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GRANDPARENTS ARE PROVIDING \$370.7 BILLION IN FINANCIAL SUPPORT TO THEIR GRANDCHILDREN, ACCORDING TO METLIFE MATURE MARKET INSTITUTE® SURVEY
Economic Downturn Has Spurred Giving

Westport, CT – July 14, 2009 – Almost two-thirds of America’s grandparents have provided financial support to their grandchildren during the last five years, 40% for general purposes and 26% for education, according to the MetLife Mature Market Institute’s QuickPOLL, *Grandparents: Generous with Money, Not with Advice*. The average amount provided was \$8,661, or about \$370.7 billion total in the last five years. One-quarter (25%) say the economic downturn has caused them to increase the help they give to their grandchildren.

The *2009 Grandparents Poll* revealed that grandparents prefer to help their children and grandchildren while they are alive, rather than leaving a lump sum in a will, an interesting phenomenon.

In addition, the data indicates that those with less income and net worth are giving a higher percentage than they did before the most recent economic downturn – and some of them are feeling the pinch, with more than one in five (22%) overall reporting that their generosity has had a negative impact on their own financial picture.



“The survey points to the universal bond between grandparents and their grandchildren, and the generous nature of grandparents, regardless of asset and income levels,” said Sandra Timmermann, Ed.D, director of the MetLife Mature Market Institute. “Grandparents are more willing than ever to help their grandchildren, even though they may be suffering economically. While they clearly want to make sure their grandchildren are financially secure, only a small percentage of those polled said they have talked to their grandchildren about the importance of hard work, saving for a rainy day and intelligent use of credit.”

Other information learned from the *2009 Grandparents Poll* includes the following:

- Of the minority who do impart advice to their grandchildren, the most common missives are to save and invest early (85%) and to stay out of debt (75%).
- Those grandparents with at least a college degree are more likely to support education (37% vs. 24% of those without a college education).
- Nearly half of education supporters (46%) set up a college fund; 26% are paying for pre-college expenses and 24% help with college tuition or loans.
- 83% are giving cash; in-kind gifts like cars and computers rank second.

- Half of those polled (52%) say their children are raising their grandchildren differently than they raised *their* kids. Of that group, 64% say their kids are more lenient with their children than they were and 55% said the youngest group has fewer household responsibilities.
- 30% of those polled have encouraged or have spoken to their adult children about life insurance as a way to protect the future of their grandchildren.
- The majority (78%) say it's more important to distribute smaller gifts throughout their lifetimes as needed, rather than leaving a larger sum of money as a legacy at death.

“Like grandparents in earlier generations, today's grandparents want to be involved in their grandchildren's lives. What may be different today is that grandparents are helping their children and grandchildren to meet immediate financial needs,” said Dr. Timmermann. “Grandparents with the financial resources will want to make more long range plans too, assuring that their grandchildren have enough money to fund college tuition and that the family has the financial security should something happen to one or both parents. Grandparents are also in a unique position to provide another valuable legacy, that of helping grandchildren to understand the value of a dollar and the importance of saving money.”

Methodology

The *2009 Grandparents Poll* was conducted by Harris Interactive in May 2009 via its QuickQuerySM online omnibus service. Participants included 1,077 U.S. adults age 45 and older who have grandchildren age 25 or younger. Data were weighted to be representative of the total U.S. population on the basis of age, gender, race/ethnicity, education, region, household income and the propensity to be online.

The MetLife Mature Market Institute®

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For more information about the MetLife Mature Market Institute, please visit: www.maturemarketinstitute.com.

Grandparents: Generous with Money, Not with Advice can be downloaded from www.maturemarketinstitute.com under “What's New.” It can also be ordered by e-mailing, maturemarketinstitute@metlife.com, or by writing to: MetLife Mature Market Institute, 57 Greens Farms Road, Westport, CT 06880.

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