personal decision.. And when I sent that out later became this whole thing, it was picked up on all of these, all this press and Sam got in touch with me and Michael got in touch with me and there's this whole thing.. And at the same time, I was like, wait a minute.. I know that this other person is so entrenched in that Peter Thiel world.. Let's just see what they're saying online about it..

Like, doesn't mean that they're a bad person 'cause Sam is not a bad person, right? They were good friends.. Let's just see what they're saying.. And I go over to their social media and they are just defending Thiel.. I shouldn't that Thiel, I'm sorry, I forgot to make the connection.. He, during that same time, announced or it was announced that he put another million dollars behind Trump.. Let me tell you this.. If Thiel had run for president himself, like a conservative or libertarian or conservative ticket, I wouldn't have agree with him for a moment but I would've respected the hell lot of him.. What I did not respect was him saying, you know what? He's saying this about people of color, he's saying this about, like he's very specifically about Mexican people, he's saying this about immigrants, he's saying this about women, he's done these things to women, some of it he's admitted to.. Some of it he's been accused of that's horrible.. He's also doing all of these things that are gonna affect his, it's not like we're talking about freedom of speech to say what you wanna say on Fox, we're talking about someone who could become the president..

And you're speaking with your dollars that you want this in office.. And I said, how could I, in good faith, say this thing on Twitter about not sending people and about really almost losing a friendship with Sam and then go behind anonymously and take the money? I just felt like I couldn't live with myself.. No one would've ever known but I would've known.. And it just didn't make any sense to me so I said to the people that were vetting it, I said, this is a really hard decision.. And I thank them for doing this, and that the thing was, it was actually half a million because they were gonna have someone else in their portfolio come in as well.. I said, I just can't take the money...