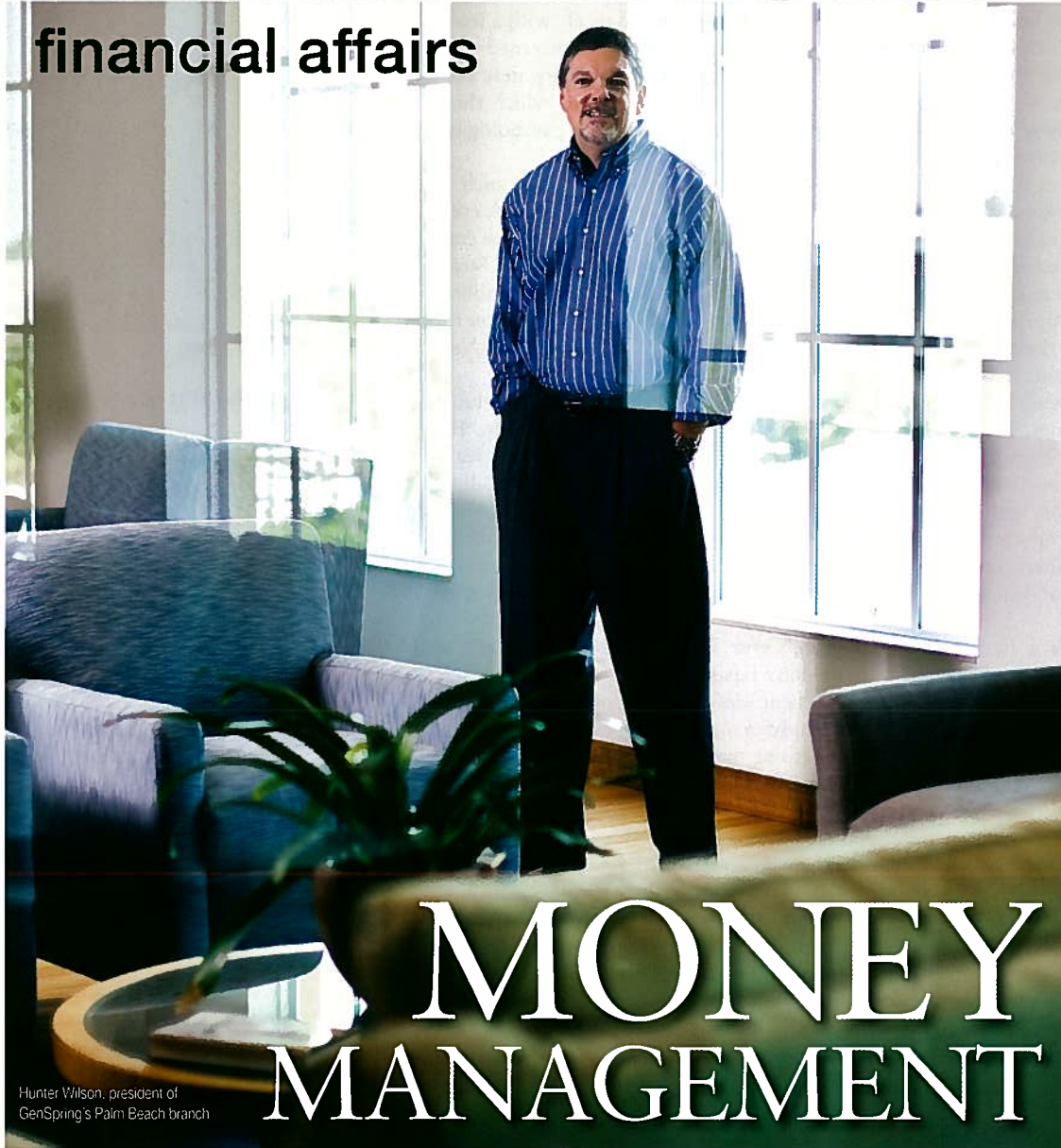


T H E PALM BEACHER

financial affairs



Hunter Wilson, president of
GenSpring's Palm Beach branch

MONEY MANAGEMENT

How one company educates families on money matters

So you've made it, and now it's time to sell out and make sure you don't blow what you've made, or more likely, that your kids don't blow it. So you look around the wealth management field, including the big boys in New York. But nobody seems quite right for your family needs. What to do?

Well, if you're Hap Perry, you go out and start your own firm to manage your and other families' hard-earned money. That was

20 years ago. Today, GenSpring Family Offices has \$17 billion under advisement, 14 offices, 300 employees and, as of 2000, is affiliated with SunTrust, giving it access to that powerful institution's numerous clients.

It is quite an achievement to have come so far in a field that was crowded even when the company was launched. This was particularly true in Florida, which had attracted many of the lead-

By **BERNARD McCORMICK** Photography By **JASON NUTTLE**

ing trust companies and institutions specializing in private banking and wealth preservation.

Perry, however, had a few new wrinkles. For starters, Henry (Hap) Perry knew something about family wealth. The Tequesta resident comes from an old Florida line. His grandfather built a newspaper empire and his father, John H. Perry Jr., was distinguished in both publishing and the field of undersea vehicles.

In 1988 Perry decided to sell the family businesses, even some he had built, including Perry Oceanographic and Perry Cable Television. He wanted to make sure the family wealth, earned through generations, was preserved, but he could not find exactly the kind of wealth management firm he wanted. So he started his own. As it turned out, his timing synched nicely with a trend in the wealth management field. Families were not merely concerned with keeping what they had earned, but also dealing with the reality that sons and daughters of wealthy families, especially the new rich, of which there are many these days, were often unprepared to deal with the psychological aspects of growing up with indulged childhoods.

Many of them failed to follow the lead of old money families, such as the Rockefellers, Vanderbilts and Kennedys, who instilled a strong work ethic and/or inclination for public service in their younger generations. To the contrary, it was not unusual for children of computer revolution or Wall Street millionaires to grow up with a sense of aimlessness and entitlement, snobbish and not compelled to make a living, combined with a certain frustration for not having done anything worthwhile on their own. Earlier this year, *New York* magazine dubbed it "Rich Kid Syndrome."

That syndrome concerns the more thoughtful among those who build great fortunes. It is revealing that two of the world's wealthiest men, Bill Gates and Warren Buffett, have both been quoted as not wishing to leave their offspring too much money, lest they lose the inspiration to do something commendable with their allotted years.

The firm was founded as Asset Management Advisors, but changed because its initials could be confused with other institutions. Among Perry's goals in establishing GenSpring was to create a conflict-free family office atmosphere.

"That's a hallmark of our firm," says Hunter Wilson, president of GenSpring's Palm Beach office. "We don't have product to sell, we don't get paid by anybody but our client. The client knows we are sitting on the same side of the table with them. It's a pure advice model. Most of our competitors have several products; they have something they offer. When you're a broker or a money manager representing product, you can't be objective."

The firm emphasizes the family part of its name. Says Wilson:

"From a governance standpoint, we've worked with educating families, and developing skills to introduce them to concepts of wealth management and legacy planning and becoming good stewards of their family. We want to be around to help generations of our clients."

To that effort, it encourages families to operate more like a business' board of directors, with a chairman and selected representatives who share in making decisions at regular meetings.

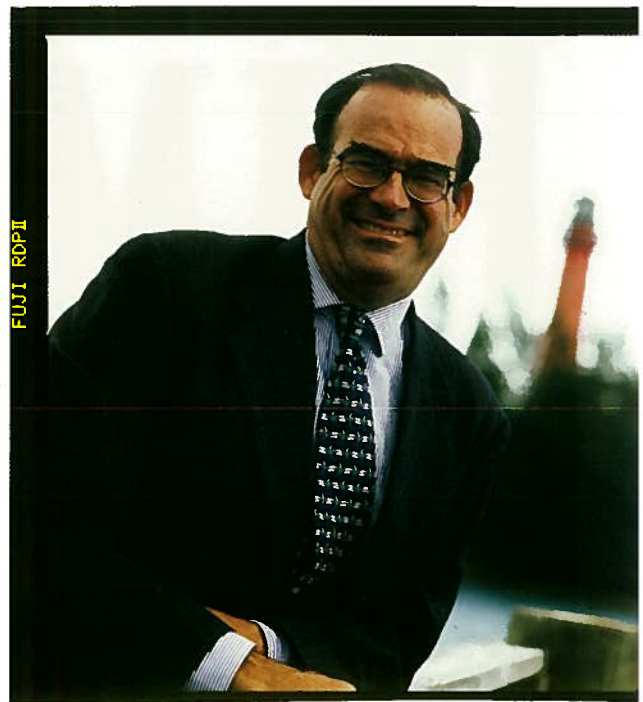
GenSpring's headquarters is in Palm Beach Gardens, but Wilson works out of a new office in Jupiter.

Wilson is one of a number of GenSpring officers with impressive experience. Among them is former Palm Beach resident Christopher H.A. Cecil, who has 21 years experience with prestigious old line firms, including president of the Southeast and Florida regions for J.P. Morgan Private Bank and previously managing director at Brown Brothers Harriman & Co. in Palm Beach. He now is president of GenSpring's Charlotte office in his native North Carolina. He is also a member of the board of directors of Gulfstream Media Group, owner of this magazine. ■

GENSPRING^Y
FAMILY OFFICES

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Hap Perry was in an ideal position to recognize an opportunity in wealth sustenance. He was at least the third generation of a credit-worthy family, a family distinguished by a knack for timing and innovation. The Florida expression of that talent began with his grandfather, John Holliday Perry. Unlike those who found fortune in the Florida boom, he was already successful, as general counsel for United Press and Scripps-Howard. Beginning in the 1920s, he built a publishing empire which included more than two dozen papers, including a number in Florida, most notably the *Jacksonville Journal* (later sold to the *Florida Times-Union*) and the *Palm Beach Post*. His son, John H. Perry Jr., who died in 2007 at 89, took over the business in 1952 and pioneered the use of technology in newspaper publishing. He enjoyed the production side of newspapers more than the editorial thrills, and in the late 1960s sold his properties, dividing them between Gannett and Cox Newspapers for a reported combined figure close to \$100 million.

With that kitty, he probably could have struggled along without steady work, but he was not built to loaf. A remarkable man who attended Yale and Harvard Business School, he was a ferry pilot in World War II. After exiting the publishing business, he used his talent for invention to form a company that became a leader in small submarines. He also had a strong environmental sense and saw a need for renewable energy long before it became a critical concern for the western world.

No great surprise then that his son Hap should have inherited a taste for enterprise, and a sense of when the time was ripe to cash in.