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Three Essential Wealth And Life Lessons From The Watermen

Michael Loynd's recently published book *The Watermen: The Birth of American Swimming and One Young Man's Fight to Capture Olympic Gold* tells the story of America's first swimming champion, Charles Daniels. It is a fantastic story with lessons that stretch way beyond swimming, some of which are detailed below.

An Unlikely Hero

If you had met Charley in his youth, you wouldn't have thought he'd end up winning Olympic Gold because:

- He was afraid of the water.
- He was scrawny as a child and adolescent.
- Swimming pools were scarce in the US in the late 1800s and early 1900s. Britain and other European countries had vast numbers of swimming pools compared to the US.
- Charley's father left his mother while their son was young, leaving his mother in challenging financial circumstances and as a social outcast due to her divorce (which was scandalous during Victorian times). Further complicating matters, his father turned out to be a swindler of near Bernie Madoff proportions, and as Charley gained fame, he feared that he'd be associated with his father.

Yet Charley overcame these obstacles to achieve swimming greatness:

- He helped invent "the crawl," now more commonly known as "freestyle."
- He won the first-ever US swimming gold medal at the 1904 Olympics in St. Louis.
- He held the world record for every distance from 25 yards to the mile.
- He competed in three Olympic Games, winning seven medals (four golds, one silver, and two bronze). His record wasn't bested until 1972 by Mark Spitz.

Charles Daniels' story follows a pattern as old as humanity: an underdog overcoming obstacles and steep odds to achieve extraordinary success. What can we learn from Charley's story that might apply to our lives?

The Essential Lessons from Charles Daniels' Story

The opening sentence of Leo Tolstoy's novel *Anna Karenina* claims "Happy families are all alike; every unhappy family is unhappy in its own way." What Tolstoy means is that happy families share key attributes such as acceptable levels of financial security, mutual affection and respect, effective

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communication, and the like. The absence of one or more of these attributes typically results in unhappiness. Another way to think about it is that certain stars must align to be happy.

A similar notion applies to success (however defined) in investing, business, or careers: successful people have common characteristics. Reading *The Waterman* reminded me of what I've learned advising wealthy families — it's not so much your starting point but what you do with what you have that leads to success.

Specifically, here's what we can learn from Charles Daniels' story:

1. Follow passion, not money. Being an amateur swimmer at the turn of the 20th century didn't pay anything. In fact, it hindered career success due to the hours of daily training it took. Unlike modern times, there was no promise of lucrative corporate sponsorships after his swimming career. Charley sold insurance between Olympic Games to make ends meet. His passion drove him to be a great swimmer, not monetary rewards.

Following their passions is a common attribute of self-made wealthy individuals – their goals are primarily non-monetary. They want to make their own dent in the Universe. Their wealth is usually a result – not a goal in itself. Research in *The Wealth Elite: A groundbreaking study of the psychology of the super rich* confirms this conclusion: “very few [successful entrepreneurs] set themselves the specific goal of one-day becoming multi-millionaires.”

2. Persistence and perseverance are crucial. In addition to overcoming difficult circumstances, Charley worked through challenges that seemed insurmountable. For example, about a year before his first Olympic Gold medal, he was trounced by competitors in Europe. He didn't give up. He kept his eye on his long-term goal and kept working.

As Calvin Coolidge said, “Nothing in the world can take the place of Persistence. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts. Persistence and determination alone are omnipotent. The slogan ‘Press On’ has solved and always will solve the problems of the human race.”

Every successful person I know (and I know a lot of them) has had tough times in their businesses and lives. There is no easy path. Success requires pressing on.

3. Innovate by trial and error. A major reason Charley had the success that he did is that he developed a superior swimming stroke. He didn't just do what everyone else was doing. He observed what they were doing and added his own twist discovered after countless hours of trial and error.

Doing the same thing the same way as everyone else makes competition fierce and renders success tricky and luck dependent. On the contrary, finding a better way to do something tilts the playing field in your favor. For Charles Daniels, his better way required failure after failure after failure. He failed enough to figure out the stroke described by the press as “crawling on water.” Thus,

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paradoxically, success requires embracing failure. Or as John F. Kennedy put it, “Only those who dare to fail greatly can ever achieve greatly.”

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