

## Innovative Enterprises: A secret to long term wealth

Part of the American dream is to be your own boss, own your own business and answer to no one. Owning your own business can be a way to invest in innovative enterprise, one of the cornerstones of long term wealth attainment. If that isn't in the cards for you, take a look around at other innovative enterprise opportunities.

If you can invest in your own business or the innovation of another, you have fulfilled one of the cornerstones of amassing and preserving wealth. One of the tenets of retaining long term wealth outlined in the new book, *Get Rich, Stay Rich, Pass It On* by George H. Walper, Jr. and Catherine S. McBreen, is investing in innovative enterprises. This is defined as "being involved in or investing and re-investing in a company, product, or service that represents a whole new way to make money".

Many mega millionaires in our studies (those worth over \$25 million or more) already know and use this "secret". Starting or owning your own business is an obvious way to invest in innovative enterprises. Fifty percent own a privately held business, as do 40% of those in the \$10-25 million segment. Business owners are the wealthiest segment of the mega wealthy. Many of these households have created their wealth through privately held business or private practices. As wealth levels rise, so do the percentage of business owners, as well as the value attributed to their business. Indeed, 30% of ultra rich investors identify themselves as entrepreneur/business owners; this is the largest group by occupation in that worth segment.

But what is the difference between owning a business and an innovative enterprise? Owning a business can be innovative for the owner and customers, by filling a need in a community, or providing a twist on a standard service, but these ideas are not innovations. Though they can be innovative ways to make money, a true innovation breaks conventions and redefines its industry. An easy example is the Apple iPod which has revolutionized the way the music industry works on all levels by changing the way music is delivered to the masses.

Of course, being a business owner is just one way to get involved with innovative enterprises. While those who own their own business or who invest in businesses in a venture capital capacity may have more time and resources to make this a larger part of their wealth portrait, there are many other ways to find innovation.

For other investors innovative enterprises could take the form of a side project, perhaps in the context of your current career.

Growing wealth now is important, but thinking about it long-term is the key to wealth that lasts into future generations. Continuous involvement in innovative enterprises are a way to achieve stable, lasting wealth, and perhaps move you from the wealthy segment into the ultra wealthy segment.

Unlike professional expertise and any degree or certification you may hold, innovative businesses can thrive after you are gone. New business ideas, investment prospects like venture capital opportunities, or acting on that inventive idea you have been knocking around are ways to break into this foundation of perpetual wealth and affluence.