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> Money manager Alberto Vilar made a fortune for himself and many of his clients in the 1990s with big bets on technology stocks. He has spent the past three years giving away a chunk of his personal money to charity. Some $50 million has been earmarked for Washington's Kennedy Center, about $40 million to New York's Metropolitan Opera, $20 million to New York University. In all, the 61-year-old president of Amerindo Investment Advisors has donated or pledged upward of $250 million since 1999, about half of it earmarked for opera, a longtime passion.

But now, one needy group could use a little of Mr. Vilar's charity: his investment clients.

With an average 37% annual loss in the three years through April 30, Amerindo Technology Fund has performed worse than all but two of some 4,900 mutual funds tracked by Morningstar Inc. Investment returns of Amerindo's Health & Biotechnology and Internet B2B funds, both started just as the technology bubble burst in 2000, have fallen since their inception and the portfolios have failed to gather significant assets.

Meanwhile, Amerindo's main clients -- big institutional investors such as pension funds and university endowments -- also have taken a beating. In February 2000, the Oklahoma Firefighters' Pension & Retirement System invested $54 million with Amerindo. By September 2001, the investment had dwindled to $9 million and the pension fund, with a total $1.2 billion under management, pulled the plug on Amerindo.

"We got in at absolutely the worst time," says Robert Jones, the pension fund's executive director. "The lack of diversification was just punishing," he says.

Total assets under management at Amerindo have dropped to $1.42 billion as of March 31, according to the firm, from $8 billion in March 2000. Mutual-fund assets during that period fell to $105 million from $689 million. Such a precipitous decline came about mostly because of the drop in such big stockholdings as Priceline.com, Yahoo Inc. and amazon.com.

But the asset drop also reflects the departure of some of Amerindo's longtime institutional clients, who gave up waiting for a rebound. Carnegie Mellon University, Albertson's Inc., Dominion Resources Inc. and Fruit of the Loom all have closed their Amerindo accounts in the past three years. Another big client, Litton Industries, left after it was acquired by Northrop Grumman Corp.

From his sleek Park Avenue offices in Manhattan, Mr. Vilar exudes a calm that belies the storm surrounding technology investments in recent years. Likening the losses that tech stocks have suffered to a hurricane that comes along only once in a professional lifetime, the money manager says the sector is bound to come back.

We've had a one-in-four-decade wipeout," he says in an interview, seated at a marble conference table illuminated by a chandelier virtually identical to one hanging at the Metropolitan Opera. "I'm annoyed with the savagery with which these stocks have been dumped. ... Now, our own money and our clients' money is betting on a tech recovery."

Mr. Vilar says he also is counting on a rebound to help fund his many charitable donations. "My first goal is to make money and feed my little children," he says, referring to his charities. Having funded 15 arts organizations in recent years, Mr. Vilar says he now wants to step up his philanthropic efforts in health care and education.

Despite persistent whispers in arts circles that he isn't fulfilling some of his charitable pledges, Mr. Vilar adamantly maintains that he is current with all his commitments. His pledge agreements, which call for donations to be spread out over many years, do allow him to postpone some installments if need be, he says, so he can avoid selling shares from his personal holdings in a year when tech stocks are undervalued. But so far, Mr. Vilar says he hasn't exercised such "skip-year provisions."

Through a spokesman, Metropolitan Opera general manager Joseph Volpe wouldn't comment on Mr. Vilar, saying he doesn't discuss donors. The Kennedy Center, the biggest recipient of Mr. Vilar's largesse, says he is current on his commitments. The Los Angeles Opera also says Mr. Vilar is current on his agreement on a three-year, $6 million pledge for new productions. Details on a further gift of $1 million a year for an arts-scholarship program are being worked out, a spokesman says.

Amerindo's travails in recent years would be impossible to understand without knowing just how successful it was previously. Founded in 1980 by Mr. Vilar and his partner, Gary Tanaka, Amerindo took early stakes in such firms as Yahoo, Oracle Corp. , Cisco Systems Inc. and eBay Inc., and held on as those firms' shares went sky-high. Institutional accounts rocketed, posting gains of 77% in 1991 and 88% in 1995.
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Coming late to the burgeoning mutual-fund industry in 1996, Amerindo's Technology Fund lost money at first. But results for both mutual-fund and institutional clients soared with the Nasdaq boom, with gains totaling about 250% in 1999 alone. Worth magazine lionized Mr. Vilar as a "pitch-perfect stock picker."

With an investment style that relies on big, concentrated bets, Amerindo isn't for the queasy. Morningstar analyst Scott Cooley points out that three-quarters of Amerindo Technology's assets were recently in just 10 stocks, a concentration that can lead to "outrageously big gains" or "bone-jarring losses."

Mr. Vilar makes no bones about his hit-or-miss style. "This is a home-run business." The firm believes it has seen the bottom of the tech wreck, and anticipates a rebound this year and big leg up in 2003.

Clients say they know what they are in for with Amerindo. "They either hit grand slams or go way south," says Lois Griffin, administrator of financial projects of the San Antonio, Texas, public-utility employees pension fund, which has 5% of its assets, or $38 million, with Amerindo. Ms. Griffin says her organization is with Amerindo "for the long haul" and won't reconsider its investment unless it loses more of its gains since 1990, when the trust first invested with the manager.

Averaging the good and bad years, Amerindo's institutional accounts returned 7.95% a year between January 1992 and December 2001, according to a Securities and Exchange Commission filing. That leaves them far behind the Dow Jones Industrial Average, which had an annualized return of 12.2% during the same decade.

With assets down, Amerindo has taken steps to cut costs, laying off eight staffers last year and closing its Los Angeles office. Seeking to cut down on his day-to-day management responsibilities and focus on stock-picking, Mr. Vilar also relinquished his title of chief executive, ceding it to Matthew Fitzmaurice, who remains the firm's chief investment officer.

In the past, Amerindo's institutional clients have reduced their investments after periods of great performance and added cash in down markets. Last summer, for example, an Amerindo executive flew West to land an additional $10 million investment from the Seattle City Employees' Retirement System. "We decided that this was the time to buy low and hopefully sell high," says Mel Robertson, chief investment officer of the pension fund.

But some clients have been more reluctant to buy on the dips. The city of Stamford, Conn., the Nature Conservancy and the Los Angeles Fire & Police pension funds have held on to their Amerindo investments but haven't added money during the recent decline.

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