



Bay State Billionaires

Massachusetts billionaires' wealth surges 46% during the pandemic

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ACKNOWLEDGEMENTS

The authors wish to thank **Sarah Gertler** for her cover design and graphics. Thanks to **Helen Flannery** for her assistance with graphics. We also are grateful to the team at *Forbes* for their wealth research and our colleagues at Wealth X who assisted with the analysis of ultra-high net worth individuals in Massachusetts.

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Key Findings

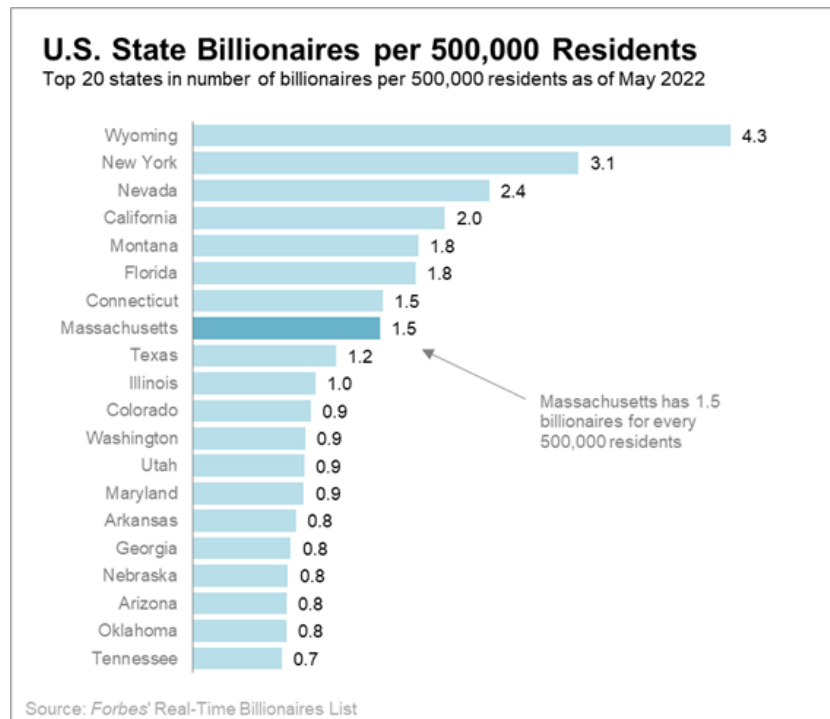
- The total wealth of the 21 billionaires in Massachusetts, as of May 27, 2022, is \$78.36 billion. This is a staggering 311,000 times the median household wealth of Massachusetts residents. Their combined wealth has increased \$24.6 billion, or 45.9 percent, in the past 26 months, even with the volatility and market declines in the market in the last three months.
- Massachusetts has at least 804 “ultra-high net worth” individuals, those with assets over \$30 million, with total combined wealth of \$224 billion, according to an analysis by IPS and Wealth-X.
- Massachusetts has the sixth most billionaires in the country with only California, New York, Florida, Texas and Illinois having more. The Bay State ranks eighth in billionaires per 500,000 residents.
- Nearly half of the state’s billionaires come predominantly from three industries: Finance, Technology, and Healthcare. These three industries, together, make up more than half of all billionaire wealth in the state.
- The richest person in the Commonwealth is Abigail Johnson, with \$20.7 billion. She is currently the Chief Executive Officer of Fidelity Investments and owns a 24.5 percent stake in the corporation.
- The biggest asset gainer during the pandemic is Edward Johnson, IV, whose wealth increased by 157.7 percent throughout the pandemic. Johnson is worth \$6.1 billion. He is the younger brother of Abigail.
- The Bay State has added five new billionaires since March 18, 2020, bringing the total number of billionaires to 21. Their total wealth is \$9.9 billion. They are financier Robert Hale Jr, and energy magnate, George Sakellaris; along with vaccine-maker Moderna’s Timothy Springer, Noubar Afeyan, and Robert Langer.

A Billionaire Bay State of Mind

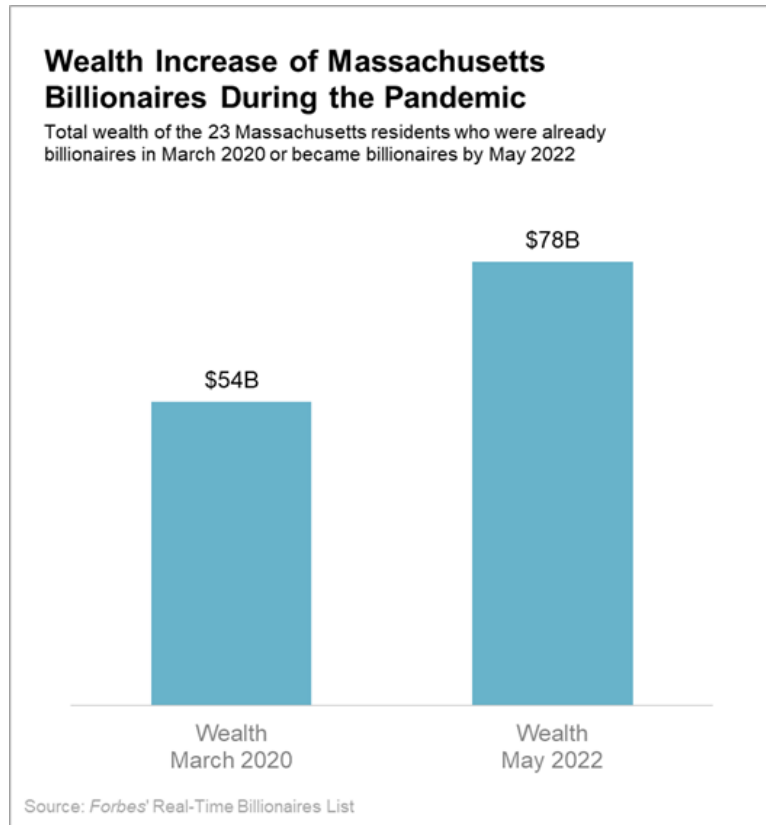
It is no secret that billionaires around the world have seen their wealth surge during the Covid-19 pandemic. For some industries, the pandemic played into their strengths and gave them the opportunity to innovate. Others benefited from having their Main Street competition shut down or were beneficiaries of generous stimulus packages that bolstered up their businesses and stock markets. At the global level, an estimated 2,668 billionaires have seen their wealth increase from \$8 trillion to \$12.7 trillion between March 2020 and March 2022, a gain of 58.7 percent. U.S. billionaires have fared even better, seeing their wealth increase 59.4 percent during this 24-month period.¹

Several billionaires from the Bay State have led the pack. Massachusetts has 21 billionaires as of May 27, 2022. Two additional billionaires, Niraj Shah and Steve Conine, both of Wayfair, have come on and off of Forbes' list due to the recent fluctuations of the U.S. and global market. We can safely expect them to rejoin the Bay State's billionaire class within the next couple of months, if not sooner.

According to our analysis of Forbes' data, in addition to being one of the wealthiest states in the nation, Massachusetts ranks sixth in the country in the number of billionaires. Only California, New York, Florida, Texas and Illinois have more individuals with at least a billion dollars in wealth. Massachusetts is also positioned eighth in the number of billionaires per 500,000 residents, ranking above Texas and Illinois who both have a greater total number of billionaires living in their respective states.



As a class, the total wealth of Bay State billionaires is currently at \$78 billion. This is a staggering 311,000 times more than the median household wealth of Massachusetts residents, which was at \$251,000 in 2019.² Their wealth has increased by more than \$24 billion, or 45.9 percent, in the past two years. This is on par with the US billionaire class as a whole whose wealth – despite falling 6 percent in the last couple of months – has increased 53.4 percent since mid-March 2020. These gains are tremendous, even with the market volatility of the last three months.



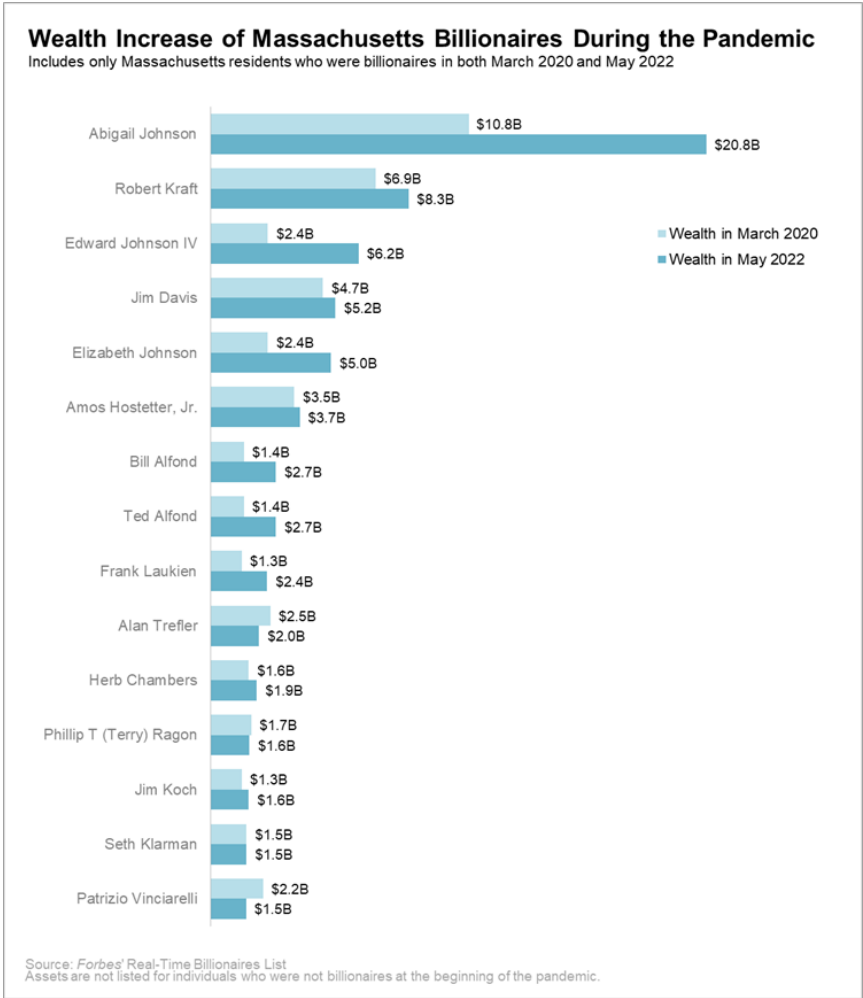
Finance is the most pronounced industry for billionaires in the state. Finance accounts for 42.7 percent of all billionaire wealth in Massachusetts at \$33.4 billion. Technology and Healthcare are also prominent industries. These three industries combined account for more than half of all billionaire wealth at \$44 billion.

Since March 2020, Massachusetts added five new billionaires to Forbes billionaires' list. The Biotechnology industry minted three new billionaires. All three - Noubar Afeyan, Robert Langer, and Timothy Springer - are co-founders of Moderna, manufacturer of one of the Covid-19 vaccines. George Sakellaris and Robert Hale, Jr. also made their Forbes list debuts representing the Energy and Telecommunication industries respectively. The total wealth of the five newcomers is equal to \$9.9 billion.

Abigail Johnson is the wealthiest person in the state. She is also the only demi-billionaire with \$20.7 billion. Her two siblings, Edward Johnson, IV and Elizabeth Johnson, have done

extraordinarily well these past two years by doubling their net worth. Johnson, IV’s wealth increased an astonishing 157.7 percent. Every billionaire in the state of Massachusetts with the exception of three – Alan Trefler, Phillip T. Ragon, and Patrizio Vinciarelli – has seen their net worth increase since mid-March 2020.

Even though the richest individual in the state is a woman, the billionaire class is predominantly male. 19 out of the 21 of the state’s billionaires are men.



Massachusetts Residents with \$30 million or more

Based on an analysis developed in collaboration with Wealth-X in February 2022, we estimated that there are 804 ultra-high net worth individuals (UHNW) with residence in Massachusetts.³ These individuals have \$30 million or more in wealth. Their combined wealth in February 2022 was \$224.5 billion. Our analysis of Wealth-X’s database also identified an additional 13 billionaires not listed by Forbes.⁴

These 800+ individuals have about 895,000 times more wealth than the median household in Massachusetts.⁵ This gives us a small glimpse into the levels of wealth concentration and inequality that currently exist in the Bay State.

Meanwhile, one year into the pandemic, over 2 million Bay State residents reported loss of employment income. In the period between April 27 to May 9, 2022, over half a million residents experienced a loss of income due job loss or decrease in working hours.⁶ This demonstrates that there is still instability in the economy and the labor market.

Profiles of Bay State Billionaires

1. Abigail Johnson

Johnson is the Chairman, Chief Executive Officer and President of Fidelity Management and Research (FMR), a financial services corporation. The majority of her wealth stems from her 24.5 percent ownership of FMR stock. According to Bloomberg, FMR holds “much of the Seaport section of South Boston” as an asset.⁷ She is a resident of Milton.

2. Robert Kraft

Kraft is Chairman and Chief Executive Officer of the Kraft Group, a consortium of businesses founded in 1998 that is involved in real estate development, private equity and manufacturing. Kraft is also the owner of two professional sports teams: the New England Patriots and the New England Revolution. He is a resident of Brookline.

3. Edward Johnson, IV

Johnson, IV is the President of Pembroke, a real estate firm headquartered in Boston and with eight global offices. The firm owns the mixed-use property Seaport Place. The majority of his wealth, however, comes from his 5.5 percent stake in FMR. He is the younger brother of Fidelity’s CEO, Abigail Johnson. He is a resident of Boston.

4. Jim Davis

Davis is the Chairman of New Balance, Inc., a producer of athletic footwear and apparel. It is a position he has held since 1972. The company is not publicly traded and Forbes estimates that he owns the vast majority of the company, approximately 95 percent, which is his biggest asset. He is a resident of Newton.

5. Elizabeth Johnson

Johnson is the founder and President of Louisburg Farm, an equestrian facility located in Wellington, Florida. She is a stakeholder in FMR where she owns a 5.5 percent stake in the company. She is the younger sister of Fidelity's CEO, Abigail Johnson. She is a resident of Boston.

6. Amos Hostetter, Jr.

Hostetter is the Chairman of Pilot House Associates, an investment management firm. He co-founded the Continental Cablevision in the 1960s and sold it for \$11 billion thirty years later (it is now MediaOneGroup). He is a resident of Boston.

7. Robert Hale, Jr.

Hale is the Chief Executive Officer and President of Granite Telecommunications and co-founder of Copley Equity Partners, a telecommunication and a private equity firm, respectively. He is also a member of the Boston Basketball Partners and has an ownership stake in the Boston Celtics. He became a billionaire during the pandemic, first appearing on the Forbes 400 list in 2021. He is a resident of Boston.

8. Bill Alfond

Alfond is the Trustee of the Harold Alfond Foundation, an organization that supports charitable causes. He is also a stakeholder in the Fenway Sports Group, which owns the Boston Red Sox. Bill's father, Harold, owned Dexter Shoe Company and sold it to Warren Buffett in 1993, who purchased the company with millions of dollars' worth of shares from Berkshire Hathaway. He is a resident of Boston.

9. Ted Alfond

Alfond is a Partner of the Boston Red Sox and Fenway Sports Group. He is also Chairman of Dexter Enterprises, a family wealth management firm. Alfond is a shareholder of Berkshire Hathaway. He is the older brother of Bill Alfond. He is a resident of Weston.

10. Frank Laukien

Laukien is the Chairman, Chief Executive Officer and President of Bruker Corporation, a company that manufactures scientific instruments. Most of Laukien's wealth comes from the fact that he is the largest shareholder of Bruker. He is a resident of Boston.

11. Timothy Springer

Springer is the Director of Selecta Biosciences, a clinical stage biotech company. He also founded or co-founded other biotech firms including LeukoSite, Moderna, Scholar Rock and Morphic

Therapeutic. He became a billionaire during the pandemic, first appearing on the Forbes 400 list in 2021. He is a resident of Chestnut Hill.

12. Alan Trefler

Trefler is the Chairman and Chief Executive Officer of Pegasystems, a software company. The majority of his wealth derives from his shareholdings of Pegasystems. He is a resident of Brookline.

13. Herb Chambers

Chambers is the founder and President of Herb Chambers Companies, an automotive dealership with about 60 locales. The dealership sells new, used and luxury cars. He is a resident of Boston.

14. Robert Langer

Langer is a university professor at the Massachusetts Institute of Technology (MIT). He is also an entrepreneur and co-founded a number of pharmaceutical and biotechnology companies including Humacyte, BIND Therapeutics and Moderna. He became a billionaire during the pandemic, first appearing on the Forbes 400 list in 2021. He is a resident of Boston.

15. Noubar Afeyan

Afeyan is the founder and Chief Executive Officer of Flagship Pioneering, a venture capital firm that primarily invests in sustainable companies and biotech. He is also the founder and Chairman of Moderna. He became a billionaire during the pandemic, first appearing on the Forbes 400 list in 2021. He is a resident of Lexington.

16. Phillip T. (Terry) Ragon

Ragon is the founder and Chief Executive Officer of InterSystems, a software company and database management system. The majority of his wealth derives from the performance of the company. He is a resident of Boston.

17. Jim Koch

Koch is the founder and Chairman of the Boston Beer Company, a brewing company that is the fourth largest in the country. He currently owns 19.5 percent stake in the company. He is a resident of Newton.

18. Seth Klarman

Klarman is the Chief Executive Officer and President of the Baupost Group, a hedge fund. He is also a co-owner of a horse-breeding center, Klaravich Stables, and minority owner of a professional sports team, the Boston Red Sox. He is a resident of Chestnut Hill.

19. Patrizio Vinciarelli

Vinciarelli is the Chairman, Chief Executive Officer and President of Vicor Corporation, a company that produces diversified electronics. He currently holds over a hundred patents. He became a billionaire during the pandemic, first appearing on the Forbes 400 list in 2021. He is a resident of Boston.

20. George Sakellaris

Sakellaris is the Chairman, Chief Executive Officer and President of Ameresco, a company that develops and integrates renewable energy. He became a billionaire during the pandemic, first appearing on the Forbes Global Billionaires list in 2022.

21. Paul Fireman

Fireman is the Chairman of Fireman Capital Partners, a private equity firm. He was previously Chairman and Chief Executive Officer of the sporting goods company, Reebok. He is a resident of Brookline.

Appendix I: Report Methodology

Calculations on the billionaire class from Massachusetts is based on an analysis conducted by the Institute for Policy Studies on data provided by *Forbes'* Real-Time Billionaire's Ranking.

IPS also consulted Wealth-X's database. The database contains a vast collection of records on affluent individuals with at least \$3 million or more in wealth. For the purposes of this report, we define ultra-high net worth individuals as people who have at least \$30 million in wealth. In collaboration with Wealth-X, we were able to identify over 800 ultra-high net worth individuals with residence in Massachusetts. However, it should be noted that not every ultra-high net worth individual has Massachusetts listed as their primary or permanent residence.

Appendix II: Bay State Billionaires Data Table

Bay State Billionaires

Name	Source of Wealth	Age	Gender	Wealth	Wealth	Change in	% Change in
				March 2020	May 2022	March 2020 to May 2022	March 2020 to May 2022
Abigail Johnson	Finance & Investments	60	Female	\$10.8B	\$20.8B	\$10.0B	92%
Robert Kraft	Sports	80	Male	\$6.9B	\$8.3B	\$1.4B	20%
Edward Johnson IV	Finance & Investments	57	Male	\$2.4B	\$6.2B	\$3.8B	158%
Jim Davis	Manufacturing	79	Male	\$4.7B	\$5.2B	\$0.5B	11%
Elizabeth Johnson	Finance & Investments	59	Female	\$2.4B	\$5.0B	\$2.6B	110%
Amos Hostetter, Jr.	Media & Entertainment	85	Male	\$3.5B	\$3.7B	\$0.2B	7%
Robert Hale, Jr.	Telecom	55	Male	N/A	\$3.2B	N/A	N/A
Bill Alford	Fashion & Retail	74	Male	\$1.4B	\$2.7B	\$1.3B	96%
Ted Alford	Fashion & Retail	77	Male	\$1.4B	\$2.7B	\$1.3B	96%
Frank Laukien	Manufacturing	62	Male	\$1.3B	\$2.4B	\$1.1B	82%
Timothy Springer	Healthcare	74	Male	N/A	\$2.1B	N/A	N/A
Alan Treffler	Technology	66	Male	\$2.5B	\$2.0B	-\$0.5B	-19%
Herb Chambers	Automotive	80	Male	\$1.6B	\$1.9B	\$0.3B	21%
Robert Langer	Healthcare	73	Male	N/A	\$1.7B	N/A	N/A
Noubar Afeyan	Healthcare	59	Male	N/A	\$1.7B	N/A	N/A
Phillip T (Terry) Ragon	Technology	72	Male	\$1.7B	\$1.6B	-\$0.1B	-4%
Jim Koch	Food & Beverage	73	Male	\$1.3B	\$1.6B	\$0.3B	23%
Seth Klarman	Finance & Investments	65	Male	\$1.5B	\$1.5B	\$0.0B	0%
Patrizio Vinciarelli	Technology	75	Male	\$2.2B	\$1.5B	-\$0.7B	-32%
George Sakellaris	Energy	75	Male	N/A	\$1.3B	N/A	N/A
Paul Fireman	Fashion & Retail	78	Male	\$1.1B	\$1.1B	\$0.0B	4%
Valentin Gapontsev (d.)	Manufacturing	82	Male	\$1.6B			
Edward Johnson III (d.)	Finance & Investments	91	Male	\$5.4B			
Total				\$53.70B	\$78.36B	\$24.7B	46%

Source: *Forbes'* Real-Time Billionaires List

Wealth change is not shown for people who were not billionaires in March 2020 or who were deceased as of May 2022.

End Notes

¹ The number of billionaires and their collective net worth is from Forbes' 34th and 36th annual global billionaire's list. Retrieved June 1, 2022. <https://www.forbes.com/sites/forbespr/2020/04/07/forbes-publishes-34th-annual-list-of-global-billionaires/?sh=3700b8d23edf> and <https://www.forbes.com/sites/chasewithorn/2022/04/05/forbes-36th-annual-worlds-billionaires-list-facts-and-figures-2022/?sh=10751df07e30>

² US Census Bureau. "State-Level Wealth, Asset Ownership, and Debt of Households. Detailed Tables: 2019." Retrieved June 3, 2022. <https://www.census.gov/data/tables/2019/demo/wealth/state-wealth-asset-ownership.html>

³ See "Report Methodology" section of this report. Five additional ultra-high net worth individuals – Michael Dell, John Grayken, Stéphane Bancel, John Henry, and Shalom Meckenzie – have residence in Massachusetts, but were left out of our calculations since it is well known that their permanent residences were outside the Bay State.

⁴ These additional billionaires identified using Wealth-X's expansive database are not factored into our overall analysis of Massachusetts billionaires for two reasons: (1) we are unable to determine how much wealth they had grown or decreased when the pandemic began in 2020 since their database does not track wealth over time and (2) not every billionaire has Massachusetts listed as their primary or permanent residence.

⁵ US Census Bureau. "State-Level Wealth, Asset Ownership, and Debt of Households. Detailed Tables: 2019." Retrieved June 3, 2022. <https://www.census.gov/data/tables/2019/demo/wealth/state-wealth-asset-ownership.html>

⁶ US Census Bureau. "Household Pulse Survey Data Tables." See Week 27 and Week 45. Retrieved June 3, 2022. <https://www.census.gov/programs-surveys/household-pulse-survey/data.html#phase3.4>

⁷ This is according to Abigail Johnson's profile on Bloomberg's Billionaires Index. Retrieved June 1, 2022. <https://www.bloomberg.com/billionaires/profiles/abigail-p-johnson/?sref=T7JeeXPd>