

# What “Client First” Means at 1919 Investment Counsel

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## Ideas and Insights

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### Our Founding Principle: “Client First”

A century ago, in the year 1919, our predecessor firm, Scudder, Stevens & Clark, opened its doors in Boston to pioneer the concept of investment counsel in the United States. Scudder was founded on a principle that was groundbreaking at the time: “putting first the interests of our client.”

Today, at 1919 Investment Counsel, we call that foundational principle “*Client First*,” and it still informs how we serve our clients each and every day.

*Client First* means it is our responsibility to help our clients realize their financial goals, whatever they might be. Each client works with a dedicated manager who provides comprehensive wealth management services: managing a diversified investment portfolio, providing financial, tax, estate and generational planning, advising on philanthropic giving and a variety of issues specific to each individual client.

*Client First* also means that we are a true fiduciary: our people are bound by a legal and ethical obligation to manage a client’s wealth as if it were their own, to exercise prudent judgment in all investment decisions and to avoid conflicts of interest. We do not sell products or push model portfolios. We recognize each client’s needs are unique and should not be managed by a formula.

Helping our clients to achieve their financial goals is not our only mission; *Client First* embodies our helping them to achieve their life goals – really, their hopes and dreams.

### “What is the Purpose of the Money?”

You will often hear us ask clients “What is the purpose of the money?” This simple question is our starting place with each new client. And it is a touchstone we return to often as we work with clients over years, and often decades.

Our culture is built around understanding not only what our clients’ financial goals are, but also what their *life goals* are. There is always a purpose of the money, for the money is just a means to an end. What clients care most about is to what use the money will ultimately be put.

We know that wealth holds a unique place in the lives of our clients. Wealth is achieved through hard work, determination and vision. Wealth is built up over time, and must be managed carefully, to make sure it can support a business, provide for a lifestyle, fund a philanthropic cause, or start a second act. And wealth must be safeguarded so that it is there for future generations.

We also understand that wealth is complex. It has different meanings and associations for each client:

*Functionally*, wealth is a unique mix of diverse assets, accumulated over time, managed across market cycles, and dispersed across generations. No set of client holdings is ever the same, and each requires a different plan and portfolio, with careful and constant management.

*Personally*, wealth is a reflection of a client’s achievements and life work, full of meaning and pride for the individuals, families and institutions that earned it. How the wealth was made, how it is sustained and how it might be put to use in the future are each as unique as the clients themselves.

*Socially*, wealth is a reflection of the shared activities and common values of the families, businesses and partners that worked to achieve it. It is also a reflection of the legacies that it will enable, the opportunity to put the assets to work on behalf of causes that will endure.

Wealth is achieved in unique ways and has unique meanings for people. Wealth has its own past, present and future. No two clients approach wealth the same way, for not only are their financial goals unique, but so too are their life goals.

That’s why we start by asking you, “What is the purpose of the money?”

do. We look at a client’s financial and life goals through the lens of the Pathway process, so we can deliver a superior client experience and provide the very best that 1919 has to offer.

The Client Value Pathway is based on understanding not only our clients’ financial and life goals, but also their intrinsic motivations and values. Striving for investment excellence is a given in our profession, but from our long history of managing multi-generational wealth, we have come to learn that our true differentiator is how well we understand our clients strongest motivations so that we are fully aligned with their goals and in the best position to serve their many needs.

## 1919 Client Value Pathway



### The Client Value Pathway

A key component of *Client First* is to listen to what our clients say, and to think about their unique journey, before we make any recommendations. Ted Scudder founded the firm with a simple promise: “to understand before advising.” When we listen first, we are in the best position to develop successful solutions for our clients.

The process of listening to clients and thinking about their different goals is guided by a simple approach that we call the “1919 Client Value Pathway.”

The *Client Value Pathway* challenges our portfolio managers and client service teams to think about how we can deliver value to our clients in everything we

We seek to create value at each step of the Client Value Pathway. Step One on the Pathway, “Setting Goals,” means we start by understanding “purpose of the money,” or how you want your wealth to fulfill your needs and to enable you to pursue your dreams. We help you to articulate your financial and life goals and then create a bespoke wealth plan that reflects your unique requirements. Because of our 100 years of tradition, our culture and the depth of our teams, we can bring experience and expertise to bear on behalf of our clients that few other firms can match. We believe that this first step differentiates us from most other firms who begin with a list of what products or services they offer.

Step Two on the Pathway, “Achieving Financial Goals,” is fundamental to our mutual success. We have a long-term orientation, reflecting the need of our clients to manage wealth on a multi-generational basis. Based on our clients’ time horizons and desired outcomes, we define your success by clear milestones: enabling a comfortable retirement, maintaining a desired lifestyle, selling a business, philanthropy, or transferring assets to a new generation. We know that the demands of cash flow and the need to respond to short-term opportunities are critical, too, so we seek to deliver value across a range of time horizons that are flexible and responsive to changing needs.

Step Three on the Pathway, “Gaining Peace of Mind,” captures an intangible benefit that means so much. Clients want to live their lives fully and not have to worry about their financial health, or about spending a lot of time managing their advisors. It’s our job, as investment professionals, to manage complex portfolios and to sweat each peak and valley of the financial markets. We want our clients to have peace of mind and more time to pursue what’s important to them. That’s how we can deliver real value in the everyday life of our clients.

Step Four on the Client Value Pathway is, “Achieving Life Goals,” or helping clients to achieve their aspirations, live their dreams, and leave a

legacy. The true purpose of the money is always a higher order need, far beyond preserving and growing wealth. The ultimate way for us to deliver value to clients is this: to understand their highest aspirations, and to do our part in making their hopes and dreams a reality.

## **A True Commitment**

At 1919 Investment Counsel, we succeed when our clients succeed. As a fiduciary, our financial interests are always aligned with those of our clients. We are incented to generate strong and sustainable returns, to exercise prudence and to be transparent. But beyond achieving client financial goals, we are just as engaged in helping our clients achieve life goals by understanding the purpose of the money.

It takes the true commitment of a dedicated professional to manage complex financial needs, but also to understand people, to care deeply about them and to serve them in a long-term partnership. Too many firms in our business focus on a client’s financial needs but have only a perfunctory knowledge of what their true goals, motivations and values really are. That’s what Theodore Scudder meant a century ago when he defined our firm’s *Client First* philosophy that we have maintained over the past 100 years: a partnership that succeeds because we know that it’s not just about the money, but about something much larger and more enduring.

### **About 1919 Investment Counsel**

1919 Investment Counsel, LLC is a registered investment advisor. Its mission for 100 years has been to provide counsel and insight that helps families, individuals, and institutions achieve their financial goals. The firm is headquartered in Baltimore and has regional offices across the country in Birmingham, Cincinnati, Dallas, Houston, New York, Philadelphia and San Francisco. 1919 Investment Counsel seeks to consistently deliver an extraordinary client experience through its independent thinking, expertise and personalized service. To learn more, please visit our website at [www.1919ic.com](http://www.1919ic.com).

*All investments involve risks, including loss of principal. Performance is no guarantee of future results.*