

Coffee Break with Mike Francis President, chief investment officer, Francis Investment Counsel LLC

What was the smartest thing your company did in the past year? "One of the smartest decisions we made recently was the decision not to do something. The growth of our business, and corresponding number of employees, had caused us to outgrow our space. The overwhelming advice we received was to buy a building and reap the tax and equity benefits. We actually made an offer on a building that needed a fair amount of work, but after some dickering, decided we'd rather be in the retirement plan investment advice business, and not the real estate development business. So we changed course and leased a move-in-ready building nearby. This decision saved us a tremendous amount of time and energy and given the downturn in the economy that followed shortly thereafter, probably some money as well."

What's new at your company?

"The recent plunge in the stock market has led to an increased demand for two services: employee advice and plan cost benchmarking services. We showed one local large manufacturer how to cut over \$300,000 per year out of their retirement plan costs, simply by asking the right questions. Our extensive database of provider costs, taken from actual plan data, gives our clients a significant advantage when negotiating with retirement plan vendors."

Do you plan to hire any additional staff or make any significant capital investments in your company in the next year? "We have grown steadily over the past five years and expect that trend will continue. We are currently interviewing for positions we anticipate will need to be filled within the next six to nine months, given the number of requests for proposals we have recently received."

What will be your company's main challenges in the next year? Educating the marketplace. Despite the 30 percent increase in retirement plan fiduciary breach litigation over the past 18 months, many corporate executives who are placed in charge of their company's retirement benefits are simply not aware of the personal risks they assume by relying on the vendor, who has sold them the retirement plan platform, for advice on fund selection and expense control."

What's the hottest trend in your industry? "Participant advice."

Unprecedented market volatility and losses have many 401(k) participants scrambling for help. Participants don't read the glossy brochures vendors rain down on them, and workshops are too impersonal, while the high-tech Internet advice tools are way too complicated for the typical participant and just don't get much use. Workers are clamoring for unbiased, person-to-person advice, and increasingly employers are figuring out ways to deliver it."

Do you have a business mantra? "We exist to serve the average retirement plan participant. They don't have enough money to attract the attention of the financial services industry, yet are increasingly being put in charge of determining their own retirement plan destiny. Francis Investment Counsel is here to help them by improving their investment performance, lowering their plan fees and providing them the personalized guidance they need to maximize their employer-sponsored retirement benefits."



Mike Francis

**President,
Chief investment officer**

Francis Investment Counsel LLC
21180 W. Capitol Drive, Pewaukee
www.francisinvco.com

Industry: Investment consulting services to qualified retirement plan sponsors, employee education/advice services to 401(k) participants.

Number of employees: 12

Company's annual revenues: "Debt free and enough revenue to keep us off the streets."

Education: B.A. in economics from Carleton College; J.D. from Marquette University Law School; Certified Investment Management Analyst (CIMA) designation from the Investment Management Consultants Association through the University of Pennsylvania's Wharton School of Business.

Family: "Married my junior high school sweetheart, Marcella, and have five active children: Peter, 14; Josie, 13; Spencer, 12; Ian, 10; and Maria, 9. Never a dull moment in our house"

From a business standpoint, who do you look up to? "My education team, headed by Kelli Send with Tim Shirk, Art Harris, Meredith Ehn, and Patty Dirksmeyer. They spend every day either out in the field or on the phone assisting individuals with every conceivable retirement-related question. It's a demanding job, but one they derive tremendous personal satisfaction from."

What was the best advice you ever received? "Make a career out of what you have a passion for and you will never work a day in your life."

What's the funniest thing that ever happened to you in your career? "I remember a disastrous finalist presentation I gave a number of years ago to a packed boardroom. A local company was looking to hire a retirement plan consultant and we had made the finals. On the day of the presentation, the colleague I was presenting with shared with me that he'd just gotten back from a camping trip and how the night before he had spent hours removing ticks from his kids. As I stood before the executives of this prospective new client, all I could think about was the eerie sensation of a tick crawling up my leg. I thought I was losing my mind! Needless to say we were not awarded the assignment, I suspect partially because of my less-than-comfortable demeanor. And when I got back to my car, sure enough, there was a tick making itself at home just under my knee."