Our investment club, University Investors, started with 21 members in May 1961. All the club’s original members were on the faculty of North Dakota State University, though this has never been a requirement of membership. The club has nine members today, and our portfolio of 28 stocks is valued at about $180,000.

Our philosophy is to not buy a stock unless we’ve completed a Stock Selection Guide and the stock is in the Buy range. We also look for stocks with a local connection or in an industry in which members have some personal knowledge.

We have many technology stocks because some of our members are engineers. As one example, we purchased Great Plains Software, a Fargo company that was later acquired by Microsoft. We also bought John Deere (ticker: DE) because of our members’ knowledge of agriculture. Our favorite stock purchase is Intel (INTC) because of the stock’s big gains. We have a cost basis of $2,998 and a current value of $18,248.

When we had 30 or so members, we’d split into teams of about 10 each to compete for the money available to invest based on each team’s presentation.

We meet in a classroom at North Dakota State University for an hour and a half once a month except in August. We hold an annual meeting in January or February at a local restaurant, and some years we invite an outside speaker on an investment topic.

We’re always looking for new members. We hold a free investment seminar at the Fargo Public Library for anyone interested and invite the people who attend to come visit our club to learn more.

The most common reason our members have made partial withdrawals from the club has been for international travel. Others have withdrawn funds to pay for the education of children or grandchildren and at least one member has purchased a car.

Our best advice to any club is to do your homework and practice discipline by not buying on a tip or on the basis of anyone’s hunch. Don’t get emotionally attached to a stock. Don’t stay with a stock if it’s going down in price just because you don’t want to take the loss.

Our favorite benefits of BetterInvesting membership include the magazine, the First Cut stock studies and the online seminars. We’d recommend all investment clubs join BetterInvesting for all the resources available at a reasonable cost. One of the best things about an investment club is the opportunity to learn from each other. Today most of our members are retired and have been members for a long time. We’ve become very good friends.

The most common reason our members have made partial withdrawals is for international travel.”

We’re always looking for new members. We hold a free investment seminar at the Fargo Public Library for anyone interested and invite the people who attend to come visit our club to learn more.

The most common reason our members have made partial withdrawals from the club has been for international travel. Others have withdrawn funds to pay for the education of children or grandchildren and at least one member has purchased a car.

Our best advice to any club is to do your homework and practice discipline by not buying on a tip or on the basis of anyone’s hunch. Don’t get emotionally attached to a stock. Don’t stay with a stock if it’s going down in price just because you don’t want to take the loss.

Our favorite benefits of BetterInvesting membership include the magazine, the First Cut stock studies and the online seminars. We’d recommend all investment clubs join BetterInvesting for all the resources available at a reasonable cost. One of the best things about an investment club is the opportunity to learn from each other. Today most of our members are retired and have been members for a long time. We’ve become very good friends.

The World in May 1961 When the University Investors Began Their Investment Club:

- John F. Kennedy was president of the U.S.; during a visit to Paris, the locals seemed more dazzled by his wife, Jackie.
- Alan Shepard became the first American in space.
- Movie star Gary Cooper died.
- The U.S. federal minimum wage was raised to $1.25 an hour.

Angele McQuade is the author of two books, including Investment Clubs for Dummies. She lives in Arlington, Va., where she also writes novels for children and teens. If you’d like to be featured in a future profile, contact Angele through www.angelemcquade.com.