

## Financial Advisors Presentation by Jerry Schragger

OLLI-GMU Investment Forum on Wed Oct 2, 2024

- A. Dad's Grocery Store: portfolio of mostly utility stocks with dividends: Con Ed, Long Island Lighting, American Tobacco, many others.
- B. Following Grad School in 1967, took Government job in Washington DC and began investing [1965-1978], a slow growth period unfortunately.
  - a. Bought largely Low Price equities trying to hit it big.
- C. In 1970's, bought 25-30 Beaten Down Convertible & other Bonds. Usually selling at 20-30% of Full Price.
  - a. Mostly companies like PanAm, that did not fare well, Columbia Pictures, ET the Extraterrestrial was a big winner. Also NVR (late 80's), with the Savings and Loan Crisis, recovered in the 1990's, converted to bond shares leading to 30-fold gain.
- D. In the 1980's investing in Real Estate. Also began listening to WIG (Wise Investor Group) on the radio:
  - a. Featuring Rick Malone & his well-informed guests.
  - b. WIG with Ferris Baker Watts (FBW).
- E. When the tech bubble burst in 2000-01, I realized:
  - a. Couldn't devote enough time > working, kid's activities, etc.
  - b. So Joined Malone & WIG with a Financial Advisor (FA). Majority of purchases > equities they were featuring.
- F. BTW: In 1993 decided to set up 6-7K UGMAs (Uniform Gift for Minors Accounts) with kid's portfolios, stocks they could relate to: e.g. Disney, Giant Food, Dart Drug, Circuit City, Carmax.
- G. Also Retired from Government in Fall 1994 & started IRAs for me & wife.
  - a. Over 10 years or so, invested less than 1/3 of portfolio in Vanguard. Even with 12 years of RMDs and other withdrawals, 7-Fold increase. Main fund winners: Healthcare & Dividend appreciation.
- H. Worked as Contractor for Intelligence community for 22 more years.
- I. In 2005, tragically Rick Malone died by an accident, but we stuck with FBW & did well.
  - a. 2008 > RWBaird (RWB) took over FBW. Barron's rates RWB as top Brokerage Research organization.
  - b. Not much change, VALUE stocks & Dividend Growers.

- J. Summer 2006, was able to get son Geoff, a rising Junior at Virginia Tech, an 5Internship with RWB. He was mentored by RWB analyst Ryan Unthank, a Virginia Tech Pamplin Business School Grad.
- K. As was the case with most investors, the 2008-9 period, the Market took a beating the better part of two years but recovered nicely in ensuing 4-5 years.
- L. Regular meetings with Financial Advisor (FA) & Long-Term Planners.
  - a. Had same FA for some 10 years until Fall 2022
  - b. Overall was satisfied with WIG
- M. Then there was a major change in September 2022. While on a vacation in Europe:
  - a. WIG under RWB left RWBaird for the Raymond James brokerage with no prior announcement.
  - b. We came home to other WIG client messages of what had taken place.
- N. Large number WIG/RWB clients opted to go with WIG to Raymond James.
  - a. However, what had transpired left a bad taste.
- O. We had a choice and opted to stay with RWB's Popovich Financial Group (PFG), inclusive of Ryan Unthink, which had broken off from the WIG in 2015. Decided to have him as our FA and stayed with RWB.
- P. PFG uses the RWB 40 Dividend Growth Equities Chart as a basis.
  - a. Although stocks changed periodically, we have over 20 of the 40 equities currently.
- Q. Ryan is our FA and has discretion on buy/sells.
  - a. Though I can touch base with him for some of my thoughts.
  - b. Over last two years done very well.
  - c. RWB made Big Change from trade commissions charges to 0.9% annually on holdings. This has been less expensive overall.
- R. Regular meetings with Ryan (FA) & Long-Term Planner twice a year.
- S. Bottom Line: With RMDs last 12 years plus other monthly withdrawals, still reached All-Time highs in Late September in both RWB and Vanguard holdings.