

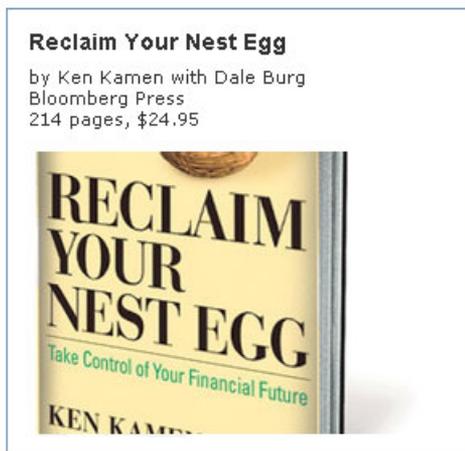
BALANCING THE BOOKS | SATURDAY, APRIL 30, 2011

Age-Old Puzzle

How to afford retirement

REVIEWED By Bob O'Brien

According to some wealth managers, the luckiest client's eternal reward comes at the perfect coincidence of mortality and poverty: The day the client dies, he spends his last dollar.



Reclaim Your Nest Egg

by Ken Kamen with Dale Burg
Bloomberg Press
214 pages, \$24.95

This instructive book doesn't presume to show you how to achieve such razor-sharp timing. But the calculus of life span and financial resources is a central theme. "The real danger is not that you'll lose your money, but that you'll outlive it," writes author Ken Kamen, president of Mercadieu Asset Management in Hamilton, N.J., a provider of wealth-management consulting services. Kamen's purpose isn't to identify a roster of the next great stock investments, or to download a magic formula for market timing. Instead, he targets investors just entering or knocking on the door of retirement and seeks to help them orient their approach to their finances. Needless to say, that's a broad audience because it takes in most of the baby boomers.

The book addresses, realistically, the fears that folks have about making decisions on how to finance their post-career lives, especially in these times of tumult in the capital markets. Kamen urges investors to think of all their assets—not just their 401(k), but their income, their home and even their time—as integral parts of their nest eggs.

"Having spent a lifetime building up assets, in retirement you have the new responsibility of managing them," he writes in a section on being prepared to take on the role of wealth manager. "To cover your obligations and meet your goals for a period that may last for two and possibly three decades or more, you need to develop a plan that is resilient and comprehensive."

Kamen thoroughly favors using professionals to help in the task. (He is, after all, in the business himself.) But don't, he cautions, make the mistake—as some of his clients apparently have—of misconstruing roles: Your accountant isn't your financial planner, for instance.

He identifies three goals: reducing risk, producing income and offering potential growth. Sounds simple. But Kamen is realistic about the challenges that some—especially the newly retired—face. "Financially, you have to make what may be the biggest transition of all, a complete 180-degree turn—changing your focus from aggressively adding to your reserves to drawing on them as cautiously as possible."

Kamen's penchant for colloquialisms makes for lively reading (his co-author Dale Burg may also deserve some credit here). "If we were born with expiration dates on our rear ends," he notes in the first chapter, "retirement planning would be a piece of cake."

He also points out, in a chapter called "Ignore the Noise," that the business media can be a distraction, especially to new retirees who suddenly have time to watch television and read extensively. "I find that the media shine light only on the surface of stories," he writes, adding, "Today's news is just today's news."

Ouch! I've known Kamen professionally for several years, and have used him as a source in stories. Regardless of whether he exempts me from the above, I recommend his book.

BOB O'BRIEN is Barrons.com's stocks editor.