THE FINANCIAL PLANNING ASSOCIATION LOS ANGELES CHAPTER

FPA-LA Newsletter **Summer 2005**

Print this Bulletin

President's Message

A warm welcome to all of you participating in the financial services arena of life: specifically those who practice here in the Los Angeles area!

I want to thank you for "making your difference in the world" inside the world of money – where we can really be of help to people. At FPA-LA we want to help you, the individual financial professional, in every way we can. And, we want each and every person to know what the Financial Planning Association/Los Angeles stands for…

PRIMARY AIM
The financial planning profession exists to help consumers make wise financial decisions to achieve their life goals.

FPA-LA benefits the public by helping to ensure that financial planning is delivered through competent, ethical financial planners. FPA-LA is the community that fosters the value of financial planning and advances the financial planning profession.

CORE VALUES
At FPA-LA, our core values are who we are. They describe our intended state of being. They are so integral to our being that we would not abandon them even if we were penalized for holding them. We want to attract only members who share our values.

Competence: Our dedication to competence requires not only lifelong learning, but also that we continually assess our ability to appropriately and effectively address the needs of those we serve.

Integrity: We strive to have ever more congruence between our words and deeds, and to deliver genuine value to those whom we serve.

Relationships: We are committed to open, inclusive and respectful relationships, including collaboration among diverse parties on common interests.

Stewardship: We recognize our responsibility to act with vision, ever mindful of the effects of our actions today and tomorrow on the future.

OBJECTIVES
At FPA-LA, our objective is to:
- Facilitate the success of our members.
- Cultivate the body of knowledge of personal financial planning.
- Grow the organization by bringing together those who champion the financial

FPA-LA Links
Media
Membership
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About FPA-LA

Calendar of Events

July 20, 2005
Lunch Meeting

August 17, 2005
Lunch Meeting

September 21, 2005
Lunch Meeting

October 19, 2005
Lunch Meeting

November 16, 2005
Insurance Day

December 21, 2005
Lunch Meeting/Silent Auction

2005 Corporate Sponsors

Fidelity Advisor Funds
Peter Jakobs
1999 Avenue of the Stars, Ste. 1850
Los Angeles, CA 90067
Phone: (310) 843-3335
peter.jakobs@fmr.com

Franklin Templeton
Ray Bertrand
3940 Laurel Cyn Blvd, #162
Studio City, CA 91604
Phone: (310) 271-0997
rbertrand@templeton.com

planning process.
- Unify the voice, focus and resources of the financial planning community.
- Advance brand awareness for professional financial planners, building the CFP® credential as the hallmark of the brand.
- Define and effectively communicate a common understanding of the discipline of personal financial planning and the benefits of its use.

It is inside of these primary aims, core values and objectives that we operate. Here at FPA-LA you will be invited and encouraged to participate in all our programs:

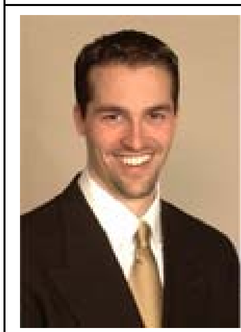
- Top rated monthly educational programs covering all aspects of financial planning with continuing education credits.
- Opportunities to participate in the media (TV, radio, newspapers, journals)
- Opportunities to network with other financial professionals and product sponsors
- Opportunities to network with consumers with our FPA sponsored events (Retire In Style Boomer Expo, LA Times Financial Expo, Women's Referral Network Expo).
- Opportunities for charitable work with our FPA sponsored programs (Junior Achievement- LA City school system teaching, Weiss Senior Citizen counseling).
- Opportunities for Government Relations in FPA National Advocacy Political Action Committee
- Opportunities for internships/career development matching individual needs and experience
- Opportunities for mentoring relationships; connecting FPA members seeking advice or counseling with experienced financial planners in that field

Events and programs are constantly being added to our organization so we invite you to read our e-mails, newsletters, and visit our website (www.fpala.org.).

Thank you for being a part of "OUR" association!

Mark S. Rothstein, CFP®
President

FPA-LA Board Member Featured in "*Investment News*"; Called "Desperate"



Robert Pagliarini, CFP® Executive Vice President of Allied Consulting Group, and a member of the FPA-LA Board of Directors was featured in the June 6, 2006 issue of "*Investment News*".

As a fan of the hit ABC television series "Desperate Housewives", Robert has created a 15-question quiz. Individual answers to the quiz makes financial planning and investment comparisons to the four housewives – Susan, Bree, Lynette or Gabrielle.

Robert is quoted as saying: "Sometimes, it's easy to see in others what we never see in ourselves".

Robert uses this format as a fun way to help steer clients and prospects of his firm into the investment alternatives that are right for them.

To test for yourself to see which of the "desperate housewives" you most compare to financially, visit his website: www.dhquiz.com.

2005 Board Members

FPA SanDiego2005
The Gathering of the Global Financial Planning Profession℠

The Financial Planning Association's annual conference is in Southern California this year! It's being held from September 15, 2005 to

September 18, 2005 in San Diego. Being so close should make it very easy for many members to attend!....

We have an unbelievable annual conference planned for you-one that truly places FPA (and you!) as the Heart of Financial Planning™.

- The education is presented in seven easy-to-identify tracks built around client situations.
- The networking opportunities are robust, varying from a resource-rich Resource Development Center to various dinners and receptions to Connections, your space to "escape from it all."
- Plus, six Super Sessions and three General Sessions that will take your thinking to new heights and many social events where you can have simply have FUN!

Vsit www.FPAAnnualConvention.org for all the conference details. And register today to experience first-hand the gathering of the global financial planning profession.

We'll see you this September in San Diego!

General Info | Program | Learning Resources | Connections | Exhibitor Info | Registration/Housing | Sponsors

The Power of Your Personal Brand

Did you miss the May luncheon?

If you missed our May FPA-LA luncheon on the 18th , one of our speakers was Timothy O'Brien, founder of Rainmaker U. He conducted a valuable discussion on the importance of personal branding. As a follow-up to his presentation, Mr. O'Brien has prepared a short article of us that re-iterates some of the key points for creating a "personal brand"…

The Power of Your Personal Brand
By Timothy P. O'Brien, Esq.

When someone meets you for the first time, here's the deal, good or bad:

- In one-quarter of one second, that person makes up his or her mind about you.
- In the first five seconds, that person's first impression of you flips back and forth 11 times.
- Your first impression is more important than your next five combined.

The message? Your fate could be sealed before you utter even a single word. The reality is you are the product, like it or not. As aptly stated by Napoleon Hill: "People buy your personality and ideas long before they buy your products and services."

What Is a Personal Brand?
A Personal Brand is “a personal identity that stimulates a meaningful emotional response in another person or audience about the qualities or values for which that person stands.” For example, when you think of Walter Cronkite, what are the values or qualities that come to mind? Trust? Honesty? Credibility? What is the emotional response you experience?

Branding is all about what others think of you. Al and Laura Ries, the authors of *22 Immutable Laws of Branding*, define the process of branding as “reserving a word or phrase in the mind of another.” When building a Personal Brand, you begin by identifying the emotion you want to evoke in your audience. Then you identify the word or phrase that reflects that emotion and that you want others to associate with you. Lastly, you must consistently engage in intentional behavior that promotes and reinforces the word or phrase you have chosen.

For example, Mercedes Benz wants its clients to *feel special*. The word it wants others to associate with its products is *prestige*. All of Mercedes Benz’s products, customer service, advertising, etc., are aimed at reserving the word *prestige* in the minds of its target audience. The process is the same for building a Personal Brand.

There are three reasons why Personal Branding is more important now than ever for financial advisors and financial advisory firms trying to market their services: (1) the client’s buying strategy, (2) fierce competition and (3) information overload.

The Client’s Buying Strategy
Financial advisors are selling something that is invisible. You cannot see and touch financial advisory services the way you can a VCR, suit or car. This reality poses a challenge for financial advisors because of their potential clients’ buying strategy. Eighty percent of all buyers are visual, which means a financial advisor’s potential clients need to see something to help them validate their decisions. Something must replace the absence of a tangible product. This something is your Personal Brand.

This cold reality no doubt offends some, especially the *quality* purists. The fact that you are an extraordinarily skilled and bright financial advisor is frankly not enough. Quality is not nearly as important as the perception of quality. For those who disagree, take note of the Coca Cola versus Pepsi war. Coca Cola is by far the most valuable Brand in the world, estimated to be worth $5 billion. Coca Cola easily outsells Pepsi every single year. Yet, year after year, Pepsi outperforms Coca Cola in taste tests.

Is this fair? Probably not, but that is irrelevant. What is important are your buyer’s perceptions. Start managing your potential clients’ perceptions by crystallizing and intentionally promoting your Personal Brand.

Fierce Competition
The fierce competition between financial service firms in today’s marketplace is the second reason an effective Personal Brand is essential. The massive consolidation of the financial services industry across the country is a case in point. Not too long ago if you wanted insurance you went to an insurance company, such as Northwestern Mutual. For financial advice, you went to a brokerage house like Merrill Lynch. And if you wanted a loan you went to a bank. No more. Today, you have banks selling insurance, insurance companies positioning themselves as financial advisors and brokerage houses operating as residential mortgage brokers to their clients. The financial services industry has become a virtual free for all!

With their massive marketing budgets and ability to offer their clients every service under the sun, these *super firms* have transformed the marketplace into a bare-knuckles, winner-takes-all atmosphere.

Today’s financial advisors must assume that no matter how good their skills, resources and knowledge are, the competition’s are just as good. Does anybody really think Citibank has better financial advisors than UBS Financial Services or that

Merrill Lynch's advisors are smarter than Wedbush's? Building a great Personal Brand is the most powerful separator.

Information Overload
Information overload is the third reason Personal Branding is essential. Each of us will be bombarded with 3,300 e-mails this year. The amount of information available on the Web doubles every 45 minutes. As time shrinks, the importance of Personal Branding increases.

A Personal Brand plays an invaluable role in simplifying the complexity of the buyer's choices. An effective Personal Brand is a safe haven amidst the world of information chaos. The Personal Brands that win today are those that filter out what Harry Beckwith, author of *What Clients Love,* refers to as "the noise." The best Personal Brands present themselves as the safe choice.

The Competitive Advantage of a Great Personal Brand
A Personal Brand gives you three distinct advantages over the competition: (1) focus, (2) a powerful reserve of goodwill and (3) the potential for superstar status.

Focus
A Personal Brand provides you with a defined focus and point of centralization for all of your business and career development activities, which most of the competition lacks. The proper focus can be extraordinarily powerful. A great Personal Brand should influence just about everything you do: how you dress, communicate what you do, entertain, network, etc. If you are passionate about your Personal Brand, the intensity of your focus and the intentionality of your actions will propel you to levels you never imagined.

Goodwill
A great Brand also builds up a reserve of goodwill for those times when you do make mistakes. A person's ability to recover from major mistakes typically depends upon how he responds to the crisis and the amount of goodwill he has to draw upon.

Hugh Grant is a good example. A few years ago he was caught with a prostitute, behavior that was totally inconsistent with his Personal Brand. Because he responded proactively, Hugh Grant was able to capitalize on a deep reservoir of goodwill. He has never looked back.

Superstar Status
The true superstar emerges when extraordinary talent meets powerful charisma. Neither fame nor money makes a superstar. A real superstar is someone who can inspire and mobilize a massive number of people for the purpose of driving positive change.

Think of the greats: Nelson Mandela, Ronald Reagan, and the Pope. They all possess an abundance of both talent and charisma. Superstars hone their skills through education, practice and application. They harness their charisma by building a great Personal Brand. Talent and money alone will not get the job done. Look at Donald Trump. Though he is all over television and worth billions of dollars, few would cite him as an example of a great Personal Brand. Trump's self-obsession has turned him into a caricature of himself.

It All Comes Back to YOU
The best part about Personal Branding is it focuses on the most important asset you have—you. Personal Branding is about standing for something. Your Personal Brand is the embodiment of the values and qualities you cherish. Build a great Personal Brand and you won't have to follow the crowd. The crowd will follow you.

Timothy P. O'Brien, Esq. is the founder of Rainmaker U., a business development program focusing on teaching professional business owners and executives how to crystallize their personal brands and market themselves.

We have some great speakers and presentations lined up this summer for our FPA-LA monthly luncheons!

Particulary noteworthy is our August 17, 2005 meeting when Elizabeth Jetton, CFP®, Chair, Financial Planning Association (pictured) is scheduled to be in attendance. The topic of her presentation will be “FPA: The Heart of Financial Planning”. She also will also be discussing FPA’s fiduciary issues and its advocacy role at the SEC.

Don’t miss this opportunity to hear Elizabeth Jetton, CFP® tell us about the direction and some of the initiatives of FPA at the national level!

In July we also have a presentation that plans to be very informative. The The July 20, 2005 topic: “Comprehensive Planning: Estate Tax Savings, Asset Protection Planning and Life Insurance Planning – A Case Study.”

All luncheons begin at 11:30 AM and are eligible for CFP Continuing Education credits!

For further details, see the FPA-LA website www.fpala.org

"Spotlight" on Mark Rothstein, new FPA-LA President

For those who have spent even a small amount of time in the company of our new FPA-LA President, Mark Rothstein, one can certainly feel the high energy he projects. To be sure, that intense activity level has helped make him a very successful businessman, entrepreneur, and financial advisor for the past 20+ years. We can undoubtedly expect that same drive and enthusiasm from Mark as our new Chapter President.

Mark’s background includes growing up in Colorado, attending Syracuse University and studying accounting. After a brief stint with a national accounting firm, Mark discovered his real interest was in tax accounting. He joined Triple Check Tax Service in Los Angeles where, in short order, he bought his own office in the South Bay. Within a few years, Mark grew his tax office to be one of the largest in the country. Steadily, Mark began purchasing additional offices, constantly growing the number of clients he served.

Mark soon discovered that his clients’ financial needs went beyond tax preparation, so he began to offer them investment, insurance and retirement planning advice as well. The formula “clicked”…and now Mark’s practice serves the full financial needs of over 2000 clients.

In addition to his tax and financial planning business, Mark shared his financial expertise for over two years on the radio. During that time, “Mr. Money”, as he was known, was heard on KRLA Talk 1110 – CBS each weekday evening answering radio call-in questions. Mark is always looking for ways to help people, especially the middle class, to obtain quality financial advice. Mark is currently in action to go nationwide on radio. In addition, to all his business activities, Mark is extremely active with numerous charitable organizations.

When not focused on his business and outside activities, Mark enjoys traveling, mountain biking and skiing.

With that level of dedication, FPA-LA will clearly benefit from Mark's energy and leadership. Mark wants to see the Chapter continue to provide quality programs, as well as increase membership involvement. As program chairman the past few years, Mark knows what it takes to bring in the best, most interesting speakers. Mark also hopes to continue to align the Chapter's focus with that of FPA national. By doing so, he feels the Chapter will provide even greater appeal to the financial planners in the Los Angeles area.

Get ready to feel the energy: Mark Rothstein (aka "Mr. Money"), our President for 2005-2006!.

Practice Management

This practice management "tip" is brought to us by FPA-LA member Chris Orlando of Partnervest Securities.

Create Real Value

The foundation of a successful advisory business--and the key to achieving your most important goals--is the ability to create real value in the business. You're familiar with the most obvious value drivers: solid cash flow, satisfied clients and a well-managed operation.

But beyond these equity drivers is a diverse set of characteristics that potential buyers will use to determine your firm's value.

Business model. You want a very demonstrable pattern of how, over time, the company has grown, how margins have improved, how clients have become more satisfied and how employees have grown happier.

Client profile. In the spectrum of clients, high-net-worth clients clearly are worth the most. So to the extent that you can have a client profile comprised primarily of affluent clients, you have an important value driver.

Revenue structure. A telling factor in the price a practice commands is the manner in which it generates revenue. One good rule of thumb for valuation of commission-based practices is 0.5x revenues. For firms that derive most of their revenues from fees, it's 1.3x-2.5x revenues.

Strategic alliances. You want alliances with other professional advisors who are great referral sources. The best alliances are firm-to-firm relationships (not advisor to advisor) where the relationship is formalized with some kind of partnership agreement.

Technology. Your technology must work well, not just in connecting each area of your company, but in connecting you with every other firm or individual you work with--including your clients.

Operational systems. Efficient, effective systems and excellent documentation of these systems are important value drivers. It is also important to have good financial documentation that is updated regularly.

Depth of client relationships. By focusing on wealth management and client relationship management, you increase the valuation of the firm. This approach will set you clearly apart from other advisors who focus on investment strategies and products at the expense of client relationships.

Pricing. When you can show potential buyers that you command higher prices because you offer a higher level of service, have an outstanding reputation and provide high-quality client relationship management, you have another big driver of equity.

Market niche. When you have fully established yourself within your target market niche, you have created a truly defensible market position--something that any potential buyer or partner will find very attractive.

Brand equity. You want your firm to stand out as a highly regarded firm that is able to provide the expertise its affluent clients need.

Network of contacts. It's important to have an extensive network of contacts with the media, lawyers, accountants and other referral sources, but it's even more important to be able to hand that network off to a buyer.

Location. Buyers are definitely driven by the location of the business, so when you have chosen a good place to live and to establish your practice, you'll realize greater value.

Research from CEG Worldwide: Download the latest research from CEG Worldwide

FPA-LA Web Site FAQs - Reprint

Help is on the way! Web Site FAQs

Isn't technology wonderful? It can be after you have figured out how to use it. The new LAFPA website has many wonderful features that require a log-in to use. Posting a job listing, changing your user name and password information, adding a topic to the bulletin board are just a few of the features that require log-in. In order to familiarize you with using the website, the most commonly asked questions are listed below. Don't forget to give the new site a try. It's been getting rave reviews from members and visitors alike. **www.fpala.org**

How do I log-in to the site?
All members receive a user name and password that will allow you to log-in. If you do not have a user name and password go to the log-in screen and type in your e-mail address. You will be sent an automated e-mail message with your log-in information. If your log-in information does not work, please contact our webmaster Heather (heather@catchafirefly.net) and she will send one to you.

How do I retrieve my user name and password?
Go to the log-in screen and type in your e-mail address. An automated message will be sent to your e-mail with your user name and password.

how do I change my user name and password?
Log-in to the site using the user name and password provided. Click on the button marked "Inbox" just beneath the blue bar on the top of your screen. At the "Inbox" you will see your information currently in our database, including your user name, full name and e-mail address.

Click on the "Edit my profile" link located on the right hand side of your screen. Once you are in the "modify profile" section, you will be able to change your user name, password and e-mail address. Hit "update" when you are finished making changes. The updates will take effect immediately.

How do I add a job to the job board?
Log-in to the site, using the user name and password. After you are signed in, go to the "jobs" page and you will see the following: "Add +" under the "Job" heading up at the top of the page. In the left hand margin you will see 5 different job categories. Pick the one that best describes your job, and click "Add +" and add your job. If you feel you have a job that does not fit into one of these categories and would like to suggest a new category you may do so by e-mailing Heather (heather@catchafirefly.net) our webmaster.

Please note: If you have a firewall, you may experience problems logging in. We ask that you temporarily disable your firewall and try logging in once it is disabled. We apologize for any inconvenience this may cause.

How do I add a topic on the bulletin board?
Log-in to the site using your user name and password, click on "bulletin board" up at the top of your screen under the blue bar. Once on that page, you will see "bulletin board" underlined, right under it you will see: "Add +" click on add and type your topic. Other members will be able to see this topic and respond.

How do I use the Instant message chat feature?
Log-in to the site using your user name and password, click on "chat" under the blue bar up at the top of your screen. You will only be able to chat with those members currently logged in.

How do I log-out of the site?
Revisit the log-in screen. Once you have done this you will be logged out. (If you notice at the top of your browser it will say: http://www.fpala.org/login?action=logout) This means you are no longer logged in to the site.

Help, I'm still having problems!
If you have tried the solutions above and are still having trouble, please e-mail Heather (heather@catchafirefly.net) our webmaster and she will be happy to assist you. Please allow 24 hours (in many cases just a few hours) to respond. Thank you!

Dirk J. Huybrechts, CFP®;
Vice President-Website, FPA-LA

Welcome New Members

Peter Bautista - Bautista & Associates
Linda Cao - (213) 561-1199
Jason Celentano
Gilbert Cerda - Louis Barajas & Associates - (323) 890-8180
Julia Chen - U.S. Trust Company, N.A. - (213) 861-5201
Torrie Choe
Joni L. Clark - Loring Ward Capital Management - (310) 226-6694
Walter Coulter II - American Express Financial Advisors - (909) 974-0382
Shannon Egan
Mike Franklin - FORT Properties, Inc. - (213) 572-0222
Darius Gagne - (310) 351-2609
Gerald Gallagher - Merrill Lynch - (310) 838-4630
Michael Hatch, CFP, JD - The Sterling Group - (626) 440-5995
Thang Huynh
Patrick Infante
Seok Jo, Ph.D, CFP - Loring Ward Capital management - (310) 224-4458
Paul Kennedy
Ernest Kim
Stephen Loh
Ronald Macleod - Mellon - (213) 553-9569
Pamela Marshall - Marshall Financial Management - (818) 506-1945
Denise Martins, CFP - City National Bank - (310) 888-6162
Cai Min
Bonnie Rubin - City National Bank - (310) 282-7888

Sam Shapiro - Loring Ward Capital Management - (310) 226-6661 Steven Wiess	