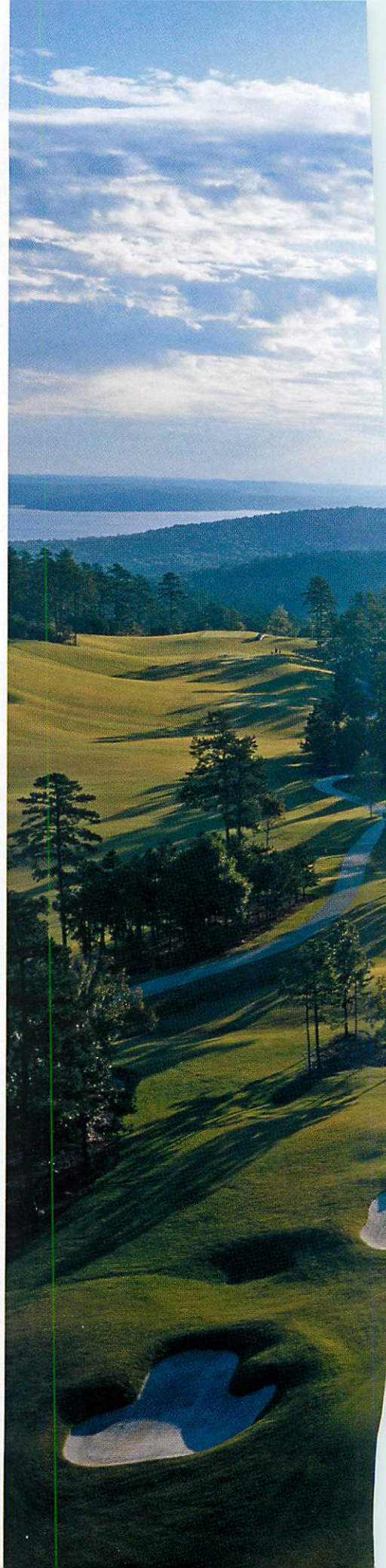
*'The Answer Is Yes'

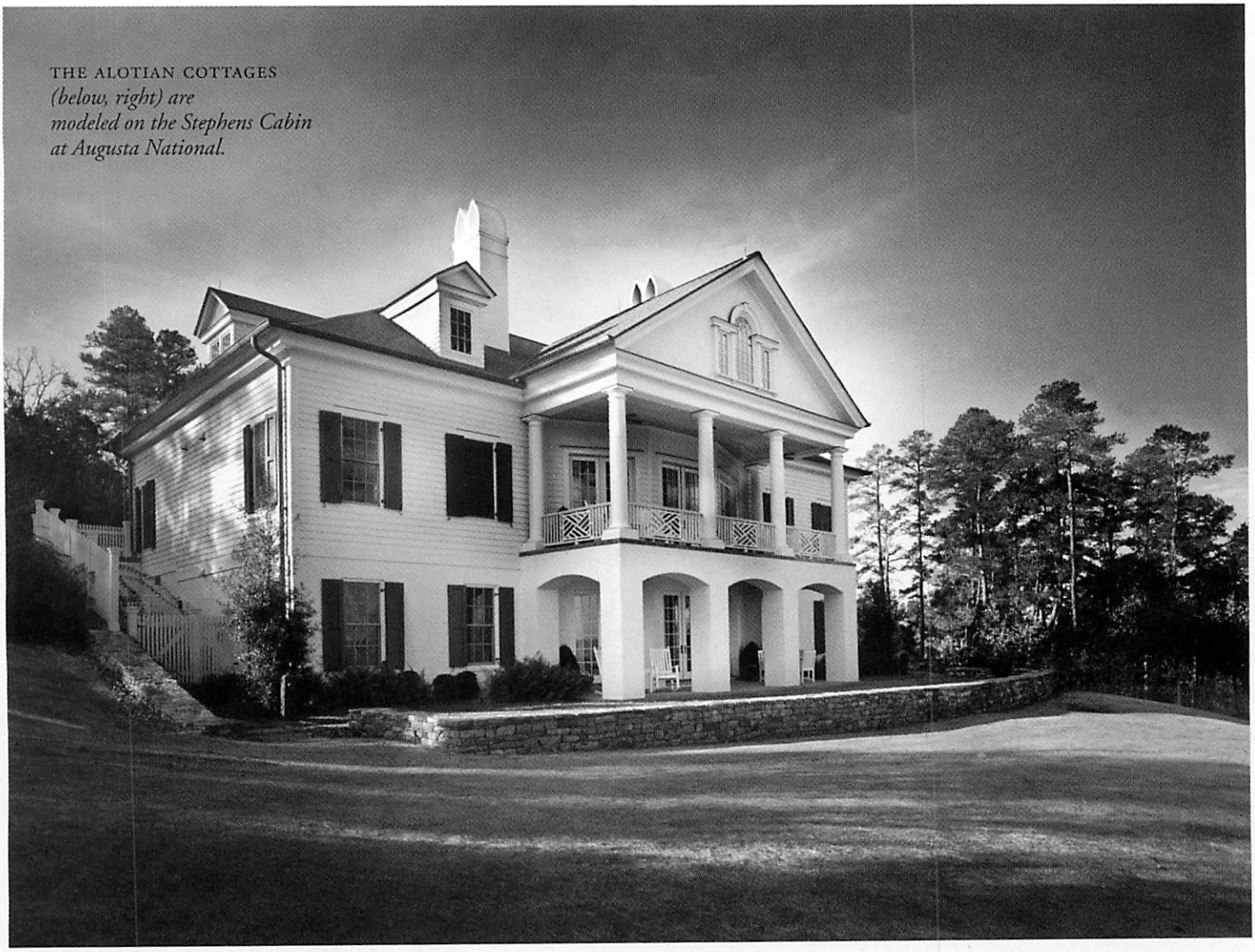
Billionaire investment banker *Warren Stephens* is used to getting just what he wants. Why should visitors to his *Alotian Club* be any different? *By David Owen*

AN EARLY PLAN FOR THE ALOTIAN CLUB—which Golf Digest picked as America's best new private golf club of 2005—included a boardroom. Warren A. Stephens, who owns the Alotian, asked the architect how big he thought a golf club's boardroom ought to be. This was a trick question, because the Alotian's boardroom only needed to be big enough for a single chair, for Stephens. The architect relabeled the room "library."

Stephens turned 50 last year. He lives in Little Rock with his wife, Harriet, and their three children, and he is an investment banker in approximately the same sense that Walter P. Chrysler was an automobile-company executive. He has thick, dark, wavy hair that is just beginning to wonder if it should reconfigure itself as a comb-over, and he wears glasses with attractive, old-fashioned-looking tortoise-shell frames. He is the chairman and



WORK HARD, PLAY HARD:
Stephens named his club after an annual buddies trip.



THE ALOTIAN COTTAGES *(below, right) are modeled on the Stephens Cabin at Augusta National.*

sole owner of Stephens Inc., which is an investment bank, a retail brokerage and a private-equity firm with recently acquired stakes in one of the world's leading distributors of sunglasses, the golf-apparel manufacturer Fairway & Greene, and a number of other privately owned companies. The company—which has 700 employees and fills most of the third-tallest building in Little Rock—was founded by his uncle in 1933 and was run by his father from 1956 until 1986, when Warren, on his 29th birthday, took over as chief executive. A colleague of Warren's once called him "the hardest-working second-generation billionaire in America," a description that his office calendar supports. When he isn't busy making money, he's usually busy giving it away. He and Harriet are major, broad-spectrum philanthropists, in Arkansas and elsewhere, and they have helped to lead the ongoing cultural and economic revival of downtown Little Rock. Recently, for example, they paid $5 million for 11 acres near the Arkansas River and gave it to the city for a new stadium for its Double-A baseball team, the Travelers. The stadium, Dickey-Stephens Park, was named for the baseball-playing brothers George and Bill Dickey, who sold bonds for Stephens Inc. back in the days when not even a Hall of Famer could retire on just his major-league earnings, and for Warren's father and uncle, who were among the Dickeys' closest friends and favorite bridge opponents.

Stephens is an avid golfer. His interest in the game is partly familial, because his father, the late Jackson T. Stephens, was the chairman of Augusta National Golf Club from 1991-'98. Warren first visited Augusta National in the early 1970s, when he was a long-haired, wide-belted, flare-trousered high school student. His playing partner that day was Clifford Roberts, the club's legendarily gruff chairman and co-founder, who was then almost 80 years old. Warren didn't know enough to be intimidated, and he pleased Roberts immensely by shooting 38 on the first nine while receiving a stroke a hole. On the 10th tee, Roberts told Warren's father, "That boy may be the youngest player ever to qualify for the Masters"—a compliment that turned out to be whatever the opposite of a self-fulfilling prophecy is, starting with the 10th hole. Today, Stephens carries an (out-of-date) Index of 7.0 at the Country Club of Little Rock; he usually plays to anything from a 6 to a 10 at the Alotian, which employs its own handicapping system. [*See "Different strokes" on page 148.*]

If you look up "Alotian," hoping to discover its etymology, you will be disappointed. The word, which rhymes with "commotion," was made up in the early 1980s by a group of Stephens' Little Rock friends. Every year for more than a dozen years, two foursomes of them would take an early-autumn golf trip, usually to a destination with drop-dead courses: the Monterey Peninsula, eastern Long Island, metropolitan Pine Valley. They called their trip the America's Lights Out Tour, or ALOT, both because they tried to play lights-out golf and because they tended to stay up until

TOM FAZIO'S DESIGN
features wide fairways (here, the third) and sensational views.

LIKE MOST HOLES
at the Alotian, No. 10 offers a transfixing view of Lake Maumelle.

At the Alotian, the toughest decision is whether it's ok to wear a Seminole hat with a Cypress Point shirt.

the lights came back on, at least in the early years. Arranging each itinerary took months of planning and connection-harvesting, although wangling invitations became easier as the participants got older and accumulated trophy memberships of their own. ALOT participants referred to themselves as Alotians, and Stephens (whose nickname in the group was Thurston Howell) revived the name because he hoped his club would enshrine a similar love of golf and spirit of fun, age-adjusted.

I first met Stephens at Augusta National in 1998, and for 10 years I've been waiting for a legitimate-seeming opportunity to tell what happened. I was working on my book *The Making of the Masters*, a project that Warren's father had initiated two years earlier, and on the Sunday before the Masters I was invited to join a foursome that included Hootie Johnson (who had not yet become the club's chairman), Lance Barrow (who was, and is, the producer of the CBS television broadcast of the tournament) and Warren. It was Johnson and Stephens versus the media in a $5 nassau, and as we walked off the 15th green, the media were underwater. But then I played the last three holes in four under par—birdie-birdie-eagle—and Barrow and I won at the tape. (There—I've gotten it off my chest.)

At that time, Warren did not possess a green jacket. His father, early in his chairmanship, had received so many inquiries from members about the prospects for their sons that he had suspended legacy memberships. Warren's dream of building a golf club began to take shape during that period, and it's possible that his father's no-sons-of-living-members policy contributed to his interest in creating a place of his own. In any event, his dream survived his elevation, which occurred a short time after our memorable round. (Did I mention that I eagled the 18th?) Jack Stephens stepped down as Augusta's chairman a few weeks after the tournament that year, and Johnson, his successor, suspended the legacy suspension. Warren was the first member's son to be tapped by the new regime.

The Alotian Club, not surprisingly, shares a great deal of DNA with Augusta National. Mark P. Finlay, who designed the buildings at the Alotian, told me that the clubhouse intentionally evokes the clubhouse at Augusta, and the three residential cottages are nearly replicas of the Augusta cabin Jack Stephens built. The course was designed by Tom Fazio, who is responsible for all the significant course changes that have been made at Augusta during the past decade. The Alotian course looks nothing like Augusta National, but it, too, aspires to Bobby Jones' and Alistair Mackenzie's goal of challenging the best players while remaining member-friendly: Par is a good score on any of the holes, but the driving areas are so wide that hitting a ball hopelessly out of play from virtually any of the tees requires determination. Carl Jackson, who caddied for Ben Crenshaw in both of his Masters victories and was an employee of Jack Stephens' for many years, is the caddiemaster.

The Alotian is definitely Augustan in terms of its emotional impact on visitors. The property—1,300 steep, wooded acres overlooking Lake Maumelle about 20 miles northwest of downtown Little Rock—is spectacular. If you were transported blindfolded to the middle of the course and asked to place yourself on the map, you would use up your allotted guesses (Vermont? West Virginia? Lake Tahoe?) long before hitting on central Arkansas. The amenity level is beyond indulgent. Guests are greeted by name by staff members who haven't met them yet (they share intelligence by radio). Florida-bound visitors can practice their putting on a Bermuda green maintained for that purpose. Just three or four foursomes are permitted to play on a typical day—Stephens hates waiting—and the club's two head professionals (another feature borrowed from Augusta) are always available for emergency swing CPR, even mid-round. The wine cellar has a room for bottles from the collections of individual members (who are given personalized wine lists at dinner). The dining room seats just 24, an Alotian full house. Four of the club's exclusive post-round delicacies—homemade potato chips, the world's best onion rings, a dangerously addictive milkshake, and a milkshake-related cocktail called an Alotian Alexander—are so good I urged Stephens to open a stand at the front gate and sell them to passersby.

Anyone intent on figuring out what all this must have cost will quickly run out of fingers and toes. The club has fewer than 150 members, most of them from out of state, and although their initiation fees and annual dues were set at a level that Dan Snider, the club's chief operating officer and director of golf,

PHOTOGRAPHS BY / **DOM FURORE**

Blindfolded and brought here, you'd guess you were in Vermont or Lake Tahoe, not ***central Arkansas.***

described to me as "respectful," the Alotian's revenues don't cover its expenses, much less Stephens' capital investment. At the end of the year, Stephens simply picks up the difference —as he also does for Little Rock's First Tee facility, which he built. (The First Tee has been a favorite Stephens family cause from the start; the national program was established, in 1997, with the help of a $5 million lead gift from Jack.) Stephens doesn't think of it this way, but the two organizations have similar financial models: The Alotian Club is like a First Tee for millionaires.

VIEWED FROM CERTAIN ANGLES, Warren Stephens' face resembles that of his paternal grandfather, Albert Jackson Stephens, particularly in the shape of his mouth and the confident set of his jaw. Albert, who was known within the family as Papa, was born in 1880 on a small, marginally productive farm near Mountain Spring, Ark., a tiny settlement 25 miles north of Little Rock. In family photographs he is almost always wearing church pants pulled up high by suspenders, even when he's sitting (uncomfortably) on a Florida beach, and staring straight through the back of the camera. He never made much money.

Warren's father, Jack, who was the youngest of six children, plowed the family's fields behind a mule, picked cotton, and worked as a hotel shoeshine boy in the town where Bill Clinton and Mike Huckabee grew up, and during the Depression he climbed onto a cabinet and discovered that his parents' savings, stored in a coffee can, totaled 18 cents. But Albert encouraged his sons to think big, and he supplied them with astute business advice, along with a maxim they followed throughout their careers: "Be willing to risk everything you're willing to lose." Warren's Uncle Witt, Jack's considerably older big brother, left school after the eighth grade and left the farm shortly after that, and eventually earned enough to send Jack to military school and then to the University of Arkansas. After a year at UA, Jack won an appointment to the U.S. Naval Academy, where he and Jimmy Carter were classmates. (The academy's football field was named Jack Stephens Field in 2006, a year after his death, in honor of a $10 million gift.) After his discharge from the Navy, Jack joined Witt in business.

By the late 1950s, the Stephens brothers had built a considerable fortune, based on timely investments in defaulted state highway bonds, shares of struggling state banks, a string of small newspapers and natural-gas drilling rights in the Anadarko Basin, and on their underwriting of the initial public offering of Wal-Mart Stores, among other things. (Curt Bradbury, who is the chief operating officer of Stephens Inc., told me that if Jack Stephens hadn't disliked public attention of almost any kind he would be widely regarded today as an investing superstar on a level with Warren Buffett.)

Jack joined Augusta National in 1962, when he was 39, despite having walked out of a cocktail party for prospective members because he didn't like feeling he was on display. As he was heading back to his room, a member named John O. Chiles called to him from the porch of Bobby Jones' cabin and invited him inside, where Jones and a group of cronies were drinking bourbon and playing bridge. Stephens soon came to love Augusta National, and to be one of Clifford Roberts' closest friends. When Stephens was chairman, he liked to say that the club didn't have any rules, only customs and traditions; this wasn't true, but he genuinely didn't like saying no. When several members urged him, in the mid-'90s, to ban metal spikes, as many other clubs had done, he characteristically equivocated—and then was pleased, a few years later, when metal spikes disappeared all by themselves, without his having had to lay down the law.

Warren is similarly averse to rules-making. The only capital offense at Alotian is slow play (although public cell-phone use comes close). The club's motto, several people told me, is "The answer is yes," and the extraordinarily attentive staff almost makes a game of being accommodating. A recent visitor told me he had packed hurriedly and had had to ask at the front desk if they could possibly find him a pair of gray socks; the reply was "But, of course." Warren told me that if a member or a guest suffered an after-dinner golf-swing panic attack (for example) and thought that he needed to hit a bucket of balls right now, before dessert, the staff would transport him to the range, open a heated hitting stall, and turn on the lights.

Part of the considerable appeal of the Alotian (I realized during a recent three-day visit) is that members and guests are treated like adored 2-year-olds—a feature shared with other American golf clubs that cater mainly to stressed-out men who have access to corporate jets. Once you've been waved through the front entrance, you face no chore more taxing than deciding whether it's OK to wear a Seminole hat with a Cypress Point shirt. The food is yummy. Everyone is nice. If you lose something, a helpful grownup will either find it for you or replace it. You get to play outside with your friends all day, and then it's bath, bottle, bed. It's kind of babyish. Then again, being a baby was fun.

Warren's parents divorced the summer before he started ninth grade, and he moved with his mother to Montgomery, Ala., and attended high school there. He spent his summers in Little Rock with his father, and they developed a close relationship founded mainly on golf. "Dad had a regular group at the Country Club of Little Rock, and they always let me play with them," he told me. "I wasn't very good at first, but Dad and his friends made me feel like part of their golf group." These outings were also, in a sense, man lessons. "I loved watching the way they needled each other, and I began to understand kind of how you do that in a way that is funny and not overdone, so that nobody gets their feelings hurt. It was a little like a fraternity."

This easy camaraderie is what he hoped to reproduce in a club of his own. He began scouting possible sites in the early 1990s, and he assembled the property through several large purchases from Deltic Timber Corp. Stephens also bought a 300-acre farm, on river-bottom land some distance from the course, so he could use it as a topsoil mine. The Alotian property is extremely rocky—"Little Rock is called Little Rock for a reason," he says—and Fazio had to apply a thick layer of trucked-in loam to the entire playing area. He then covered the new dirt with 170 acres of zoysia sod.

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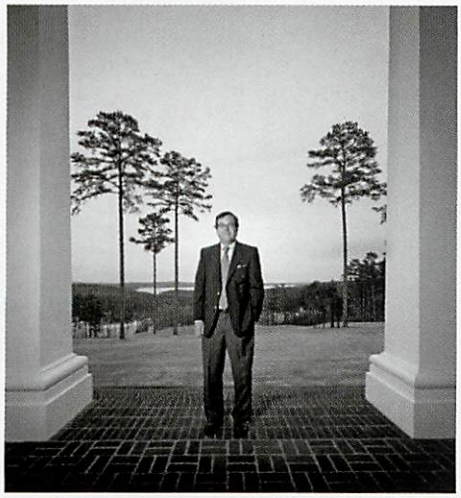

'THE ANSWER IS YES'
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Most of the Alotian's holes have transfixing views of Lake Maumelle, and Stephens has enhanced those views by removing certain trees and pruning certain others, and by planting flowering vegetation in gaps between them. The course is laid out so expansively that nearly every hole feels almost as though it had been carved from a separate real-estate parcel. Ron Whitten, Golf Digest's architecture critic, was blown away when the Alotian opened, and he praised (in the January 2006 issue) what he called the course's "incredible design." He added, "Nearly every green is visible from the tee, and for the few that aren't, bunkers clearly define and guard target areas that must be hit to see the green. In fact, this might be the most strategically bunkered course by Tom Fazio in years." Whitten amplified these encomia in a recent e-mail to me: "I think Warren outdid his father."

Monumentality has drawbacks, too, however. The Alotian is almost impossible to play on foot. My foursome theoretically "walked," but we were accompanied by caddies driving golf carts, and even though I began each round determined to propel myself I ended up hitching rides up the steeper hills and along the lengthier connecting paths, if only for fear of becoming separated from my regiment. The up-and-down terrain also offsets the generosity of the fairways. The course is nearly 7,000 yards long from the members' tees, and it can feel even longer because on most of the par 4s and par 5s the approach shot plays uphill, often steeply so, and usually to a green barely visible above a cluster of deep bunkers. The touring pro Glen Day, who lives in Little Rock, joined our group for nine holes one day and, I noticed, didn't feel compelled to play from the tips (7,405 yards).

A more serious criticism concerns what might be thought of as the flip side of the spare-no-expense perfectionism that makes a visit to the Alotian so seductive. The clubhouse exactly fulfills its architect's goal, which was to give the impression of a fine old manor house built a century before the golf course, but the club is usually so lightly occupied that the building has the chill of a museum. A backgammon board is set up on a table in the library, but I'd be surprised if it gets much use—or any use, for that matter.

Stephens speaks readily and passionately about his love for the spirit and traditions of the game, but golf as it's played at the Alotian Club is not an activity that Old Tom Morris, to name one, would have recognized. A member can't just drop by and pick up a game, and the cottages are so sumptuously self-contained that they can obviate the kind of clubhouse fraternization that is one of the most appealing features of the game as it's played by the lower orders—a trend at other high-end American clubs, which increasingly seem to cater to intra-foursome socializing and solitary BlackBerrying. Except during two clubwide member tournaments each year, golf at the Alotian seems kind of lonely.

What I'm saying, I guess, is that if someone invites you to spend a weekend at the Alotian, you should reschedule your daughter's wedding and go—but also that if Stephens never asks you to join, you can console yourself with the thought that, week in and week out, you probably have more fun playing with your regular pals at your regular course.

Jack Stephens suffered a golf-ending stroke not long after he stepped down as the chairman of Augusta National, and he died seven years later, in 2005. Control of Stephens Inc. then passed to Warren and his cousins. (Warren also has an older brother—Jackson T. Stephens Jr., called Steve—who hadn't been involved in the company since the early 1980s, although he has an office in the Stephens Inc. building and is a member of the Alotian.) There was a potentially damaging clash of investment styles and aims, and the Stephens family resolved it, in 2006, by allowing Warren to buy out everyone else.

"Now it's just him," Bradbury told me. "And that's the true definition of adulthood. I almost hate to make a comparison between Warren and Bill Clinton, but I played golf with Clinton in Little Rock when he was the president-elect, and I'm convinced that when you get elected president of the United States, something happens to you." He laughed. "With Clinton, you could see the weight of the responsibilities, and I think something similar has gone on with Warren. I don't say you lose your sense of humor, but if you had any frivolousness, it pretty much gets washed out of you at that point. You become a damn serious adult."

The Alotian Club has become even more important to Stephens since then, despite the fact that he now has less time to enjoy it directly. A possibly underappreciated advantage of not being a billionaire is that the outside world mostly leaves you alone, insofar as expecting you to make kickoff gifts for major capital campaigns is concerned. Dividing Stephens' investment in the Alotian by the rounds he actually plays there would yield a figure with an impressive number of digits. But working on the club, and thinking of new ways to improve it, is still one of his favorite forms of recreation (along with hunting quail with his wife and their children).

Shortly after the club opened, an old friend of Stephens', one of the original Alotians, said, "You know, Warren, just because you wanted to do it didn't mean that it was going to turn out like this." The comment gave Stephens pause. He recalled, "I looked at him and said, 'Gosh, if I'd thought of it that way, I might not ever have done it.' I'm glad nobody said that at the time."

It's unlikely that such a comment really would have thrown him, though; he doesn't seem susceptible to ordinary doubts. When his children were approaching the end of elementary school, he and Harriet addressed the problem of where they would go next by creating, along with Warren's father and others, an entire independent college-preparatory day school, called Episcopal Collegiate School, complete with a 31-acre campus and a $30 million endowment. He was similarly focused in building the Alotian. When an early, awed visitor asked him how many members it took to pull off a place like that, he answered, truthfully, "One."

DIFFERENT STROKES

The Alotian's handicapping system is similar to the one used at Augusta National. Alotian founder Warren Stephens believes it works best for competitions at his club because it's based entirely on play there.

For a round played at Alotian, a member gets one point for each par, two points for each birdie and three points for each eagle. (Bogeys and worse don't figure in the calculation.) This total is subtracted from 18, and if the result is between seven and 15 an additional point is added.

Let's say you shot 78: nine pars, two birdies, six bogeys and one double bogey. Subtract your point total, 13, from 18 and you get five.

The calculation is done for each of your six most recent Alotian rounds, and the average of those six results becomes your Alotian handicap. Scores shot on other courses don't count.—DO