



# Russell Simmons, Unplugged

## Charlie Rose Interviews The 'Godfather Of Hip-Hop'

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The word “phat” is a rap term that means “the essence of cool.” And the “phattest cat” in the rap business is none other than 46-year-old Russell Simmons.

He’s the businessman who took hip-hop music from the inner city streets of New York to the shopping malls of Middle America. Today, 80 percent of hip-hop’s audience is white -- not black. And they’ve made hip-hop a \$10 billion-a-year industry.

Some people, witnessing the recent Super Bowl halftime show, think hip-hop has gone too far. But big corporations still want to be in business with Simmons, because he has his finger on the pulse of everything young people listen to, watch and even wear.

And there’s no better place to see the cool things he’s selling than at his flagship store, Phat Farm, in New York City. **Correspondent Charlie Rose** reports.

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So where does the name Phat Farm come from?

“Phat, cool. Phat means like cool,” says Simmons. “Like def is cool. You know, like that. Farm is a place where you make cool things. They grow.”

And these are cool clothes that are worn by more people than you would think.

Simmons has just sold Phat Farm for nearly \$140 million. And the new owners still want him to run it. But that’s only one part of his empire. He sells watches, books, and even has a magazine. His supermodel wife, Kimora Lee, is in charge of the women’s division. All combined, the Simmons empire is generating nearly half a billion dollars a year in sales -- sales driven by kids in the suburbs, not the inner city.

And some of America’s biggest companies have taken notice. Like never before, corporations see hip-hop as the ultimate sales tool. Even Coca-Cola had Simmons create one of its commercials.

**60 Minutes II** caught up with Simmons on vacation on the exclusive Caribbean island of St.

Barths, and asked him about his relationship with corporate America.

“They’re [corporate America] getting an entrée in a world that they don’t know enough about. So they want a gateway to selling their clothes and their phones, their movies, whatever it is they want to see, to America,” says Simmons.

They also see Simmons as the man who can make them look cool to young black and white kids around the country. Motorola, the global cell phone maker, is also in business with him. **60 Minutes II** was there when executives visited his New York office to discuss a new line of phones.

Simmons showed them his wife’s pink phone. They suggested encrusting it in diamonds. He insisted on a hip new ring tone.

“They trust me to make a safe judgment,” says Simmons. “So they see that, at least when Russell would have something that’s, you know, won’t embarrass us in some way, or won’t be too edgy.”

And what does Simmons get out of it? “I get paid,” he says.

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But it wasn’t always that way.

In fact, in the early days of hip-hop, Simmons had a lot of trouble getting mainstream record executives to invest in his “Def Jam” record label -- or any of his other ventures. They thought hip-hop was too edgy and nothing more than a fad.

As it turns out, those executives missed the boat on a multi-billion dollar industry. And Simmons became a very rich man – and he isn’t afraid to rub it in.

“The arrogance of white men is why I’m here today. If it weren’t for them, I wouldn’t be here. What the hell did they need me for if they were open-minded enough to allow this cultural phenomena to be part of their make-up,” says Simmons. “My independence is because they didn’t accept me. So every step of the way I’ve made more money.”

While white record executives ignored hip-hop, white teenagers couldn’t get enough of it. And Simmons was the man who introduced those kids to some of the biggest names in rap. Not only did he turn them on to the music, he sold young America the lifestyle.

It’s no wonder they call him the Godfather of Hip-Hop. And no one has followed his blueprint for success more than Sean Combs, the rap star and businessman who’s also known as P. Diddy.

“I’ve taken pride on following him. His wife is a model; my girlfriend’s a model. I have a clothing line; he has a clothing line. He has a house in the Hamptons; I have a house in the Hamptons. We’re like twins, but I’m younger,” says Combs, laughing. “No, I’ve just been stalking his life, basically.”

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P. Diddy and other rappers have learned a lot from Simmons. But whom did Simmons study under?

Well, it might surprise you that his mentor is “The Donald,” as in Donald Trump. But Simmons has a very strange way of showing Trump respect. In a recent print interview, he complimented “The Donald” by referring to him as his “nigga.”

“I read it in the newspapers, with an ‘a’ at the end. And I called him and I said, ‘That’s the worst thing anybody has ever said,’” recalls Trump. “‘Why would you say a thing like that?’ He couldn’t understand what I was saying. He said, ‘That’s the greatest thing I could ever say about anybody.’”

Despite the occasional misunderstanding, they’ve been friends for more than 10 years. And Trump has taught Simmons a lot about business -- maybe too much.

“If Russell ended up more successful than me in 10 years, I would be extremely upset, and I’d probably sue his ass off to get a piece of it,” says Trump.

One day, Simmons hopes to be the first hip-hop billionaire. His family vacations, with wife Kimora Lee, and their two daughters, Ming Lee and Aoki Lee, already take place in the playgrounds of the rich and famous.

Kimora is also his business partner, which makes domestic life a little complicated.

Are they competitive? “Oh, my God, so much. We are fiercely competitive,” says Kimora. “For example, we made cell phones. We’re the first celebrities ever to have our own phone. My pink phone that I designed, that I sold to the girls. It was sold out before it hit the stores. It was re-ordered before it hit the stores and it was limited edition. So I want people to know that while his phone is greatly successful, mine is even more successful. So in that sense, we’re competitive.”

What does that say about her? “That I’m a bad bitch, respectfully so,” she says, laughing.

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Attitude has always been a big part of hip-hop’s appeal. But it also upsets a lot of people – from this year’s controversial halftime show at the Super Bowl to violent music from rappers such as 50 Cent. *60 Minutes* asked Simmons about those songs – which are listened to by millions of young people, every day.

“I want to speak to that issue. 50 Cent, his mother was killed when he was 8. She was a drug dealer. 50 Cent has been shot a lotta times. Nine times one time. And he didn’t die,” says Simmons. “His poetry is about -- it’s his reality. You may not like the truth that’s coming out some of the mouths of young people. But those are people that you wouldn’t hear from at all.”

And he isn’t afraid to bring politics into this discussion.

“They brutalize their women and then they worship the gun,” says Rose.

“Worship a gun? George Bush worsh -- what! What,” says Simmons.

“George Bush is not the issue there,” says Rose.

“Not the issue-- why are we talking about that? Why aren't we talking about the ‘gangsta government’ we have? Why are we talking about gangsta rappers. They're imitating the gangsta government ... You wanna point at the rappers,” says Simmons.

“The conditions of suffering that exist today in our impoverished communities are not acceptable. The reflection of those conditions are less concerning to me. And I work everyday about changing the conditions.”

To explain why he feels that way, Simmons and his rap-star brother, Run of Run DMC, took **60 Minutes II** to Hollis, N.Y., the black working-class neighborhood they grew up in -- and the source of some of Run DMC’s lyrics.

“I would say stuff like, ‘You're biting all your life. You're cheating on your wife. You're walking round town like a hoodlum with a knife. Hanging on the ave, chillin’ with the crew, and everybody know what you been through,” says Run.

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In the late ‘70s, while the young entertainer was rapping, the young entrepreneur was selling drugs. It was a violent world, and it still is. Simmons pointed out a mural of Jam Master Jay, who passed away.

“He was like my son. He represents a visible kind of example of all the people who are being murdered here constantly right now. There are kids getting murdered out here all the time,” says Simmons.

Next to the mural of rap DJ Jam Master Jay, there is an ongoing memorial to all the young men who still get gunned down on the streets of Hollis.

“That's just a lifestyle that we don't talk about. That's why we're so shocked when we hear these stories in these rap records. That’s a truth we’re not interested in. We’re not interested in fighting that kind of ignorance,” says Simmons, who adds that this is the reason why he’s interested in helping people in neighborhoods like Hollis.

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His latest business venture is a pre-paid debit card for Americans who have bad credit or not enough money to open up a bank account.

“This could dramatically change the lives of thousands of Americans,” says Simmons.

Simmons, ever the salesman, couldn’t resist interrupting his interview to try to sign up a few new customers. “Just call 1-866-rush card,” he says. “This thing sells itself.”

That salesmanship has carried the hustler from Hollis to the exclusive suburb of Saddle River, N.J. His 30,000-square-foot mansion is one of the largest homes on the eastern seaboard. It’s a

fortune built by hip-hop, a style of music that grew up in the ghetto and conquered the heartland -- a style of music that Simmons believes will forever change the face of America.

“America, you know, they always separate people because of race. They've been able to convince, 'The niggers are coming.' You know, the diversity that America has is so special. It's starting to really become a cool thing for young people,” says Simmons.

“Not only because there are more mixes of people, but because people are more open-minded about each other. So I think in the future, America has a great, great opportunity, and mostly because of hip-hop.”

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