

An advice club for the super rich

By John Cook
December 12, 2008

In these tough economic times, the rich have more to lose. That's why the leaders of an advice and wealth management club for mega-millionaires believe the timing is right to bring their exclusive club to Seattle.

New York-based Tiger 21 is creating a chapter in Seattle under the direction of Andy Sack, a well known Internet entrepreneur who has sold companies to Microsoft and The New York Times. Described by Fortune magazine as "part investment club, part group therapy," Tiger 21 isn't for everyone.

To join, one must have \$10 million of investable net worth -- excluding "homes, art and toys," explains managing director Lewis Haskell. They also must have a willingness to share experiences about the opportunities and challenges of living with money. On top of that, there's a \$30,000 annual membership fee.



Andy Sack

Given the economic meltdown, the number of people with \$10 million to invest is shrinking. And the \$30,000 fee isn't chump change, even for the rich.

But Haskell, who manages the club's southern California operations, thinks the declining fortunes may spark a wave of membership. Wealthy investors are "nervous" and want to know what to do with their money, especially if their net worth has declined from \$35 million to \$17 million, he said.

Tiger 21, he said, provides a confidential and comfortable setting for people to "have a safe conversation" about their money. Past presenters to the club include investors Carl Icahn, T. Boone Pickens and Stephen Schwarzman.

Sack, who leads a Seattle angel investment group called Founders Co-op, got involved because he thought there was a need in the market to provide wealthy individuals with an open forum to share insights.

"People are scared and the antidote to that fear is knowledge and information," he said.

Founded in 1999 by Michael Sonnenfeldt and Richard Lavin, the club operates chapters in New York, Los Angeles, San Francisco, San Diego, Palm Beach, Dallas and Miami. About 170 people -- from venture capitalists to retired CEOs to real estate professionals -- have joined the club. The average member has a net worth of about \$30 million to \$50 million, with the club boasting that its members collectively have about \$10 billion in investable assets.

Sack is hopeful that the group will catch on in Seattle. And he has only a few rules for incoming members. "You've got to be willing to learn and listen ... and you can't be a jerk," he said.