



EPISODE TRANSCRIPT

4 Decades and 3 Generations Later: Former Edward Jones Family Business on Their Path to Growth

A conversation with Jason Barber, CEO and Founder, and Taylor Pankratz, President and Founder of Holistic Planning.

Mindy Diamond:

Welcome to the latest episode of our podcast series for financial advisors. Today's episode is 4 Decades and 3 Generations Later: Former Edward Jones Family Business on Their Path to Growth. It's a conversation with Jason Barber and Taylor Pankratz, founders of Holistic Planning. I'm Mindy Diamond and this is The Diamond Podcast for Financial Advisors.

This podcast is designed for advisors like you who are interested in learning more about the evolving wealth management industry through candid dialogue with breakaway advisors, those from the C-suite, and industry thought leaders. It's available on our website, diamond-consultants.com, as well as Apple Podcasts and other major podcast platforms so be sure to subscribe and share it with your colleagues

At Diamond Consultants, our mission is to help advisors live their best business life. We want every elite advisor to find exactly the right place for their business and their clients to thrive, whether it's at a wirehouse, a regional, boutique, or independent firm. As the industry's leading recruiters and consultants, we've transitioned more than a quarter of a trillion dollars in assets under management in the past decade. And each year, 25% of transitioning advisors who manage a billion dollars or more are our clients.

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This is a story that started back in 1981 when Paul Barber, after a 28-year career in the Air Force, joined Ed Jones. In 1992, his son Steve became an Ed Jones advisor. Then Steve's son Jason opted into the family business in 2011. And Jason's cousin Taylor left Raymond James to become a part of their team in 2020. In 2023, 41 years and three generations later, Jason, Steve, and Taylor made the tough decision to leave the firm where their family business was born and thrived, growing to over \$500 million in assets under management.

So why would a team with this much history with Jones and whose business was literally built over generations and decades with the same firm decide it was time to explore their options? Jason and Taylor's response is a common one that we hear from growth-minded advisors, "We outgrew the firm." So many advisors find themselves at a point where their desire to grow and the ability to achieve their goals are limited by the firm they work for, whether that be at Ed Jones or any other employee model firm. This team wanted to hire more staff, improve their tech stack, leverage more sophisticated investments and market with greater freedom, none of which they could accomplish at Jones. For them, leaving would remove the limitations, what



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they referred to as a governor on their growth. Their exploration led them to launch their own RIA in 2023, Holistic Planning.

Today, they share that they are growing in ways they never could have at Jones. And with an eye toward the future, they also launched a companion firm, Uptick Partners, to offer other breakaway advisors the opportunity to have greater autonomy while leveraging the platform and infrastructure they built for themselves.

In this episode, Jason and Taylor talk about their journey with my partner Jason Diamond. They talk about building a family business over decades at Ed Jones. They discuss what changed at the firm and why they felt they hit a ceiling when it came to growth. Plus, Jason and Taylor share how they are now able to achieve their goals and create new ones too and much more. So listen in for the commentary that's both relatable and noteworthy. There's a lot to discuss, so let's get to it.

Jason Diamond:

Jason, Taylor, thank you so much for joining me today. Thrilled to be here. Let's start, if you could both just walk us through your background, your upbringing, what brought you to the world of wealth management. Maybe Jason, you go first and then you can pass it over to Taylor.

Jason Barber:

Yeah, absolutely. Excited to be here. So my story begins all the way back when I was six years old and drew a picture that still have a copy of today in my office that says, "When I grow up, I want to be a stockbroker." Of course, back then they called them stockbrokers. That was in the maybe the early '90s. And that was when actually my dad, Steve, started in the business was in 1992. So I guess you could say that even all the way as early as age six, I wanted to do what the family business was. So outside of that, I went to Texas A&M University, graduated and had that one year rebellious streak where I thought I'm going to go do something different than the family business for a little while. I think a lot of it was just driven by this fear that, "Hey, I don't even know how to do a tax return. Who's going to take financial advice from me at such a young age?"

And then ultimately, after getting my feet wet in that corporate world, I actually went to work for Dell computers for a year, and decided thankfully early on that, "Hey, this is not for me and it's time to get serious," so I think it was in 2011 that I came to work for Edward Jones and moved to St. Louis actually for maybe about nine months or so and was part of the training program there, the longer term training program where I actually lived in St. Louis for a while and worked out of the home office. And then moved back to Nacogdoches and joined the business. I think it was maybe around summertime of 2012 or so.

Jason Diamond:

Note: This is a transcription of a spoken word dialogue and as such there may be errors and/or omissions.

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Great. Taylor, what about you?

Taylor Pankratz:

Yeah, thanks for having us. Like Jason, we grew up surrounded by being... The family's been with Edward Jones since the early '80s. And so we were surrounded by Edward Jones growing up and went on the trips and all those kinds of things. And so we were very, growing up, just very used to, we had parents that worked for Edward Jones. And so like Jason, graduated from Texas A&M and decided, "I'm going to actually go and do engineering. I'm going to not do the family business."

And then I distinctly remember coming home for Thanksgiving one year, and Steve, Jason's dad, was talking and he said he was the pallbearer for a client's funeral. And I just thought that was pretty amazing because I was sitting there trying to save an oil and gas company a couple of pennies doing engineering, and here Steve is really making an impact in people's lives and adding value to them. And so it became very apparent that I wanted to do something more meaningful. And that's when I started to dive into wealth management and actually started working for RJ, not Edward Jones, but started working for RJ back in 2015.

Jason Diamond:

First of all, I will say we are a little bit biased, but we love a good family business story here. So it really resonated with me, Jason, when you just made the comment about stockbroker drawing at age six. I used to always make the joke that our dinner table conversations growing up were about the competitive dynamics in the wealth management landscape. So I was the life of the party, as you might imagine.

So let's pivot now a little bit to talk about your next chapter after Jones, which was the launch recently of Holistic Planning. I think you actually have a separate entity as well, which I hope you'll talk a little bit about Uptick Partners. So tell us a little bit about the name, the services you provide, and maybe give us a little bit of context around the size of the business as well.

Jason Barber:

Yeah, absolutely. So in March of 2023, we broke away from Edward Jones after 41 years and launched our own independent RIA Holistic Planning, which the name, Holistic Planning, of course in the wealth management industry is a hot name, more of a verb. Well, we deliver holistic advice or holistic planning to clients. And so I think that ultimately, Taylor can kind of chime in here, but I think when we came up with the name is when we realized that the domain name was available to purchase. So we purchased the domain name for [holisticplanning.com](https://www.holisticplanning.com). And ultimately, we just take a lot of pride in doing holistic planning. And so we thought so many people when they launch independent practice and they break away, they call it Barber Wealth Management or Pankratz Wealth Management or something wealth management. I just really



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was attracted to the idea, and Taylor and Steve were too, of having our name of our business be a verb, what we actually do and what we actually strive to deliver for clients. And so that's where the name Holistic Planning came from.

I would say that we built our business at Edward Jones based on holistic planning and really giving a lot of incorporating tax and estate planning and insurance planning and all of these things underneath one roof. And you think about when we were at Edward Jones, one of the things, and there's obviously we're going to talk about a lot of reasons for why we ultimately decided to break away, but one of the biggest challenges was differentiating yourself when you carry the same business card as 20,000 other advisors. And so I think that what ultimately led to us reaching the pinnacle at Edward Jones in small town east Texas, we were for a number of years, in say the top 25 production level at Edward Jones. And the way that we achieve that was that we were delivering a lot more than just investment advice to clients. We were delivering tax planning advice.

We weren't able of course to deliver tax prep advice and actually tax preparation services, which is something that we're doing now, which is a very exciting thing we'll talk about. But we were really trying to separate ourselves from the pack by saying, "Hey, we're talking to clients about Roth conversions and qualified charitable distributions and donor advice funds and estate planning and sitting in the attorney meeting with clients as we're drafting estate planning documents and being that trusted advisor." And so it just made natural sense for us to call the business Holistic Planning.

As to the size of the business, it's challenging to figure out when you are in that captive broker dealer space, and especially when you have three separate businesses siloed. It's hard sometimes to figure out exactly where you were before. We estimate that we were roughly at about \$500 million of assets under management when we were at Edward Jones. And today we're closer to around \$430 million or so is the size of our business, maybe \$435(mm) if you take a few other accounts that are 401(k)s and things of that sort. But we look at it as if you'd say, "Hey, we're about 11 and a half months into the business." And certainly as I'm sure you hear from many others, some part of that \$500 million were assets that we weren't really all that interested in bringing with us. So we estimate that we're at about a 90% asset take in terms of kind of business that's come with us, or 90% of what we wanted maybe would be another way to look at it. So that's where we are today.

Jason Diamond:

Yeah, I think that's the right lens with which to view transition numbers or portability numbers. It's less around what did you move as a percentage of what you had and more around what did you move as a percentage of what you wanted. So I think that's in line with what we hear from other Jones advisors, those stats you just quoted. I couldn't help but laugh a little bit around the



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domain name because I've heard from countless advisors, I'm not kidding, probably every advisor that we've ever worked with has told us how hard it is to establish a domain and a brand because every good name is taken. So I'm actually a little bit shocked you were able to get Holistic Planning, so kudos to you.

Can you talk a little bit about Uptick, which is I believe your separate entity that you are recruiting other advisors into? Explain that distinction for our audience.

Taylor Pankratz:

Yeah, so basically the vision behind Uptick is that when we were looking to break away from Edward Jones, we looked at all the different options out there. And we'll go into detail on all the different versions that are out there, but we looked at the IBD channel and the other RIA platforms that are out there and really realized that there's not a RIA platform built specifically for people like us and where we were coming from.

What we aim to do with Uptick is make the transition from captive broker dealer to true RIA independence, make that leap so much easier for the advisors that want to follow. And the way that we plowed the field and plowed the course on breaking away, we want to make it easier for people to follow that, think let us Sherpa them up the mountain. And so Uptick is really just designed to be a platform that other breakaway advisors can plug into and have us do the things that they really don't want to do, compliance, HR, marketing, building your tech stack. All of these things that you really don't want to have to do but you do need to do, we will do that for them. They'll still own their own business and they just plug into the platform that we're providing. So we're really excited about that and think that's going to be a differentiator in this space because there isn't something like that built specifically for the breakaway advisor.

Jason Diamond:

I think that makes a lot of sense because the reality is, that's not going to be for everybody. There are going to be advisors who'd sooner say, "I'd rather be the next Jason and Taylor and build this thing from scratch." But there are plenty of advisors who feel the opposite, that why go through the brain damage of building something that somebody else has already done. And I think that's where this fills a tremendous need or gap in the landscape. So it sounds like, just to summarize, you have Holistic Planning, which is the RIA entity that your ex-Jones team basically now runs. And then you have this Uptick partners entity which will leverage the exact same infrastructure and systems as Holistic Planning, but it's under a different entity just to really make clear, "Look, we're recruiting advisors, but we're recruiting them to leverage our platform," right? They are still independent advisors at day's end. Is that fair?

Taylor Pankratz:

Absolutely. You couldn't have said it better.



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Jason Diamond:

Okay. That's very helpful. So let's shift gears here a little. I was almost laughing when I read all of the headlines around your move, this is probably almost 12 months ago now, because every single one of them called out the amount of time your family had spent at Jones. Literally, every headline I think said something about, "41 years or four decades at Jones break away". So that I think is the headline grabber or the showstopper here. Can you talk a little bit about how after 41 years, how hard it was to make this decision and why you ultimately did decide to make the change?

Taylor Pankratz:

Yeah, like you said, after 41 years, it was definitely not a decision we took lightly. We thought about it for at least a year and a half, maybe two years. We loved Edward Jones, but the reality is that we outgrew it. Probably a lot of advisors get to the point in the business where they want to be able to deliver more services to their clients, hire additional staff, leverage more sophisticated investments for their clients just to be able to scale and grow their business. What we encountered was we had every aspiration to do that, and the reality is you just reach a certain point at our previous firm where you just cannot feasibly grow any bigger. They just don't allow you to do it. A lot of it is probably because their business model is built more for a bunch of smaller advisors instead of wanting a lot of big advisors. And so they don't make it very easy to grow.

And so we just outgrew Jones, that's really the best way to describe it. So we just got tired of having a governor on the growth. And I would say now that we can actually hire the staff we want, add the services that we want, deliver the investment options that people want, we're growing more. We've grown more this year than we've ever grown in the past 41 years because that's what was holding you back. And I think a lot of people don't understand that it's really the FinTech industries at a point where the broker dealers are actually holding advisors back from growing more than they are supporting them. It used to be that they were supporting the advisor and the advisor needed these big name brand broker dealers to do business. The technology has gotten to the point where you don't need that anymore. And in fact, it's probably what's holding the advisor back from growing more than they could if they broke away.

Jason Diamond:

I think that's so spot on. I mean, we hear from Jones advisors all the time with some version of that exact answer, some version of, "I'm incredibly grateful to the firm. It was an awesome place for us to grow our business, for us to establish ourselves in wealth management. But for one reason or another, we just outgrew it." And you're right, that typically it comes down to hamstrings on growth, whether it's things like freedom around marketing or technology or teaming, a lot of times it's about growth. And I think what we're seeing is because advisors are



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thinking long-term, looking out more into the future, it's not, "What did you do for us for the past 41 years?" It's, "What are you going to do for us going forward?" And I think in your case, that's probably even more heightened because this was a true family affair.

So Jason, maybe you can tackle this one. Can you talk a little bit about, I think you're the third generation and Taylor is your cousin, is that correct? And maybe talk a little bit about what was it like transitioning and working with a multi-generational multifamily team like this, because we hear from a lot of teams who have maybe not similar dynamics, but have similarly complex dynamics.

Jason Barber:

Yeah. So I think that it was a very elevated emotional experience, perhaps more so than many other advisors. I'm sure it is for everybody. It's such a difficult thing when you're making such a life altering decision, one of those decisions that you'll live with pretty much for the rest of your life and probably will always remember the day that you made the decision and the day that you actually pull the trigger.

For us though, what was really challenging on a lot of levels was the multi-generational aspect. The fact that the patriarch of the family sadly passed away in January two months before we left. So he was probably what to maybe one of eight people on planet earth that knew that this was going to happen ahead of it actually happening. And so it was very important to us that we had his blessing. My dad tells the story best, but that when he talked to his dad, who was the founder of this whole thing and shared this news of what we were planning on doing, the words, I think what he had said was, "What took you so long?" was what he said. So I thought that was really a very powerful thing.

But to add to that, and I'm sure everybody listening knows this, is that one of the biggest challenges is the secrecy and the necessity of being so close guarded with this news that, like you mentioned, Taylor is my cousin. We grew up together. He was the best man at my wedding. And so obviously, he and I were able to talk about this. But Taylor's mother, my aunt, my dad's sister, her name's Julie, she works in the office with us in an administrative role and has been there for... How many years, Taylor? 20 years? 25 years maybe? Something like that. And she didn't know about this and she didn't know until an hour before it happened.

Jason Diamond:

Wow.

Jason Barber:



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And that was truly like that day of going through that whole process and breaking away and sharing the news with Julie and sharing the news with Debbie, who also had been with us for more than 20 years, I won't lie, it was a tear-jerking, very emotional day. It really was.

I think though that what's so cool about that, is that it was like, "Hey, we're starting our own business and it's happening today." That was the message. And then of course you can't solicit them to come with you, and so you're just hoping that they ask to come type of a thing. And thankfully they did, which was a very big relief to say the least. It was truly a day that I'll never forget. And I think it was the family dynamic and the fact that our grandfather had passed away two months before and that it was a very much kind of one of those things where you're like, "Hey, this is..." I don't know, it was like a holy war or something. It was like, "I'm going to honor the legacy that he left for our family and we're going to do this and we're going to do it very successfully."

And oftentimes we say that my granddad, Taylor's granddad, when he launched this business in 1981 and he was the first Edward Jones guy in Nacogdoches, Texas back then... There's all kinds of cool stories that we can tell. We've got a picture in our office of him shaking hands with Ted Jones when Ted Jones used to make the rounds back in the day, and Ted told our grandfather when he had his first office in downtown Nacogdoches, Texas, he told him that he had the most production per square foot of anybody in the firm because he just was in this closet basically. It's where he was operating out of. And so we've got just all kinds of really interesting stories like that that we can tell.

We oftentimes say that Paul effectively plowed new ground in 1981. And we use that analogy because he grew up on a farm in Kansas, and so he's a farmer by trade and grew up in that environment. And so he plowed new ground bringing Edward Jones to East Texas in 1981. And that's what we're doing today in 2023, is we're plowing new ground by launching an independent RIA in East Texas, and through Uptick Partners, helping other people achieve the same thing.

Jason Diamond:

That's an incredible story. There's a lot to unpack there. I love what you said about your grandfather when he first heard the news saying something to the effect of, "What took you so long?" The need for secrecy, the fact that Taylor's mother wasn't brought into the fold. We get that question obviously a lot around the need for confidentiality, and I think that story you just told drives home the point better than any. So that's incredible.

I certainly want to talk a little bit more about the mechanics of how you got your staff to follow and how you got clients to follow. At the end of the day, the short answer is probably to follow legal guidance from adequate counsel from proper counsel. But let's shift gears a little bit because I know Taylor, I think you mentioned this a little bit around, you looked at the various



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models out there, whether it was the independent broker dealers or IBDs or some of these supported independence platforms, but you opted for what I would view as the biggest leap. You guys started your very own RIA without any of those scaffolding or guardrails or support partners that a lot of people opt for.

So maybe a two part question here. Question one is why the biggest leap into what I would consider the area of maximum freedom and control? And then question two, because I think it's the corollary, a lot of the independent broker dealers, A, offer meaningful transition money, and B, it seems to be where a lot of Jones advisors go, whether it's LPL, Raymond James, Ameriprise, Commonwealth. So why did you not go in that direction?

Taylor Pankratz:

That's a great question and I think a lot of it just has to do with the fact that I was in the IBD channel at Raymond James, that's where I started in the business. I'm probably one of the very few advisors that's ever left a IBD or RJ independent and gone to Edward Jones. That's normally a one-way street the other way, like you were mentioning. So I might be one of a handful of people that have ever done that. When we were thinking about breaking away, the idea of going to the IBD channel when I was just there and was seeing a lot of the top IBD guys, specifically at let's just say RJ, they were all leaving RJ IBD and going RJ RIA. And the firm that I was with, they were in the process of doing that. And that's one of the reasons why I left and went to Jones and joined up with Jason and Steve, was that the firm I was with was at a fork in the road where they were launching their own RJ RIA.

So I saw it firsthand. A lot of the top guys were leaving and going RIA. And so I was able to see the reasons why. The reasons why are probably the reasons that you hear a lot of the technology, the compliance burden that the IBD channel still has. And so what I knew we didn't want to do was go from Edward Jones compliance and the technology burden that's there and go to something that's maybe a step above, but definitely not much better. So I knew what we didn't want to do and that allowed us to start to look at the RIA channel just in general because before that, I don't even think most of us even knew what RIA was, right? And probably a lot of Jones people probably don't know what the RIA channel even is.

And so it allowed us to look over the fence into the RIA world and just explore that a little bit. And we explored it pretty well. We dated a couple of platforms and we're down the road on a couple of them. And at the end of the day though, we realized that none of them knew anything about where we were coming from and the technology and what we were expecting from a day-to-day, just doing business as an advisor at a captive broker dealer, what we were expecting from a technology perspective and services and things like this, that they were all geared towards the wirehouses of the world.



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And so coming from where we were coming from, none of them had an offering that we looked at and liked and felt comfortable. And so that's where we were looking and going, "We're going to have to do this ourselves because there's not something that exists that's built for us." That was really the thought process condensed into about 30 seconds, but that took us about a year to look at all these different avenues and explore all the different options that were out there and really just at the end of the day realized that we're going to need to build it ourselves.

Jason Barber:

A lot of the reason too for wanting to do it ourselves really also came down to this desire to be in total control over our destiny to some extent. And we started to recognize that we were so limited by just what we saw as silly decisions that were made by people that couldn't relate to us in the home office, and they couldn't really relate to what it was like to actually be boots on the ground servicing clients, et cetera. That the idea of "working" for somebody else, even though, yeah, you're independent, but you're still any kind of...

Maybe say it like this. When you're an independent RIA, things happen, problems arise, issues happen, but the reason that those issues happen isn't because there's some manmade rules, some corporate person who's got their thumb on me. The reason that a problem might exist is because maybe we just haven't either figured it out yet, or maybe there's not a technology solution that exists or I just don't know about the technology solution that exists, et cetera. But we're not limited by some person in some home office somewhere that says, "Hey, here's what my interpretation of the compliance rules is this, and so therefore you have to abide by my rules." We get more control when it comes to things like compliance, for example, where you say, "Look, we have to abide by the rules. Some things are black and white, some things are gray." And then you have a lot more control and flexibility over the services that you offer over the marketing that you do, et cetera when you don't have that corporate entity involved.

Jason Diamond:

Yeah. And I think what you're describing is the reality of working for any big firm. That's not to pick on Jones. I think that is the honest... You probably hear that from all of our wirehouse clients as well, that there is a little bit of a disconnect around the law and the policies. And certainly what you're describing is you opted for the path of maximum freedom and control because you wanted a really business friendly climate where you guys had control over all the moving parts of the business. I'd say a couple things. First of all, you clearly believe in that story because not only did you go out and build Holistic Planning, but you're saying to other advisors, "Hey, look, we have Uptick Partners as well because we felt there was a gap and we think you might feel that way as well." So it's clear to me that you believe in what you're saying.

I think the other piece of this though is that I'm preempting a comment or a question I expect we're going to get from a lot of our listeners, which is, "Does that mean that the independent



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broker dealer model is bad or is wrong for us?" And I will put my finger on the scale here and say, at least in my opinion, absolutely not. I think the reality is, what's so great about the landscape, and particularly the independent landscape, is there are so many different flavors and options out there. There is no right answer. You guys wanted maximum freedom and control. You were fine not getting any transition capital, you wanted that really a la carte build it from scratch approach. Other people prefer the guard rails and the transition capital and the scaffolding and support that a broker dealer offers, and that's what makes a horse race. And I think that's what's so wonderful about the landscape.

So I want to shift now and just do some rapid fire Edward Jones questions. First, let's start with the good. What do you miss, if anything, about Jones? And either one of you or both of you can take this.

Jason Barber:

Yeah, I'll take that. I've given this a lot of thought. And there are a lot of things that we miss about Edward Jones, but I think that a lot of the things that I miss about Edward Jones, they didn't go away on our day that we broke away. They went away five years ago, seven years ago, a long time ago. I'm sure you can read between the lines there and see that I'm alluding to the change in culture that's taken place over the last five to seven years. I miss that. I miss what I refer to as the old Edward Jones, but there's nothing that I miss about the Edward Jones that we left on March the 3rd.

Jason Diamond:

Yeah, that's a great answer. I think that will resonate with a lot of your former colleagues. Taylor, maybe I'll direct this one to you. Talk to me a little bit about the actual logistics/mechanics of transitioning accounts. What was that process like? Was it a nightmare? Was it a lot of work but worth it? In your own words, tell me what that was like.

Taylor Pankratz:

Yeah, the actual transitioning of the accounts and moving the book was, to say it's a nightmare is an understatement. It was one of the hardest things that we've ever had to do, which is one of the big reasons why we wanted to go RIA. We only want to have to do this once. Don't want to them have to move our book twice. And so doing it once, we knew it was going to be terrible going into it because it was a lot of business and we were going to have to make a lot of phone calls. At the end of the day, it could have been much easier had we had somebody there sharpen us and showing us what to do, how to do it. But since we had to figure it out ourselves, it made it so much harder than it needed to be. But again, I would do it again if I had to, but I sure wouldn't want to.

Jason Diamond:



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Yeah, that kind of feels like the overwhelming sentiment amongst advisors who have broken away prior to you is a nightmare, but worth it. I am not shocked to hear that. That seems like it's how most people sum it up. I think it's gotten better. People who transitioned 10 or 15 years ago, I think the advent of things like DocuSign have made things easier. There are more consultants in the space. It sounds like you opted not to hire somebody, but there are people you can hire to help with re-papering. So there are avenues. I don't mean to suggest that the transition process should be a deterrent, but I think it's a fair game to say that anybody who tells you it's easy or it's not a lot of work, especially the path you guys walked is lying.

Taylor Pankratz:

Yeah, we had a transition team that came in and helped. It was still a lot of work. It was still a nightmare even with having people that came in. And I think the biggest disconnect is that there's a difference between having a transition team that can tell you what to do and help you do it, but from actually having to physically do the work and you are the one having to make the phone calls, you are the one having to make sure that once a client says yes, what happens next? Who takes that ball and runs with it from there when you've got such a large book of business that you're trying to move in a short amount of time because your clients are getting called by... We'll, go into this. The clients are getting called by all the other advisors that they got handed to babysit for a period of time. They're getting called from them and getting told all sorts of things to try to keep that business there. And so you're having to fight this uphill battle the whole time of misinformation and lies.

And so it wears on you and it's an emotional thing. It's a dog fight. There's no rules in a dog fight type of thing. And so it wears you out and it does become a very emotional the type of thing where you're going, "I'd never want to have to do that again."

Jason Barber:

If we could go back it again, and that's kind of part of why we're doing this Uptick Partners thing, is that we would've paid a tremendous amount of money, it would've been almost priceless to us, if we would've had somebody who would've been there boots on the ground on the day we did this that had actually done exactly what we were doing. Not like I've seen other people do it. I've been there, I've watched it. You've actually signed a resignation letter before.

Jason Diamond:

With Jones, right?

Jason Barber:

With Jones. You've actually signed a resignation letter, you've made the phone calls, you've done it, and you did it successfully and you didn't get sued. And how to actually do that, it



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would've been priceless to us to have that because again, like Taylor alluded to, we had a transition team from the custodian that was there. And they were helpful, but really is, their job is to be there to answer questions, buy you cups of coffee, encourage you, say, "Hey, here's how you do this. Here's how you do that, et cetera." We also had a consultants that were paid consultants that were there to assist.

And again, even then, one of the things that we should probably talk about is the fact that we also went fee-only at the same time, which was we're very passionate about that aspect of our decision in the business. We think that's where the hockey puck is going in the industry. And so it's not that it made it more difficult to do that, it's that we had a lot of things that we had to figure out that we didn't know. Like how do you actually go about transitioning? Because of the 2022 interest rate changes, we had a substantial number of fixed annuities and variable annuities and things of that sort, but that were on the books that we were moving folks out of bond funds into fixed annuities, et cetera, because we rightfully so knew that it was in the client's best interest to do that. But that also made the transition just that much more difficult going through that whole process of transitioning those assets into a fee-only world. So that's my only other thought there.

Jason Diamond:

Yeah, no, it's smart comment. All right, so since you mentioned it, and I'm sure it's top of mind for a lot of Jones advisors, you use the term getting sued. We hear called the TRO or temporary restraining order, whatever we want to call it. Did Jones pursue any sort of legal action against you? And we can knock on wood here, but thus far.

Jason Barber:

Thus far, no, we didn't have any kind of legal action from Edward Jones. That's something that we are really proud of the fact that we feel that we did a very stand-up job of abiding by the terms of our agreement and abiding by the contract. We had very good legal advice. So we are really proud of the fact that we did not have any kind of TRO. We didn't have any kind of legal action from Edward Jones at all. And so that was something that we're really proud of.

Jason Diamond:

Which is consistent. I think there's a little bit maybe of a misperception in the market around if you leave, you will get TRO'd. But I will say overwhelmingly, the Jones advisors we've worked with, or even just that we've spoken to have said what you just said, which is, "We did things the right way. We followed the advice of counsel and we didn't have any issues."

To a similar vein, let's talk a little bit about surprises, both the good and the bad. You mentioned that Jones was pretty aggressive, contacting your clients, fee rebates. You mentioned you did



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not have the surprise of litigation, so that's a good thing. What other surprises either positive or negative?

Taylor Pankratz:

We had a lot of positive surprises. During that whole period of contacting each client and talking to them and telling them where we went, I mean, we got so many well wishes and "We're so happy for you" and "Wish you the best of luck" type of things that we got more of that in that short amount of time than we probably ever did over the course of our entire career because you basically are laying the relationship on the line and you're just let the chips fall where they may type of thing. And so it was very surprising from a positive perspective in our mind of how many clients actually followed us. And because going into it, every advisor's probably out there thinking, "Well, how many people can I expect to move with me?" And you'll see everything from 20% to 80% and every number in between. And so we were hesitant. We didn't know what we should be expecting. And so going into it, definitely positively surprised in a good way of how many clients moved with us.

And on the negative side, I would say there was a lot of negative surprises, but the biggest for us would just be the reaction and the behavior of the other advisors that were handed our accounts. The book of business basically got spread across a large number of advisors and mainly advisors in our town, but across a whole bunch of advisors in the state and they started calling the clients. And of course they're wanting the client to stay and we're wanting the client to move, but what they're doing is they're telling the client whatever they think the client wants to hear, that we're dead, that, "We don't know what happened to them. They just left." Or, "Your money's safe here. We don't know what happened to them." And the reality is these are people that you go to church with, that you thought you were friends with, you'd go on trips with them, you'd go to regional meetings with them and would be friendly. We would be friendly with them and then they turn around and feel like they're stabbing you in the back.

And so that part was surprising. And that "money changes people" type of statement, that would be what I would say was the most negative surprise, was the reaction and the behavior of some of these people that you would consider friends that they do in the name of trying to get money.

Jason Barber:

Yeah. I'll tell you one story, Jason, on the positive end that I've shared before, but I just think is a really cool story. It's the story of the very first phone call that I made. You go through this whole process, you resign, your blood pressures at an all-time high. You're so stressed out and you're so nervous about that first phone call, the first person. And so you get the green light from the attorney that says, "Hey, you're registered, you're legal," so now it's like, "Okay." You've gone through the process of looking up the phone number on whitepages.com for the



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client and you're like, "Okay, I've got the phone number. I remember the client's name, I got the phone number" and you make that phone call.

The first phone call that I made, I will genuinely will always remember for the rest of my life. Probably a combination of the response that I got, but also just the stress level and just scariness of the whole thing. So I went through my announcement to her and told her what we did. And the reason that I had picked her, by the way, is just because she had literally just been in the office I think the day before for other things and so I felt like I needed to reach out to her.

Her response was legendary. She said the words out of her mouth, and you could tell that she was emotional when she was saying it to me. She said, "Jason, I'm so proud of you." That's what she said. It was just really was like... It almost makes me want to cry just thinking about it. It was really one of those moments where I was like, "Wow, we're going to make it. We're going to be very successful because this is how our people feel about us and we feel just as strongly about them generally speaking." Anyways, I just wanted to share that story.

Jason Diamond:

No, thank you. That's a really powerful story. It really is. I think everybody can feel that. You just don't know, it's the most uncertain day of your life, and then you get this great client who says something like that to you. I think that that will resonate because everybody. Even if you've never made a transition, I think you can imagine what that would feel like.

So let's talk a little bit about more specific in the weed type stuff. You talked a little bit earlier that you were feeling limited in some ways with the latest iterations of Jones. So maybe not five years ago, but these days. What are some specific things you could do now that you wouldn't have been able to dream of doing at Jones? And this is probably not picking on Jones because it's probably things you wouldn't have been able to do at any captive W2 firm.

Jason Barber:

Yeah, exactly. So I think that the biggest thing that we are most excited about that we're able to do now that we could never have dreamed of doing before is to be able to operate our own CPA practice and our own tax preparation business for clients. We just really think that is, again, like I used the analogy earlier, that's where the hockey puck is going in this industry, is this idea of the one-stop shop. Clients want to have one place, one price to pay, Amazon Prime approach. "I want to pay one fee and I want to get my investments done. I want to get my taxes done, I want to get tax advice, I want to have my CPA in the meeting when we're talking about my investments. I want to also be able to do at least basic level estate planning and estate planning document preparation, and all of that should all be done underneath one roof."

So we're able to do that. Actually, we've launched that business, it's called Holistic Tax Solutions. And so it's a sister business. We've hired a CPA and we intend to grow that business



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in a major way. And we also intend to leverage that CPA business in the Uptick Partners world by, as we grow our CPA business, we're going to allow the partners that join us at Uptick Partners to be able to leverage that. And so for that person, that advisor that wants to join us and they're in Iowa but they haven't got the first clue about how to find and hire and train and employ a CPA, well, they can just let us do that for them, but they can offer that tax preparation and tax advice service to their clients. So we're really excited about that.

Other than the tax business, which again, we're really excited about, I do feel like just the ability to hire staff and pay them what they need to be paid, the ability to market our business the way we want to market it, separate ourselves, that's been really exciting.

And alternative investments, that's something that I think we didn't really fully understand going into this just how big of a difference that was going to make to be able to offer, not that it's appropriate for everybody, but just to have so much more to offer than what we had at Edward Jones. Or again, not to pick on Edward Jones, but any firm, but you're just so limited. And I think that a lot of the reason that you're limited is because it goes back to, I'm sure you've heard people talk about the lowest common denominator effect that takes place just about anywhere where you're like, "How can you supervise 20,000 people and let everybody be able to offer private equity and private credit and structured notes and all these different things that exist now that are good options for a lot of people, or at least options that people want to be able to have?"

And so a lot of times the way we say it to clients is, the same way that we outgrew Edward Jones, the benefit to a client now is that they're never going to outgrow us. There's no scenario that exists where they say, "I've just got too much money for those guys now, I need something different or better." That's what I think we're most excited about in those changes.

Jason Diamond:

What you hit on there is, A, the broadening of the toolkit. It's not that every client is going to use every tool, but it's that you have the ability to offer more. And then the other thing that really resonated with me there, it's amazing to me just about every breakaway advisor, so advisor who was a captive advisor who is now independent, who's been on our podcast probably for the past year or two, has talked about the need to offer more and more ancillary services. So things like planning and investments, while they're great and they're important, they're table stakes. And you need to do more than that to keep up with the competition and to differentiate yourself. So it's an awesome answer. I think you'll be incredibly successful with that mission.

Jason Barber:

Yeah. Jason, I would say one other thought that I have real quick there is that everybody knows about the breakaway advisor movement or people that are listening to this podcast, but I think



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the breakaway client movement is the biggest thing that people are not aware of and not thinking of, that these advisors, we contemplated this the other day of when we were at Edward Jones, we almost never lost clients to other broker dealers. We would never lose a client to a different Edward Jones advisor or to a different Morgan Stanley or Merrill Lynch.

But the rare times that we did lose clients, the ACAT was coming in from a Schwab or a Fidelity or from a Pershing where you say, "Man, that person's going because they're going to an independent RIA." But we didn't even really realize it at the time, but reflecting on it in the past, it's like that movement is a very real movement, that clients are expecting and demanding. They're becoming more knowledgeable about these other investments and about the importance of having a fiduciary, a fee-only fiduciary and the services and saying, "Hey, I need to get my taxes done in the same office as my investments are managed."

And so clients are demanding that. And for advisors that don't see that, in my opinion, they're on a path towards becoming slowly irrelevant to the high net worth investors say over the next five or 10 years if they're not offering these services.

Jason Diamond:

Yeah, I think that's spot on, particularly as you said for the upper reaches, the high net worth and ultra-high net worth crowd. All right, so I want to ask, I'll be mindful of time, but two more questions. Maybe we'll go one for each of you. Jason, let's start with you. I'm a Jones advisor. I see all my colleagues or a number of my colleagues making a change and I'm equal parts curious, overwhelmed, scared. What advice do you have for me?

Jason Barber:

I think that the best advice that I would have is if you're in that, if you're listening to this podcast or if you're doing research, you're thinking about breaking away, I think that the best advice that I could give is don't linger in this space for a long time because you need to, for lack of a better term, make up your mind one way or the other. Are you going to be an employee advisor, and for lack of a better analogy, drink the Kool-Aid? And if you're not, some of the best advice, I think I've heard other people on podcasts share this, that it's a very dangerous game to play to be halfway in, halfway out, but be in the employee channel for fear that you could be terminated if you're not putting forth your best effort, if you are not being "loyal," whatever the analogy may be.

So I think the best advice that I would give somebody is, if you're thinking about it, you need to make up your mind relatively quickly of, "Hey, I'm either all in the employee model, in the captive broker dealer model, I'm all in. And that's what I'm going to do and I'm going to stick with that." Or you're making the move. I hope that makes sense, Jason.

Jason Diamond:

Note: This is a transcription of a spoken word dialogue and as such there may be errors and/or omissions.

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It does. And it's in line with how we counsel advisors, which is... And it's not to be salesy or to say, "You need to decide tomorrow." It's to say there's no real benefit being between islands or a man kind of between countries. So it's best to-

Jason Barber:

It's risky.

Jason Diamond:

Yeah, and it's risky. That's absolutely true. So I think that resonates. And I think the moral of the story is that doesn't necessarily mean making a move. That means you may very well decide that the right path is to stay put, but you do so with more knowledge and with the thinking that, "I have doubled down now, that Jones is now the right place for me and it enables me to stay put from a position of power."

Jason Barber:

Exactly, yeah. It's that, and then just don't try to act like you're an independent advisor, but you're at an employee captive broker dealer. You're taking a tremendous amount of risk with an asset that you don't own in that scenario. So I think that a lot of advisors out there make the mistake and find out the hard way that when they try to act and do things that you would do if you were independent, but you're in that employee channel, and then God forbid you end up getting terminated or whatever else, bad things may happen. If you're a larger advisor, we were, that's an asset that is a very valuable asset that you're gambling with and playing with fire if you're not either all in or all out.

Jason Diamond:

No question about it. And unfortunately, gone are the days of warnings where you get the slap on the wrist the first time. A lot of times we hear from advisors where the first they hear about something is unfortunately the termination.

All right, last question. Taylor, let's go with you on this one. Five or 10 years from now, and I'll let you choose or you can tackle both, tell me what Holistic Planning and Uptick Partners looks like.

Taylor Pankratz:

Yeah, that's a great question. Our goal is for Uptick Partners to become the home for breakaway advisors that want to experience RIA independence on a platform that's custom-built for them. That would be our goal five years from now, 10 years from now.

For Holistic Planning, I think the goal is to continue the legacy that we've built for the last 41 years and delivering excellence for clients and just continuing and passing this torch to our kids and to the grandkids and continue this family business. But we have every intention of having



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Uptick become what we wanted that didn't exist for the breakaway advisor and something that they can leverage to make this thing this whole process less scary and more successful.

Jason Diamond:

That's awesome advice. Certainly great to see your vision, and at least in the early innings, start to come to fruition. I know it's only been about a year, but it's been awesome to watch you guys soar and what I think will be an incredibly successful story. So we'll have to have you back in five or 10 years to revisit some of those predictions and goals. So thank you both so much for joining. I thought this was a fantastic episode and I really enjoyed speaking with you both and learning more about your vision and the future, what the future holds for you.

Jason Barber:

Yeah, we really enjoyed it as well, Jason. And I sure hope that we're back sooner than five or 10 years with some good updates, but it was really an honor to be on the podcast. And like I said at the very beginning, I'm not sure if we got it recorded, but you guys are the Joe Rogan of the breakaway advisor podcasts, and so we're super excited to be here and honored that you'd have us.

Jason Diamond:

Thank you very much.

Taylor Pankratz:

Thanks, Jason.

Jason Diamond:

I appreciate that.

Mindy Diamond:

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