

DYNASTY'S NEW DEAL ADDS CHRIS PAUL, MICHAEL PHELPS TO ROSTER

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Dynasty Financial Partners has scored a team of advisors focused on athletes.

The high-end platform provider announced Monday that Octagon Financial Services, a McLean, Va., registered investment advisor that specializes in working with professional athletes, is now using Dynasty's open-architecture wealth management services and technology platform.

Octagon's high-profile sports clients include Olympic legend Michael Phelps, NBA star Chris Paul and NHL standout Marc-Andre Fleury. Octagon is a division of an international sports and entertainment management and marketing company that is, in turn, owned by advertising giant Interpublic.

Octagon, which says its clients include roughly 160 athletes and professional entertainers, says it chose Dynasty as a provider because of the company's "high-level investment consulting platform" and understanding of Octagon's business, according to Frank Zecca, a senior vice president at Octagon.

"The core of our business is wealth preservation," Zecca told *Financial Planning*. "Our clients already are wealthy and we want them to stay wealthy. Dynasty really understood what we are trying to do."

COMPLEX NEEDS

Octagon was also looking for the expertise needed to meet the needs of athletes who are increasingly making money from additional revenue streams besides their salaries, Zecca said.

To that end, Dynasty will provide Octagon clients with access to insurance, tax, trust, loan and administrative services, in addition to investment consulting, said Shirl Penney, Dynasty's president and chief executive officer.

Working with professional athletes represents a major growth opportunity for Dynasty, Penney said. "I think the fiduciary model of independent firms like Octagon will play very well in this market. As word gets out and more athletes learn that the fiduciary model means that the advisor is on the same side of the table as they are, it will help Octagon grow very rapidly."

CHALLENGING CLIENTS

Working with professional athletes, while prestigious, can also be a mixed blessing, say industry observers.

"These clients oftentimes have unique needs in the areas of accounting, law, life counseling, business advisory, cash management, estate planning, insurance, and investments," said Dan Seivert, chief executive and managing partner of Echelon Partners in Manhattan Beach, Calif. "Putting it all together requires a unique skill set and service base.

"Professional athletes are taxed in every state they work in," he added. "This means that firms servicing them must have the appropriate licensing to handle such a profile."

Athletes' lack of time and financial background are also challenges. "Athletes are all over the country with little spare time," said Octagon managing director Jan Plewes. "One of our biggest challenges is getting in front of them, educating them and keeping them engaged in the process."

DYNASTY GROWTH

Octagon is the 17th firm to join Dynasty's platform, Penney said, boosting its assets under advisement to \$15 billion. (The firm had previously said it had 15 firms as clients, but Penney said another RIA joined last month but has not yet been announced.)

Dynasty aims to add approximately another 15 firms this year and hopes to reach \$25 billion in assets under advisement, Penney said.

Neither Dynasty nor Octagon would disclose Octagon's assets under management, except to say that it met Dynasty's minimum of at least \$300 million.

ABOUT ECHELON PARTNERS

ECHELON Partners (ECHELON) was formed in 2001 to offer investment banking and consulting to a subset of the financial services industry known as "investment product developers and distributors" (IPDADs). Since that time, ECHELON's professionals have helped hundreds of senior executives envision, initiate, and execute a multitude of complex business strategies and transactions. ECHELON's business is making companies more valuable through delivering advice and orchestrating transactions. Accordingly, ECHELON measures its success in the enterprise value it creates for its clients. Companies that strive to outperform their peers choose to work with ECHELON because we are as passionate about their results as they are.

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