Speaker 1: I can tell you that when I was 11 years old and I was working my paper route, I accumulated a few dollars, saved a few dollars, and I convinced my dad to open a brokerage account for me so I could buy a stock. He allowed me to do that. Ultimately, we purchased the stock. It was called Anacomp. I can't tell you if I made money on it or not, but I owned that thing for a while and it was fun. I kind of proceeded then to move into the finance area. I went to finance in school and decided in college that that's what I want to do. I want to work in the financial world. I want to be a stockbroker. Through that process, when I graduated, I ended up getting somewhere in the neighborhood of about 18 rejection letters from every brokerage house under the sun. I decided that it was time to post those things on my wall. I posted all of them on the wall. Every day I walked by that wall, reminding myself that that's where I wanted to be.

Subsequently, I got a real job and worked up through the banks and that sort of stuff. About eight years later, I finally landed back in the personal financial services and I knew that I had found a home. Through that time frame, I ended up with my Certified Financial Planner designation, helping people doing the things that I wanted. For my moment, maybe it was age 11, but it was something that attracted me to this business and it still does today.

I think the draw was just the ... I don't know if it was the uncertainty of it, but the challenge of trying to find things that worked. Of course, when I was 11 and 12, that was just following the stock price every day. Long after that, I learned there's much more to do than following a stock price on a day-to-day basis. Really, it's not the right thing to do. But I think then after I started through my banking career and working with people, really helping people and really helping them solve a financial problem in the retail system of the bank that I was in, was very attractive.

It just got amped up when I went to the investment side where I could really start taking all of their financial picture and start puzzling it together and putting it together in a way that just logically made sense. For me, part of it is just solving the puzzle and it's a puzzle that everybody has. Some puzzles are more complicated than others, but every puzzle is a little bit different and has a little different twist. I guess I'd say through my journey, is really where I found that attractiveness to the business and it's just trying to help people solve things that they don't like to solve. They want somebody to help them and we can do that and we can fill that role.

Through a bank merger, we knew that the time was right. I mean always, I had been talking and looking at different kinds of businesses, but when the bank merger occurred, the stars were aligning the right way and we decided, well, yes, we decided that we were going to step out on our own because she felt like, and I felt like we could do the same thing. It took a lot more convincing of me to do that because I was in a place where they treated me well, they took care of me.

I was successful doing what I was doing. Why would I ever want to leave something like that? And Julie would just kind of continue to say, "You're good at this. We can do this. It'll be okay. It's risk, but it's okay risk." And so through a lot of support, a lot of, maybe a little bit of prodding, as well, we put the plan in place and, walked out in 2002. Nothing in my life really changed. What changed was I had a new address of where I went to work, but I still did exactly the same thing that I did for the last 10 years in the trust department, you work with people one-on-one, you help them solve some of their financial problems. We were just doing an under a shingle that was my own instead of somebody else's. So nothing really changed.

Well, we've traversed the journey of it being simply myself and one other person, and we ran the whole show. As we grew in assets, and we grew in skills, and client base, we began to add more people. And so as we look at it today, we have a great team that's in place. Currently, there's seven of us and we expect that to continue to go higher. But the team is really what allows us to do the things that we do. Because you can't be a one-man band in this industry as you continue to grow. And so having the operations group and the other certified financial planners to help me, helps us. And really, it still continues to fulfill the mission, which is helping clients and individuals manage their personal finances in a way that that makes sense, that's logical. It's been a long journey. It's had some ups, it's had some downs just like any business, just like any household. But you work through those things and you figure out the right direction to go.

Well, ultimately, our clients, we want to get them in a position where we have their complete and full trust because trust is the bedrock of everything that we do and we don't get that in the first meeting. We don't get that in the first discussion. And so over a period of time it's developed and earned and you earn it by being credible. You earn it by doing the right thing for them as a fiduciary. You do that by forming personal relationships with them. I mean, all those things come together because ultimately the spot that I want to be at is when someone looks at me across the table and says, "I trust you and I trust everything that you're doing."

It doesn't mean that you let your guard down at that point, you continue to work towards building that trust. But the team, they have the same responsibility and they have the same challenges that I do, in terms of building that. But once we build that, we can take our clients a lot of different directions and they'll listen to what we have to say. I mean, they want to follow our advice. And that's really the only way that this business works. I mean, I think it goes back to a fundamental belief that we are holistic financial planners and the holistic financial planning allows us to address all aspects of their lives. And generally, they're kind of encapsulated in five different primary areas. That is the investment area, the income tax, the estate planning, the risk management, and the retirement planning.

So all of those tentacles kind of intertwine with one another, so as we work with them on a holistic basis, we can ultimately bring them better solutions to the challenges that they face and what their objective is. By having a more developed team like we do there are multiple certified financial planners. When when I run into a little bit of a roadblock, I can lean on my team and say, "Hey, look," even though I've been in this business for 30 years or so, I can lean in say, "Hey, this is a situation. Give me a fresh eye on it and tell me what you think." And I do the same thing for them, and ultimately together, collectively we come up with better solutions than maybe what one person can do or what maybe where one person stumbled a little bit along the way.

We can't do that without the team that's behind us, that's there. That people that are making, that are answering the phone calls, that are updating the documents, as needed to open new accounts, to do really all the back office operations. We can't do that front office work without a strong back office. And we have that here, as well. I mean, the holistic approach gives them a better outcome. That's the bottom line because if we can begin to combine the different parts to this, they all work more efficiently. And if we get more efficiency, which sometimes means lower taxation, we effectively get them more return. So it's really how do those things work together, and holistic works the best because then all the pieces are talking to one another and they're working like a fine, well-oiled machine.

I think one of the challenges with this business is that people believe that they're going to be sold something, and so when you tell somebody, "I'm a certified financial planner, or a financial advisor," the gate begins to go up because they're afraid and we approach it completely different. The only thing that we want to do in a first meeting if you sit down with us, is we want to have a conversation. I want to learn more about you and what your circumstances are, how you got to the spot that you're in today, and what are you looking for? That's all I really want to know. I want to know a little bit about the financial assets and a little bit about your family.

I want to learn those things, but at the same time, I want to share information about us, about what we do and how we go about doing that. It's an exchange of information. At the end of that conversation, a decision is made collectively by both of us. Does it make sense to move to the next step? And that next step is really more detailed information. Maybe I'll get a statement, or we'll talk about numbers. How much in assets do you have? Those sort of things. But we really, a lot of times don't do that on the first meeting unless the client wants us to. But at the end of that conversation, we decide does it make sense for us as a firm, and does it make sense for you, as a potential client, to talk further. And if you do, and if we do, then we do, and we go to the next step.

I often tell story, it's like dating. Okay, you go on a first date, you figure out if you like the person that you're dating or sitting across from. And if it makes sense, you go on a second date, and if you go on a second date, you might like it even more and ultimately maybe the third or fourth date, that some day you get married. Well, we're looking for those long-term marriage-type of relationships because we're in this for the long-term, our clients are in it for the long-term, the relationship should be in the long-term, too. But that only happens from having a process.

I mean, I think we talk to different people at different stages of their lives and their careers, and we have solutions that kind of fit all of those. But ultimately you have, I guess I'll say three buckets of people. I mean, you have the people who are younger, who are beginning their careers, who are starting to save. A lot of times, they are needing to focus on just saving money. Okay. Saving money, maybe paying down debt. And so we often will give feedback on those types of things because that's where they need the help. These could be daughters and sons of existing clients, people that we just meet here and there.

We have a second group that was really our young, up and coming professionals. They are getting into their 40s, their early 50s, they're earning good money, they're beginning to save at higher rates and their eyes are starting to turn away from maybe paying down debt and raising some children, to my children are getting older, ready to go to college. We're thinking about beginning to really save for retirement. We work with those young professionals that are coming up into that low 50s to 60s range. And then of course, people who are at retirement or are retired, they've already accumulated the wealth that they need, hopefully, to do what they want to do. We work with that group of people, as well.

Now the needs for all of these groups are completely different, and you can't put all of your 60-plus age clients into the same bucket because they all have different circumstances. And so we go through a process of evaluating what is their circumstance to find out what makes sense. And we do that for all three groups.

Speaker 2: Good.

Speaker 1: In this business, you can act as a fiduciary, or you don't have to do that. It's really your choice and a lot of it has to do with the organization that you might be associated with or affiliated with. We have always believed that we needed to act in a fiduciary capacity for our clients. We need to sit on the same side of the table as them and always do what's in their best interest. If we do what's in their best interest, they will be clients for a lifetime.

Now sometimes what that means is bypassing current opportunities for the future. I mean, I can tell you a story of a client, who mom had passed away. We were working on cost-based system, some simple stuff and she said, "Call my brother, he's out of town." And I did, I talked to him, and I helped him through the situation. He was very appreciative, but we weren't really trying to attract him as a client. He was in another town pretty far away. But a couple of years later, he called back and said, "Hey, they're really happy with what you're doing. Are you taking new clients?" And ultimately, not really trying to acquire that client, we ended up getting a larger client. The only thing that we were doing was acting in the best interest of the person that's here, trying to find some information that we weren't responsible for, were just helping. So as long as we always do that, we'll be paid. We'll get that payback at some point. It might be not be today, it might not be tomorrow, but it'll come around.

But bottom line is, I can sleep at night, I can sleep at night knowing that I've done the right thing, we've taken care of a particular need. I think those things end up coming back around to you. But acting as a fiduciary, I mean to me, that's the only system, and as the certified financial planner in that designation, we act as a fiduciary under that, as well. But we would act as a fiduciary if we were a CFP or not.

The process is really just being objective and looking at the circumstances saying, "What is in the best interest of this person?" And you make that recommendation. We oftentimes will look at a portfolio, and you know what, it looks pretty good. Well, as a fiduciary we're going to say, "That portfolio looks pretty good. We would be happy to help you with it, but it doesn't really need any help. It's being taken care of okay." It's really just looking at a situation objectively, letting them know, letting them know the facts, the way that we see it, as a professional.

It goes back to the fundamental roots of what we're doing. So during those initial conversations, when we learn about what is the goal and what's the objective, they're outlining that for you. Through the analysis process, letting them know here are the things that you need to do in order to make that happen, and to get to that point in time where they are executing on that goal or objective, whether it's retirement, whether it's riding your bicycle across the country, which we've had, whatever that goal is, it's awesome to get a response back from them in a little note that says, "Hey, you really helped us make this happen."

And I got goosebumps right now. It's so cool. But it's very gratifying to watch those goals come to life. But ultimately, the thing is we didn't do it. We helped them, we gave them feedback, we gave them advice, we gave them things that they needed to do. And as long as they do it, they'll make it. They should be more proud of themselves than of us. We just gave them a little bit of guidance along the way, but ultimately, they're the ones that executed that plan and made it happen. And seeing that come to life is pretty cool.

I often tell people that I live part of my life through other people, and because they're ultimately like my extended family. And so as we navigate our own families, there are times when people are experiencing very high-highs and you know what, we get to participate in that. There's also times where they're at pretty low points, a spouse has passed away, something has happened negatively in their family. We're there to support, and so we go through periods of time where we are empathizing, and supporting, and trying to give them that outlet to get through that situation. And they will, but it's not easy. There's been more than a few tears that have been cried in this conference room, as people have navigated this. It is part therapist.

I have a cousin who's a psychologist and we were sharing stories one day, and she said, "You do the same thing I do." And to some degree, I do. We may not have a couch in the conference room that they lay down on, but we're going to help them through high points, through low points, and we're going to help them through high points, as well. We're going to participate in those, but that's part of our role. That's the part of the trusted advisor that we want to be. And that's that bedrock of trust. They're sharing that stuff with you, and I'm honored that they're comfortable enough to do that. But at the end of the day, I'm just there to help them in whatever way that I can. And that might be financial, and it might be emotional, and sometimes it's both. That's part of what we're trying to do on a day-to-day basis.

We communicate with people, we help people navigate the financial landscape. We do it every day of the week. And ultimately, you as an investor have to find somebody that you're comfortable with. That could be us, it could be somebody else. I don't care who it is. You need to be comfortable with who it is and you need to work on seeking, finding that person. At that point, I would suggest we would be delighted to sit down and talk with you and have a conversation. And so I'm back to let's have a conversation. Let me learn a little bit more, and we may learn a little bit while we're there.

People say things that you learn a little bit about them along the way, but we want to have a more detailed conversation about what their expectations are and what their goals are. If they want to talk more, we'll talk more. Ultimately, we want them to tell us what they want because just because they made a comment doesn't necessarily mean that they want to get into a financial conversation on the golf course with us. That's not why I'm there, I'm there to golf. Not very well, but I'm there to golf, and so I don't want to ever push our agenda on somebody else that may or may not, that doesn't want it. We'll let them tell us what they want to do. But yeah, it's pretty simple.

Again, we are not pressure people. Yeah, we want to grow our business, we want to find new clients, but we're interested in making sure that we find the right clients, that want to take advice, that are interested in working with us, that we feel like we can have a relationship with. Because ultimately, we want to like all the people that we're working with and it's important to work through that process, however you might go about it.

The bad reputation of this industry is I think created by a few bad apples because the people that I meet in this industry, they have a lot of the same objectives as what I have, which is we want to help people. We want to help them along the way. But I think because people don't know, they don't know what they don't know. They don't have the knowledge or they haven't checked out the knowledge to learn about, "How do I need to invest my money?" And so when someone starts talking to them, they just tell them a product, and sometimes the type of product that they get is the type of organizations that they're in. We're a registered investment advisor, which means that we don't have formal relationships really with anybody, so I am not required to sell you fund A or B. I can sell you A, B, C or D.

It doesn't change anything that I'm doing because I can find what is ultimately the best for you. Okay. If I'm with XYZ Bank, there might be internal pressure to sell a particular kind of product or a particular direction. And those, sometimes organizations apply that to the people that are working inside of them, and that's what people need to do. Then what happens is the investment advisor has not appropriately figured out or asked the right questions on what's the goal and what's the objective. If we haven't done that and we just give him a product, a few years down the road, they're looking at this product going, "I didn't really need this, this isn't really doing what I want it to do." Then they're kind of irritated at the financial advisor, and then all financial advisors get lumped in that category.

I think it goes back to really the reasons why we're in the 401(k) business and why we wanted to go down this path. Mostly what we found was that people and organizations were not getting the support of their financial advisors to helping not only them and the plan at the plan level. Okay, because that's the employer. But then bringing it down to the employee level, the participant level, and the participants, really honestly in our experience, they have difficulty into really just trying to pick a fund and know what they should have.

And so with our skill and expertise in the area, we can sit down with them for 15 or 20 minutes, and a lot of times we set up individual meetings, ask some general questions about what their circumstances are and help them. Ultimately, the employer wants us to help them because if we're not helping them, the employee is going to the employer and saying, "Hey, what should I do?" And the employer's not in a position to do that. So there's just a huge gap of education that we found was lacking in the marketplace, and even though we're small, we have the resources and the partners that will allow us to to really help these plans.

Speaker 2: [inaudible] .

Speaker 1: Yeah, and the education comes on really a couple of different levels. And the first level is really at the employer level, okay. The plan sponsor, they have a duty to respond to and educate their participants, but we're also educating them about their plan, about what bells and whistles are part of the plan, what percentage of contributions they should be at, what kind of assets they should have in the plan. Because the employer is deciding all of that in conjunction with their advisor, so we're really educating company management first. The second part then is really the employees. And so generally, that education looks like really three different parts. One of them is doing some general presentations to the employees at large and that might be a group setting of 40 or 50 people done over a lunch hour, something along those lines, either a topic on the plan or not.

Second to that then is the education that's being done one-on-one. So if participants want to, they can set up an individual meeting, we sit with them for 20 minutes or so. Typically, that's what it is. And we help them pick a fund, answer a question about how the match works, whatever their question might be. And sometimes it's more broad, might be not a 401(k) topic, but the education ends up being on that level. And then third, it's really the regular communications that go out from the plan sponsor or really from us.

Yeah, I mean, I think it's the biggest thing that we find employers not doing is meeting their fiduciary obligation. And that fiduciary obligation is making sure that they're reviewing the plan on a regular and consistent basis, and they're updating it as necessary. And that's pretty simplified in a much broader range. But if they're doing that, they protect themselves from liability from their employees coming back to them. So as long as they're doing some basic things, which we can help with, they will basically, should keep themselves out of trouble for the most part, and they've met their obligation. And that's really what we're trying to help them with because they need help with that, too. because their business is doing something else, not running a 401(k) plan. We'll step in and help them with that.