

She takes big risks, wins some, loses some Entrepreneur applies same moxie to her investments

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To refute the myth that women aren't big risk-takers, look no further than Julie Rusciollelli.

At 44, Rusciollelli has twice been named one of Canada's top 100 women entrepreneurs. And she invests in the stock market with the same gambler's spirit it takes to launch a business.

The founder and president of Toronto-based Maverick Public Relations Inc. studied business before landing an entry-level job at National Public Relations. She moved to Cohn & Wolf to head up the PR firm's technology division before starting Maverick in May, 1999 -- a year before the tech bubble burst.

When asked about the perception that women are cautious investors, she cracks, "They haven't met me." In the late '90s, Rusciollelli invested in the type of stocks her technology clientele exposed her to. An online trader, her RRSP was 100% in tech stocks.

For 16 months she made money. But the failure to diversify hurt after the Nasdaq topped out in March, 2000. Rusciollelli "lost the price of a luxury car," she admits. (She should know -- one of her vehicles is a latemodel Mercedes convertible.)

"I was playing with my RRSP money. I was very foolish. I was an immature investor, but not the only one."

That didn't deter her from persevering with her new business, however. "Failure wasn't an option."

Her investing experience made her realize she had to diversify Maverick beyond its stable of technology clients. Today, it has four divisions with clients in health and wellness, consumer products and media training. The business employs 20 and owns the building in which it operates, plus two adjacent properties in the Annex area of downtown Toronto.

Long-term, most of Rusciollelli's wealth will come from her business and real estate. But the financial advisor that set up her real estate deals also got her to diversify her investment portfolio.

After moving from a discount broker to a full-service brokerage account at Nesbitt Burns, Rusciollelli liquidated the random tech stocks she now cheerfully describes as "garbage."

Her portfolio is conservative and balanced and she has now fully delegated the investment decisions to her advisor. In this, Rusciollelli is more typical. Women have a



CREDIT: Peter J. Thompson, National Post
Julie Rusciollelli lost a lot of money when the tech bubble burst. She's learned from her mistake and now holds a diversified portfolio and lets a pro handle day-to-day investment decisions.

greater preference than men for full-time financial advisors and prefer a buy-and-hold approach, says Joanne Thomas Yaccato.

The Thomas Yaccato Group bills itself as corporate Canada's gender lens. Yaccato says there is no gender difference in risk tolerance. However, her research finds that women believe they are not taken as seriously as men in the marketplace, particularly by financial institutions. This is one reason women are savvy users of the Internet -- they arm themselves for purchases as varied as cars and financial services.

One reason women may be perceived as more cautious investors than men is they speak more (40,000 words a day vs. 8,000) so ask more questions, says Vancouver-based financial advisor Diane McCurdy. This means they uncover more information that may result in greater caution.

In her book *How Much is Enough?*, McCurdy identifies four money personalities: spenders, savers, builders and givers. Many combine two of these. McCurdy describes herself as a saver/builder.

She says women are more likely than men to be spenders because they often do a family's shopping. Historically, men have been the builders but this is changing as builders like Rusciorelli and Yaccato emerge. (Yaccato was once a hyper-spender, as she relates in her book, *Balancing Act*).

Many women are also savers, which may arise from their parenting roles. As well, security is often uppermost in the minds of those who have been separated or widowed.

Patricia Lovett-Reid, senior vice-president of TD Waterhouse Canada Inc., says its surveys prove women are not incapable of managing their own money. However, many feel they don't yet have enough to retire. They focus more on making money than investing it. A big element is achieving balance in life.

"It's not about earning potential," says Lovett-Reid. They feel very good about making their money work as hard as they work for it."

Increasingly, that means putting much of their savings in stocks. Given their longer life expectancies, it's arguable women are better positioned than men to benefit from the long-term growth prospects of well-diversified portfolios of quality stocks.

Yaccato says women should be at least 50% in stocks, even in retirement.

So, despite her unlucky timing on tech stocks, Rusciorelli's instincts were sound, both in her investments (she's still 74% in equities) and entrepreneurship. Her choice to focus on her business and real estate and delegate investment decisions to full-time professionals is equally smart. - Jonathan Chevreau blogs at www.wealthyboomer.ca.

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