

Profiles in Diversity Journal®

Volume 5, Number 5 • September/October 2003

Special Reprint
Sterling Financial Investment Group



the new DIVERSITY leadership

Dr. Elias A. Zerhouni
Director
National Institutes of Health, DHHS

Daniel A. Carp
Chairman & CEO
Eastman Kodak Company

Dr. Vance D. Coffman
Chairman & CEO
Lockheed Martin Corporation

John W. Rowe
Chairman & CEO
Exelon Corporation

Michel Landel
President & CEO
Sodexo USA

CEO advocates are often called “the most powerful weapon in the diversity arsenal.” Meet ten of corporate America’s most powerful champions for 2003.

Special Section

Making a difference in today’s Hispanic Market

Marketing opportunities—and products—to America’s fastest growing demographic. Featuring case studies from Continental Airlines, Ford Motor Company, Verizon and more.

Sterling Financial Investment Group



NEW

Charles Patrick García is truly a renaissance man. Chairman and CEO of Sterling Financial Investment Group, a corporation he founded in 1997, he oversees what is arguably one of the fastest-growing companies in America today. His resume reads like the plot of a Walter Mitty story: he's an Air Force Academy graduate, former defense intelligence analyst, attorney, and White House Fellow. He has served in the administration of three U.S. Presidents, a Cabinet Secretary, a Governor and a former NATO Supreme Allied Commander.

García has received the Key to the City of Panama, where President Mireya Moscoso honored him for his success. He's offered commentary on CROSSFIRE, FOX News, CNN, CBS, Univision and CNN en Español, and served as Telemundo's military analyst during the War on Iraq. He serves on State and Federal commissions and boards, and he has just released his first book.

And he's only 42 years old.

"I often hear from the young Hispanics I speak with, 'Who do you think you are? You're just a kid.' And I remind them that Martin Luther King, who is one of my personal heroes, was only 34 when he won the Nobel Peace Prize. Then I ask: 'So what are you waiting for?'"

He is consistently ranked among the most influential Hispanics in America today. *Hispanic Business Magazine* named him to its "Top 100" list, and Ernst and Young listed him among the finalists for their Entrepreneur of the Year competition. Likewise, Sterling Financial has garnered recognition as *Inc. Magazine's* 8th fastest growing company and *Hispanic Business Magazine's* "fastest growing Hispanic-owned company" in the U.S.

BLOOD

IF CHARLIE GARCIA HAS HIS WAY, HE'LL BE AT THE CREST OF A NEW WAVE OF HISPANIC ENTREPRENEURS AND SOCIAL LEADERS

García uses every ounce of his well-earned respect and the clout afforded him by his latest successful venture in the service of promoting Hispanic education. It is key, he says, to elevating the economic power of the Hispanic community, and is a major focus of his work in the government arena at both the State and Federal level. As a member of the Florida Board of Education, for example, García has led a strategic focus on reducing the state's high student drop-out rates and promote the recruitment of more minority teachers. In February 2002, President Bush appointed him to the Commission on Educational Excellence for Hispanic Americans, charged with developing a blueprint to close the nationwide educational gap for Hispanic children.

"It's a national tragedy and a disgrace that 40 percent of the Hispanic students enrolled in our high schools do not graduate," says García. "We have a responsibility to every child. And I have a responsibility to keep issues important to Hispanics close at heart and make certain these issues are addressed."

He brings this responsibility with him to his work as a member of the Federal Judicial Nominating Committee as well, where he battles to ensure candidates for positions in areas like the Southern District of Florida, an area where Hispanics are alarmingly underrepresented.

"We need to be more vocal as a community. One of our biggest problems as a community is that there aren't enough Hispanic leaders in positions of power. In our government today, there are no Hispanic senators, only one governor, and a very small number of Congress members. In corporate America, we fare no better—only 1.7 percent of the boards on the Fortune 1000 have Hispanic representation.

"So what do we do about it? We work with organizations such as the New America Alliance, the Hispanic Association of Corporate Responsibility, the National Supplier Minority Diversity Council, and the Florida Hispanic 100—organizations full of powerful people with a broad spectrum of backgrounds who will use

In his new book *A Message from García: Yes, You Can Succeed* (2003, John Wiley & Sons, ISBN: 0-471-44893-1, \$24.95), Charles García provides a powerful personal perspective on how to succeed at anything you have set your mind upon. García speaks from experience; his success in government, business, the military and education gives him a wealth of stories to illustrate with and draw upon.

Its title refers to Elbert Hubbard's widely-read *A Message to García*, the 1899 tale of a messenger named Rowan, personally dispatched by President William McKinley during the Spanish-American war to locate and deliver a vital message to General García, the leader of the Cuban insurgents. Its message of tenacity and perseverance is a central theme of García's book, which centers on finding what you love to do, and doing it, regardless of how much money you make or whether or not people around you approve.

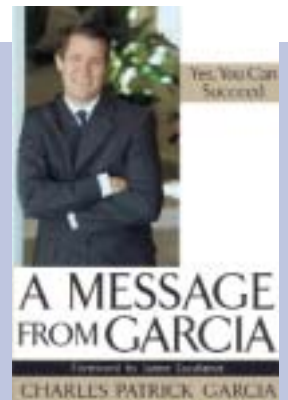
A Message from García seeks a strong connection with the Hispanic market, but its message of success and self improvement is one that resonates with individuals of all walks of life, regardless of ethnicity.

their power to effect change. These organizations are actively working to build a cadre of qualified people to sit on our boards, to act in our government, to take true leadership positions."

Never Stand Outside the Fire

One of the signs of a true leader, says García, is having the courage to stand up for what you believe in. Sometimes it is not easy, or popular, he says. "Fifty percent of the people will always disagree with you." Never was this more evident to García than this summer when the Michigan Law School's admission policy was challenged and taken before the Supreme Court.

"Both the President and the Governor of Florida, leaders whom I deeply respect—and for whom I work—submitted briefs to the Court urging them to declare those admission practices unconstitutional. Although both are committed to diversity in every sense of the word, they believe in the existence of racially neutral means that can bring diversity to campuses and, as governors, had adopted 'percentage plans' in their states."



Like many other leaders, García disagreed that such plans were the correct means to ensure diversity at all universities. “Almost immediately, Colin Powell released a statement that he did not agree with the President and that he strongly supported affirmative action. Other leaders made statements, as well, but no Hispanics at any level of government made comment on it publicly; I was troubled by that. Because of my positions on the White House Initiative for Educational Excellence for Hispanic Americans and the Florida State Board of Education, I wondered, ‘what is my *real* responsibility? What is my real commitment?’

García opted for the larger commitment. He helped to draft, and became a part of, what is now known as the Fortune 500 amicus brief in support of the University of Michigan. “Of the sixty-five companies that joined the brief, Sterling Financial Investment Group of Companies was one of only three firms that was not on the Fortune 500 list, and the only Hispanic firm. I’m proud of the actions we took to make our case for what we believe in. You can’t just wake up one day and decide you’re a leader. You have to act like a leader every day.

“When you work for someone you respect, it is never easy putting your relationship on the line with that person. But true loyalty, like true friendship, is having the personal integrity to remain true to your principles and to your own conscience.

“I find that I need to tell this story because there are too many leaders that don’t want to rock the boat because people around them are saying ‘You’re doing so well, everything you’ve invested will be lost. We need for you to keep your mouth shut.’ But that doesn’t work. You need to have the

integrity, the discipline, the courage, to stand up for what you believe in. No one will take you seriously if the day you arrive in a position of leadership you begin to act the way you should have all along. If you are not willing to walk away from power, then you have no power.”

The Corporation: Working from a Solid Foundation

In the past three years Sterling Financial has exploded into the financial services industry. García founded Sterling (which he named for his then-infant son) in 1997, working from a converted broom closet with a support staff of 2. Today, Sterling is a global financial services organization of over 400 investment professionals in more than 50 offices in 7 countries. This explosive growth has been recognized by both the business and the financial services industry: in 2002, Sterling was named by *Inc. Magazine* in their annual “Top 500” survey as the number 8 fastest growing privately held company in the nation.

This type of growth is unprecedented for a minority owned firm, and García readily concedes that the firm enjoys a distinct market advantage by virtue of the line of work it’s in. The financial services conglomerate provides proprietary research, institutional brokerage, wealth management and investment banking services complemented by a proven distribution platform in the traditional U.S. market, the Hispanic market and select Latin American markets. It is rapidly gaining a reputation as a solid research house among blue chip firms. His approach to managing his business is a direct mirror of his diverse background. “Hire smart people, let them do their job. I have a sign over my office that says ‘Don’t bring me problems, bring me solutions.’ In my book, *A Message From García*, I expound on that idea, because it should

read ‘bring me three solutions.’ If you can think of three solutions, you’ve been creatively thinking about the problem.”

García attributes the growth of his overseas operations to his ability to understand the diverse services that different cultures require. “When Merrill Lynch goes into a country, they say ‘Here we are; we are Merrill Lynch, and we do things the way we’ve always done them,’” García explains. “However, we find local shareholders who build the office with us, and we find local people respected in the industry. They determine what products and services are best for that particular market. What works in Mexico doesn’t work in Chile.”

Reaching Out

García is about to launch two powerful communication vehicles in a personal effort to expand awareness in the Hispanic community. *Yo Si Puedo* is a pilot television series in the making, in collaboration with Miami-Dade College and its President, Eduardo Padrón. The 13-show series will address specific challenges confronting the Hispanic community, including the conflict between traditional Hispanic family values and American cultural expectations, the enormous Hispanic dropout rate, and grassroots community efforts.

A Message from García: Yes You Can Succeed is García’s newly released book chronicling lessons of success and leadership. Not only is the book an invitation to young Hispanics to see beyond limiting expectations, but for people of every background seeking to achieve personal and professional success. “You have to know what success is before you know how to attain it. Success is about finding what you love to do and doing it, regardless of financial gain or what other people think.”

For information about Sterling Financial Investment Group, visit www.mysterling.com.

