Up Periscope: Thriving in a Decade of Disruption

The next ten years promise to be anything but “business as usual” for the advisory solutions industry. Virtually every indicator points to the coming decade as one marked by disruption, transition, and consolidation. Many business models – despite their current success – will have to be restructured to meet the challenges of a profoundly altered landscape. The 2015 MMI Fall Solutions Conference examines the nature of the shifts we are likely to encounter en route to 2025, the drivers of those changes, and the factors that need to be taken into account in determining if and how a firm’s business model needs to be reshaped.

The focus of our expert speakers and this year’s sessions will be on providing takeaways with respect to strategies that will help you rethink your business model and position your firm for future success. Scheduled topics include:

- ways leading firms are evolving their brands, core strengths, and business models,
- shifting demographics, changing client expectations, and the growing importance of behavioral finance,
- the convergence of traditional investment advice and digital wealth management,
- aligning interests around goals-based wealth management and impact investing,
- the impact of the 2016 elections on the financial markets and business landscape, and
- what the proposed DOL Fiduciary Rule would mean to sponsor firms and asset managers.

Fall Solutions is evolving to keep up with the times. Mark your calendar to join us October 21-22 for two days that will encourage you to truly think ahead about the issues, challenges, and opportunities that will shape the future of advisory solutions and test the viability of your firm’s business model.

Wednesday, October 21, 2015

11:30AM – 12:45PM
Registration and Credentials Pickup

12:45PM – 1:15PM
Welcome and Opening Remarks
Lorna Sabbia, Chairperson of the Board of Governors, Money Management Institute
Craig Pfeiffer, President & CEO, Money Management Institute

Fall Solutions Co-Chairs
Roger Paradiso, MMI Governor and Treasurer
Robbie Cannon, President and CEO, Horizon Investments
1:15PM – 2:00PM
Opening Keynote Presentation

From a vantage point of more than two decades as an executive and investment banker to leading financial services companies, Mr. Fleming will provide an overview of the wealth management and investment management industries as they exist today and discuss some of the key trends that are shaping the future.

Gregory J. Fleming, President, Morgan Stanley Wealth Management

2:00PM – 3:00PM
The Advisor Perspective: Finding Opportunity in Transition

A panel of financial advisors surveys the changing advisory landscape from distinctly different generational perspectives. The first is a “next gen” advisor in the early stages of building an advisory business, the second is a seasoned advisor with more than a decade in the industry, and the third is beginning to explore succession planning options. The discussion will begin with lessons learned, including what has and hasn’t worked, particularly with respect to how advisors have begun to adapt their practices in the face of such major trends as the growing use of technology and the looming intergenerational wealth transfer. Looking ahead, the panelists will share how they see the advisory market evolving and how they are preparing for the transitions and disruption that are likely to ensue. They will also weigh in on such hot topics as impact investing, the breakaway migration, and robo-advisors, and offer their views on which business models, products, and platforms are best positioned to thrive over the next ten years.

Moderator: Sterling Shea, Associate Publisher, Barron’s
Panelists: Ted Cronin, Founder and Chief Executive Officer, Manchester Capital Management
Patrick Dwyer, Private Wealth Advisor, Managing Director - Wealth Management, Merrill Lynch Wealth Management
Rachel E. Gottlieb, Senior Vice President, Wealth Management, UBS Financial Services

3:00PM – 3:30PM
Solutions Spotlight

In this fast-paced session, three of our Fall Solutions sponsors will offer quick-hitting, “TED Talk”-style presentations that focus on timely topics pertinent to our conference theme. Prepare to be engaged and entertained.

3:30PM – 4:00PM
Refreshment and Networking Break with Exhibitors

4:00PM – 5:15PM
Concurrent Break-Out Sessions (choose one of three)

Department of Labor Fiduciary Rule: The Far Reaching Business Implications

The DOL’s mid-April announcement of its proposed fiduciary rule touched off a firestorm of commentary and opposing views. By the end of the initial comment period on July 21st, the DOL had received a record number of letters – including one from MMI – raising concerns over various aspects of the rule and citing the potential for unintended consequences.
If adopted as proposed, the rule could have an immensely disruptive impact on the advisory solutions industry, changing the landscape of how firms provide services to plan sponsors and IRAs. Among the topics this panel will explore are:

- If the changes stand, how is the industry – from the perspective of broker-dealers, RIAs and asset managers – likely to address the requirements?
- How will traditional fee-based brokerage models change?
- Will we see a migration to advisory models?
- What will be the impact on “robo advice” and the new digital wealth management models?
- How might the fiduciary status of model providers working through intermediaries be affected?
- What should firms do now to adapt?
- What other changes might be on the horizon?

**Moderator: Lindsay Jackson**, Associate, Morgan, Lewis & Bockius LLP

**Panelists:**
- Tammy Bawnik, Deputy General Counsel, UBS Financial Services
- Edward O’Connor, Managing Director, Morgan Stanley Wealth Management
- David White, Managing Director, Retail Distribution, John Hancock Financial Services

**Robo Advisors: Industry Changers or Also-Rans?**

Technology is changing every aspect of modern life and driving wholesale changes in the service models underlying virtually every major industry, including ours. The overarching question is to what extent is the face of our industry likely to change? Over the past decade, we have seen the impact of such digitally-driven innovations as advanced trading technologies and open-architecture platforms, and now “robo advisors” top most hot-topic lists. While not brand new, robo advisors have gathered significant momentum in the past year through venture funding and media exposure, further fueling the debate about where we are headed. Among the questions that this panel will address are:

- Do robos represent an all-out competitive threat or a complementary model from which traditional full-service advisors will borrow?
- Which service gaps will digital investment platforms end up filling? Will their impact be felt more on existing financial planning or investment management models?
- Despite the apparent appeal of robo platforms to Millennials and Gen Xers, how important will the human element prove to be in the long run?
- What will be the impact of the robo platforms introduced in the past year by some of the industry’s largest players?
- Finally, looking ahead to 2025, what will be the next new digital disruption?

**Moderator: Gauthier Vincent**, Principal, Financial Services, Deloitte Consulting LLP

**Panelists:**
- Tricia Rothschild, Head of Global Advisor Solutions, Morningstar, Inc.
- Adam Schneider, Principal, Deloitte Financial Services, Deloitte Consulting LLP

**Charting a New Path with Millennials: ESG, Impact Investing, and Frontier Markets**

Surveys consistently show that Gen Xers and Millennials rank what their investments will accomplish over how much they will earn. Put another way, they want their investments and philanthropy to be nearly indistinguishable. But platforms, products, and opportunities that integrate environmental, social, and governance factors with investing – reliably and in a scalable fashion – remain limited.

New thinking is needed to better meet the emerging client demand, but the potential sources of growth and innovation are not evident. This is the dilemma our panel will tackle as it addresses a number of key questions:
• Is the demand for impact investing from Millennials sustainable? What is motivating it, and what might derail it?
• How are younger investors using ESG and impacting investing solutions? How are these solutions likely to change in the years ahead and why?
• How do frontier markets play into the discussion? By virtue of location, do they offer an avenue for meeting client demand for viable investment returns with credible impact?
• What are the implications for investors and advisors?

Moderator: Anna Snider, Managing Director, Head of Global Equity Due Diligence, Merrill Lynch
Panelists:
William Burckart, Founder and CEO, Burckart Consulting
Ron D. Cordes, Executive Co-Chairman, AssetMark
Chuck Knudsen, Vice President, T. Rowe Price
Jamie Rantanen, Director, Deutsche Bank Private Wealth Management

5:15PM – 6:30PM
Reception and Networking with Exhibitors

Thursday, October 22, 2015

7:00AM – 8:15AM
Breakfast and Networking with Exhibitors

8:15AM – 8:45AM
MMI Initiative Spotlight

MMI is not standing still in this age of change and transition. You may think you are familiar with some of our key initiatives, but you might be surprised to hear just how much they are evolving. Start the day with timely updates on three important areas of focus – membership and programs, education, and data and research – and learn how your firm can take advantage of these offerings to Connect, Know and Grow.

Arlen Oransky, Senior Vice President, Chief Membership and Programs Officer, Money Management Institute
Joan Lensing, Senior Vice President, Chief Marketing Officer, Money Management Institute
Hilary Fiorella, Senior Vice President, Chief Operating Officer, Money Management Institute

8:45AM – 9:30AM
The View from Washington: Possible Potholes on the Road to 2016

As the chief strategist for Horizo, Greg Valliere, who has over 30 years of experience covering Washington for institutional investors, coordinates his firm’s political and economic research. Drawing on his experience monitoring Federal Reserve Board interest rate policies and how Congress and the White House shape fiscal policies, Mr. Valliere will examine the critical – and potentially disruptive – changes that he foresees in the coming election year. Among the topics he will discuss:

• the Federal Reserve’s timetable for “lift off” on interest rates,
• the legislative agenda – with international tax reform and repatriation of earnings on the table,
• the implications of the plunging budget deficit,
• a new focus on regulatory policy as the Obama Administration relies on executive orders,
• global hot-spots – the Middle East, the European Union, Russia, and China, among others, and
• the 2016 presidential race – will it really be Hillary versus Jeb?
Greg Valliere, Chief Strategist, Horizon Investments

9:30AM – 10:00AM
Refreshment and Networking Break with Exhibitors

10:00AM – 11:00AM
Comprehensive Goals-Based Advice: A Path to Aligning Interests

In an era of increasing complexity, individual investors are demanding highly personalized, ongoing financial guidance aimed at achieving their life goals – guidance that includes dealing with the intricacy of managing and drawing income from multiple accounts and product holdings. The industry is reacting by reengineering every facet of financial advice delivery and building out comprehensive goals-based wealth management platforms. Drawing on a new white paper published by MMI and the State Street Center for Applied Research, this session examines how these goals-based platforms are seeking to provide better outcomes for investors by effectively aligning the interests of all parties. Starting with an in-depth conversation about client needs, concerns and tendencies, the session will focus on strategies to eliminate disconnects between investors’ stated goals and their actual behavior by successfully linking planning, implementation, monitoring, rebalancing, and intelligent withdrawals. On the flip side, a representative from a leading sponsor platform will share the challenges his firm is encountering as it seeks to deliver goals-based advice and the day-to-day effort required to transform advisor behavior to match what clients are seeking.

Moderator: Jack Sharry, Executive Vice President, Strategic Development, LifeYield LLC
Panelists:
Riley Etheridge, Managing Director, Merrill Lynch
Sean Fullerton, Senior Research Analyst, State Street Center for Applied Research

11:00AM – 11:30AM
Solutions Spotlight

Round 2 of our “TED Talk”-style presentations with three more thought-provoking takes on topics that relate to our conference theme of “Up Periscope.”

11:30AM – 12:30PM
Through a Different Lens: What Financial Services Can Learn from Other Industries

Cross-industry learning – the transfer of business models, technologies, and strategies across industry boundaries – has been a powerful transformative force and source of innovation in industries as disparate as automotive, pharmaceutical, technology, and consumer retail. But to benefit from cross-industry innovation, firms must be open to external knowledge sources and create structures and a methodology for exploring, adapting, and exploiting lessons from non-related industries. This session will focus on proven business models from other industries in terms of how they address the same types of structural, technology, and customer relationship challenges facing the financial services industry today. Among the questions to be addressed:

- Which industries are the ripest for imitation and why?
- What are the common characteristics of successful, growing firms across industries?
- How applicable and “transferrable” are processes, structures, and technologies developed in other sectors?
- What kinds of difficulties might be expected in the transfer process?
- How can you break down internal resistance to things “not invented here?”
Moderator: David P. Mullen, Senior Business Manager, Fixed Income ETF Products & Trading Platform, Bloomberg LP

Panelists:
Alec M. Brecker, President & Chief Executive Officer, The Results Companies
George O. Elston, Vice President & Chief Financial Officer, Juniper Pharmaceuticals
Elle Shelley, Chief Marketing Officer, Local Motors

12:30PM – 1:30PM
Executive Networking Luncheon with Guest Speaker
Bridging the Behavior Gap

Despite their best efforts to behave, people still make crazy decisions around money. As financial professionals, it can be particularly frustrating to watch clients do things we know aren't in their best interest. But it is one thing to be aware of a client’s illogical financial decision making and quite another to have those especially difficult conversations about it.

Carl Richards, the author of “The Behavior Gap: Simple Ways to Stop Doing Dumb Things with Money” and the creator of the weekly “Sketch Guy” column in The New York Times, believes there’s a better way to tackle these conversations. Through the use of simple sketches, for example, he has found that people can more easily grasp otherwise complex financial concepts and recognize bad investor behavior. He will discuss the usefulness of visuals in the finance industry and review other strategies to help advisors have more meaningful client conversations. As part of his presentation, Carl will provide an overview of the latest research about behavioral mistakes, ways to discuss these issues, and recommendations to help investors avoid them in the future. He will also discuss best practices for developing enduring client relationships, delivering superior service, and helping clients accomplish their financial goals – all in a changing environment

Carl Richards, Director of Investor Education, BAM ALLIANCE, CFP and Author/Columnist

Luncheon Sponsor Morningstar

1:30PM–1:45PM
MMI Looking Forward and Concluding Remarks

Craig Pfeiffer, President & CEO, Money Management Institute