

FROM WALL STREET TO FIFTH STREET

ANDY
FRANKENBERGER'S
STOCK CONTINUES
TO RISE

By Aaron Rochlen, Ph.D.



Andy Frankenberger won his second World Series bracelet in June, beating Phil Ivey heads-up in the \$10k pot-limit hold'em. It was one of his six cashes, and solidified the former Wall Street trader's position as one of the game's top tournament players. He burst on the scene by winning the WPT's Legends of Poker event at the Bike two years ago and has been building on that success ever since. We talked to him about his game and his decision to leave Wall Street for the poker world.

Well, it's been a few years now and you have definitely had a successful transition from the grind of Wall Street to being a successful poker pro. For those still unfamiliar with your story, why did you make this bold shift?

Well my decision to turn pro was made independent of my decision to leave my job. I loved my career, but had been doing it 14 years. I just didn't want to do another year of the same thing. I wanted to grow more as a person. So I left and ended up traveling for a year, taking up new hobbies like photography and piano. I was enjoying slowing down and doing my own thing. In 2010, I decided to give poker a shot. Before that, I had played in one big event, the WSOP Main. And then I had some success early on cashing in a bunch of tournaments in Atlantic City and had a big score right

away in the Deep Stack (Venetian). So that was it.

Since that time, you have had an amazing run, including another WSOP bracelet, multiple cashes, and a deep run this past October in the WSOPE Main (finishing 21st). Given all of the success, some are calling you a poker phenomenon. Your response?

Well, I haven't heard that term being used too often in describing me (laughing). But after my first year, some commented on how unusual it was to have someone come right out of the gate and consistently win so much. And it's true I haven't had as much experience in poker as a lot of my competition. But my background and experience trading derivatives makes up for that, in some ways. The skills that make a successful

poker player are so similar to those I honed on the trading desk.

How so exactly? And what do you consider the top transferable skill from the trading desk to poker?

In the simplest form, it's all about risk management. When you talk about trading, you are talking about putting money at risk. And that's what you are doing at the poker table as well.

Let's say you put on a trade because you believe in that trade, whether it's a volatility trade or a directional trade. What happens when the trade goes against you? You have to make a decision. Do you get out of the trade? Do you put on more? Do you wait?

The key to being a good trader is not letting your ego get in the way. It's about saying, o.k. I've lost this much money now,



what should I do here? You don't want to look in the rear view mirror and say, "Well I wish I would have done this!"

Instead you have to be at a point where you think to yourself - given all of the information I have right now, what should I do? Has your fundamental view changed, in which case you should get out, or are you just as confident in your view now, in which case you should add to the size of the trade and potentially make even more? Those are the types of decisions I made all of the time on the trading desk, and in poker, it's just the same. As a hand plays out, you must be willing to put your ego aside and objectively incorporate new information into your decisions.

How would you characterize your strategy in the 2012 series?

Assuming we are talking about hold'em, I'd say my strategy is to play somewhat unconventionally. It's not like I'm doing absolutely crazy things out there. But there are certain conventions and standards that people pick up and overuse, and I have to fight to not fall into that trap myself.

For me, standard poker is predictable poker. The best thing I can do is understand and predict what different players are doing, but keep my own style out there. I try to throw my competitors off a bit, play unpredictably.

Overall, I just approach every hand and every game I'm at as if it's new. I find when I'm playing my best poker I'm analyzing a hand in each situation as it arises. When I'm not playing so well I might look at a hand and say, "O.K. this is a straight draw situation. Here is what I'm supposed to do here - and then I do it." For me, that's not my best game, as I'm not really considering what my opponent is thinking about, his logic, stack size, and a ton of other factors. When I do that - that's my best game.

What was it like playing heads-up against Ivey for the bracelet, then taking it down?

That was by far the most rewarding experience of my poker career. I can't imagine a more exciting, more fulfilling bracelet



to win. It was really a dream. As we were getting down to a few tables, I tried to not think about it too much. At that point, you have to focus on survival and playing your game. But once it starting getting down the last few players and the reality starting sinking in that – hey, you know what? If I can make this happen I can play heads-up against Phil Ivey. I wanted that almost as much as I wanted the bracelet. It was just such an exciting opportunity and experience.

Was it stressful?

A lot of people have asked me that question. But the fact is nobody expected me to win. So I actually felt very little pressure. It was a 10k pot-limit hold-em tournament. I was very proud to get to that point. I felt if I lost there it wouldn't take much away from the accomplishment of just getting heads up. It was more just exciting - to sit and learn from him. Whenever I play with a good player, I try and take something away from the way they play. And in that situation, I definitely took some key strategies away from that experience.

Most memorable hand from this year's WSOP or the WSOPE?

That's probably the fold I made against Shaun Deeb. It was in the 10K pot limit-holdem. I started the hand with around 240K – average was about 160K. He had heaps of chips, probably 600K. We were playing 5-10. I raised to 22k UTG+1 with 10-10 and stole the blinds. Next hand I get 9-9 UTG and raise to 22k. It folds around to Shaun in the big blind. He calls. Flop comes J-5-5. He checks, I check behind. Turn is a Jack. He leads out 28K and I call. The river is a 9. He leads and bets the pot, 105K. I thought about it for a while. He knows that I'm not betting UTG and calling the turn with air. It just seemed like the kind of over-bet where he put me

on a big pair that I couldn't fold, a bet he'd only make with a monster. I went into the tank and folded the 9-9 face up. Everyone at the table looked at me like I was crazy, but Shaun looked sick. He told me afterwards he had KJ suited.

Won, nice laydown. Not an easy one. What do you see as your strengths as a poker player?

I think my strengths are mainly around my creativity. I approach each hand as a new hand, new situation. A lot of players who have played hundreds of thousands of

'I'd say my strategy is to play somewhat unconventionally. It's not like I'm doing absolutely crazy things out there. But there are certain conventions and standards that people pick up and overuse, and I have to fight to not fall into that trap myself'

hands can become predictable. I try and take my own unique approach. I also see my unpredictability and ability to adjust to the way my opponents play are additional strengths.

What do you still need to work on?

Experience overall. The number of hands that I've played compared to my opponents is low. Also I'm trying to build up my repertoire in mixed games. This year I cashed in three non hold-em events, finishing 7th in the PLO 6-max, 8th in PLO/NLHE heads up, and 97th in the Omaha hi/lo.

In an ESPN story, you made some interesting comments about the poker culture being similar to a fraternity, with you (by choice) as an outsider. What parts of the "poker culture" do you like or dislike?

First, I'd like to clarify exactly what I said. The interviewer asked, "Do you feel a part of the poker fraternity?" THAT is why I started talking about the poker "fraternity".... I didn't draw the original parallel, I was responding to his question which was phrased as such.

Fair enough, so let me take a different approach. What parts of the poker "culture" on or off the tables do you particularly like or dislike?

First, I do enjoy the camaraderie that comes with poker. When I left my job on Wall Street, I didn't miss the regular hours or going into the same routine every day. But I missed the camaraderie that comes with going into the office everyday, seeing those same people and developing and enjoying those relationships. So what's great about poker is you can travel half way around the world and see people you've become friends with. There is this community where it's really fun to get to know a lot of the players. What I was commenting on in the earlier interview is how the poker world has a lot of "cliques" and I'm not a "clique" person. I like to hang out with all sorts of people with different backgrounds.

How have you handled the relatively sudden poker fame you have received? And what has helped you stay "grounded?"

Well, it's funny. "Poker fame" in New York City doesn't really mean much, your average person here doesn't know who I am. Those who follow poker closely know me, though. My recent poker success has given me the opportunity to attend some pretty fantastic



events with amazing people. For example, I recently attended a charity (poker) event and had the opportunity to meet Bill Clinton. Typically at a party, people don't want to talk about derivatives trading that much – but they love talking to me about poker!

What did he ask you about?

Well, meeting President Clinton was special for me. He is one of my favorite politicians out there. He's such a great listener and so intelligent. We spoke a lot about Russia. I spent a semester in Russia and am fluent in Russian. So he talked about what it was like to be over there for Yeltsin's birthday and we talked a little about Putin.

As you know, you've faced criticism on how you have played certain hands or tournament. Some have gone as far as attributing your success to being on the golden side of variance and luck. How would you respond to these naysayers?

I had my own questions when I first started winning – I understand variance, I'm a numbers guy... It's certainly possible to get lucky and win one, maybe two tournaments, but with the amount of success I've had in just a couple years, I figure I must be doing something right. At this point, I think my record speaks for itself.

And how about the hands where you have been heavily critiqued for your play online?

You mean the QQ hand? Very few people who criticize that play understand the structure of that series – it was a highly non-standard points-based format, and I would never make that play in a cash game or regular tournament. I knew the play would receive criticism but I didn't care – I actually folded face up, something the cameras didn't pick up. It was a mistake, sure, but not a huge one in light of the points format... We'll never know, but that mistake may have helped me win the tournament – poker can be funny like that.

You seem very willing to admit to making mistakes and learning from hands you would have played differently. Is that right?



We all make mistakes – it's important to acknowledge and learn from them. When I'm sitting down with my poker friends, I am most interested in talking about hands that I feel I played poorly, not the ones I played well. I am constantly scrutinizing my plays and looking for ways I could have played better. I try not to fall in the trap of being results oriented – just because something worked well doesn't mean it was the right play.

Easier game: Poker or Wall Street and Why?

They're both challenging in their own ways.

On Wall Street, my competition was the market – a highly formidable and unpredictable opponent! You are NEVER smarter than the market! With poker, it depends on the situation, as some opponents are stronger than others. I'd say that trading, for the most part, is like playing against the top players in the world. You have to be at the top of your game to succeed in either situation. In comparing the two careers, it's important to keep in mind that I don't have a base salary to fall back upon if I am not winning in poker, so in that regard poker is more challenging. Hopefully online poker will return in the US sooner than later – that is critical for my sponsorship opportunities.

What's more predictable?

Like so many questions in poker, it depends. Are you playing against Phil Ivey or are you playing against a nit? Some players are terribly predictable and

some unpredictable. Predicting where the market is going is constantly a challenge. Any trader who tells you otherwise isn't being honest with you, or himself. That said, as an options trader, I was able to identify and exploit certain inefficiencies in the market that made it a profitable endeavor for me.

What are your plans for the future – both in poker and life.

My plan is to continue playing poker professionally. Hopefully online poker gets legalized soon in the US, which in my opinion will bring all sorts of opportunities to US poker players in terms of sponsorships and endorsements. I think we are going to see another huge poker boom. So many people like to play. The online poker sites were already huge and that was before they had the full backing of the US government. And it's in everyone's interest for that to happen – the players, the government, and the US tax payers.

Interesting thoughts, Andy. If there is an IPO on your stock, let me know. I'm buying. ♠

It's all about risk management. When you talk about trading, you are talking about putting money at risk. And that's what you are doing at the poker table as well'