

POWER CAPITAL

Venture capitalist **Bobby Genovese** wants it all, and he's going to have a good time getting it.

By MICHAEL KELLER

He sits in a small and bright office on the second floor of a Las Olas office building. The room is simple and mostly unadorned. Bottles from recently acquired Clearly Canadian Beverage Company sit atop the desk. A computer screen refreshes the deep peaks and troughs that represent our modern heaving and spasming market. Bobby Genovese leans his face toward the screen for a quick glance.

"Down another 230 points," he says as he turns to the door and bounds lightly out of the office, voice trailing down the carpeted hallway. "We're in for a bumpy ride over the next few years."

Maybe bumpy for some, Mr. Genovese. But with a holding company packing a beefy \$200 million in assets and another \$200 million in yearly revenues, Bobby Genovese's BG Capital Group has its shock absorbers fully tuned and prepared to take a jolt or two.

This is one static moment of Bobby Genovese – multi-millionaire venture capitalist; polo and antique boat enthusiast; reality television star; jock; Canadian citizen; Bahamian resident; Barbadian corporation owner. But even this description, painted in the broadest strokes, reveals the complexities of a man in motion. Finer details do no better to slow him down.

His physique backs up stories of sporting around the world. He is fit and relaxed. He wears saddle shoes with argyle socks, sand-colored narrow-wale corduroy slacks, and a blue button-down shirt with rolled sleeves and the polo logo. It's a cloudy day, but he's still got his sunglasses hanging around his neck.

A luxurious present belies a very different past, one filled with good luck, hard work and no doubt an ample supply of ambition. His single mother, a hotel worker, raised him and two older brothers in a rural lower-middle-class household some 50 miles north of downtown Toronto. He chose to stop school after

Photography By Gina Fontana



the ninth grade. "I wasn't scholastically inclined," he says. "Her thing was, 'If you're not going to school, you can't live under our roof.'" So he left.

He stopped first in Toronto, lying about his age to get work at a posh club's stable, one of those few jobs a provincial farm boy could do in the city. While cementing a love for horses, the experience left him wanting to transcend the world of his fellow workers and into that of money and power. He didn't have much, but he did have a natural way with people. "You wake up every day and ask yourself, 'I've got what I've got. Now what the hell am I going to do with it?' I realized early on that I really like people and that's all I had to get me started. I enjoy knowing what makes people tick and then parlaying that into business."

Vancouver, he hoped, would be where he could start making

portrait

money. He eventually landed a mining company job that paid a decent salary plus 100,000 shares of company stock. Here is where luck lands in this story. The company finds a couple of mines. The stock sails from \$1 to \$7. "I'm 26 or 27. I've got \$700,000 and I'm thinking, 'That was easy.'"

The chance of hitting a paying mine is about 1 in 2,000, he says. But then his company hit again, and this time it was the big one. Stock prices went up to \$20. "I said, 'Guys, thank you, but I am now starting my own company.'"

He bounced around for a while and started an investment firm, BG Capital Group. While the markets were ballooning for anything Internet, Genovese went the other way, investing in perhaps the most evergreen business in Western society – death. At 33, he picked up The Neptune Society, a \$28 million cremation business. He quickly realized the company was about direct marketing to potential customers as much as cremation and refocused its efforts. He expects revenues to hit \$100 million in the next two years.

"Our strength is turnaround situations," he says. "If I like a company, I buy enough of it where I put my people on the board. I won't buy less than 50 percent. That way, if it doesn't work, there's no one to blame but me."

It was somewhere around this time that Genovese was introduced to Palm Beach, replete with its well-heeled denizens who spent their days watching polo matches. He became an addict of the game, dedicating his life to becoming a pro.

Fast forward to today. Genovese has earned in excess of \$200 million. Somewhere between back then and now, he migrated into a life where he could do things merely because he wanted to. Learn polo? Buy the team. Don't like being on the waiting list for your kids' preschool? Buy the school. Got some downtime? Hang out in one of your 11 houses, any of which you can reach in your own Learjet 55. Or spend a weekend talking shop with Richard Branson on his private island. Got an idea for a reality show? Voila, reality show.

"I don't see myself as living a lavish life, without sounding obnoxious," he says. "I'm incredibly blessed because it's not smarts. I realize that. I can't even believe it's me sometimes."

To keep gaining, he's surrounded himself with a core management team that has stayed the same for the last 15 years. One guy does the details, another does the numbers, and he is free to think about the big picture, conducting much of his business by phone from his home.

"The great thing about getting to \$200 million in assets is that you're only \$800 million away from a billion," he says. "I keep saying, 'Come on, guys. We haven't gotten there yet. You haven't arrived until you hit a billion.' I want to own everything."

Part of getting there is his reality show, "Bobby G: Adventure Capitalist," which airs on the MOJO high-definition channel and spotlights the trials of bringing Clearly Canadian back from the brink of bankruptcy. Another part of that picture is Neptune Memorial Reef, an underwater mausoleum off the coast of Miami that looks like the lost city of Atlantis and doubles as



Genovese is the star of his own reality show, "Bobby G: Adventure Capitalist," airing on MOJO.

an artificial reef. The site has room for the remains of 150,000 people in the first phase, which will generate \$300 million. The costs of building and marketing the site are expected to reach \$50 million, leaving a sizable profit.

"Other people thought this idea was crazy," he says. "But this gives people the last piece of the puzzle. Guys with MBAs and Ph.D.'s will sit down and analyze business deals. I can tell you in 30 seconds. It's a gut thing."

Genovese's business strategies are not without their detractors. Internet investment discussion boards are alive with Monday-morning quarterbacks. They have found footholds for their criticism in the downward movement of Clearly Canadian's stock prices. In the last year ending Oct. 31, the company's shares have declined in value by 79 percent in over-the-counter trading, despite the brand clearly displayed on Genovese's reality show. BG Capital took a 60 percent share of the company in 2005.

But a year ago, Mike Weinstein, a legend in the beverage industry who brought A&W Root Beer and Snapple to prominence, was brought in to help innovate the Clearly Canadian product line. "With the immense growth being seen today in water-based beverages, I'm convinced that Clearly Canadian offers the potential for a huge resurgence in sales," Weinstein said at the time.

BG Capital currently holds 13 different companies, including an engineering firm, a homebuilder, a cremation service, a beverage company, a school and a polo team. Last year Genovese was able to take his two children, ages 4 and 6, skiing in Aspen and Whistler, British Columbia for 44 days. He must be doing something right and he loves the work.

"I still don't see myself as wealthy," he says. "I feel like every day, I've got to come in and make it. Part of it is remembering my mom struggling and the other part is consistently putting myself into something new and trying to learn from it. It's not that long ago that I was cleaning stables."