



Berkshire

DIVIDEND STRATEGY

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"Casual Friday" Commentary

Casual Friday: Wanted...More Than Just Investment Acumen – August 18th, 2017

Imagine a typical day in your office. The phone rings...It's one of your big clients.

"You've been my advisor for a long time so there's no easy way to say this... I'm moving my accounts to another firm."

You're shocked. Performance has been good - so you object, but the client stops you. "My new advisor gave me guidance on my business buy/sell, trust planning and is converting my retirement plan to allow larger contributions. I hope you understand."

You think - What the heck went wrong? I can do all of that!

In today's hyper competitive marketplace, a solid investment plan is your client's minimum expectation. Of course, the right manager line-up, performance and investment theory are obviously critical ingredients for client success.

But in addition to investment acumen, the most successful advisors differentiate themselves with an ability to uncover and solve unique pain points. They generate tangible instant and ongoing credibility in their prospects/clients financial lives...

...and it goes way beyond "boiler plate" financial plans:

Let's face it, most advisors say they do financial planning. But elite advisors don't just tell clients they do financial planning, they prove expertise in very specific ways.

And they understand asking the right questions is the most critical part:

- Think about concerns your best prospects/clients commonly have
- Become an absolute expert in these topics
- Diligently prepare questions to uncover needs in next meeting
- Ask the tough questions others won't and prove to clients you are the expert in their field of planning

Here are actionable examples from advisors we know who land big clients:

Executive Pay

This advisor has more knowledge about a company's executive pay structure than the company's HR department. He knows vesting, tax implications, smart leverage capabilities to pay taxes, mitigating concentration risk, income generation ideas.

Result: Company executives constantly referring him to other colleagues.

Questions he asks:

- Instead of immediately selling stock options to pay tax, are you aware you may be able to borrow against the stock at a low rate, pay overtime and not generate more current taxes?
- You have a big concentration risk in this stock... Did ever consider ways to mitigate risk while potentially generating additional income?

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Dividend Highlights

- Dividend growth can often provide transparent insight into a company's fundamentals and vitality.
- Dividend growth can provide an attractive stream of increasing cash flow to satisfy many financial objectives.

Insurance Planning

Advisor discovered an ILIT error in prospect's estate plan. Saved the client's estate over \$2 million in taxes.

Result: Advisor won the client's \$8 Million investment account.

Questions asked:

- How is your ILIT structured and are you gifting through the right channels?
- In some cases Crummey notices are overlooked as not important - This could be a multi-million \$ mistake. Do you have a clear process in place to file Crummey's?
- You've spent time and money on creating these ILIT's, how would you feel if your kids got hit with the estate tax for minor oversights?

Additional Idea - [How to Dominate Your Niche](#)

- Advisor found a niche in the surfer community
- Understands the ins and outs of the industry
- Knows specific pain points most surfers deal with
- Known as the expert to the surfer community not the "investment expert"

We've often said "solve big problems and you get big assets."

Thriving advisors articulate a very specific and sophisticated set of planning solutions for a very specific set of clients. Demonstrating your acumen in non-investment areas is the key to landing and keeping big accounts.

We have more great examples, give us a call if you would like to discuss.

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