



## Cambridge Place Investment Management Bob Fraham II

Bob Fraham came to speak at SJSU last Wed. He is the senior partner of the Hacienda group and the director at the Cambridge Place Investment Management Group. His talk was very controversial. According to him, what we are learning at school is not enough to make you successful and that any idiot without a life can be an A student. He suggests to head on down to the bar and talk about jobs with as many people you can. What does Mr. Fraham suggest to be successful in business? He says that we need to not look to our teachers and parents for guidance; we are going into unmarked territory and have to forge a path on our own. This can be done by learning a new ways of thinking, changing the questions that we ask and keeping open to new possibilities. He suggests that we keep our brain open and our mouths moving.

It is not intelligence that will get us through, it is how smart we are and the way we use our brain to figure out different strategies. He suggests that we take up thinking as a hobby and pick out a career by investigation; he says to keep looking and eventually something will pop up, and when you get that job, learn as much as possible. He admonishes, "Don't work for money until 30 and then get greedy, until you are 30 be smart." He also said not to be afraid to look for another job, keep you resume printed up and ready to go; keep thinking of the next best thing for your career. Mr. Fraham pointed out that the universities are trying to push too many students through too few doors. He encourages students to look for more possibilities and opportunities for employment and to start out at the top by starting our own businesses.

The most compelling thing that he said was that in a couple of years, we will be on our front porch without a job, wondering what the hell went wrong and trying to figure out what we wished we did differently. His take on that is to put yourself there now and try to figure out what you would do differently To go from what do you want to do now, to what do I want to do next. He said that success is made out of luck, hard work and passion, but he has found that people who work hard, are smart and have passion are luckier than people who don't have those qualities. There are a lot of things that you can do in the next few years to improve your chances.

He gave an overview on the subprime market, why it worked for so long and why it failed and what is next. He states that as people get on with their lives, the fear in the market will subside and the market will stabilize itself. He explained there are benefits of the subprime market fiasco, many people who didn't qualify before, got a chance to own a home, and because of the uproar, the mortgage underwriters will probably change the ways that the loans are written. There is a lot of money to be made in the subprime market, so it is an industry that is not going to go away. According to Mr. Fraham, in a couple of years, it will be back

Important words to learn? ETF (exchange traded fund), compound interest and asset allocation model.