

Tech investor Robert Brevelle goes GREEN

Posted *January 23, 2024* by *Cyberamber*

Canada Forest Industries interviewed tech investor and CSC Advisor Robert Brevelle on his emphasis on portfolio diversification, specifically timberland assets.

Cyber Security Services (CSC) Corporate Advisor Robert Brevelle is no stranger to the investment community. In 2023, he was featured in Redwood Media Group's magazine of the Top 100 Innovators and Entrepreneurs. Prior to that, he was listed in Bank of America's Top 100 Angel Investors that support veteran-owned businesses. Then there were three consecutive years he was named a Top 10 Angel Investor in Dallas and Silicon Valley followed by a Top 101 ranking in London's Best Angel Investors. His other accolades include a National Top 10 Accelerator ranking by MIT and Forbes, feature articles in Yahoo Finance and NASDAQ news, and a cover story in the Dallas Business Journal.

But, all that recognition was for successes in early-stage, tech-heavy startups and emerging technologies in



Wild horses (mustangs) on timberlands owned and protected by Robert Brevelle. Part of the only herd of mustangs in Louisiana, known as the Fort Polk or Kistachie Wild Horses.

complex industries with even more complex names such as additive manufacturing, fintech, cyber defense, aerospace, and electronic warfare. So what is this techie doing in the timber business?

Your recent investments in the timber industry have captured the attention of other venture capitalists. What brought about this change?

"I wouldn't say these investments are recent or a change from my normal portfolio management. I've invested in the timber industry for over 20 years. I started just a couple years out of college...about the same time I started heavily investing in my 401k, I was investing in timber."

When you say timber, what type of investments are you specifically referring to?

"I have owned everything from timberlands to mills. I owned timberlands as managed plantations and natural forests in Florida, Oklahoma, Texas, and my home state of Louisiana. I have executed and managed these

investments primarily on my own or with a couple of like-minded investors. I have not been interested in TIMOs, REITs, or forestry stocks."

Do you see market dynamics or shifts that would make timber investments more or less appealing?

"Yes. Timber investments are a prudent means to diversify portfolios that may be stock, real estate, and bond heavy. This type of portfolio is common for your typical high net worth individual. They own rental homes, commercial properties, and a lot of stocks and bonds. Unfortunately, those investment vehicles are very similar today's economy. That is, when the stock market takes a hit, the rest of the portfolio is negatively impacted. They are coupled in such a way, that one affects the rest albeit not immediately. The hope of such portfolio owners is that the time delay between the coupling is enough that they can weather the storm while the initiating event

recovers. Historically, that has worked. In today's economics with unprecedented government-driven market manipulation, the impact and domino affect happen much more quickly. Timber investments provide a solid backer for such portfolios. It has for mine. Alternatives would be to invest in relatively inelastic industries such as healthcare, insurance, pharmaceuticals, or casinos. That is, if they do not present an ethical dilemma for the investor. These do well in good times and typically better in bad times, but that's a discussion for another day."

How large are these timber investments?

"Each investment ranges in size from a couple dozen acres to several hundred acres in size. In dollars, each investment ranges from under \$100,000 to over \$1 million. With each passing year, timber investments make up a growing portion of my overall portfolio. That's not only due to past financial performance, but its also a reflection of my age and investment objectives."

That sounds like a lot of land spread all over the South. How many employees does that require?

"I am proud to say NONE. I am passionate about sustainable forestry, ecology, and wildlife management so I am actively involved in every aspect of these assets. I do bring in specialists and heavy equipment crews on an as-needed contract-basis, but if I have the option, I would do it all myself with my friends and family."

Are there any timber investments you regret?

"Yes. I wish I had bought more timberlands with mineral rights. But like any good investor, I recognize, learn from, and pay for my mistakes. "

How have your timberland investments performed compared to your traditional and venture capital-type investments?

"My timber investments have significantly outperformed my traditional investments such as 401k and mutual funds. Its hard to say how they have fared against the much riskier venture capital investments, as I seem to only want to remember the most lucrative early-stage deals and those nightmare investments that nearly wiped me out. Venture capital is a contact sport with more downtime between games than the Olympics. Like the timber industry, many of its best deals have 15-20 year incubation periods."

Well, I was under the impression that you were investing in timber because you were going green.

"I've always been going after the green stuff! But yes, you are correct. The timber industry is inherently a green industry. It must be to survive. I am an outspoken advocate of sustainable forestry, expanded stream management zones, and improving efficiencies across the industry. The other important takeaway is that in the decades between planting, thinnings, and harvest you are creating an evolving ecosystem that supports a large, healthy diverse wildlife population. Wildlife management is a key component of any sustainable forestry plan. If you care about these things, you put your money where your mouth is."

Earlier, you mentioned you are passionate about these investments. The way you speak about them sounds like you are emotionally invested as well.

"Without a doubt, I am personally and emotionally invested in my timberlands. As a member of conservation groups and as a Native American, I have a connection to the land especially those of my ancestors in Louisiana and Texas. I grew up hiking, fishing, and hunting those lands. Today, I dream of spending every moment of the rest of my life there. It's not just about monetary profits. For me, the real return on investment is that I am creating a beautiful wild place similar to what was here hundreds of years ago. And, I look forward to forging my young son's love and bond with this land as my father did for me."

What would you say your best investment has been or will be?

"That's easy. My son."