

tastytrade and tastyworks: Be the Master of Your Fate With DIY Investing



Site:	https://www.tastytrade.com/tt/
Key dates:	Founded in 2011
Clients:	individuals, self-directed investors , financial traders
Value proposition:	Do-it-yourself investing for the average person
Senior management:	Tom Sosnoff, co-CEO of tastytrade and Cofounder of thinkorswim. Kristi Ross , co-CEO and President of tastytrade, and former CFO of thinkorswim. Linwood Ma , CTO of tastytrade and former CTO of thinkorswim. Scott Sheridan , CEO of tastyworks and Cofounder of thinkorswim.

tastytrade and tastyworks were founded by the same anti-Wall Street team that created thinkorswim in 1999 (thinkorswim was sold to TDA for \$750 million in 2009 which includes additional bonuses, investment bankers, etc.). tastytrade is the fastest-growing online financial network, with a mission to make finance fun and actionable. It has a plethora of content, with 50 different shows talking about the financial markets for beginners to advance investors.

Their subsidiary, tastyworks, is an online broker and was launched in January 2017 with a focus on challenging the content and technology demands of tomorrow's self-directed investor and getting people to engage more with their investing.

The management, technology, and content teams behind tastytrade and tastyworks have worked together for nearly 20 years, bringing unparalleled expertise in the retail trading space to make the self-directed investor even more competitive.



Market trends: Sink or swim?

Markets are volatile and unpredictable, and there are simply too many factors that go into determining a stock price. While robo-advisors were on the rise starting almost a decade ago, a new shift has recently become noticeable. Many robo-advisors are going out of business, and for those that are still afloat, a shift to more self-directed investing will occur when the market sees a significant drop. This is because most robo-advisors have seen only an up-market. When the next market crash happens, it will weed out the weak players, especially those with simplified revenue streams.

/ES	Monthly IV	IVR	IV 5 Day Change	Last Price	Net Change	S&P 500 Correlation
	16%	30%	-7%	2,785.25	-23.50	1

YOU'RE WATCHING: LAST CALL
 LAST CALL 11/09/18 02:32 P tastytrade

One thing that tastytrade teaches on their daily shows is strategies and how to apply them in one's portfolio whether the market is going up, down, or sideways. As technology and accessibility continue to improve, there will be more self-directed investors. As the

millennial generation seeks “guided independence,” the best thing anyone can offer this next generation is the knowledge and rationale of how to increase their probability of success, rather than just helping them make 50/50 bets. The team at tastytrade learned this firsthand by previously being a public company. Their motto is strategy-based investing, and that is what they teach and talk about every day on their website.

What makes tastytrade/tastyworks different?

tastytrade was born out of the lack of engaging news and content in the trading industry. tastytrade’s mission from the beginning was to make finance fun and actionable, allowing customers to learn by watching, by following, or by doing it themselves. They provide eight hours of live programming free every day, and thousands of hours of video on demand.

After becoming one of the fastest-growing online educational resources for traders, the team decided to create a visual trading platform to support the on-air delivery of content. Essentially, they provide a 360° experience for customers—a knowledge base and low fees/costs.

The tastyworks brokerage firm offers a highly visual trading platform built on high-frequency middleware, built for the individual self-directed investor. The differentiator is in the combination of the following:

- Content: free live-streaming video content (with a mission to make finance fun and actionable) produced by its parent company, tastytrade
- Technology: a visual trading technology experience built right into the tastyworks platform
- Fees: appropriate minimal fees, supporting the motto of “trade small, trade often” and learn by doing

With over 300 years’ experience in the financial services and trading industry, tastytrade’s and tastyworks’ management teams and on-air personalities are able to provide a unique offering focused on empowering the self-directed investor that no other platform can match.

OPTIONS JIVE What's tastytrade Trading? 4 of 6

Alcoa (AA)	
Reasons	Strategies
Earnings 10/17	Short Put / Put Spread
High IVR	Skewed Strangle
Price Extreme	Jade Lizard

Previous Close: 36.19
IVR: 80

Nov Jan Mar May Jul Sep

AA

Options Liquidity Indicator: ★★★★★

NKE	Monthly IV	IVR	IV 5 Day Change	Last Price	Net Change	S&P 500 Correlation
	25%	55%	-7%	77.48	-	0.42

YOU'RE WATCHING: OPTIONS JIVE

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What tastytrade/tastyworks offer

tastytrade.com offers free video content, with live streaming shows on a daily basis. tastyworks is a powerful trading platform with free technology and minimal brokerage fees. Anybody can visit the tastytrade website and watch, and learn about trading, or follow traders, and place trades directly on the tastyworks platform, where it is easy to find strategies and opportunities, and trade ideas.

Customers learn how to dial their risk up or down and increase their probability of success, depending on whether they want to invest with a 70/30, an 80/20, etc. probability, rather than simply buying stock which is considered a passive 50/50 investment. The logical, mechanical approach that tastytrade teaches enables customers to have better control over their investments and increase their probability of success.

Active vs. passive investment management

The tastytrade team believes that most passive investors end up in a buy-and-hold strategy with the hopes of a 50/50 chance the investment will rise long term. Historically, active investors were referred to in the industry as day traders, professionals, or even high-frequency traders. tastytrade is changing the culture of investing by redefining what it means to be an active investor. “New active” is simply the individual self-directed retail investor that is empowered with the know-how, tools, and appropriate fees to make smarter investment decisions with a higher probability of success than a 50/50 shot. Active means more engaged in their own investments without taking up the whole day trading or watching the markets. No need. Being an active investor could take less than five minutes per day.



Communication and feedback: Cornerstones of success

One of the keys to success for any business is ensuring that customers have access to company representatives and executive team members. Besides tastytrade's deep expertise and extensive knowledge in the trading industry, customer feedback is the

number-one driver for new products and features. It starts with accessibility and a two-way conversation with customers.

The future of FinTech and what impact tastyworks will make

The wealth-management industry has been turned upside down in the last decade with the rise of robo-advisors and the increase in accessibility to financial products and services at everyone's fingertips. If they haven't realized it yet, most people will eventually come to the conclusion that a hybrid approach is the best choice—combining people and technology. By using human advisors, customers derive more value from being engaged and listened to when discussing their portfolios, even if they don't want to be a self-directed investor. Customers should understand how the markets work and accept the fact that even the best advisors don't know what the market will do, putting themselves in a position to ask the right questions and empowering them to make better decisions about their investments.

WealthTech Club takeaways

tastytrade and tastyworks are run by incredibly creative and bright individuals. The amount of free content is one thing, but the quality of the content, considering tasty's co-CEO, Tom Sosnoff, is a regular contributor, shows that the platform can truly help anyone figure out the intricacies of the market and even help them make a buck. tastyworks supports investors who want to actively manage their own money with a powerful platform, embedded, engaging content, and a unique \$1 commission structure with zero commissions to close, as well as capped commissions. What more can you ask for?



Written by Vasyl Soloshchuk, CEO and co-owner at [INSART](#), FinTech & Java engineering company. Vasyl is also the author of [WealthTech Club](#), which conducts research into Fortune and Startup Robo-advisor and Wealth Management companies in terms of the technology ecosystem.