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SUNSTAR STRATEGIC CONFERENCE FOR BOUTIQUE MUTUAL FUNDS
THRIVING IN AN EVER-CHANGING INDUSTRY

CONFERENCE TRANSCRIPT

Proven Growth Strategies

Carl Hendley, Motley Fool
Ben Jones, BMO
Tom Plumb, Plumb Funds
Moderator: Jillian Bosmann, Drinker Biddle & Reath

Carl Hendley
VP Strategic Development
Motley Fool Asset Management

Carl Hendley is the Vice President of Strategic Development for MFAM where he oversees growth strategies and relations with advisors, key accounts, and external partners for the firm's $1B+ suite of funds, ETFs, and SMAs.

Carl launched MFAM's regulated asset management distribution strategy, including developing intermediary and institutional channels, market messaging, and product development.

Previously Carl held development roles at The Motley Fool for the company's flagship membership products and services, The Washington Post, and the National Wildlife Federation.

Ben D. Jones, CRPS

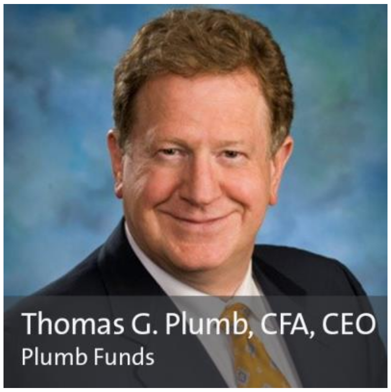
Head of Intermediary Distribution,
BMO Investment Distributors
BMO Global Asset Management

Originally from the Virgin Islands, Carl received a BA degree from the University of Virginia.

Ben Jones is responsible for leading the US distribution of BMO Global Asset Management's investment capabilities through financial intermediaries. His responsibilities include leading and coordinating the client experience for advisers, home offices, strategic partners and sub-advised clients. Ben oversees BMO Investment Distributors, a FINRA broker-dealer, as the president and chief
operating officer.

Prior to joining BMO Global Asset Management, Ben was director of defined contribution at Russell Investments, responsible for managing Russell's intermediary distribution of retirement plan solutions across the US In 2011, he was awarded the Russell Award for Excellence. Prior to working at Russell, he was a partner at Strategic Employee Benefits.

Ben is a thought leader whose writing on retirement issues has been published in Institutional Investor and on behalf of the Defined Contribution Institutional Investment Association (DCIIA). Ben is also a recognizable industry voice as the creator and co-host of BMO's "Better Conversations. Better Outcomes." podcast series. Ben earned the Chartered Retirement Plans SpecialistSM designation and holds the FINRA Series 6, 7, 24 and 66 securities licenses.



Thomas G. Plumb, CFA

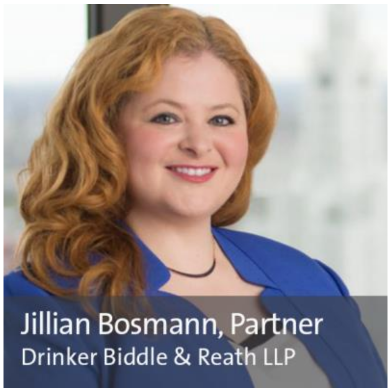
Lead Manager, CEO, Chairman
Plumb Funds

Tom Plumb serves as president, chief executive officer and chairman of Plumb Funds, a proprietary mutual fund company since the funds' inception in May 2007. He is the lead portfolio manager for the Plumb Equity and Plumb Balanced Funds. He has served as secretary of Plumb Funds since August 1, 2017.

Tom is also the founding principal of Wisconsin Capital Management, LLC since January 2004, a firm that traces its origins back to 1984 (formerly Thompson
Plumb & Associates). His roles there include portfolio manager, research analyst and fund manager. He served as president, CEO and CIO of SVA Plumb, a company he co-founded, from March 1, 2011 to March 31, 2019.

With more than three decades of experience as an investment professional, Tom's career includes twenty years as the lead manager of two balanced mutual funds, the Thompson Plumb Balanced Fund and the Dreyfus Premier Balanced Opportunity Fund.

Tom earned a Bachelor of Business Administration degree from the University of Wisconsin-Madison in 1975. He is a member of the Madison Investment Management Society and holds the Chartered Financial Analyst (CFA) designation.



Jillian Bosmann, Partner

Drinker Biddle & Reath LLP

Jillian Bosmann represents investment companies and business development companies and their boards of directors. She also advises investment advisers on regulatory, compliance and corporate matters. Jillian is a partner in the nationally ranked Investment Management Practice Group.

In addition to providing ongoing representation, Jillian has assisted funds and their advisers with developing a wide variety of investment products, including mutual funds and mutual fund complexes, closed-end funds, continuously offered closed-end funds, exchange-traded funds, business development companies, funds serving as the underlying investment vehicle for variable insurance products, and private funds. She has worked with funds and investment advisers of varying sizes and regularly deals with regulatory authorities on a range of matters, including proxy and registration statements, exemptive order applications, inspection and examination inquiries, and interpretive requests.

Jillian also advises boards of directors of registered investment companies and business development companies on fund governance and fiduciary oversight matters. She has substantial experience serving as independent counsel to independent directors, advising them on a broad range of issues and matters.

Carl Hendley: First off, good morning everyone, and thank you for taking the time to moderate this. My name is Carl Hendley. I'm the Vice President at Motley Fool Asset Management, or MFAM for short. We are the asset management division of the Motley Fool that many of you know. The Motley Fool has been around for about 25 years, but our asset management for about 10 now. We manage about one billion dollars of assets directly, and we sub-advise for our sister firm, Motley Fool Wealth, another 1.8 billion. But our primary business is MFAM, and we've got our three mutual funds, CBTFs, and we help our sister company as well. I'll mention just as a point of clarification; a lot of people sometimes blend the Motley Fool and MFAM. We are a wholly-owned subsidiary, but we make all of our investment decisions independent of the parent company, and so we have a standard 40 Act set up and a standard group of portfolio managers and advisors who are running money for that side of the business.

Jillian Bosmann: Tom?

Tom Plumb: The Plumb Funds are a small group of funds, and we'll talk a little bit about what they are. We do have a little bit of an advantage in starting out as such as a small fund. We're only about 150 million dollars today, but that is from 50 million dollars 18 months ago. We do have a little bit of a history, though, in building up businesses as I've been involved with four other firms that built up the billion-dollar-type assets back to the old days. I started the 42nd balanced mutual fund in the country, called the Thompson Plumb Balanced Fund back in 1987. We sold that to Dreyfus in 2007. We've built up a wealth management firm to about three billion dollars, which I have now sold out of. And now my son, Nathan, and I are focusing on the Plumb Funds, which is really – the funds have been in existence for 12 years, but we really have started marketing just in the last 18 months.

Jillian Bosmann: Thank you. And last, but certainly not least, Ben.

Ben Jones: Ben Jones. I'm with BMO Global Asset Management. I run their US intermediary distribution of our investment solutions. We are a large global manager, about 260 billion dollars in assets under management, but in the US, we're much smaller, about 60 billion dollars, and historically have been primarily institutional distribution, and I was brought on board several years ago to expand our intermediary distribution, or what people sometimes term retail.

Jillian Bosmann: Thank you very much. Going back to Carl – and I do want to start with in the interest of full disclosure let you know that I do have a relationship with the Motley Fool funds. I do service upon counsel to their mutual funds and their ETFs, so nice to speak with you here, Carl. Could you just spend a few minutes talking about your growth? What has been your proven growth strategies at work recently?

Carl Hendley: It's not at all intimidating to be introduced and be reminded that funds counsel is sitting right next to me, so no comments. Is that the right term? So, we – a couple of things worth mentioning. First off, as I mentioned, we started off as a division of the Motley Fool, and so if you're looking for a proven success track, it's to let a company grow for 25 years, provide reliable and dependable research and advice, and build a group of dedicated investors who want to invest with you and then let them help you launch a mutual funds company. So, we came up with a little bit of a head start from the retail side of things, and that's where our focus has been. So, we are, like everyone else here, probably same on the same path in terms of how we're seeking to achieve growth strategies. I think we're all doing the same two things. We're looking to help provide differentiated and better investment advice, and we're looking to grow our businesses so we can serve more people.

For us, we've been focused on the retail side of that business, which means that we've gone out of our way to create a handshake through content, primarily, with retail investors. And so, for us, that's meant giving away our best advice in the form of editorial content, in the form of special reports and items that we're sharing, largely in exchange for an email address, and things that we're sharing on our podcast. And so, we've been in the business of doing that, not only at the Motley Fool, but at Motley Fool Asset Management for about ten years now, and what that's allowed us to do is to create that database and to create that handshake and have an opportunity to path investors into the right funds at the right time. But the biggest thing for us has really been just being transparent and sharing everything we can, applying that into data-driven model, and then marketing to them directly, rather than going through the platforms, the institutions, and the advisors. So that's where we've had quite a bit of success over the last few years.

Jillian Bosmann: Yeah. And you mentioned you're getting their email addresses. Your firm has done quite a lot with targeted email marketing. Can you talk a little bit more about that?

Carl Hendley: Yeah. The first thing I'll say is that there's oftentimes this notion of trying to trick the system and build your databases, and I think a lot of us over the years have gotten into that mindset. We do things a little bit differently. Our approach is, again, a handshake approach and one where we're providing our best content for free, so all of our mutual funds and all of our ETFs publish all of our picks in real time, so we're not hiding any of that. When we reach out to people, we're telling them where our ideas are what our best ideas are. We're giving them insight and access to what we're doing as a funds company and an ETF shop, and we're giving them a reason to want to communicate with us, so whether that's an evergreen piece of content, tax advice, or something that might be more specific to an individual stock for macrotrends, we're really to give that to you in exchange for creating that relationship. The other thing that does for us is it allows us to figure out, based on what people are taking in terms of those different types of materials, where we might better path them. So, if someone's responding to an item that is heavily discussing international investing, obviously they get pathed into international campaign. But the big thing for us has really just been that transparency and really giving them as much of our research as possible, rather than waiting until they come into the fold before we actually share that with them.

Jillian Bosmann: One of the things that you've done sort of in the more recent time is add the ETFs. You started with the mutual funds and then added the ETFs. What was – what came into your decision to move into ETFs, and how was that process?

Carl Hendley: Sure. So, for us, it was really that we could better serve our organization and ultimately better serve the end investor. There're no secrets about all of the pressures that mutual funds are enduring these days, whether it's the difficulty getting on the various platforms, the fee pressure that's presented on those platforms, and then just the overall downward fee pressure for mutual fund pricing. We've been in that business for about eight years now, and we're not going anywhere, but when we looked at how to bring our next strategies to markets, we said, "Let's do this better for us, and let's do this better for our end investors," and that meant that the ETF wrapper provided lower costs to incorporate, lower costs to operate, and we were able to pass along a lower fee structure to the end investor and better tax benefits. We actually took it one step further. Where a lot of folks were going on the passive or the smart data direction, we went ahead and launched our actively-managed ETF, and basically it behaves from an investment standpoint and from a day-to-day investing standpoint the same as the mutual funds. It gave us all the benefits of that freedom, the chance to go where we wanted as investors, but also keep our fees down, keep the taxes in place, and in many ways just intermediate some of the more difficult aspects of the industry, such as the platforms and the fees that went along with them.

Jillian Bosmann: And I have one last question for Carl, but I do want to say that we'll have plenty of time for Q&A at the end, but if you do have a question as we're going along, please feel free to raise your hand, and I'm sure we can get you a mic. So, one of the things that we talked about in the past that helps you grow your funds was moving into from having your proprietary fund trust into a series trust, and without doing the sales pitch - I think there's a lot in this room who are already in a series trust or know its benefits, but if you can talk a little bit about that.

Carl Hendley: Sure, so actually in my notes I wrote down four or five things that have been responsible for the real switch in the growth on our model over the last couple of years, and that was the number one thing that I wrote there. We were going it alone for the first eight years, and that was expensive. We were isolated, and we just didn't have the network that we needed to really ramp up that growth, and in the last couple of years in joining the trust, we immediately got bigger, so rather than being one firm, we joined another ten. Rather than being 5 funds, we had another 30. We got smarter, because every time we had a question, we're calling up one of the folks at one of those firms or one of those products, and we have a board that is interested in growing the entire universe, rather than just a very narrow slice for us. And some of the things are very obvious, and again, I'm sure many people in this room are in this exact same structure, in terms of costs and in terms of efficiencies. The thing that was not obvious for me was the networking and I sort of say the family, because when it is a Friday evening and you're up against something really tricky and you're like, "Wow, how do I do this?" or, "How do I get in touch with this platform or solve this problem from a distribution standpoint?" we have a lot of people to call on. So, I got a lot smarter just by virtue of the network, and we now have better friends than we deserved by being part of this. So, don't just think about the costs and the operational side of it. Really take advantage of the distribution and the networking side of it as well, because they've been invaluable to helping us grow.

Jillian Bosmann: Thank you. I know RVV is very happy to have you. I don't want to – we'll have more time to talk to Carl later, but moving on to Tom.

Carl Hendley: One question.

Jillian Bosmann: Oh, is there? I didn't see the hand. Where are you? Go.

Male: Question for Carl. Motley Fool makes its name as being – giving investment advice to investors over time, the best advice-

How do you actually set up funds? Where's the perceived conflict of interest, and where do you draw the line?

Carl Hendley: Sure, so that's a great question. The first thing I'll say is that Motley Fool Asset Management was born out of a demand from those individual investors. I don't want this to be a pitch for the Motley Fool by any stretch, but for so many years we were providing individual investment advice, generally in the form of stock picks through our newsletter membership services, and the returns were there. The trust was there, but people said, "Can you just do it for me?" and so it was out of that demand that Motley Full Asset Management was born. While we are independent, we keep that exact same DNA, so we're long-term buyers of businesses. We have a low turnover rate. We want people to be investors and not traders, and so we just took those same ideals from the Motley Fool and incorporated it into how we built the asset management space. And we say that the first part of our name is Motley, and so there's a lot of opportunities to do different things, and for the folks who want to do it themselves, who want to make individual stock picks, we're there, and for the folks that are looking for more of a comprehensive portfolio, we're offering that service.

Jillian Bosmann: Questions? Okay, great. Tom, can you tell us a little bit about your story?

Tom Plumb: So, when we look back at forming this Thompson Plumb Balanced Fund back in 1987, we were fortunate enough to have a very good track record, and as most of you either are portfolio managers or deal with portfolio managers, they think and I thought that was all you had to do, perform, and they would come to the door. After 17 years of having this balanced mutual fund – and I think it was number one or number two in the country at that time – it had built up to about 220 million dollars in assets. Dreyfus approached us, talked about the benefits of distribution, and in about four months after we converted with Dreyfus, they doubled the size of the fund, and then within another year, it was a billion dollars, so we saw value to distribution versus having a story. But being from the Midwest, we were talking last night, my son and I, with some people. Everyone talked about the clichés of how they did things, and it was really not unique. What we felt is that after we had – sorry – to Jake to tell me to move it closer – so after we had sold that firm, bought – created a wealth management firm, a trust company, wanted to get back into managing mutual funds for other than our local clients.

We started out by talking with Katherine Morrison and what PR would do to benefit us. First of all, we had to get a message that was clear, concise. When we went through a run-through with Nate and I, we couldn't even tell people how to contact the Plumb Funds. We didn't know the website. We didn't know a phone number, things like that. So, as we started to plan, we knew that as a company with a very little budget, we had to take it step by step by step. Our first thing was to then develop a good website, develop a communication of exactly what our focus was going to be, and then use the professionals and their contacts to try to get name recognition and start to build some brand. So even though we're very early on and it's still relatively small compared to everyone else here, we've been fortunate enough to get the publicity through PR, not through paying money for marketing and advertising, to start to get some name recognition, and that's starting to translate into flows into the funds.

Jillian Bosmann: So, like you said, you're very early in the process in terms of this PR movement. How easy or difficult do you think that's been, starting that?

Tom Plumb: I would say it's not very natural, and we're very – one or two people who are able to do it at a small firm, so it's quite a learning process, and I would – you took everything as someone who started a firm 30 years. When the phone rang, you answered it, and that's still our strategy right now, is any time that we can reach out and build up, we're going to be responsive.

Jillian Bosmann: Now you've grown 100 million assets under management in about 18 months, and you mentioned it and Warren did yesterday, good performance is not enough, but you certainly have a very good performance story. How do you think that's influenced, in terms of opening doors that might not have been opened otherwise, or are there any doors that you think your performance was not that important for?

Tom Plumb: Well yeah, as Warren put up yesterday, about two-thirds of the decisions are not made on the performance, even though you talk to the portfolio managers and they can't believe that. But the reality is that having good performance gets some doors opened for you, but you really have to have the perspective, and as the panelist said yesterday, you have to be looking at how you can help them with what they're trying to accomplish, not how you can get your message out. It's nice to say, "The Plumb Funds," three times on TV, but the most important thing is are you bringing something to a perspective when they're trying to create an article, create their reporting on news, putting a perspective. Are you adding to that? And that's what we're trying to do.

Jillian Bosmann: Thank you. Ben, why don't you tell us a little bit about BMO and your proven growth strategies?

Ben Jones: Yeah, I think first of all just maybe lay some background. When I assumed responsibility for BMO's intermediary distribution, we were about 80 percent distributed via our own proprietary channels, so our parent company's wealth management organization, and so when I was brought on, I was – the mandate was very clear. It was to grow our third-party distribution and make us balance out the asset concentration from that perspective. And so just to give a little perspective, because I think sometimes when you're at a boutique asset manager conference like this and they see 260 billion next to your name, they say, "Well, you don't belong." So, let's just be clear here. In the first 20 years of our mutual fund company, the mutual fund company had only managed to do business with about 1,500 third-party advisors, which might sound like a lot, but it's miniscule in the scheme of 300,000 advisors. And over 80 percent of our production were from our proprietary channels, and BMO GAM was a brand-new brand. So, before we started, Tom had asked me, "Do you guys still use the name Harris?" and the truth is that we brought together a lot of specialized investment teams that culminated in creating BMO Global Asset Management, and so the brand was brand new. Most people, if you weren't in downtown Chicago or Madison, probably had never heard of BMO. In fact, the most common call – we did have an 800 number Tom – but the most common phone call we received was, "What's a BMO?" And so, we've lived a lot of the same dream that you guys are all living as well, and I think it's really important.

Our strategy was pretty simple. We spent quite a bit of time understanding what made our firm unique in the way that we were structured and organized, and then also understanding what the platforms and advisors wanted from an asset manager. One of the things that made this particularly challenging is that because we brought together so many specialized investment teams under one roof is that consistency of message becomes a really challenging thing, and so we had a lot of different investment teams that thought that the sales team should only tell their story out in the marketplace, and when they were out doing PR on TV, they weren't telling a story that resonated across the whole firm. And so I would just say there were three components that really drove our growth strategy, and if you – and I'll talk specifically about one strategy that I think makes a lot of sense, but somebody said before that they had content, and Tom said performance, and I would just submit that there are a lot of different ways to grow your business, and the key to growing a business is figuring out what are the right things for the business you're trying to grow and where you're trying to grow.

And so, we really laid out that we needed to do three things to build our business. We needed to build our brand and reputation, and I think of brand as synonymous with reputation in this business, because I think oftentimes when you're Fidelity and you have a green line, maybe yes, you have a brand, but for most people they're known as the bond firm and the quantitative equities firm or the small cap firm, and so reputation and brand we thought of synonymously. We needed to build our infrastructure, and we needed to get the various components of touch points to our clients, talking to each other and coordinating the effort. We called that team selling. And so, with those three things, we really went to market, and we first decided that we were going to focus. We had the either blessing or curse, depending on which side of the equation you sit, of having more product than we had distribution capability, and so we had too much product and too many great teams, and it was one of the first times in my life where you couldn't just pick the best performing, because they were all great performing products. And I don't just say that. It was actually a very big conundrum for us, is that we had lots of good performance. And so, it really came down to which teams could be consistent in their messaging, which products our clients were demanding in the target – we primarily distribute through RAAs and independents – and then could we get a consistent client journey or sales process in place with our sales teams so there was consistency in message.

Now I'll just take a moment and say we know that consistent messaging is one of the proven strategies in our industry. If you can be consistent long enough in the marketplace and get everyone from your team and your firm to sing from the same hymn book, it works, but it's a lot harder than it sounds to do, and so one of the things that I think we struggled with getting this brand message out – and I had one of our national account folks in talking to me one day, and he was giving me the song and dance about we needed to pay for a speaking spot at a particular conference that had a lot of the people, and the speaking spot was – I can't recall off the top of my head. It was a lot. It was significant for our budgets. And I kept saying, "Well, how are we going to follow through? How are we going to monetize this? What is the opportunity?" He kept saying it was branding. And what we – so with that piece of information, I said, "If it's going to cost us $50,000.00 to get in front of 50 people, that's $1,000.00 a person. How do you make sure that you monetize that?" We knew from our research that advisors wanted on-demand content so they didn't have to go to the webinar at this specific time. They didn't want to have to go to the conference at this specific time. And so we kind of had this epiphany during that conversation that if we could take our content and access to the content that we create, along the spectrum of what advisors are looking for, and we could deliver that to the market place on demand, easy for them to access, we thought if we could get 150 people to sign up for this and it costs us $15,000.00 to create a new media campaign – so podcast, I heard you mention that earlier. We leveraged a podcast platform – this might be a way to engage with our audience.

So, this was really simple math. We said if we got 150 people, we'd be successful, and so we created – we decided there were three components that advisors really wanted to hear about. They wanted to hear about their portfolios, their financial planning topics, and they wanted to hear about practice management concepts, and independents and RAAs, which is where we were targeted, they didn't have the benefit of a home office learning and development program, so we knew that there was a demand or a desire for these things. And so, we went out, and literally over Christmas holiday we wrote up a business plan on how we were going to do this and how we were going to go to market, and what I would say is that we did have some learning. I'll just share some things with you. So, we originally said we were going to go out and do 24 episodes, which we called a year or a season, so every other week, and we were going to take this to market, and we thought that by the end of that time period, we might get 150 people consistently to listen to us every other week. By the end of the year – by the end of the first month, we had blown through those numbers, so we were surprised at the demand from the market place. And if we go out a couple of years later, now we have about – this is interesting. I just did this math on the back of the napkin yesterday. We have about 500,000 listening hours to our podcast, so advisors have dedicated 500,000 hours of their time to engaging with our brand.

The podcast has won multiple awards for thought leadership and strategy, but I think more importantly, the podcast drives 70 percent of our web traffic. So, 70 percent of the people that go to our website that then ultimately become leads – once they become leads, they're nurtured. When they're nurtured, then they're engaged with, and when they're engaged with, they become new producers, large producers, so on, so forth. That client journey is working so well for us that since we launched the podcast, our CAGR has increased by 15 percent, so our compound annual growth, we saw it literally at the start of the podcast increase – and for our business, today we're now doing business with 8,000 advisors, so we four-folded the breadth of our distribution. Our growth strategy is primarily coming in now – all of our growth is coming in from third-party distribution. It's flip-flopped, about 80 percent external distribution versus internal distribution. And our productivity per client facing associate has more than doubled.

And so, we've seen significant business results as a result of getting disciplined about the way we go to market and engage, and so I would just say, if I was going to share a couple of just observations for all of you who've heard podcast and go, "Oh, well we need to get into the content business." First of all, content marketing is a very slow-burn strategy, so prepare to be disappointed immediately, and everybody wants to write a white paper or they want to go out and release a podcast or a YouTube video, and then on day one, when no one downloaded it, it feels awful. And so, it's a slow-burn strategy, but if you do it consistently with a consistent cadence the clients come to expect, then over time, you just wake up one day and you realized it's working. People are calling us inbound. People are emailing us. They're engaging.

Number two observation if I could share is that if you're going to get into the content business, you need to market the marketing. And so, the content people kind of view as, "We went out and created content. That's our marketing strategy." That's your content strategy. So, then you have to come up with a marketing strategy. What are you going to do from a PR perspective? I can say SunStar was very instrumental in helping us get out the message and PR around our content value proposition and the podcast itself. Then what are you doing in-field to get your people engaged and telling that story in the field to market that marketing? What are you doing from a digital perspective, and how do you leverage social? It takes all of those components to get a successful content strategy to take off.

And then I think the other thing is that if we had asked some sort of marketing expert, which I am not – if we had asked an expert, "Should we launch a podcast?" I think they would've come up with at least 100 reasons why it was a terrible idea, and the first one on their list would've been the average podcast listener is 35 years old, and the average advisor is 55 years old. And so, there's a – they're not – the people you're trying to go out and win business from are not in that demographic, and what we found is that this actually became a strength for the podcast and the marketing strategy, in that the first podcast that many advisors were ever listening to was ours, and no one forgets their first time. It's just – it's the introduction to a new medium, and we were the people who brought them a library of podcasting that they might be able to expand their mind and their knowledge set. And so, I think the last thing I'd say is that in your organization you're always going to get naysayers, and so we had a lot of people that – particularly in some of our traditional marketing organization – that spent a lot of time telling us why this was not going to work or the sales team saying that they need white papers, not this. And I would say what was really interesting is that within the course of twelve months, the biggest detractors became the biggest advocates of our content strategy in the marketplace, and when you see that flip happen, you know that you've won the hearts and minds of your own people. It makes it so much easier for them all to win the hearts and minds of their clients, and so let's maybe end there.

Jillian Bosmann: Yeah. Thank you very much. Any questions from the audience?

Question: How long are the podcasts?

Ben Jones: We try to keep them all under a half hour, so that they can be listened to and digested during a commute. So, some of them are 18 minutes, and some of them are 28, 30 minutes.

Question: Ben, for you and for Carl, are you using iTunes and other distribution methods, or just through your website?

Carl Hendley: All of the above. Primarily iTunes. We're going to where the listeners are, and we're going to where they're used to consuming that content.

Ben Jones: Yeah, and we are also on 22 different podcast platforms, but I will just say there's only one that matters.

Jillian Bosmann: Any other questions?

Question: What about hosting them on your website? What's the response to your website versus _____?

Ben Jones: So, we put all of them on our website, and we leave that library of content available for people to access at any time. One of the things that we did to drive traffic to the website – because it's easy to listen to a podcast and then forget it ten minutes later. And so, one of the things we've done is we've put all of the relevant adjacent content on the website, and so we call those the show notes, and so we drive people to the show notes for every episode. If they want to access the speaker's contact information, if they want to access a white paper, if they want to access a tool, they have to go through our website to get there, and when they land on the website, now – we're a couple years into this. Now when they land on the website, they can also subscribe to get additional content through a monthly newsletter, which also just reinforces the touch point, and we see our newsletter growth growing exponentially almost every month.

Question: How do you come up with ideas for your podcast? Because you do so many.

Jillian Bosmann: She asked how do you come up with ideas for the podcast.

Ben Jones: So, we did 24 because we ran out of ideas in the first season. We thought, "I can get to 24," so we thought every other week and skip Christmas and Thanksgiving, and that was – I'd like to tell you there was more thought in doing it, but there wasn't, and we came up with 24 topics. What I've been amazed now is if you look at the list of topics that our listeners are requesting, the list is probably 200 items long. And so, we get – almost every day we get an inbound request around a topic or an idea that someone would like to learn more about. And half of those we've covered and we just can refer them back to that episode, and half of them we haven't and we can add to the list.

Jillian Bosmann: Okay. Well we tried talking earlier – Andrew was mentioning that a lot of these strategies, they work one time, and they don't work another time, so if maybe everyone could – or whoever wants to start – talk about a strategy that didn't work and whether maybe it was just a timing issue or what was it that you think made that not working at that point in time.

Carl Hendley: I'm happy to. I'm actually going to use that question to pivot, and I'll talk about a lot of things that didn't work, and the broad theme is outsourcing. I think, like a lot of firms, we started off with really strong intentions and some really bright people-

not me, but other people in the firm – and we thought we could handle compliance and PR and reporting and sales and our websites, and we spent the better part of six- or eight-years bootstrapping, hustling, trying to do things that a lot of people had already solved for us. I have a saying now, which is we're no longer trying to go to the moon. I'm not trying to build the Apollo program. I'm trying to find out what really smart people are doing, replicating that, and moving forward, and so use the outsourced availabilities that are here. There's some in this room. We came to SunStar too late in the engagement. I think it would've helped us grow our business a lot bigger if we had started out earlier. Who starts off knowing stuff about compliance? Again, that was something that we sat down with and we said, "All right, we're going to be really good at compliance." Well I'm not really good at compliance, but we've hired a firm that is really good at compliance. Similarly, reporting – we use the Sales Station solution, and I apologize. I'm not trying to give a plug here, but we should've come to them a lot earlier, because the data that received from that relationship allowed us to grow at an accelerated rate, and so the thing that didn't work for us that we've changed is our going to third-party providers in areas where we don't have an organic ability. And I'll say one more thing about those third-party providers, and I mentioned this before. Use every aspect of that. So, if you're working with your distributor or you're working with SunStar, they know the other players in the industry, and so when you're hitting a wall with trying to get into a particular firm – or in my case, when I was trying to get onto a particular platform – for the first couple years, I was like, "Wow, who do I need to talk to at XYZ?" Well it occurred to me that in my network, I had folks that had already spoken to XYZ, and I've got a list of four or five people that we work with on a regular basis, and so I spend a lot of time now just making sure of that I'm not trying to reinvent the wheel, that I'm not trying to send someone to the moon, and instead just saying, "Hey, how does one go about doing this? Can you point me in the right direction?" So, I think that's one of the biggest things we've learned over the last few years.

Tom Plumb: I would say that our biggest lesson is that if you listen to straight marketing people who will not be able to help you measure the results, that you end up spending a lot of time going through a treadmill and not really getting anywhere. Especially there's new things that are en vogue. Everybody should be trying them, and I think one of the things you're hearing up here is pick your medicine and focus on it. Don't try to do everything. Don't try to, "Oh everybody has…" So, in my age, go back, having a website was considered marketing by the marketing department. We had to have a website. Well, then what'd you do with it? How did you communicate? How'd you measure the return on investment? All those different things. So, I'd say not listening to traditional marketing people, where they talk about what's en vogue, what other people are doing, without adding that next step. How are you going to measure your success on it?

Ben Jones: So, we've had lots of things that didn't work, but I would say the one that probably is the most acute is paid advertising and just the traditional, paid, branding advertising. I think when we started I think our – we would say things like, "We need to build our brand," and so our marketing department would say, "Well, we've got to put ads out in every print publication." It's a really expensive strategy, and we couldn't track it, to your point, Tom. We also never really felt like it ever materialized, and so we just really don't-

Tom Plumb: I actually had a PR – or excuse me, a marketing firm that put a billboard in Madison, Wisconsin, on our investment services. I'd have to tell you that's probably not how you get traffic.

Jillian Bosmann: Do you think there's strategies that may have worked in the past but now are not the best strategies, given the way that distribution has changed over the years?

Ben Jones: Well I think – I would just go back to what I said before, is that I think that every firms got a different recipe, and I think that's what makes this an exciting and wonderful business. And so, you need to pick where the clients that you're going to go and work with and how do you get to them in a way that you can stand out, versus the crowd? And so, I think for us, we just realized, budgets being what they are, I think traditional marketing works really well for a lot of firms that have the stamina and the budgets and the consistency to be out in market. For us, we've tried to be a little bit more tactical. I always use the quote, "Resourcefulness over resources."

Tom Plumb: That's a good quote.

Jillian Bosmann: Any other questions from the audience?

Question: Regarding your podcast, how does your team then pivot from, "This is great content in useful practice management," or whatever the topic is? We're selling mutual funds, after all, right? Or investment products. So how do you make that transition and then _____?

Ben Jones: Yeah, we were very specific when we created the podcast to there is not product on the podcast. And so that was an unpopular decision inside the walls of my organization at the time. It's now viewed as "our" strategy today. And we decided that people – we looked at the – at the time that we launched our podcast, there weren't that many podcasts out there for asset managers, and the ones that were kind of like a reading of their SAI or their fact sheet, and we just – there was no one listening to them. And so, we just said that's not what advisors want to hear about, and we need to become a trusted partner, because at the end of the day, when you get down to the finish line on the finals and it's a tie, the relationship is the tiebreaker, and so how do we create a relationship with our firm?

And so, what we do, specifically to your question, is that we use the podcast to drive people to our website. When they get to our website, they engaged with us by providing us with some sort of email that gets put into our CRM. We track the engagement with the content as we nurture those leads over time, and then as we nurture those leads, we get them to the sales team to engage directly when they qualify them, segment them, and then hopefully convert them. That's one avenue of the client journey, but what's been more impactful is the podcast for our sales people in opening doors to get meetings. This business has gotten really hard to get meetings. To even get someone on the phone call is – I'm kind of an industrial math nerd, and so I watch how many dials our internal desk has to make in order to reach one person. How many people do they reach in order to get one meeting set? How many meetings does it take to get the first piece of business? It is blocking and tackling, sales 101, but when you look at how hard to is to get those meetings, it's getting harder as time goes on, and what we've used the podcast to do is to shorten or speed up that sales cycle, so we can build trust on that first phone call. We're not pushing product. We've started a relationship. The sales people out in the field are actually going to the older demographic and saying, "Give me your phone. Let me show you how to download this." We're the first podcast they engage with, and then from there, they're calling us and asking us about what are the strategies other advisors are seeking you out for, et cetera. So, I would say it's two-prong. It's both in the field as well as then nurturing the leads through a traditional sales funnel.

Question: You had mentioned earlier that the podcasts traditionally are targeted to 35-year-olds and really your client base is 50-year-olds. Are you seeing a merger in that, or are you nurturing the 35-year-olds and bringing them into the sales process?

Ben Jones: Well I would love to be able to tell you that I have the data on every single listener that we have, but that's not available. I can tell you what zip code they come from, but that's about it. What I would tell you is that if you think that your marketing strategy is to go after the 35-year-old advisor it's going to be a long time before you see growth, because if you look at just the numbers, advisors under the age of 40 – I think the number is somewhere between 6 and 10 percent of all the AUM, so you're going after a market that's very small. And so, the win is to get into the teams. Sometimes the way into the team is the analyst who is 35, and so we do see that with the podcast. Sometimes it's getting the older folks to listen, or if they're a team approach, getting the planner, the management, and the analyst all to engage with your content in different ways. And so, I would say that there is a little bit of a mix, but we clearly know that the market is that older demographic. Now what has been interesting is that it's opened doors for new training programs, so we do have a couple of focus firms that have really cracked the door to letting us into some of their new advisor training programs, because the content can enhance or speed up their learning cycle.

Jillian Bosmann: I think we have one last question.

Question: For a firm your size, how have you handled allocating resources to things like PR versus hiring more sales people or _____?

Tom Plumb: That's pretty easy when you have basically no resources. You allocate to one. Our allocation has been to PR at this point. We felt that the return on investment from having salesmen, until we had content and we had some ability to actually get onto some platforms, you had to – we've set certain milestones that we understood you'd have to get to before you're eligible for the next one. So, at some point in time, sales people could work, but when you're under 100 million dollars, you're going to be eliminated from so many searches, we had to go after the first step, which was to get over that 100 million dollars. There're next steps in front of us, but our-

view first and foremost was the messaging, PR, and to take our existing base of people and get it up to that first step, where then you could go and build from there.

Jillian Bosmann: Okay. Ben, Tom, Carl, thank you very much.