

“My practice and a physician’s practice have a lot of similarities. Both practices are about helping people, about educating people, about doing what’s right first and then worrying about money second.”
—Mark Fried

inate different kinds of risk that might prevent you from achieving your long-term goals. At the end of the day, my goal is to make sure my clients are in control of their financial situation.”

One of the first things he does is have each client, as well as the client’s spouse, complete a Client Communication Profile. This thorough evaluation is designed to help Fried—and, for that matter, the client—gain a better understanding of the individual’s goals, risk tolerance and overall financial situation.

“Lots of doctors are optimists and always think things will work out,” he says. “The financial plan needs to match up with the profile in structure and strategy; the profile tells us who you are as a person, and the two work together. It’s a structured process, and people know exactly what is going to happen when they work with me.”

Although each plan has established benchmarks built into it, Fried performs regular “checkups” to make sure the client is always on track. He underscores his point with a flight analogy: “If a plane takes off from Los Angeles to go to New York, the pilot knows the perfect heading, but 80 percent of the time it’s off course because of wind, weather, the tower, etc. The key is to constantly make those corrections, quickly and efficiently, and that’s why the pilot does end up in New York. It’s the same way with planning for retirement.”

Each of Fried’s clients receives a three-dimensional model of his or her unique financial situation, encompassing all critical factors of one’s financial security, as well as other aspects of one’s life that most other advisors simply do not consider. This forward-thinking tool enables them to see how certain strategies will be implemented 10, 15 and even 30 years into the future. Although this takes into account expected changes—changes in tax rates, for example—it also plans for the unexpected, such as the rapidly evolving health care system or, more per-



sonally, the day the client will exit the practice.

“Most physicians are waiting till they are 55 or older before they begin thinking about a transition,” he says. “They have put all this money into different retirement plans that they can’t touch or collateralize, which is another stress and strain. If they sell out, they’re going to pay a lot in taxes—that’s thousands or even tens of thousands out the door—if it’s not structured properly. You’ve got to think about that in advance to make sure everything is done properly.”

Some clients want to spend their retirement sailing around the world, while others want to spend their resources going to the theater and other cultural events. Some want to move out

of state or even abroad, while others simply want to spend more time with their kids and grandkids. It’s all based on asking the right questions, finding out what is most important to each person—a skill at which Fried has gotten rather proficient.

“The prototypical advisor has one thing in mind: How much money can I make you?” he adds. “But there are so many other factors to consider, like what kind of retirement you would like to have, where you want your practice to go, and how you want to position your family. My view is that every decision has a series of critical factors that must be considered, what I find is that—and this is for physicians and non-physicians—most people don’t make decisions and consider things like tax structure, government policy, future income needs and future health care costs. One financial decision might seem right, but it may not be the best when all other factors are in consideration. That’s the difference between our approach and most others.”

On average, Fried’s clients are in their mid-to late 50s, though he works with many who are in their late 30s or early 40s. Regardless of their age, they all come to TFG Wealth Management for the same reason.

“The key to financial success is to embrace the changes in the landscape and not put your head in the sand,” he says. “You also need someone who has the financial and legal background and who can understand what’s going on and guide them through it. What’s happening in the world now, and in our own country, is a big question mark. But let’s put ourselves in a position so that no matter what happens, everything will be OK.” ■

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