

10 QUESTIONS WITH...

RICHARD W. PERKINS

Money manager Dick Perkins runs the Perkins Discovery Fund and manages about \$300 million in assets for individuals and institutions with Perkins Capital Management. He is also a member of the *MinnesotaBusiness Magazine* editorial advisory board.



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1) *MinnesotaBusiness Magazine:* You are a Midwesterner but didn't grow up in Minnesota. What brought you here initially? *Richard Perkins:* I grew up in a small town in western Wisconsin, near LaCrosse. There is just an artificial line between Wisconsin and Minnesota called the Mississippi River, but to me it is all pretty much the same; beautiful terrain and great people. I came for a job though and spent seven years managing the Mayo Foundation's Endowment Fund.

2) *MNB:* After that stint at Mayo, you left the state for another period of time. What took you away and what made you want to return? *RP:* I left a wonderful position at Mayo for a higher paying position managing the pension fund at Standard Oil of Ohio. Although the topography east of Cleveland where I lived was very similar to the area in Wisconsin where I grew up, I soon realized that I was not happy working in the downtown area of a large city. I should have learned that when I worked in Chicago, but didn't.

3) *MNB:* You have certainly provided plenty of advice in all of your 45 years in the investment business. What's the best piece of advice (financial or otherwise) someone gave to you? *RP:* Always have patience. A stock doesn't go up just because you bought it. In fact, it doesn't even know you own it.

4) **MNB: You emphasize homegrown stocks in your investment strategy. Why?** RP: Frank Sinatra had a song titled, "New York, New York," where the theme was "If you can't make it here, you can't make it anywhere." Ditto, for the Twin Cities and the upper Midwest. Plus we know the management teams of local companies.

5) **MNB: There is a sign hanging in your office that says "Believe in what you see. Not what you hear. Not what you feel." Explain the meaning behind that.** RP: I always say you can't believe what you hear, because much of it may not be true, and you can't believe what you read because the person writing it may know less than you. But, if you see with your own eyes what is happening at a company or on a stock chart then you can believe it. This is why I say, "Believe what you see."

6) **MNB: What's the most surprising thing about you that most people are unlikely to know about?** RP: Well, I suppose that my bite is not as bad as my bark, because hopefully I have mellowed a little bit in my old age. I think when I was younger people thought I was pretty hard nosed, and sometimes I think not very well liked because of it.

7) **MNB: You could have stopped working long ago and devoted more time to your favorite pursuits, like hunting. What keeps you coming to the office?** RP: I work because I enjoy what I do. And because there isn't a day that passes that I don't learn something new. It is surprising to me that people still think that 65 is an age at which one should retire. That was thought up years ago when we didn't have the longevity that we have today. It is interesting to me that in order to get your first job you have to have experience, but you can't get experience until you had your first job. Then when you finally do begin to get experience through working for many years, suddenly at the magical age of 65 you are supposed to put all of that experience aside and go sit on a beach or play golf? I just don't get it.

8) **MNB: If you could sit down for a chat with Governor Pawlenty today what is the one thing you would tell him Minnesota desperately needs?** RP: Certainly Minnesota desperately needs lower taxes to keep more businesses and higher earning individuals here, rather than in the Dakotas or Florida.

9) **MNB: What do you consider your greatest success?** RP: Actually, I have had what I consider to be multiple successes and they came to me because of patience, i.e., the ability to stay with an investment through ups and downs for a very long time. I also have the ability to recognize when the time comes to give up or sell. Neither one is easy to do.

10) **MNB: Is there one big thing you feel you still have yet to accomplish?** RP: I still would like to write a book. At this point I only have the title "Believe What You See." I'm really not a procrastinator, but I just don't have the time right now. ■■■