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Exclusive club guides the very rich on money matters

When the über-rich need help wading through economic turmoil, they turn to their peers in an exclusive investment group that's expanding here.

BY EVAN S. BENN

David Russell made millions when he sold Dalcomp, his New York-based computer software company, in 1995, but he quickly watched much of it disappear in a series of lackluster investments.

"I was a businessman, not an investor, and I spent the better part of three years losing the money I got from selling my company," the Sunny Isles Beach resident said.

Instead of seeking the advice of a stockbroker out to make a commission or an investment advisor with financial products to sell, Russell turned to his peers -- the super-rich -- for help.

He joined a group called TIGER 21, which stands for The Investment Group for Enhanced Returns in the 21st Century. The New York-based organization has about 170 members, all with at least \$10 million portfolios, and has been expanding its reach in South Florida, where Russell is among 20 members who meet monthly in Palm Beach or Miami.

The Florida group includes executives, entrepreneurs, doctors and retired business owners like Russell. But many are sensitive about their anonymity, and the group declined a request from The Miami Herald to let a reporter sit in on one of their meetings at Miami's Mandarin Oriental hotel.

"These are fairly serious people who are looking to each other to become better investors," said Russell, 61.

The TIGER 21 sessions have been compared to group therapy in that members will open their financial data for the others to dissect, offering criticisms and suggestions. Members say that aspect of TIGER 21 has been especially useful during the recent economic downturn, which threatened to decimate stock portfolios of billionaires and Regular Joes alike.

"Our members face unique challenges of managing wealth in this environment," said Michael Sonnenfeldt, a former real estate entrepreneur who co-founded TIGER 21 in 1999. `` For most of them, TIGER has become the critical link to trying to make sense of what's going on in these amazingly difficult, frightening economic times."

The wealthy pay a \$30,000 annual fee for the privilege of sharing their investment tips with other TIGER members at monthly meetings, through conference calls and on Internet message boards. Nationally, TIGER's male members outnumber females about 155 to 15, and their combined investment assets are somewhere north of \$7 billion.

"Every member is able to teach something to the others," Sonnenfeldt said. ``It's not about how much money you have but about what you've done with your life."

Members are spread throughout the world, but the greatest concentrations are in Florida, New York and California, Sonnenfeldt said. The group plans to add a third Florida group -- in Boca Raton -- in the next three months, in addition to its networks in Palm Beach and Miami.

TIGER is expanding in Florida because, well, there are a lot of very rich people here.

"It has to do with the combination of wealth and the number of people there who have built great businesses and successful careers and are now primarily managing their wealth," Sonnenfeldt said.

South Florida's most affluent residents get inundated by requests from financial advisors and private banks hoping to land their business, said Chuck Ranson Jr., who leads TIGER's Florida groups and oversees their meetings. But many prefer being part of TIGER's peer-to-peer network instead of relying solely on independent wealth managers or brokers who are pushing their own products.

"Investing is complicated," said Ranson, the former Florida head of Chase Manhattan Private Bank. 'Whether you have \$100 or \$100 million, sometimes you just need someone unbiased to ask, `Are you sure that's the best place to be putting your money?' "