

FOR IMMEDIATE RELEASE

Contacts:

Barbara Cave Henricks
Cave Henricks Communications
(512) 301-8936
barbara@cavehenricks.com

Sara Schneider
Cave Henricks Communications
(914) 231-5404
sara@cavehenricks.com

THE MIDDLE-CLASS MILLIONAIRE

**New Book Reveals Habits and Values of the Working Wealthy, and How Their
Influence is Changing America**

by Russ Alan Prince and Lewis Schiff

A new class of wealthy exists in America-- **THE MIDDLE-CLASS MILLIONAIRE** -- and they are doing more than just accumulating wealth. Collectively, this group is influencing, advocating, and reshaping the social, cultural and commercial landscape of our world.

THE MIDDLE-CLASS MILLIONAIRE: The Rise of the New Rich and How They Are Changing America (Currency/Hardcover/February 26, 2008) by Russ Alan Prince and Lewis Schiff provides a cogent and research-driven look at the habits and traits of this new class of millionaire -- those with a net worth between one and ten million dollars that they have earned, rather than inherited. Currently, this group represents over 10% of the American population.

Prince and Schiff did an original study for the book in 2006, conducting interviews with 3,714 households. 586 of these were Middle-Class Millionaires and the remaining (3,128) earned the national median annual household income of between \$50,000 and \$80,000, or average middle class. The study allowed them to compare the attitudes, values, and purchasing patterns of both groups. What they uncovered is that while the two share a

number of the same so-called middle-class values, like hard work and education, there are also **stark differences**. For example:

Education. While both groups value education, the Middle-Class Millionaire takes it personally. Nearly half (46%) believe “a child’s academic achievements reflect one’s success as a parent.” Only 16% of middle-class households were ready to put their own reputation on the line when it comes to their kid’s academic record.

Address. Three-quarters (78%) of Middle-Class Millionaires chose where to live because of the school system. The middle class chose convenience to work (52% vs. 9% for the Middle-Class Millionaire) and shopping (43% vs. 19% for the Middle-Class Millionaire) as being of nearly equal importance as the quality of their children’s schools (57%).

Politics. The middle class run for office while the Middle-Class Millionaire gets them elected. The middle-class voter runs for office (24% said they had compared to 6% of Middle-Class Millionaires) while the Middle-Class Millionaire votes more (92% vs. 71%), and raises money more often (47% vs. 11%).

Trust in Government. The middle class hopes the government has their back which the Middle-Class Millionaire knows better. 54% of middle-class survey respondents are highly confident of the government’s ability to help them in the case of a natural disaster or terrorist attack. Only 14% of Middle-Class Millionaires feel the same.

These differences, it would seem, push this one segment of the population to achieve far greater financial success than their strictly middle class counterparts. Collectively, the authors define these differences as **Millionaire Intelligence**, the beliefs and systems which differ just enough from the middle-class mindset to set their financial accomplishments ahead of the pack.

Another stark difference lies in **Networking**. 62% of Middle-Class Millionaires believe that connections to and with other people are of value and they are THREE times as likely to belong to a networking group. Unlike the Ultra-Rich, (those worth in excess of ten million dollars) who tend to be insular and secretive about their habits, this group is willing to share information -- on everything they use in their world -- from doctors to cars, vacation hot spots to real estate agents. This habit truly sets them apart, making them not just consumers with a large check book, but influencers that have never before existed.

“This group,” write the authors, “has an oversized impact on the middle class’ aspirations, attitudes and spending habits. Their knack for networking makes them natural apostles for whatever products and services they find useful.”

Those goods and services -- from life coaches to luxury vacation rentals, concierge medical care to high dollar prep courses into the Ivy League -- are making their way downstream, steadily becoming available to a much broader population. What was once the province of only the super rich is now being created and packaged for the “downline” population or for those with fewer zeros in their net worth, but similar aspirations. For example, OnStar navigation began as an emergency road service for high end luxury vehicles only. Concierge medical care which allows for a private physician to oversee all of a patient’s care started as a \$16,000 a year service and is now available for a tenth of that. The book cites examples from real estate, vacation rentals, airline travel, and even life coaches, as evidence of this real and growing trend.

THE MIDDLE-CLASS MILLIONAIRE is a revealing look at how this fast growing group of wealthy is changing the very world in which we all live and work.

Russ Alan Prince is the president of Prince & Associates, Inc., the leading market research firm specializing in private wealth. He is a highly sought consultant on matters relating to the ultra-high-net-worth and financial advisors. Prince is frequently cited as an expert in the national press including *The Wall Street Journal*, *The New York Times* and *Forbes*. He is editor of *Private Wealth* as well as the author of more than 35 professional development books including *Inside the Family Office*, *The Sky’s the Limit*, *Fortune’s Fortress*, *Fame & Fortune* and *Wealth Management*.

Lewis Schiff is a senior managing principal for [Advanced Planning Group \(www.advancedplanning.org\)](http://www.advancedplanning.org), where he leads a team of private wealth experts who specialize in the needs of high-net-worth clients globally. Schiff has developed education and communication programs for many of the leading financial companies serving high-net-worth clients. He is a contributor to *Investment Advisor* magazine and TheStreet.com and maintains a blog about the affluent at InvestmentAdvisor.com. Schiff was a longtime contributor to CNNMoney.com and CNNfn. In 2001, he wrote *The Armchair Millionaire* (Simon and Schuster).

**The Middle-Class Millionaire:
The Rise of the New Rich and How They are Shaping America**

Authors: Russ Alan Prince and Lewis Schiff

Publisher: Currency

Publication date: February 26, 2008

Price: \$24.95

Hardcover

ISBN: 978-0-385-51927-4

www.middle-class-millionaire.com

The Middle-Class Millionaire The Research

7.6 % of American Households, or 8.4 million households, are Middle-Class Millionaires worth between \$1 million and \$10 million that they earned rather than inherited.

The average Middle-Class Millionaire works 70 hours per week.

Middle-Class Millionaires are FIVE times more likely than the average middle class person (who earns between \$50,000 and \$80,000 annually) to say they are ALWAYS available for work by phone or email.

Middle-Class Millionaires are FOUR times as likely to work nights and THREE times as likely to work weekends than the average middle class.

Almost 89% of Middle-Class Millionaires believe that anyone can attain wealth through hard work.

62% of Middle-Class Millionaires believe that networking or knowing many people is the key to financial success and are THREE times as likely to belong to a networking group than the average middle class person.

9 out of 10 Middle-Class Millionaires report making a major career or business decision that had a bad outcome but 73% of them believe that “bad” decision was crucial to their financial success.

Middle-Class Millionaires are FIVE times more likely than the average middle class person to continue on the same business course IN SPITE of an earlier failure.

Middle-Class Millionaires are almost THREE times as likely to say that choosing a career on the basis of its prospective financial rewards is important to financial success. 54% of the average middle class believes you should do what you love.

65% of Middle-Class Millionaires characterize their approach in negotiating as “doing whatever you need to do to win.”

Middle-Class Millionaires report needing a net worth of about \$24 million in order to feel wealthy. Most people consider \$13.4 million enough to be called rich.

77% of Middle-Class Millionaires choose their neighborhood based on the quality of the school system.

Middle-Class Millionaires report they are at least TWO TO THREE times more likely than the middle class to be asked their advice about automobiles, physicians and health care, and investment opportunities. They are almost SIXTY times more likely to be frequently asked their advice about home security systems and FIFTY times more likely to be asked their advice about hotels.

Millionaire Intelligence The Four Defining Qualities

Authors Russ Alan Prince and Lewis Schiff, in their new book **THE MIDDLE-CLASS MILLIONAIRE**, used proprietary research to illustrate how this group has considerable influence over the habits and values of their middle class counterparts. They also determined that this group possesses four common traits that they collectively call “Millionaire Intelligence.” They are:

Hard-Working

Middle-Class Millionaires buy into the American legend of hard work, with 89% citing their belief in hard work leading to wealth. Further, they are living examples, as they log an average of 70 hours per week at the office, are five times more likely than their middle class counterparts to be “always available” for business, and take roughly seven days less of vacation per year. With long hours and hard work, these millionaires are finely attuned to the value and finite nature of time itself. They place the highest value of all on time and their need to manage it.

Networking

While it is commonly believed that who you know matters in life, no group believes this more fervently or works harder to cultivate their personal networks than Middle-Class Millionaires. 62% of this group believes that networking is the key to financial success and they are three times as likely to be part of a network, either formal or informal, than their middle class counterparts. They tend to value Ivy League educations as much for the connections they forge as for the education itself. For Middle-Class Millionaires, networking is a natural way of getting what they want from life.

Persistence

Everyone makes mistakes and the Middle-Class Millionaire is no exception -- but how they deal with their mishaps is another story. 77% of Middle-Class Millionaires will admit to making a business or financial decision that had a bad outcome. But, they are five times more likely than the average middle class to try again **in the same field**, rather than seeing failure as a sign to try something else. Further, they are twice as likely to say what they learned from the failure itself ultimately helped them succeed.

Financial Self-Interest

The Middle-Class Millionaire by definition is self-made, having earned rather than inherited his wealth. What sets him apart is his ability to choose work that has high financial rewards and to own or have an ownership stake in his work. Almost two out of three Middle-Class Millionaires cite ownership as being crucial to their success. Simply put, they say that work is more enjoyable for them when they are pursuing their own financial self interest every day.