

Here's the Investing Advice I'd Give a Professional Athlete

This is the advice I gave professional athletes and my readers twelve years ago about how to make your retirement dollars last a lifetime. I wrote:

I advise you regularly to invest only for dividends or interest. I want you to insist on getting paid, as I do. If you want to speculate with a portion of your capital, that's fine, but do not mess with your primary stash of cash. When you retire, your earning years are over. Kaput. You earn no more. Therefore, every dollar you have the day you retire must be treated with the deepest reverence. Treat each dollar as you would a family member. Would you wave good-bye for good to even an extended family member? Well, I guess there might be one or two exceptions, but on balance you would not. The same goes for each one of your retirement dollars. When you spend your money, it can no longer work for you for the rest of your life. Were I advising professional sports athletes with their huge initial contracts, my first advice would be to invest every upfront bonus dollar in 90-day U.S. T-bills and roll over the T-bills until such time that a suitable conservative, professional registered investment advisor had been selected. I would advise these athletes to not spend one dime of that bonus. No new Cadillac Escalade. Every bonus dollar from day #1 would be sequestered so as to earn dividends or interest for a lifetime. A sports career passes in a flash. And no offense here, but who attended class in college?

If you need help managing your money to avoid risk, sign up for the Richard C. Young & Co., Ltd. client letter (free even for

non-clients) by [clicking here](#). Each month my son Matt writes the letter for clients of our family run investment counsel firm. Matt is the President and CEO and has been named one of *Barron's* Top 100 Investment Advisors for each of the past seven years. In the monthly letter, Matt explains the decisions we make for clients' portfolios, and how they fit into a broader strategy for risk management. Enjoy!