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Tigers Who Clawed Their Way to the Top Share Investment Advice

Group for Multimillionaires Also Helps Members With Personal, Family Issues

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Those who have it are usually loathe to talk about it, but each month a group of self-made multimillionaires gather at the Four Seasons Resort Aviara in Carlsbad, talking about one another's investments and other aspects of their lives.

Call it self-help for the ultra-wealthy.

The purpose behind the organization, called Tiger 21, which stands for The Investment Group for Enhanced Returns in the 21st Century, is to provide a forum where folks in a similar situation (that is, having far more money than they ever dreamed of) can talk about how they manage their nest eggs as well as personal issues connected to their wealth.

The issues usually involve finances, but that isn't necessarily the most important reasons why people join the group, say a few members who preferred to remain anonymous for the sake of their families.

"Sam" says he joined the organization not only to get feedback on how he has invested his money, but on how to best deal with helping his children and other family members.

"You can't discuss many financial issues with your friends and colleagues," Sam said. "Here you can be much more candid because you're dealing with people in a like situation, people who are self-made and facing economic success."

Sam says his net worth is in the "low 20s," as in more than \$20 million. He ran an advertising agency in the Southeast for 13 years that reached \$15 million a year in sales. Then along came a well-known Internet firm and made an offer that Sam couldn't refuse. He and his fellow Tigers never have to work again.

Self-Made Millionaires

"The group that we have in San Diego is made up entirely of self-made millionaires, either through businesses that they've built up and sold, or where they took over and helped become successful," said Lew Haskell, managing director for San Diego Tiger 21.

The local chapter was formed late last year and is one of 16 operating in the nation.

Though they are certainly much richer than most, members have to be careful about preserving their portfolios, since most of them are retired and their current assets have to last the rest of their lives, Haskell says.

“This gives them an opportunity to see how other people are making decisions about the same things they are encountering,” said Haskell, who is not among the 12 local millionaires who meet on a monthly basis.

The local group ranges in age from about 40 to the mid-70s. All must meet the minimum criteria of having invest-able net worth of at least \$10 million, are willing to be open about their investment portfolios to the group, and sign a confidentiality agreement not to disclose what they’ve heard.

The advice and support Tigers receive isn’t cheap. The membership fee this year is \$25,000 and will rise to \$30,000 next year.

Striking It Rich

“Dave” is another local Tiger who agreed to be interviewed, as long as his real name wasn’t used.

A big winner during the dot-com boom, Dave cashed out of his majority ownership in a high-tech engineering company in 2000, before the boom went bust. From the sale of the majority of the company he started in 1984, Dave raked in a personal payday described as more than \$10 million.

Now retired and living in La Jolla with his wife and two teenage sons, Dave made a point of not getting back into the corporate world.

“I heard too many stories of CEOs who got this big personal payout, and who thought they could do it all over again, and end up losing their money,” he said.

He took 18 months off after the windfall, and decided he never wanted to work again, but that doesn’t mean his life is filled with golf games and travel. He puts in more hours working for several charitable organizations.

Dave already had a wealth adviser who had helped him for years during his working life, and he saw no reason for changing to someone else. As to his fat nest egg, Dave gave half to his adviser to manage and invested the other half in real estate.

One of the main reasons he joined the group was to educate himself about what his adviser was doing with all that money.

While he ran a company that eventually grew to about \$40 million in sales and several hundred people, Dave admits he was relatively ignorant about investing.

For example, he wasn’t aware of the various fees charged for managing different parts of this portfolio. “It was fascinating to me to learn who are all these people who are earning money off my money,” he said.

Fiscal Education

“I joined Tiger 21 so I could begin to speak with her (his adviser) more on her level,” he said. “I wanted to know why she was doing what she was doing.”

A common issue that arises in discussions among Tiger members is how they should raise their children when they have so much more than other people, Dave says.

At their monthly gatherings, members talk about three main subjects: changes they've made in their investment portfolios; concerns they have and issues they are dealing with; and what's going on with them personally.

The meetings also include guest speakers who come from three distinct backgrounds: the world of finance and investments; economists and futurists; and speakers who talk about personal issues.

Having all this money solves lots of problems, but it also creates new ones, Haskell says. "It brings a unique set of problems that many hadn't anticipated. It can be very isolating."

The Tiger 21 concept was launched in 1999 in New York, where there are now 10 such groups. All totaled, there are 160 members with groups operating in such high-net-worth burbs as Los Angeles, San Francisco, Palm Beach, Fla., Miami and Dallas.