

Business Monday

Saving and shopping in the South Bay

Daily Breeze
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Consumers:
It's a good time for
computer bargains./D3

Fund expenses always count

Which would you rather be: a government employee or a surgeon? Yes, this is a trick question. It came to mind as I read a recent *Investment News* article announcing a new mutual fund.

Here's the story.

Given the choice, most people would choose to be surgeons because surgeons make a lot more money than government employees.

Even better, few patients chide their surgeons by saying, "I'm a taxpayer ... and I pay your salary."

But government employees are better off than the rest of us when it comes to

retirement investing. They have the TSP, the federal employee Thrift Savings Plan. This plan offers diversified index portfolios at a cost of about five basis points a year.

Yes, you read that right — five one-hundredths of 1 percent.

BURNS/D7

Scott Burns



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Manhattan Beach Realtor Ed Kaminsky helps pro athletes and coaches buy and sell homes when they move to new teams. Kaminsky's Sports Star Relocation in Manhattan Beach has 15 employees.

SEAN HILLER/
DAILY BREEZE

ALL THE RIGHT MOVES FOR SPORTS PROS

South Bay Realtor helps athletes and coaches with relocation plans

By Jasmin Persch
DAILY BREEZE

If Ed Kaminsky realizes his business goal, professional athletes will be talking about his "moving" service in every locker room across the country.

The Manhattan Beach Realtor's company, Sports Star Relocation, aims to help sports pros, who are traded or recruited, with all their relocation requests: from selling and buying their homes to finding a personal chef or a school for their children. After brokering multimillion-dollar homes for pro athletes in the Los Angeles area for many years, Kaminsky learned that switching teams stresses out players and their families.

"They just got the kids in kindergarten, then they're yanking them out," he said.

Realizing a need for a service to ease athletes' moves and that he lost business when they left Los Angeles, Kaminsky started Sports Star Relocation almost two years ago to cater to sports pros nationwide.

Kaminsky, a top-ranking Realtor in the U.S., reached out to a network of real estate agents in America he'd built in his almost 20 years in the trade. Sports Star Relocation contracts with more than 2,000 Realtors in more than 40 states. The company only makes money on real-estate services by collecting a percentage of agents' commissions. Sports Star Relocation also connects

clients with other companies that can help with services outside realty but offers them for free.

Kaminsky, who also works for Shorewood Realtors and runs his auction real-estate company, Premier Estates, said his business ventures rake in \$100 million in sales volume a year, with \$25 million from transactions with pro athletes. His staff of about 15 multitasks among his companies.

"Ed sees a niche in the market place," assistant Lakers coach Jim Cleamons said. He calls moving a "necessary evil" — an evil that comes along with playing for four different NBA teams, the Lakers, Cleveland Cavaliers, New York Knicks and Washing-

KAMINSKY/D6

“ I don't get star-struck. They're just guys in a situation. Although, I love sports memorabilia and will ask them for stuff. ”

— ED KAMINSKY, who helps sports stars buy and sell homes



SEAN HILLER/DAILY BREEZE

A golfer chips to the eighth green at the Marriott golf course in Manhattan Beach, just below the backyard of Jim Clemons, Lakers' assistant coach. Clemons bought the home through Sports Star Relocation.

KAMINSKY

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ton Bullets, and coaching three, the Chicago Bulls, Dallas Mavericks and Lakers.

When traded, players usually have only 48 hours to report to their new teams, Clemons said. Being a coach buys him more time because he usually finishes out the season.

Clemons had hired Kaminsky to sell his home before Sports Star Relocation launched. He used the service when he moved to New Orleans in August 2004 to become the Hornets' assistant coach and when he returned to Los Angeles this past summer to assist the Lakers' head coach, Phil Jackson, for the second time. Clemons held the position from 1999 to 2004.

His family, which left New Orleans a day before Hurricane Katrina hit, was forced to split up after the devastating storm. He moved to Oklahoma City with the Hornets while his wife and two daughters went to Los Angeles.

"Fortunately, the area we lived in was not hit," Clemons said. His Louisiana house sold in September. He now lives with his family in Manhattan Beach. Clemons said people in the

sports industry often tell athletes and coaches what's best for them. He said Kaminsky and his team listened to what his family needed.

"The greatest asset Ed has is he's caring and understanding," Clemons said. "More than the service, they look at who you are as a person by understanding and assisting you. That's their niche. In this business, that speaks volumes."

Kaminsky didn't grow up rattling off baseball players' batting averages but he's still a sports fan. "I don't get star-struck," he said.

"They're just guys in a situation. Although, I love sports memorabilia and will ask them for stuff."

He relies on his team for sports expertise, he said.

Ted Peterson, vice president of business development for Sports Star Relocation, worked at the NFL before becoming a Realtor. He called Kaminsky after seeing him being interviewed about the company on ESPN, a sports TV network. After flying out to Los Angeles to meet Kaminsky, he became part of the company about six months ago. Peterson tracks trades and oversees agents. He said Sports Star Relocation tries to wait until a trade is confirmed before making calls, but it pre-

Business Watch

- **Name:** Sports Star Relocation
- **Location:** Manhattan Beach
- **Type:** Moving service for professional athletes
- **Founded:** January 2005
- **Owners:** Ed Kaminsky
- **Employees:** 15
- **Sales:** Around \$25 million
- **Key clients:** Sports pros nationwide
- **Information:** 310-798-1277

pares itself beforehand.

"We listen to rumors and try to get organized for a trade so when it hits the wire we have all of our ducks in a row," he said.

Kaminsky said in the future he could charge for all the services and establish a membership. But for now, he plans to stick to his current business model and close the degrees of separation to athletes so his team can contact them directly. Ideally, Sports Star Relocation will spread by word of mouth, he said.

"The banter in the locker room, we want to be part of that conversation," Kaminsky said.

MONEY AND YOU

What that mutual fund is really costing

By Lynn O'Shaughnessy
COPLEY NEWS SERVICE

Can you remember the last time you received a bill for your mutual funds? Think hard.

Maybe you paid it when you wrote the check to the cable company and for your credit cards. Or perhaps the invoice is still stashed in your stack of bills.

Actually, don't bother looking for it, because you never received one. The fund companies automatically pull their fees out of your accounts. In fact, you pay the mutual fund managers about as frequently as you reimburse Visa or MasterCard.

The frequency isn't what should gnaw at you. It's the enormity of the price tag that should grab your attention. Many investors are blithely sitting on a portfolio of expensive funds because they don't know they're being gouged.

Surely, shoppers who are patient enough to stand in line at Costco to save a few bucks on toilet paper would be furious if they realized they were ponying up hundreds or even thousands of extra dollars for their mutual funds.

Unfortunately, the mutual fund industry long ago mastered the art of stealth fees. Consumer advocates, over the years, have clamored for account statements that pinpoint what each of us pay for the privilege of being fund investors. The fund indus-

try, however, has routinely squashed the idea. Obviously, if we don't know what we're paying, we lose the motivation to find better deals.

The closest thing to a fee disclosure that can be found is each fund's yearly prospectus. In this document, you'll find a chart that projects what the costs would be for a hypothetical investor.

Hardly anybody reads this ponderous handout, and even if they did, it only provides an example. I wouldn't be alarmed at Donald Trump's credit card bill because I don't have to pay it. I'm only interested in what my bill is.

If you don't know whether your fund company has shaken you down, make this the day you find out. It isn't hard to do.

What you want to obtain for each of your funds is something called the expense ratio. You can locate this number in the prospectus, or you can call the fund company or the adviser who persuaded you to buy shares. Perhaps the easiest way to get this expense ratio is to visit www.Morningstar.com. Type in the name of your fund in its search engine and once it appears on the screen, click on the "Fees & Expenses" link.

This ratio tells you what percentage of your account is being siphoned out for expenses each year. For example, if you have \$50,000 in a fund that maintains a 2 percent expense

MONEY/D7

Bankruptcies

Each week, the *Daily Breeze* Business section publishes a list of local companies that have filed for liquidation or reorganization in U.S. Bankruptcy Court.

Vineyards International Distribution Inc.
1841 N. Gaffey St., No. G, San Pedro, CA 90731
Chapter: 7
Assets: \$7,000
Debts: \$128,600
Document No. LA06-15639-AA
File: Nov. 1

Mitchell Kim Ryan; Yong Tae Kim dba: Kimion Communications

1623 Del Arno Blvd., Torrance, CA 90501
Chapter: 7
Assets: \$23,161
Debts: \$165,616
Document No. LA06-15709-EC
File date: Nov. 6

Key
AKA: also known as
Chapter 7: A straight liquidation bankruptcy in which an appointed trustee sells all assets by auction or other means to pay creditors and trustee fees.
Chapter 11: A business gains temporary relief from debt payments to attempt a successful reorganization. Debtor remains in control of the business during the bankruptcy and the business continues to operate.

Dbac: doing business as
Source: Timely Info of Los Angeles