Q&A



Andrew Pitcairn

Family Council Chair at Pitcairn shares how his family has successfully redefined itself over generations while holding true to core values of integrity, innovation, and striving for excellence.

BY THOMAS NEPTUNE

Q) Andrew, thank you for taking the time to share more about you and your family with our network. Let's start with a little about the robust history of your family's legacy and its evolution.

A) It's a true pleasure Thomas and thank you for this invitation to share our unique story! Our family is rooted with entrepreneurial spirit. At 5 years young in 1846, my Great Grandfather came to the United States from Scotland. At the age of 14, he began working on the Pennsylvania Railroad as assistant to the superintendent. In the early 1870s, he built the Imperial Refinery in Oil City, Pennsylvania, and built and controlled the first natural gas pipeline for manufacturing purposes. In 1883, he co-founded Pittsburgh Plate Glass, our legacy Fortune 500 Company which continues today as a leader in glass, paints, and chemicals.

He was a man of faith, known for his unwavering integrity and a fortitude to treat others as he would like to be treated. These are values which we as a family, and business, take great pride in and exemplify today.

Q) As a 4th generation family member, how has your family evolved across generations?

A) Like my Great Grandfather, his three sons were also very entrepreneurial. Raymond, the oldest son, was an attorney by trade, though an architect by passion. He was instrumental in designing the Bryn Athyn Cathedral and his home Glencairn, which today is a world-class museum of rare artifacts. Theo, the middle son, was a Theologist by training and a devoted art collector, with the likes of Monet, El Greco, and van Gogh adorning his walls. In fact, his Money Garden at Sainte-Adresse hangs in the Metropolitan Museum of Art. My Grandfather Harold was the youngest and an aviator by all accounts. Founder of Pitcairn Aviation, which later became Eastern Airlines, he was also an early pioneer of rotary flight, designing and building the Pitcairn-Ciervas Autogyro. He was awarded the Collier Trophy by President Hoover for "The Greatest Achievement in Aeronautics or Astronautics in America."

In 1923, my grandfather and his two brothers formed The Pitcairn Company, which today would be called a family office. From 1923 to 1986, we serviced the daily needs of the growing Pitcairn family across generations. In 1987, due to growing requests from outsiders, we opened our doors to the public as a Trust Company and multi-family office, aptly called Pitcairn. We provide true family office services for approximately 120 other ultra-high net worth families across the world.

Q) What trends are you seeing that cause wealthy families to search out and form a relationship with a Multi Family Office? What benefits can a family office uniquely provide these families?

A) Many families are realizing the monumental task and expense associated with forming a family office, from payroll to technology, partners across finance, and beyond. Families are wisely asking the question of why. Why go through the headache? Why incur the cost? Why take on the risk?

They are now asking the question of how. How can I do this cost effectively? How can I minimize my risk exposure when it comes to cyber threats and family harmony, and how can I position myself and my loved ones for the best possible outcome?

We are seeing even larger family offices, greater than $1 billion, asking these same questions and planning for the future in a way that makes sense, not only from a financial perspective, but from a resource one as well.

Q) I have been reading about Pitcairn's experience-based service model, Wealth Momentum®. What does it mean to have "Wealth Momentum" and how has Pitcairn built a business model around this concept?

A) Ahh, the secret sauce. You do not learn it in school, you must live it. After almost 100 years as a true family office, we have navigated the ups-and-downs, the ins-and-outs of many families' scenarios you might imagine. Wealth Momentum®, is an experience-based family office model, delivering at the intersection of family and wealth—creating better outcomes. Our proprietary model harnesses the most powerful drivers of financial and family dynamics, maximizing the impact that sustains and grows wealth for generations to come. This is the marriage between the technical and the emotional. Certainly, investments, taxes and estate planning are extremely important. Equally, values, family learning, culture and effective decision making are cornerstones of any multi-generational plan.

We know. We live it.

Q) Pitcairn is nearing its 100th birthday. As you reflect on the firm's history, how has it innovated to maintain its reputation and grow its business, and what values have stood the test of time as it nears its centennial celebration?

A) Our uniqueness has been the ability to redefine ourselves over generations. Understanding what our growing family needed from generation to generation has allowed us to share these experiences with the families we partner with, bringing unparalleled value and experience. We measure success not simply year to year, but generation to generation. Our core values are Excellence, Collaboration, Curiosity, Integrity, and Innovation.

Q) If another wealthy family is interested in networking or collaborating with their peers, what are some good avenues or ideas to connect with other families?

A) This is a good question Thomas, and I would encourage families to be honest with themselves about what they wish to accomplish. Are you looking for the latest investment fad, or do you want to share experiences with people who have walked in your shoes? If the former, I can recommend several outstanding conferences around the world, or the latter there are private groups where the members are vetted and it's a safe space to collaborate with peers. Regardless, we are always happy to be a resource for other families, so I would say, reach out!

Q) How would you describe Pitcairn's investment philosophy, and what are some of the common investment objectives you see from other families?

A) At Pitcairn, our experience really guides our investment philosophy. What we have learned over several generations of successes and mistakes is that successful investors all have one thing in common: they are disciplined and long-term in their investment approach. They set a plan and stick to it. This often requires professional support for research, portfolio construction, rebalancing, fee and tax management, and perhaps most of all, keeping one's emotions in check when markets experience inevitable periods of volatility. At the end of the day, the investors who stay focused on the long-term are the winners.

Q) What do you find most fulfilling, and alternatively what is most challenging, when working with family members from multiple generations?

A) I would say you cannot bifurcate these. They are intertwined. When working with multi-generational families, the needs from one generation to the next can be significantly different. Too often I see families making assumptions about what the other members of the families want and need. Assumptions degrade trust.

Instead, a simple process of asking basic questions can lead to constructive dialogue, with the result being a more cohesive family. Why? What? How?

Why are we doing this?
What are we trying to accomplish?
How will we accomplish our goals?

Transparent and inclusive dialogue builds trust and opens doors to conversations you may never have known you could have.

Q) What has been your experience so far with the Contursi family?

A) I have known you, Thomas, for years now. It is a little scary when you think how fast the time has gone by! I have also shared breakfast with Steve Contursi and dinner with Michael Contursi, and I have enjoyed immensely coming to know you all and the Contursi history. From one of the largest collections of rare coins to their award-winning Arrow&Branch wines, watching you all grow every facet of your business has been a true pleasure.

Perhaps more importantly, the character and integrity of the Contursi family are such that I look forward to continuing to build our relationship and collaborating in the future my friend.

Q) Well I appreciate that and can say the feeling is mutual my friend. So, over the years we have shared a million laughs on the road, and I have also seen you in your more serious work environment—that being said, tell us about how you spend your personal time and what is important to you.

A) Fun is all part of experiencing life, and I am a firm believer that if you can be part of putting a smile on someone's face or supporting them through difficult times, well, that to me is what it's all about. I am blessed to still have my mother, who turns 87 this year. Oops, do not let her know I revealed her age! I have my fantastic wife Karin of 14 years and my 13-year-old daughter Morgan. I am the man I am today because of the women in my life.



Newport, Rhode Island (July 2017)

I also have an older brother, younger sister, sister-in-law and a handful of fantastic nephews and nieces, ages 14-27. Over the years we have shared many times, from the passing of loved ones, to Holiday celebrations around the table. Every moment, fun or challenging, is an opportunity to be better, to grow. Don't forget to tell your loved ones they are loved.

Q) That's a great message. Speaking of loved ones and since you are really just a biker at heart, who are a few people in the family office world who are "ride or die" with you and why?

A) Ha! Well now you put me on the spot. For those who do not know, I have been riding motorcycles since I was 10. I currently ride a Triumph Bobber, so sorry Harley crew!

It is not possible, given the space here, to mention all those who I hold dear, so let me try and consolidate. I have been so blessed over the years to have grown into this family office circle. A circle of fantastic people who, no matter where I am in the world, I can pick up the phone and find someone to have lunch with. An extremely giving community of individuals that I am fortunate to call friends. Thank you to all those who have been part of my life over the years. You are special indeed. A few mentions of those who have played pivotal roles in my family office and private life: Dirk, Clark, Rick, and Dain. My cousins from our office. Love you guys.

Q) Are there any philanthropic projects you are working on that excite you, and what do you hope to achieve?

A) You heard me mention the spirit of being an entrepreneur as a major influence in our success over the decades. I feel supporting entrepreneurs by giving access, resources, and knowledge benefits all of society, and entrepreneurs will solve most of the challenges of today, turning them into opportunities to benefit humanity. I am involved with an organization called The Lonely Entrepreneur, which is a terrific community for all levels of entrepreneurs.

Q) With the global pandemic, many people have looked within and re-evaluated their lives. Do you have any insight you would like to share about something you have learned about yourself or perhaps any shift in priorities?

A) Patience. Understanding. Compassion. Live them. This is a time for reflection and an opportunity to become better. Better individually and better as a society. Embrace those who think differently and strive to understand. At the end of the day, we are all human. The world is full of fantastic people. If you cannot find one, be one.

Q) Amen to that! It was a pleasure interviewing you and thank you again for sharing so much valuable insight with our network. I look forward to sharing another million laughs together and many collaborations with Pitcairn in the future.

A) Likewise, I look forward to seeing you around the country again now that travel is picking up, and it's always fun to hear about all the big projects you're working on. I greatly appreciate being included in the Contursi's newsletter. Blessings to you, the Contursi family and all those this newsletter touches.

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