EPISODE TRANSCRIPT

A Bank Advisor’s Breakaway Success Story: From $180mm to $600mm+

A conversation with Evan Mayer, Founder and CEO of Fortuna Wealth.

Mindy Diamond:

Welcome to the latest episode of our podcast series for financial advisors. Today's episode is A Bank Advisor’s Breakaway Success Story: From $180 million to over $600 million. It's a conversation with Evan Mayer, founder and CEO of Fortuna Wealth. I'm Mindy Diamond, and this is Mindy Diamond on Independence.

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Every advisor has a turning point in their career. It can be a passive event when they are presented with an option and need to determine which path to take, or they see the handwriting on the wall and proactively realize they need to make a change. For Evan Mayer, there were several such moments and as he shares all things happened for a reason. He started off in the bank channel with the intention of transitioning to a financial advisor role over time. Yet time passed and he was presented with the option of becoming a bank manager for Bank of America. He had a decision to make, stay the course or take the path. Yet as fate would have it, an advisor position became available and he stayed with the bank, Bank Atlantic until the next juncture. That came in 2012 when Evan transitioned to SunTrust, which became Truist after a merger with BB&T in 2019, one of the biggest bank acquisitions of its time.

That was a light bulb moment as Evan would say. He was driven to do more for his clients, but limited by the bank model, and he wanted to be able to share educational information and market to clients in prospects freely. Taking a proactive stance. He explored his options and decided to launch Fortuna Wealth in Boca Raton, Florida with Raymond James, and he hasn't looked back since. Only to recognize he's grown his business from $180 million in assets under management in 2019 to over $600 million today as an independent firm. Evan shares his incredible journey with Louis, discusses the difference between working in a bank channel and being an independent advisor, how he grew so quickly and the key things he can do now that he couldn't do before plus so much more. It's a great story. So let's get to it.

Louis Diamond:

Evan, thanks for joining us today.

Evan Mayer:

I'm excited to be here. Thank you for having me.

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Louis Diamond:

No doubt. Can you start off by telling us about your background and what led you to become an advisor in the first place?

Evan Mayer:

Yeah, so I went to high school and then went to college. And in college I did vacation sales on the phone, believe it or not, which was an interesting thing to do for two or three years. And I got done with college and I did what I think a lot of people do that are in their early twenties and they say, "What do I do with myself? What are my parents doing?" And at the time, my stepfather was an advisor and he said, "Well, why don't you come to my office and come work for us?" And I'm like, "Okay, this sounds good." And he's like, "Yeah, you could become a partner. It's going to be great. You're going to love it." And I said, "All right, sounds great." He's like, "But you're going to have to pass a bunch of rigorous tests." And so went to his office, studied, got all the tests, looked around at kind of the operation and how he was running things and didn't feel like it was kind of what I was learning inside the books.

It was very different. He was more of a, I guess an annuity broker is what I would call him at the time. And I realized that that was not what I thought financial planning and financial services should be about. And I basically spent about eight, nine months there getting my licenses and then decided to go over to the bank channel. And at the time, the banks were not hiring financial advisors straight out of getting licensed, so they were like, "Well, we have a personal license, personal banker role that you can go into where you can use your license, but you'd also be doing bank stuff." And I said, "Well, that sounds good. So I get a salary, I get to do bank stuff, but on the side do the investment stuff." And they said, "Yep, that's basically it." And that's how I got my start in the business.

I was a licensed banker for about a year. Did tremendous, ended up becoming the number one licensed banker in the company. And after a year went by, I went to my boss at the time or who was in charge of the licensed bankers at the time and said, "I want to be a full-time financial advisor." And at the same time, I had an offer to become a branch manager of a Bank of America branch at the time. So it was a decision. He said, "Well, you're going to have to go through the interview process." And I said, "Well, if I don't get this, I'm going to leave the bank altogether and I'm going to go to this other bank and become a branch manager." And he last minute said, "You have the job." And that's how I started as an FA. And without him making that decision, I could still be sitting inside of a bank as a branch manager of a bank today.

Louis Diamond:

All things happen for a reason. So that bank was Bank Atlantic, which I believe was on the LPL Financial Bank platform. Can you just explain for our listeners, how did, in your view, coming up through say, a smaller regional bank like Bank Atlantic, how did that experience differ from starting off working for Bank of America or for a larger institution?

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Evan Mayer:

I think what was nice about the bank at the time, when I go over this, I think most people are going to be blown away specifically that are on the bank channel because at the time there was one financial advisor for each territory and the territories were broken up into counties. And I took over Broward County initially, I'm in Palm Beach now. But I took over Broward County at the time, I think there was 32 branches that we were covering. So the interesting thing was now each branch only had a very small goal of revenue that they had to achieve for their branch to hit their numbers. And so it wasn't great in that concept, but what was great is you had 32 branches, you had 32 partners and relationships you could make with each of the bank employees. And the big banks didn't do that at the big banks, you're lucky if you get two or three branches, most bank advisors get one, maybe two, possibly three if they're small branches.

I had 32 when I started, so I literally went from office to office every single day and I loved it. It was a really cool experience. I got to meet a lot of neat people that were inside the bank, but also the clientele was different in all the branches because you'd go from one city to another city, an affluent area to maybe a non-affluent area, and just work with different kinds of clients in each of those locations. So working at a small regional bank, they only had 100 branches I think at the time, was a really neat experience. And I'm glad I started there because the next move, obviously I went to a bigger bank and it was a whole different experience.

Louis Diamond:

So it seems like you built the business at least initially through referrals or warm introductions from these bankers. A lot of people would say it seems like a pretty cushy position where you have all of these potential clients that aren't being served in the wealth management side. So what was your motivation to say that "You know what, this isn't the right fit." Because I could imagine it's probably easier to gain clients that way than it would be to go out hunting on your own.

Evan Mayer:

I'm glad you asked the question the way you did, because it wasn't that financial services were really being offered. It was actually more of an alternative to CDs. Basically what would happen is the bank would offer a CD and they would say, "Hey, we have this CD rate." And if the client was like, "Well, I'd like to get a higher rate than that," they would say, "Well, then you should speak to Evan." And at the time I was doing a lot of fixed annuities, and this is back in, I started in '05. '06, '07, '08, '09, well, obviously that was during the great recession. So that ended up working favorably for me where a lot of what I was doing initially was doing fixed annuity sales. So to be honest with you, I entered into that fixed annuity route. And I look back at the practice about three years later and I said, "I really don't have a book of business."

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I have a book of clients that I sold products to. And it's hard for an advisor to look themselves in the mirror and say, "I'm not very good. I'm not very good at what I'm doing. I'm not really doing what I should be doing. I want to get into managing money." And at the time, managed money was out there, but it wasn't, specifically in the bank channel, it was a kind of newer concept in the bank channel manage money during that period.

And so I wanted to basically take the reins and say, "Hey, I'm going to be the managed money guy for the area." And that didn't go over so well with the team there because the concept was, "Well, yeah, that's the right approach, but we need revenue today." And the branches would look at you and say, "We need revenue. We're getting compensated on revenue." And so it made sense to make the switch. And it's funny because when I did make that switch in 2012 to SunTrust, I literally didn't bring a big book of business. I think about $10 million is what came over with me. So it wasn't a big book, Louis. And when you're trying to convert a product-driven clientele into a planning fee-based type of clientele, it's a very, very different approach.

Louis Diamond:

Yeah, I can imagine that. So that makes a lot of sense. You wanted to move from being a product salesman and having all of these individuals that you sold to, to instead developing relationships and migrating into planning and advisory. So SunTrust, which is now called Truist, you moved there in 2012. We would still think of SunTrust or Truist as a bank. How did moving to SunTrust at the time, how did that move the needle versus Bank Atlantic?

Evan Mayer:

Oh, hugely. I actually went over with one of the other advisors there that was the top transactional person at Bank Atlantic. And just to take the story back a tad bit, Bank Atlantic was getting bought by BB&T, and at the time BB&T, any referrals that were above $250,000 went to Scott and Stringfellow, which was their solely owned broker dealer that they had on the side. And I wasn't in the business to just take on clients that are worth 250,000 and less. I don't think any advisor goes into the business with that thought process. So we decided we had to go and we shopped around to the different banks and we went to SunTrust. They had a great platform, great banks, it was still super regional. It wasn't as big as a Bank of America or a Chase or one of the big guys.

So we joined SunTrust and I started doing the manage money and the planning. The other advisor I was with was still doing our transactional part of the business. And about a year and a half went by into it, two years went by into it. And I just noticed that that path was not a smart path. We really did not need that transactional component to be 50% of the business. And so that partnership basically dissolved because it financially just wasn't rewarding to me and where I thought the practice was going. And so basically at that time, over that first two years, we grew by about $20 million. AUM was about $30 million to start. And over the next six, seven years, we really dive deep into financial planning. And I think Louis, there's a big difference between a fee-based advisor and a financial planning focused advisor.

And the big difference is a fee-based advisor thinks that financial planning has to do with money management and financial planning to me has a lot more to do with everything else. Money management is a piece of what we do, but it's just a piece. And I started changing my mentality starting in 2015, 2016, to really creating a financial planning practice. And what was great is we brought the assets. When I say me and my staff, my admin staff, we brought our assets from literally $10 million to $30 million to $180 million by the time we ended up leaving SunTrust.

And we did that by really creating a financial planning process that actually SunTrust adapted. And at the time they were sending me out to different cities to speak to the different advisors that were on the platform about how we were doing it and how we were gaining so much traction. And it became a lot of fun and we were growing and as anybody might ask, why would you leave that? And funny enough, one day we wake up and the news comes out that SunTrust is now getting bought by BB&T again.

Louis Diamond:

Full circle.

Evan Mayer:

Full circle. And even though it was a different kind of buyout, it was a merger, I was still very scared and anxious and said, "I think we got to leave again."

Louis Diamond:

So two comments or follow-up items to what you said. So first I want to just highlight because I think it's very important what you said about the difference between building a fee-based business that has planning and I'm paraphrasing versus building a financial planning practice. So it sounds like, which I think is an important distinction, that seems like catapulted your growth is that you looked at planning as the product, if you will, that planning was the end all, be all. Investments are part of the plan versus perhaps others. They did fee-based business, did advisory business and maybe offered a financial plan as part of it, or as a means to uncover other assets that they can manage. Is that an accurate statement?

Evan Mayer:

That's a fully accurate statement. And I used to get kickback from other advisors because when I would go throughout the country and I'd talk about our planning process, we had this five-step planning process. But part of our planning process was we don't charge for planning and we don't request assets right away. We really go through and we do a free financial plan, a comprehensive financial plan for the clients, and if they see the value in continuing to work with us on the money management side, then they can do that. And if they chose not to, they could do that as well. And we would get kickback from advisors, "Why would you waste three or four hours of your time sitting down with clients and prospects that maybe are not going to invest with you?"

And I said, "The bottom line is if you spend three to five hours with a client, getting to know them, really understanding their financial situation, looking for areas of weakness that you can help improve and shadowing that, and then talking about investments later, that relationship with your client going forward is no longer the financial advisor and client relationship. It's more of a financial consultant, financial quarterback, friend relationship. And I think that makes the entire difference." And so the advisors that would say, "I need to get $100,000 or $1 million under managed money before I'll do a financial plan for a client." I think they're missing the boat on how great of a relationship you can build with somebody without needing assets right away.

Louis Diamond:

I couldn't agree more. We're not financial advisors here at Diamond Consultants, but we look at our relationships with financial advisors in a similar way. It's easier and quicker to just throw solutions at them and you get paid quicker and maybe you spend less time. But we find that if you run a comprehensive process starts with the advisor's goals, what they're looking to solve for that, you develop a better relationship. But it's also just a more productive outcome for certainly our advisor clients, but also for us. It's not true altruism because obviously there's a commercial end of it and we know it works just like you did, but I completely agree that you got to take the time to understand the fit with the client and investing that time goes a long way and then ultimately good things follow. So I think we're pretty synced up there.

One other comment or question. You mentioned that your catalyst to leave SunTrust, which became Truist through the merger with BB&T, was this merger. What was it like to have it be announced that the bank is merging again? Was it panic drop everything and let's get going? Or did you have a bit of a heads up or were you already in process? And the reason I'm asking is we've seen a whole ton of M&A activity with independent brokerages and just firms in general, and oftentimes it's a drop everything and let's get moving quickly. So I'm always curious how in practice it unfolded for you.

Evan Mayer:

It's an interesting situation that occurred, and I'll elaborate a little bit because I think other advisors might find this very interesting. When the announcement came probably about five months prior, my contract was up with SunTrust as far as my signing bonus, the signing bonus in the business. And I think as any advisor that didn't have a lot of assets when they signed a firm and then all of a sudden has a lot of assets, the thought is, "Man, I can make a lot of money if I leave. There's a big check potentially out there waiting." And I had gone to senior management at the time, gentleman by the name of Ken ran the program there. I still think he runs, I think he runs most of Truist down on, at least on the southeast. But he ran all of Truist. And I went to him and I said, "Hey, can I get this?"

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And he was like, "We give you a lot of stuff Evan, I can't. No, we're not going to go down the road of resigning advisors or retention packages." And based on my production and things, I was like, "You know what? I understand and I like it here. I'm not going to necessarily rush out of here." And I waited and all of a sudden that announcement came and then my head started going, "Okay, what's going on?" And he called me, a couple other of the managers called and said, "Look, this is different than the old BB&T merger. Stay calm. There might be some sort of retention package based upon what we're hearing and what we know." And so I said, "You know what? I'm not going to rush out. Let's see what happens with this retention package. Maybe they're going to actually come and say, 'Hey, Evan adds a lot of value. He coaches a lot of the advisors that are out there, his production, he's our fastest growing advisor in Florida.' Let's see what we might be able to get on this retention package."

And a retention package came and it was almost like a slap in the face. It was a very low number compared to on the street, call it less than 10% of what you could get on the street. And it was the same sort of contract length, a 7, 8, 9 year tie up period. And I said, "That's a kind of a slap in the face." So I started looking around and I said, "You know what? I think now is the time." And it was actually my admin that's with me, Annie, who said, "Evan, we got to go. Our practice is growing into a different leap. We don't necessarily need the same referrals. The same amount of time you have to sit there in the bank channel on conference calls, wasting time. We don't need that anymore. Let's make the move."

And we started shopping ourselves. And first we were looking at the wirehouses, we were looking at Morgan Stanley went really far down that path, got a huge offer from them, millions of dollars offer to sign on with them. And last, I don't know, maybe about a week after we got that offer, we got a call from Raymond James and Joe Pellegrini who runs the southeast for recruitment, shot me a call and said, "Hey, let's go out for a steak." And I said, "You know what? One last steak dinner, it's not going to hurt during this tour." And literally I went from having about to sign on with Morgan Stanley to really talking about independence and what you can do for clients and what you can do for your practice and how beneficial it is and how much that check maybe is not so important. And from that time, we had dinner, that steak dinner three months later, we went independent that day. So literally was 90 days.

Louis Diamond:

If you can recall what was the light bulb moment, something that Joe said that... It's a pretty big shift to go from a bank channel where you're getting referrals, it's very well scaffolded, relatively restrictive versus Morgan Stanley, which is obviously a viable option for you to then going independent even with a firm like Raymond James. So what was the light bulb moment that made you say, "You know what? I'm okay with leaving a lot of money on the table for today and also working in a completely different way than I have been all these years."

Evan Mayer:

First and foremost, it was his temperament. I left the meeting going, "This guy's really trying not to sell me." Where I felt like at Morgan Stanley, they had this fast talking guy from New York who was new down here, and he was like, the hardcore sales process was driven, "We got to get you..." But everything that I asked at Morgan Stanley, I was getting a lot of nos on and everything I was asking Joe that I can do, I was getting yeses on. I asked, "Hey, what if I want to send clients a vast email out exactly how I feel about the market?" You can do that. Where at Morgan Stanley, you couldn't. "What if I wanted to change how my furniture looks in my office? Could I do that at Morgan Stanley?" "No, it has to be that old mahogany look. That's the way the office is set up."

"My admin Annie at the time, if I want to give her a pay raise, can I?" Well, Morgan Stanley, no, she's an employee of Morgan Stanley, and technically there was not going to be any kind of contract where she was going to be fixed with me. So it was those kind of things. It was, "Hey, from a 40% payout to an 80% payout where you can expense some of your business expenses through your practice, have you ever really looked at those numbers? Have you ever seen a proforma before?" And I said, "No, I've never seen a proforma. How does that measure up?" There was a bunch of things, Louis that kind of peaked my attention and said, you got to really look at this before you jumped sign on with Morgan Stanley. Let's look at this. And then about a month later, I ended up doing a tour of Raymond James through their headquarters and it was called a technology tour basically.

And it was the most phenomenal thing. Their technology compared to what Morgan Stanley had showed me was so much better. And I said, "Why am I going to sell my client short? I'll make the money back over time. I'll grow the practice. But being independent is going to allow me to do things like podcasts, allow me to write articles," which I've been able to do, "send client emails, really decide who I want to hire and who I want to fire and if I want to increase their payment." So Louis, there's so many things to go with going independent, and I don't think independence is for everybody. Actually, for a matter of fact, for many advisors, I'd say at least 50% it's not for them, but for me it worked out significantly well.

Louis Diamond:

Yeah, it seems like a very impactful stake that you had and what a detour, it would've completely changed the course of your business in your life. Given what I know about you, you would've been successful there, no doubt. And it's not like you would've been stuck in a role that didn't suit you forever, but this really shaped the way that you ran your business. And I think a lot of what we're going to talk about is some of the really interesting and different things you've done as an independent. I would agree with you that none of it would've been allowed if you had signed the dotted line with a firm like Morgan Stanley, nothing against Morgan Stanley, more so just the model. So as you're getting excited about independence, were there other then independents that you opened up the dating process to, or was it just, I'm going independent with Raymond James, and that was the right move for you?

Evan Mayer:

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We looked at Centurion and we looked at LPL, but we were on a deadline. And this goes back to the story of the retention package. So a little interesting side note, we were given 90 days to sign that retention package, and I was the only advisor still in our territory that had not signed it. And I got an email from my boss basically saying, "Hey, everybody's signing for the free money. Why are you not signing for the free money?" And I remember getting that email and going, "Man, we got to go."

And so I actually talked to my attorney at the time, well, he wasn't my attorney at the time. I hired him and I said, "Hey, can you look through this retention package? Should I sign this? Should I not sign this?" And he wrote back more or less, "If they're pressuring you to sign it and you're not ready to make the move yet, sign it. But my advice would be, don't sign it and leave if you can leave quicker." And I said, "Well, there's no way to get out of here in two or three weeks. I guess I got to sign this thing." So I went and forwarded that contract to my manager at the time and without knowing it, and again, I made a really bad mistake here, but they never caught it luckily. But below that was my lawyer's recommendation to not sign this if you're going to leave.

Louis Diamond:

Oh my goodness.

Evan Mayer:

So I hope this correlated well, but long story short, I was like, "Man, we got to go." And so I couldn't court long, but I did look at LPL, I looked at Centurion, I looked at their payout structure and their payout structure was a little better. But when I really broke it down at the end of the day, and I say this to anybody that's joining Raymond James from the outside, if you're willing to give up one or two percentage points for a significant upgrade in technology and access and just a better firm name, specifically when you're leaving a bank and you've got to take bank clients with you, I think the average is 50%. We took well over 96% of our clientele, would we have been able to do that if we went to a firm where the clients did not know the name. And so James, that name was significant in leaving the bank channel. So for us, it was a no-brainer to go with Raymond James. We did, like I said, dabble around a little bit, but we did have to move quickly.

Louis Diamond:

Yeah, makes sense. Yeah, I think that's one of the many reasons Raymond James has had a ton of success recruiting breakaways, which you were into its independent channel, is because of the scaffolding and support and comfort and familiarity with the brand. So when you moved over from SunTrust, you've used the word referrals a couple of times. How much of the business was referral driven? You said sound like you had amazing portability, 96% or so. Did that weigh into your transition that I have clients that were referred to me or at that point, was it mostly self-generated or very solid relationships?

Evan Mayer:

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It was a deep leap of faith. Probably by 2017, 2018, I started to get some referrals from existing clients, but not a lot. And I looked at the practice and I looked at the difference in payout and what I would need to bring over based upon what I had and the ability to scale. And I figured based upon what I thought I was able to take, and you got to remember, and I suggest this for all advisors, when you leave, you don't plan on taking 96% or 100%. You plan on taking, in my case, I planned on taking 50%. I looked at what the industry average was and said, "Could I survive? Could I grow a practice on that 50% number?" And the answer was yes. And so I said, "Well, if I can get to what I think I can get," which at the time after measuring what I thought I could take, I thought I could take about 75%.

I was blown away with the response that I ended up getting. A lot of my referrals were from the bank the last two years. They really started to shift where I started to get more referrals from the existing clientele. And they were better referrals, they were stickier, they were higher net worth, they were just a better situation. And so when we went independent, all of our referrals now come from our existing clients. We don't actually do any parole prospecting, and we get enough referrals to where we're able to bring on anywhere from two to five new clients a month. And for me, that's a pretty good number. And so we've hired a junior to start taking on some of these as they're coming in. So it's been a really, really nice experience to not have to rely on the bank. And when I want to go home and shut the lights off, I can go home. And when I want to come in, I come in and there's nobody to necessarily report to but myself, which is an awesome feeling.

Louis Diamond:

Yeah, I love that. A lot of advisors grapple with, okay, I'm leaving behind a meaningful part of my business. We call it shrink to grow. So shrinking the parts of the business that don't serve you to focus on a bigger and better future. But I think I also really like what you said about being extremely conservative about just running the numbers. If I brought over 50%, can I do this? Yes. If I brought over 75%, can I do this? Most definitely, yes. And just being somewhat conservative and making sure that worse comes to worse, you're still able to take care of your family. I think that's a great kind of measure exercise for those considering independence. Of course, you got to have confidence in yourself, and you're not going to do this if you're not going to be successful, but at least covering your flank and making sure your downside was covered I think was a really smart move, especially going independent.

So let's pivot now to life as CEO of Fortuna Wealth on the Raymond James platform. So one thing you just mentioned was you don't do much proactive prospecting. It's growth through I would assume inbounds and through client referrals. You said two to five new clients per month. That's a massive number. Is it really just clients referring you new business, or are there other things that you're doing to drive that growth?

Evan Mayer:

Primarily it's referrals from the existing clientele and we're getting them. Interesting enough. Look, when your client is calling you from everything, "Hey, my accountant did my tax return, can you just overlook it and see if you see anything that should be overlooked? Or here's my estate work that the attorney did. Is there anything that you think with me and my family dynamic that you would've added or deleted in here." When you're literally getting that granule with clients and you're meeting with them consistently, and I always like to talk about a point of contact system that I think every advisor should have where you're touching clients a lot. If you're seeing clients that often and every time they're booking their next card game or their next lunch or their next dinner with their friend or family and they're like, "Oh, I'm going to see my advisor," and that person's not, they're sending out advertisements to all of their friends and all of their family.

And one of the nice things we started to really focus on is that the next generation, do we have the beneficiaries correct on the accounts? Let's go over contingent beneficiaries. Let's go over per stirpes with them. God forbid something happens to you, it'd be good to meet your beneficiaries the next time they're in town can we set up a meeting? So we really started targeting beneficiaries and getting to know the family members of our existing clients. And so a lot of our new referrals were actually coming from that, which is great because we're going to be able to pick up those households, keep those households, and grow those households into the next generation. Part of what I'm thinking going forward is I need next gen type of advisors to start coming in because those clientele are looking for a little bit different of approach than maybe what I'm offering.

And so that's been important. We're also recruiting advisors. We have three new advisors that are joining us in the next couple of weeks, so we're really excited about that. And so our referral flow is coming a lot from our existing book, but also my new advisor that we just brought over, Noah's between B&I and some of the social groups that he's doing and some of the activities he's doing, we're getting a lot of referrals from that as well. And so adding a little bit of a next gen flare to our company has been truly successful. And where we were six months ago to where we are today, it's a whole new business.

Louis Diamond:

Let me just recap part of what you said to make sure I got the understanding correct. So I think it seems like the big difference between maybe your approach to serving clients that led to all these referrals is you said the point of contact system. So it seems like having more touches with existing clients and just being more present in their lives, is that accurate?

Evan Mayer:

That's accurate. We mandate every client come see us quarterly or semi-annually. The semi-annual are only about 10 to 20% of the clientele. We really, when advisors say they're busy and they can't call a client back that day, we call every client back the same day and we see three to four new clients a day. So we work hard, and that's why I'm saying it's independence in your field. Independence is not for everybody. There are people in the bank channel that should stay in the bank channel.

A Bank Advisor's Breakaway Success Story: From $180mm to $600mm+

A conversation with Evan Mayer, Founder and CEO of Fortuna Wealth.

If you want to do 20, 30 hours a week and you're not going to touch a lot and you're going to still get referral flow, the bank channel is a great cozy place to be. There's nothing wrong with it. And same thing with the wirehouse channel, but I do think on the independent channel... And not everybody has to be as driven. You could also say, "My book is big enough and I'm just going to kind of coast," and there's nothing wrong with that as well. But I don't think there's a day I wake up where I'm not thinking something new or something exciting that I want to do with the company.

Louis Diamond:

So you're running a business versus running a book of business or a practice like you would've in your old gig thinking about hiring and scaling it and figuring out ways to keep growing the business.

Evan Mayer:

I'd say that's 100%. Yep.

Louis Diamond:

What's been, let's say two of the most positive changes you've seen in your business since going independent?

Evan Mayer:

The ability to express yourself, and this is again, maybe this is not every advisor wants to do this, but I was able to, during COVID specifically, I was writing a ton of articles that got published in Worth magazine. So I got to actually write for a change. I got to do video blogs for clients, which has been awesome. So every couple of weeks I go and do a video blog of the state of the economy. And what I see, and what's nice is I got to add some disclaimers at the bottom that this is not the advice of Raymond James, that it's the advice of Fortuna Wealth and Evan Mayer, but I'm happy to do that and I can actually express how I see things instead of using a company view. I remember even when I worked at SunTrust, they had hearsay as an example, and we could only post SunTrust approved material, and you knew clients were not going to read that, or if certain clients might read that, but they weren't hearing from their advisor, they weren't hearing from their voice of their advisor.

And so I think one of the nicest things about going independent is your ability to be yourself, to voice how you feel and share that. The podcast that we started For Advisors By Advisors was something I would never have been able to do and be able to just talk to other advisors about their practice and what they're doing is neat. And just the hiring metric, we decided to hire two people about six months ago. They're phenomenal. Part of our team now. Their compensation structure on how I was able to do that, that was something I would never have been able to do inside of a wirehouse or a bank. So I was able to create that. So I guess every day I come up with something or every month or two, it's a different path maybe where we want to head next.

Louis Diamond:

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Yeah, you're able to flex your creative muscles, it seems. So that all sounds very encouraging and positive. What about a few negatives or unforeseen challenges that have been associated with the move to independence?

Evan Mayer:

Yeah, so I would say at some time, and you hear this from people that say, "I don't want to feel like I'm on an island." You can feel that way specifically during COVID, when you got to remember that I left in August of 19, literally six months, seven months later, we have a global pandemic. And while I didn't have to be on those conference calls every day, sometimes you do miss those. Now I'm a competitive person by nature. And so back in the bank channel, you would look at the leaderboard and you would see what other advisors were doing, and you would try to outdo those other advisors. And me and a couple of the advisors had that kind of competitive banter with each other. And so I think you miss that aspect. If you don't care about that, then that's obviously nothing to miss. And sometimes you do feel a little alone on an island. There's not many advisors to talk to. There's not advisors that are necessarily part of my team. So I would say those are negatives. The positives now far outweigh the negatives.

Louis Diamond:

Yeah, it sounds that way. I think that seems very accurate, that obviously you're going from working in a branch with a bunch of other advisors and you have the competitive sales-driven culture. And many advisors, they love that, which is why in our view, there isn't one firm or one channel of the industry that dominates. There's something for everyone. And for you, your most important items was expressing yourself, being able to be creative, having this entrepreneurial flare. For others that maybe would've been low on the punch list or not at all. So I think that makes a lot of sense in hearing your perspective. Let's talk a little bit about your podcast. So for advisors, by advisors briefly, can you share why you started the show and what's the show about?

Evan Mayer:

Yeah, funny story. I've always felt like talking about the business outside of dealing with clients is a fun kind of thing. And talking to other advisors about what their practice is and what they're doing and be able to share ideas collectively is a great idea. And what I did is I scoured the podcast landscape and you guys were obviously a great podcast. I listened to you tremendously when I was going independent, pre going independent, still to this day, a big listener, big fan. And most of the big podcasts that were out there were not from what I would call the regular financial advisor. And I know Michael Kitces has one. I think he from looking him up, very big book of business. But what about the million dollar producer? What about the person that's doing a million, million and a half, 2 million, not the guy that's doing seven, 8 million a year, just the standard guy that comes into his office every day and works.

It'd be great to have a podcast hosted by him talking to other financial advisors about what they do. And my wife had some friends over from her college, like a college reunion kind of party. And the husbands

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are there and sometimes you're sitting in there, you're like, "Oh, I hope the husbands are cool. I hope it's not a boring day." So we're in the pool and I'm talking to one of the husbands and he says, "What do you do?" And I say, "I'm a financial planner." And I said, "What do you do?" And he says, "Well, I actually help people create podcasts." And I said, "Huh, what goes into a podcast? Is it expensive?" He's like, "No, you could probably have it up and running with a thousand to $2,000 to get decent equipment. If you don't want to buy really decent equipment, you probably can get it all up for two, $300."

And I'm like, "Well, 1,000, 2,000, I could spend." And he's like, "Well, give me a call. Let's chat about it." And I hired him to be a podcast coach for me. We got the podcast up and running in about a month. I wanted a cool name that basically spoke to what we're doing, which is advisors speaking to other advisors. And I don't know if you remember that clothing line back in the day, but Damon John that's on Shark Tank. The way he got his money was he created a brand called FUBU, which was for us by us. And I said, "Well, that sounds pretty cool. What about FABA, for advisors by advisors?" So the name got created that way. And I really am a big fan of Joe Rogan. I love the fact that he just gets on with somebody and starts talking. It's not scripted. Nobody knows what they're going to be asked.

It's just "Let's just talk about the business." And you were on my podcast and we had a great show, and I didn't send you any pre-scripted questions. It was just, "This is what we're going to talk about today. Let's talk." So I had a graphic designer create the picture, and it was born and we went crazy. The first three or four months, we were doing three podcasts a week, and we were really getting them out there. And then I started realizing that I got to a point where I almost interviewed everybody I wanted to interview, but nowadays, I'll get a question or I'll get somebody on LinkedIn that's like, "Hey, I'd love to join your show." And so we've kept the show going. It's been fun. I think we've done something like almost 70 episodes since August of last year, and it's just been a blast getting to know other financial advisors, what they do, why they do it.

We had you on, we have other industry experts on that can talk through the business a little bit. We have recruiters on, we have all kinds of people that are in the business on. So it's a lot of fun to break down the different things. One of the areas I didn't know a lot about, because I was in the bank channel, going independent was scary, was what about going RIA one day? What does that look like? And so you got to explore what that looked like on the show. So we've gotten to do a lot of cool things, Louis.

Louis Diamond:

And a quick follow up on that. So it seems fun and clearly it sparks your, I can hear the excitement, enthusiasm in your voice. Does it help your business at all? Since it's for advisors, is it bringing new clients in? How is it driving Fortuna Wealth?

Evan Mayer:

I initially did it with no concept of making money. I literally just wanted to do it to enjoy conversations and learn something. What it's done for me so far has it's learned, the compensation structure. I learned from a guy named Joe Conroy on the show, which a better way of maybe of helping to fund a financial advisor that's starting off in the business that just can't get paid based on revenue because it takes time and you want to bring in assets and you want to bring in assets the right way. So I've learned things along those lines as far as has it helped me with new clients? No, it's helped me a lot with advisors though. A lot of advisors that are wanting to go independent or have conversations, I probably speak with anywhere from five to 15 advisors that are outside of my network of friends that have questions or comments.

So I get to guide specifically newer advisors. A lot of newer advisors are like, "Hey, what channel do you think I should go into? What's a good approach? This is where I'm located. Do you have anybody that you know?" So a lot of it is based on networking, I would say. But it always helps on a recruitment standpoint too, because anytime I'm recruiting an advisor, say, "We talked about this on our podcast, but you can go onto this episode and actually listen to this part of the movement of going independent."So it's helped in that concept, but I haven't really looked at a way to monetize it. And I really don't... How do I say this? I don't really care about monetizing it per se. I really do it because I just enjoy doing it.

Louis Diamond:

Right, like the passion of it. And since you've gone independent, how have you been able to grow the business? Today what does Fortuna look like as far as number of employees, number of clients, assets, whatever metrics you can use to quantify the power of your process to go independent?

Evan Mayer:

So at the time, it was me and Annie, we had about $184 million, roughly $85 million when we left truist. We ended up bringing over, like I said, a large percentage of that, but we ended up getting more AUM based upon the assets that grew today. We now have, there is seven of us, and our assets totals are just north of $600 million under AUM.

Louis Diamond:

Wow. I think we really buried the lead on this episode. So $180 million at Truist in 2019, move over with the transition, and now you're over $600 million.

Evan Mayer:

$600 million is a team. Yes.

Louis Diamond:

That's incredible. Wow. That's absolutely amazing. So how much of that do you credit to your ability to communicate freely versus just I guess the natural growth of your practice. Is your way to put, I guess call it the independent alpha, if you will on this?

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Evan Mayer:

I think everything correlates, but I would say primarily the freedom of speech, the ability to shoot those emails, those flogs that people are now sending out to their clients. The client appreciation dinners that we do now. We used to really have our hands held tight on what we could do at SunTrust as far as events for clients. As an example, last year we had a comedian and impressionist and a scotch tasting at an event. This year we have a magician booked, a world renowned magician that's coming, which is going to be really exciting. So I think the ability to be creative, the ability to have your own voice, to be able to say what you want to say. And one of the things that I think I do a really good job at, one of the positives in my nature compared to all the negatives I may have is educating clients on the market in a very easy way.

And some of our videos do that on our LinkedIn page. We make videos that are very easy for a traditional non-investment savvy person to understand and talk down to the level of clients. At SunTrust, you had to send them the pieces from our economist. Well, our economist doesn't know John from the factory and how he feels on what the M2 money supply is and how that affects them. So I think the ability to really just talk to our clients naturally is a huge advantage.

Louis Diamond:

Last question for you. As someone who has very successfully made the move from a bank or a captive platform to the ranks of independent business owner, what advice would you offer to someone considering the same type of move?

Evan Mayer:

Advice to people going independent specifically, or anybody looking to leave?

Louis Diamond:

I'd say both.

Evan Mayer:

Well, first and foremost, I think there's a misconception that going independent means you have to be a business owner. It does not mean that there are many turnkey solutions. As an example, we have a turnkey solution where if you just want to manage your practice, but you want OSJ supervision, you want your office paid for, you want your phones paid for, and you need assistance support, but you want to own your book and you want to own the revenue on your book, well, you can do that. So the concept that you have to be a CEO to be independent, I think that's a very big myth, and I think you need to look down the path of what you care about. Do you really need the wirehouses anymore? Some people do, and there's nothing wrong with that. There's a right platform for everybody.

And the bank platform, I have three or four friends that are still at SunTrust that will never leave the bank. It doesn't matter if you increase their payout from 40 to 90% tomorrow and they could take 100% of their clients, they will not go. Why? Because they only have to put in 20 hours a week. Everything is covered for them. So there's a right program for everybody. And I think if you're looking to make the move, the biggest thing to do is look internally and ask yourself, what's the most important thing to you? Is money the most important thing? Is freedom and expression and the ability to be your own brand? Is that important to you? If any of that is important, you should look towards independence first and foremost. The checks that you're going to get at the wirehouses, what is that going to do to limit you and how could that affect you?

Now, look, my wife kicks me every day, Louis, that I turned down four plus million dollars. Okay, I get kicked a lot. Like, "What were you thinking?" But she knows how happy I am and she knows the money we're making now is substantially more than what I would make per year, and she knows that the catch up is coming close to where we would've been after that nine year contract. So I would think before you look at the big money of signing bonuses, look at where it's going to make you happy and where you're able to express yourself. And if you don't care about that and it's just money, then there's plenty of other channels that are good for you.

Louis Diamond:

Yeah, I like that. And I like that you can be independent without being a CEO. Obviously it's important to think like a business owner, but like you said, there's many solutions for those that like elements of independence, but don't really want to build an enterprise like Fortuna. So I think that's a great sentiment. Evan, this has been extremely helpful and interesting. Thank you for sharing your wisdom with us. I guess from you as an advisor to other advisors to play off your podcast name. We really appreciate you joining us today.

Evan Mayer:

Absolutely. Thank you so much for having me. Love the podcast, keep them coming.

Mindy Diamond:

Many advisors get their start in the bank channel and find a pathway to growth, but for some, the model is just too limiting. That was one of Evan's most prominent realizations. He was missing out on the things he could do for his clients and the business, but by making a change, he could do everything he wanted and then some.

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