

# Lynn Martin: The Second Woman in History to Run the NYSE

## Jen Prosek

This month Money Maze Podcast host, Simon Brewer, has handed over the reins to me. I'm Jen Prosek, Founder and Managing Partner of Prosek Partners. After being featured on the show earlier this month, I'm delighted to be the guest host of this series recorded from our Madison Avenue office in New York.

I'm honored to be speaking today to Lynn Martin, the 68th president of the New York Stock Exchange. Lynn has become a friend and someone I admire. Welcome to the show, Lynn.

## Lynn Martin

Thanks for having me, Jen.

## Jen Prosek

Thanks for coming. I love it. It's the Lynn and Jen show again. So Lynn, I want to start with your career. People think of you now as a Financial Services CEO, but you're really a technologist at heart. Tell us about your career, how you were brought up in technology and how you became the girl who coded before people talked about girls who code?

## Lynn Martin

I like to say that I had a non-linear path to the New York Stock Exchange. So I was just a girl that was really good at math. And back in the eighties there weren't a lot of us who had that skillset. So when it came time to apply for college, I asked my dad what should I be? I was really good in science at the time. I was really good in math. "Should I become an engineer like you?" And my dad said something that was pretty instructive and ahead of its time, which I don't think he realized, which was, "You should major in computer science because that's where there will be opportunities for women in the future."

## Jen Prosek

How prophetic.

## Lynn Martin

Yeah, exactly. And this was 1994 or 1993, I can't remember which year I was filling out the applications. And I said, "Okay." I said, "I don't know a tremendous amount about computers." Except that we had a Commodore 64 that I've spent hours playing on when I was a kid during summers in particular. So I went for a comp sci degree. I actually wound up double majoring in math for a period of time as well.

**Jen Prosek**

Wow.

**Lynn Martin**

I just really enjoyed it. It just spoke to the part of my brain that likes to solve puzzles. I was constantly solving a puzzle. So an internship right in code for Con Ed, the New York Power Company and then my first job out of college was with IBM. Because that's what you did when you got a comp sci degree. You went to work for IBM, particularly in the late nineties.

**Jen Prosek**

So talk to me about being a girl or a teenager who was playing around with computers. Does that mean between your internship and you're playing around with computers, Malcolm Gladwell talks about the 10,000-hour rule, did you hit your 10,000-hour rule of coding before you even got to an official real job?

**Lynn Martin**

I don't think I hit the 10,000-hour rule, which I actually think is a great rule. It again speaks to the quantitative side of me that if you have to master something this number of hours you need to master it.

**Jen Prosek**

Definitely.

**Lynn Martin**

But I think I got there pretty quickly afterwards because I just loved playing around with computers. When I wound up doing it five days a week around Y2K and having a lot of hours where I was adjusting dates from two digits to four digits. I said, "There's got to be a little bit more in this world than talking to a computer all day." That's when I decided to go get my master's degree because the financial bug really bit me in college. Mainly because there was a bit of crossover between what you learn in math and my math undergraduate program and what underpins financial models. So I started probably my senior year in college to get really interested in financial mathematics and headed down that path. And when I was working at IBM, I was like, "I want to learn more of that." Which led me to get a master's in statistics.

**Jen Prosek**

Statistics and financial math. Another lonely spot for females. Totally. So were you intimidated by being one of the onlys or inspired by being one of the onlys? Or did you not think about it?

**Lynn Martin**

I didn't spend a tremendous amount of time thinking about it to be honest. Mainly because I had a big group of friends outside my major. In some respects it taught me to compartmentalize things a bit. I had my major, I was focused on my day job at the time, which was either at work or after work, getting my master's or in classwork in college. And then I had my after hours life, which was my friends and doing the things that a normal, typical 20 something female does in New York, going out to dinner, going out to restaurants, concerts, all the great things that New York has to offer.

**Jen Prosek**

All right, so you get your MBA in financial math then what?

**Lynn Martin**

It wasn't an MBA because I'm super nerd. I got a Master's of Science.

**Jen Prosek**

Oh my God. Awesome. So after that, what did you do?

**Lynn Martin**

I knew I really wanted to go in the finance route. So I wound up when it came time for graduation, looking at opportunities outside of the more traditional tech area. And one posting on a very old antiquated site called monster.com.

**Jen Prosek**

I remember it.

**Lynn Martin**

That really spoke to me, which was for a company called London Financial Futures Exchange. So they were a electronic derivatives exchange, listed futures. And that's actually where I got my start in the exchange industry. They were interested in me because even though I didn't know a tremendous amount about the products themselves, I knew a little bit to be conversant about interest rate futures and things of that nature based on textbook knowledge. But I had practical knowledge talking to coders and being a coder. And that market in particular had moved electronic. So they needed someone who could talk to a programmer about what an API was, an application programming interface was. And they didn't really have that skillset so 2001 I started that exchange.

**Jen Prosek**

And that was the beginning of your life in exchanges.

**Lynn Martin**

That was.

**Jen Prosek**

Talk to us about your history with ICE that ended up buying the New York Stock Exchange. A lot of folks still don't understand what ICE is. Tell us a little bit about ice, your career path there and how it led to the New York Stock Exchange.

**Lynn Martin**

So LIFE, the exchange I was just mentioning that was the acronym for the London Financial Futures Exchange, was at the time backed by Battery Ventures and Blackstone, it was private. Wound up becoming acquired by a company called Euronext, which was a pan-European group of exchanges in 2003, 2004. And then the New York Stock Exchange merged with Euronext in 2007, merger of equals. So I was there for a period of time and I did a bunch of really interesting things, including starting up a futures exchange based on the US and starting up a clearing house, which clearing house's job is to match buyers and sellers and stand in the middle, be the buyer to every seller, seller, every buyer and guarantee settlement. 2012 comes along and ICE, guy named Jeff Sprecher, acquires the New York Stock Exchange. That was the end of 2012 it got announced, it closed in 2013. I got to know Jeff and a couple of other members of the ICE executive team through that period. The whole time knowing that the exchange that I had just built, the exchange I had just spent five years building from the ground up was going to get merged into one of ICE's infrastructures because that's what ICE does. At the time, they were an operator of futures exchanges and clearing houses. But as I got to know various members of the executive team, including Jeff, they said, "Well, you're a really great cultural fit for us, so we really want you to stay. We're just not 100% sure what job we're going to wind up having for you." And I wound up taking a pit stop in one of the ICE network of clearing houses as a COO for a very short period of time. And then come June 2015, I was chatting with Jeff, and he said, "I got a new job for you. I really think there is a synergy between the data that a company ingests and the liquidity in a market. So I want to build a data services business. Would you like to build it and lead it?" So of course I jumped at the opportunity because it spoke to various parts of my past as well as what I had been trained to do. So we started this entity called ICE Data Services mid 2015, which is now ICE's single largest business unit by revenue focused on data, as well as technology and providing automation throughout the value chain, throughout the trading value chain.

**Jen Prosek**

Yeah, what a great entrepreneurial opportunity. Obviously you slayed that, which impressed the boss. Did you think you would become the president of the stock exchange and how did that happen?

**Lynn Martin**

I didn't. But I also didn't think I'd start up a data business. And I also, even looking back, I never thought I'd start up a futures exchange, had the opportunity to say yes to a bunch of really unique opportunities throughout my career. So mid 2021, I had a conversation with Jeff, again who approached me, said, "You've done a really good job with data. I've got a new opportunity for you. I'd like for you to lead the New York Stock Exchange." And I said, "That sounds super interesting, but why me?" And we were chatting for a while and I think we both have the same philosophy that there is no company that is public today or that's going public that doesn't use technology, doesn't make good use of technology, or isn't looking to garner insights from either the data they have, or external data. That could be everything from customer behavior, to automation of processes. So he suggested that given the new face of a company, given my background, I'd be an interesting person to lead.

### **Jen Prosek**

And he was right. So the New York Stock Exchange, obviously a super iconic institution and brand. Give us some stats about just what is so special about the New York Stock Exchange. I heard you say somewhere that you serve 2,400 CEOs. That was a huge number. Give us some stats and data so we understand just the breadth and depth of the New York Stock Exchange.

### **Lynn Martin**

A few stats. We have 2,400 listed companies. Those companies represent about 35 trillion in combined market cap. So it's the largest exchange globally. Importantly, those companies employ 43 million people globally, which I think is a really interesting stat because I think it's part of our responsibility at the New York Stock Exchange to act as a platform for capital markets in general, globally. On the system side, we absolutely have a floor, but what those guys on the floor are doing is they're interacting with a tremendous amount of messages. We process half a trillion incoming order messages, those being buys, or sell, or trades throughout the course of a day. The human is there to add the intelligence, to throw the garbage out in those messages and to smooth out the volatility that occurs in our stocks. It's an amazing platform. I don't know that there's any brand that is better than the New York Stock Exchange. But I also think it comes with a unique responsibility to continue to move the ball forward, both on innovation as well as responsible governance. Be it through diversity, be it through good corporate governance, be it through good policies. We spend a lot of time in DC with our policy makers. In my mind we are the platform that is advocating for business around the globe. And that's what drives society forward. It drives businesses forward. It's what sparks the next great innovation to come out.

### **Jen Prosek**

Just the image of the building. How many times is that building representing capitalism around the world?

### **Lynn Martin**

It sure is.

**Jen Prosek**

And from personal experience, no matter how many times you walk in the building or walk on the floor, you get the same shiver up your spine that you're part of something, you're part of the global economy and how it's working. It's really quite magical. Can people come see it? And I feel like there's a museum like quality to going to the New York Stock Exchange. Tell the listeners, can you actually go see it if you want to see it?

**Lynn Martin**

You can absolutely come outside the building on the corner of Wall and Bride. To get in the building you do need to know someone or be affiliated with a company that's doing something in the building. There are thousands of people that come through this building every day. We are at more than peak levels compared to where we were even prior to Covid. We have companies that have investor days, they have board meetings, they have-

**Jen Prosek**

Bell ringing.

**Lynn Martin**

... bell ringing, celebrating. Everything from new product launches, to anniversaries, to IPOs, to whatever the case may be. So we don't have it open to the public more as a courtesy to our listed companies to protect their privacy more than anything else.

**Jen Prosek**

Makes sense. So let's talk about the IPO market. Obviously everyone asks you about the IPO market. I think you just had a big IPO, which is exciting. Talk to us about IPO activity. What's going on lately and what do you see for the back half of 2023?

**Lynn Martin**

I see a lot of green shoots. So as you just mentioned, Jen, we had Kenvue, which was the spinoff from Johnson Johnson, they're consumer health business that just recently IPOd at the NYSE on May the fourth. A few things from that deal are giving me reason for optimism. Number one, they intended to float about 150 million shares, the night of the deal they up sized. So they wound it up floating more shares because there was so much demand. The day of the IPO when the stock opened, it opened up 20% or so.

**Jen Prosek**

Wow.

**Lynn Martin**

Versus where priced the night before, which is sort of what you want to see. And then finally three weeks after, because I was really curious what the stock would do in that period, it held. It held that post IPO price. To me that's very illustrative of great company. It shows that there is institutional demand for good companies in the market, for companies that are public market ready. So since then we've had a couple of smaller IPOs. We are starting to see a couple of sectors open up a bit more. Energy is one that's been pretty open the last six months to a year. Although there haven't been a tremendous amount of companies that have gone, there have been some. And consumer we're starting to see open up a little bit. I am going to be optimistic that assuming that we get past a variety of macro factors that may hit us in the short term, such as the debt ceiling negotiations, such as the FEDs stance on interest rates, giving some more signals to the market, that will start to see the IPO window open towards the back end of this year.

[Mid-Roll Ad Break]

**Jen Prosek**

You talk about being public company ready, what makes the company public company ready? What makes the company right for going public on the New York Stock Exchange in your view?

**Lynn Martin**

So when I say public company ready, couple things that I've noticed are having a clearly defined strategy. One that they can clearly articulate to an investor. For example, what is their unique product? What is their unique proposition? Why is this a good stock to own? Confidence in a management team obviously plays into it too. Where is potential growth coming from? Why is growth sustainable? So having clearly identified strategy as opposed to a strategy that throws everything against a wall and hoping one of those things is going to stick. In this day and age profitability is a thing. I don't know that you need to be profitable on day one, but you have to have a good clear path to, "Okay, we may not be profitable now, but 12 months from now, here's how we're going to get profitable." So those are really two areas that I think companies are spending their time focusing on. A lot of companies in our pipeline, because our pipeline is quite strong of companies who want to go just at the right time, are spending the time doing prep earnings calls and prep analyst calls and investor days and things of that nature to get ready for when it's their time to IPO.

**Jen Prosek**

And IPOs or being public got a bit of a bad wrap in terms of being expensive and cumbersome. But you've solved that, you've got different ways of going public now. Can you speak to that?

**Lynn Martin**

If you don't need to raise capital a company can go through the direct listing route. Meaning you don't necessarily have an underwriter, but you can just tap the public markets, your stock will open. You do

have a stabilization agent in there, but you don't have some whose underwriting the IPO. More recently, however, we've actually updated those rules to allow that model to happen with a capital raise. So there's a variety of ways that someone could tap the public markets through a direct listing, either with or without a capital raise. Some of the ones who did it without a capital raise are Spotify, which is the one that pioneered the direct listing component with us. But then we've also seen Warby Parker, we've seen Roblox, we've seen quite a few companies go the direct listing route.

### **Jen Prosek**

Interesting. And tell us about your view on private markets vis-a-vis public markets and how the two are working together, private markets, again, getting so much buzz in the last year?

### **Lynn Martin**

I think private markets are incredibly important because that's where the incubators are. That capital is what's funding the next great innovation that can do everything from improve the way we interact with a purchasing software, or a computer, or it can improve our lives. When you look at the biotech industry and our health, and if you look at agri tech, it can improve the way we grow and consume food. So without the private markets, you don't see as much innovation. You get that seed funding to try out your idea and I think that's incredibly important.

### **Jen Prosek**

Yes. So back to the fact that you're iconic and you have a big responsibility on your hands. Obviously governance and ESG is something you're pretty serious about because you set the lead for so many companies. Tell us where your headset is on ESG, diversity, what you're doing with board diversity, because I think the NYSE has been a great leader in that regard?

### **Lynn Martin**

I'm a big believer that the NYSE is a platform to convene conversations and importantly to provide tools to the companies that have chosen us. The companies that have chosen us are thought leaders in many industries. And what they're looking for is, "I know where I want to go on some of these topics, ESG being one, I just don't 100% know how to get there." One topic within ESG that I'm very frequently talking to CEOs about is the benefits of diversity. In 2019, we created something called the Board Advisory Council, which is about 30 of our CEOs who advise us on a variety of matters around diversity. But then importantly behind that is a database which has about 600 diverse board ready candidates. We're constantly doing searches for companies in our listed community from that database. And we've managed to place, I think, about 40 candidates now on public boards. Importantly, everyone in that database is recommended in by a CEO within our community. I can't think of a better recommendation than a CEO of one of the largest companies in public markets. So that's been a very popular service. Another service that we launched last year, which has also had tremendous value, is our Sustainability Council. So that one really ticks the E pillar within ESG, whereas Board Advisory Council, depending on how you cut it, either hits G or S. The Sustainability Council is getting together about 25 of our Chief Sustainability Officers, within our community. And they've done a lot of work on the race to net-zero,



carbon offsets, decarbonization. I think they just authored a paper on that actually, and been very vocal on the rule makings that have come out of Washington in particular that are around ESG disclosures. Particularly when you look at something like a Scope 3 emission, and whether that's a statistic that's even ready for prime time and ready to be calculated in a fast fashion. In our mind, those are just a couple of services where we think we can help by convening thought leaders together, giving recommendations, giving best practices, sharing information, and giving tools to our issuers who are trying to figure out how to navigate ESG.

### **Jen Prosek**

I know a number of diverse board members who have been placed from your database. So I think that initiative is killer. Let's go back to your experience as a technologist for a minute. Giving emerging technologies are being obsessed about lately, especially AI, generative AI, et cetera. What are you excited about? What are you afraid of? Give us a sense of your thoughts about emerging technologies, especially AI?

### **Lynn Martin**

AI is something that's really interesting to me given my past role. It's interesting to me in a few different fashions. Firstly because we've had a product that is fueled by AI for more than a decade, our parent company and within my old group. We've got a chat platform with a nice data services, which knows if I'm talking to you about Memorial Day Weekend, or what we're doing for 4th of July weekend, or knows if I'm talking to you about a WTI, which is an energy market call spread. So that's an energy options market. If it detects that we're chatting about something related to a market that our parent company ICE trades or clears, it underlines it and allows it to be submitted as a completed trade to our clearing house. So it's one of our more popular services within our chat platform, and it's all based on a bot which lives within the chat platform, which we've trained to listen for markets, for markets that are either traded or cleared on our platform. Additionally, it'll also do things like pop in what fair value is on that trade. So it'll give you more analytics based on when it detects you're talking about a market. So I think there's variety of product opportunities, but then I think there's also a variety of efficiency opportunities through AI. And again, we use AI when it comes to some of the more mundane sorts of functions. The thing is, it's not eliminating jobs like people worry about. What it's doing is it's actually allowing the human to do the higher value add stuff, which is checking to make sure that what comes out of the machine is correct and can be trusted as opposed to entering data in themselves. So I'm incredibly bullish about AI and its applicability to modernize workflows and add transparencies and allow the humans to do higher value add work. And in terms of, I keep thinking, I have this image in my head of you as a younger woman playing around coding and playing with technology on your Commodore, are you encouraging your kids to do that? Do you encourage kids to do that? How do you feel about coding as something younger kids should all be learning? What is your perspective on that? I have a 15-year-old daughter, they're very modern in school and learning coding and I'm just curious how obsessed we should be with that, as parents?

### **Lynn Martin**

I have tried to push my kids to code. I have not been horribly successful in getting my kids to code. When my oldest was probably eight, I had signed him up for Minecraft classes, which I think technology like Minecrafts, like Roblox, like a few of those games that are more interactive on the computer, I think get the kids more interested in coding as opposed to just saying, "Hey, go to a Python class or go to whatever the next language is, class."

I'm trying to head that route because I've not yet been successful in getting my kids to sign up for the extra hackathons at school and things of that nature.

### **Jen Prosek**

I agree. I think I told you this once, my daughter said she was taking a jewelry making class. I'm like, "Really?" So I hung out in her room, this was on Zoom days and I'm like, "She's taking 3D printing and coding." And I'm like, "She thinks she's making jewelry, what she's really doing..." And it was brilliant, I thought. I thought the school was brilliant in that regard.

### **Lynn Martin**

I have two boys, I know you've got a daughter. That's what I love about the emphasis that has been made on creating courses for girls in particular, be it speak to something that they actually like. They like fashion, they like jewelry. Like in the case of your daughter, they like communicating. There's all these ways that you could give the toolkit to a young girl without the young girl realizing she's got the toolkit.

### **Jen Prosek**

Completely. All right, let's speak to advice for women, or girls, or even men in their careers. What advice would you give younger women today given you've navigated the difficult world so beautifully? Give the audience a couple of tips.

### **Lynn Martin**

I think one of the things... I'd be interested in your answer to this question too, by the way. So I'll get to that in a minute. But I think the best advice I give people is to not be afraid to voice your opinion, but do it in a way that's organic to you. There is nothing that feels worse than trying to be something that you're not. So stay true to who you are and express yourself in the way that feels most natural to you because that's when your passion's going to come out, that's when your most informed arguments are going to come out, and that's when you're going to come across the best. What about you? You've navigated some interesting...

### **Jen Prosek**

Yeah, I mean we have similar backgrounds some ways, although I'm very jealous of your mastery of math, that was never my thing, but I wished I had it. I would say similarly, I have all my little mantras, like the two most powerful words in business are, Just Ask, ask for what you want. But I also think you have to figure out if you're the one and only. And if you're a unicorn in another world, figure out what gives

you confidence to walk in rooms and feel like you're an equal, whatever that is. If it's an expensive pair of shoes, I don't care if it's an MBA or a degree, I don't care. But you've got to figure out how to manufacture that confidence because the X factor really to getting ahead in these worlds is having a seat at the table and you really can't have one if you're always doubting yourself. So you got to figure out how to manufacture that confidence. That would be my best advice. And for me as a woman in my early twenties who was growing a business in the Wall Street world, I decided I had to have an MBA in finance because it was going to make me feel like I was an equivalent and that was my confidence builder. So I think that's just really important.

**Lynn Martin**

Totally agree.

**Jen Prosek**

So this is an unfair question, but I'll ask it anyway. I feel like when your president of New York Stock Exchange, it's almost like your name goes up on a plaque on a wall for the rest of time because they call you... you're the 68th President, you're the 69th President. When you look back on your presidency, what do you hope your legacy is at the New York Stock Exchange?

**Lynn Martin**

I guess two things. Number one, I hope to achieve a modernization of the exchange. Now, modernization could have a lot of different fashions, but I want to make sure that in my mind, that my work is reflective of the fact that I'm creating the exchange for the next 25 years as opposed to the last 25 years. I always tell my team, "Our job is to leave a place better than when we entered it." So try to move the ball forward, think entrepreneurially, create shareholder value certainly. So that's one area. The second area, I want to ensure that this is a place that feels accessible to all. And by accessibility I mean everything from a retail investor who doesn't quite understand what the market is and how the market works, and it gets very confusing so it's more like financial literacy efforts. Accessibility in terms of listing on the exchange so people understand how they can go public and raise capital. And accessibility in terms of companies that are listed, ensuring that they feel welcome and have constant access to the building to host their most iconic events, including shareholder meetings, investor days, board meetings, whatever the case may be.

**Jen Prosek**

That's great. And then these are the wrap up fun questions. Talk to us about something you're particularly excited about at the moment, TV show, book, app, something that's telling all your friends about?

**Lynn Martin**

Oh, man. So I'm reading a couple books. I just read... It was Mother's Day fairly recently so I just read a book, Things I Wish I Told My Mother, which I also bought it from my mom, so I loved that. So we're reading it together, which is interesting. But I think it's an important bonding experience for your support system around you and still find those ways to create moments. Another book I am reading is Malcolm Gladwell's book, Outliers.

**Jen Prosek**

Yes. Oh, I love that book.

**Lynn Martin**

I just find the way an entrepreneur thinks to be so unique and so different and being in my seat, I have the opportunity to interact with so many amazing ones. Just reading that book to try to get a better understanding of the way these people think because it's just an area that just fascinates me.

**Jen Prosek**

One of my favorite books is, Outliers. I think it's terrific and I absolutely adore the mother/daughter book club idea. What a great idea, Lynn. You are an inspiration to so many people, including myself. So I cannot thank you enough for being on Money Maze and sharing your wisdom with our audience. Thanks so much.

**Lynn Martin**

Well thank you for all you do to tell the stories of so many people that affect the capital markets.

**Jen Prosek**

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**Simon Brewer**

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