

BEFORE PASSION, *Intelligence*

SYLVIA TOH speaks to MARY BUFFET on her best investment to date, and why she would rather rent than buy

As tough decisions go, this one was a game-changer. A splendid pair of Venetian earrings, or a shopping trip to Milan? When faced with this conundrum, Mary Buffett employed what she'd learned from her famous (now ex-) father-in-law Warren – patience and discipline. “When I was married to Peter – the senior Buffett’s youngest son – we were in Venice en route to Milan when I saw this Byzantine pair of earrings. It cost a fortune. Peter said it was either the earrings or Milan. My daughter said, ‘Take the earrings, take the earrings!’ But for me, discipline prevailed.” And patience meant she’d have to wait for a next visit to Milan.

When Mary met Peter, she was a studio singer, doing commercial work, and a back-up singer for music producers like the legendary Phil Spector. Peter was in the music industry, which included music for the movies. In fact Mary had an onscreen role in the film, *Tucker*. “It was like art imitating life!” she laughs.

You can’t marry into the Buffett family and stay immune from wealth management, especially if you have a natural talent for business. The American author, businesswoman, speaker, wealth management guru, and mother-of-three was in Sentosa as a keynote speaker at a wealth summit organised by Success Resources Singapore, where she took time to speak to *Singapore Tatler* on passion investments.

She may be the author of seven best-selling books on wealth and investments, and a consultant to Fortune 500 companies such as AOL and Time Warner, but the pragmatic in her arises when discussing hobby investments.

“Art is an amazing buy, but you must know what you buy,” she starts. “Generally speaking, its value will increase in time.

“As for the villa and the yacht and the jet, why own when you can rent, with staff, all over the world?” she questions. “There’s the market fluctuation of the ‘passion’ plus the upkeep of the place to consider. Unless, of course, you run your villa in Tuscany as a business. Rather than own a yacht, when



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you’re in the shower, fold a dollar bill into a paper boat!” she jests.

Buffet is one of few women in her field, and she is only too pleased to talk about financial traps befalling women. She says that after her divorce in 1993, she had to re-evaluate her financial status, which not only included her financial investments, but also investments in herself.

“A woman needs a financial advisor,” she says, adding: “And yes, I do consider a pre-nup as an investment. To a woman who’s about to marry someone with great wealth, and they’re in love, I’d advise her to tell him: ‘I don’t want your family wealth, but you will want me to have what we built together.’ Know what you’re getting into, and protect your assets.”

The mother of three also has nuggets to share regarding teaching kids about wealth. “Discipline and patience – that’s what Warren Buffett taught me. Teach what money really gives to children – not health, nor happiness, but that the more they work themselves, the more they’ll value satisfaction. Never forget that families have been ruined by generations of wealth.”

For Buffett, her family wealth is locked in trusts for her twin daughters and son. “Give a small amount at a young age, or you’ll kill inspiration by giving all. And when they’re older, by 35 or 40, they’ll know what they want to do. And from each portfolio, save a percentage from the earnings.

“At Christmas, Warren would give a \$10,000 present to each of us. One year, we got instead \$10,000 worth of stocks. My awareness peaked from there.

“Stocks are the best gift as they keep on giving. But first, educate yourself on what you’re buying. If it gives 8 to 10 per cent consistently, your risks are reduced. Talk to your stockbroker about your risk tolerance, and buy for the long term. Predictable products produce predictable profits. It’s silly to jump right in on the strength of a tip from a phone call, oh, ‘great IPO’.”

The last Christmas present she and Peter gave Warren was a copy of the P&L of their balance sheet. And as for those earrings, eventually it’ll be realised into two pendants for her twin girls. Turns out it was smart money after all. ●