

# CRAIN'S

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## Special Report: Wealthy New Yorkers 2 contributors, different styles

Baby boomers go their own way, want quantifiable results

By Steve Garmhausen

**James Malkin** is a generous philanthropist who generally concentrates on one charity at a time. Marek Fludzinski, on the other hand, spreads his gifts around.

But the two New Yorkers share a focus on social programs. And like many donors born after 1945, they give not through umbrella organizations, but directly to causes and groups they want to support.

"Among the baby boomer generation and younger there is a 'show me' attitude," says Richard Marker, a philanthropy expert with Marker Goldsmith Advisors. "They don't want to give to the United Way—it's too bureaucratic.

Mr. Malkin focuses on a New York youth charity called the **All Stars Project**. The chairman and chief executive of market information and publishing company SourceMedia, he has spent much of his career overseas and has long gravitated toward helping young people. "My view has always been that it is youth who are going to make up tomorrow's society," he says.

During 12 years in Asia managing Thomson Financial Asia Pacific, he supported Chinese orphanages. As managing director of Thomson Financial Europe, he focused on a group that involved underclass kids in the arts.

Three and a half years ago, Mr. Malkin returned to New York as CEO of Thomson Media, which in 2004 was sold to become SourceMedia. He learned that several of his colleagues volunteered for the All Stars Project, which promotes the development of poor and minority children through performing arts activities.

He was impressed with not only the group's work, but also its management.

"There wasn't a lot of administration; the money went to impact kids," says Mr. Malkin, who adds that the project receives the "most significant portion" of his family's giving.

Mr. Fludzinski, a founder of investment firm Thales Fund Management, prefers a more varied approach.

About 20% of the "couple of million" dollars he gives away each year goes to Doctors Without Borders. Mr. Fludzinski, who has supported the worldwide emergency medical effort since the mid-1990s, says the group is an example of a fiscally disciplined outfit that doesn't have a big endowment and needs his money. "What has always appealed to me about them is how they ... respond quickly and effectively to humanitarian crises," he says.

But his charities also include The Family Center, which assists children whose parents have life-threatening illnesses, and Puppies Behind Bars, which trains prison inmates to raise puppies to be guide dogs for the blind.

Mr. Fludzinski learns about charities through reading and has an assistant check out the groups that attract his interest. "A lot of the organizations I like to give to are the small ones, where \$100,000 will make a difference," he says.

### Strict accounting

Mr. Marker, who works with many of the city's philanthropic families, says he has seen a strong move toward donating to charities that produce measurable results. That approach led to the creation in 1988 of The Robin Hood Foundation, one of the

city's strongest charity organizations, which targets the root causes of poverty by giving to community-based groups. The foundation uses rigorous return-on-investment principles, and board members pay all its administrative costs.

Though Mr. Fludzinski follows his charities' results, he doesn't want to be closely involved in their operation. "My approach is that I give them the money, and they really shouldn't bother me," he says. "I almost exclusively give unrestricted donations."

Mr. Malkin says he likes to lend his expertise where it might be useful. That has included providing guidance to leaders at the All Stars Project on budgeting and planning, for instance.

For the most part, though, he chooses to remain out of the spotlight. An exception was a year ago, when he reluctantly agreed to be honored at an All Stars luncheon. He had decided that it was important to show that the head of a major company supported the group. "It was probably helpful in attracting more corporate donors," he says.

Neither Mr. Malkin nor Mr. Fludzinski fits the profile of someone seeking social standing through philanthropy. Giving to the arts is the way to do that, says Kathleen McCarthy, director of the Center on Philanthropy and Civil Society at The Graduate Center of the City University of New York.

"One can establish one's social standing very quickly by getting on the right arts board—probably more quickly than by getting on, say, a hospital board," Ms. McCarthy says.