

# Super Seminar Tips & Tricks<sup>®</sup> by Frank Maselli

Episode 17:

## Be the Harbor Pilot!

Investing is a journey that often takes many decades. But the most dangerous part of that journey, and the one that people need serious help to navigate safely, is in the harbor.

The “harbor” for most people, is Retirement. For decades they’ve been sailing the open ocean as “accumulation phase” investors. For many of them, the portfolio that started out as a tiny dinghy, has grown into a giant ship. And now, as they approach the harbor, it’s time to call for an expert to guide that ship safely into its berth. **That’s YOU!**

### A powerful analogy

Analogies are wonderful communication tools that can crystallize important concepts and help people quickly, and intuitively understand something. For years, advisors have used the “up the mountain / down the mountain” analogy to talk about the difference between the accumulation and distribution phases of their investing journey. The Harbor Pilot is another idea you can use, and it has a unique power.

### Why should I work with you?

If you’re talking to anyone who already has an advisor, they need to understand why they should consider working with you. The Harbor Pilot analogy can help distinguish you from other professionals in a positive and intelligent way.

### The open ocean journey

As you were building your portfolio, your ship was traveling the open ocean. There were some storms that resulted in short-term market downturns, but on balance, the accumulation phase of your journey has been pretty calm. As proof, consider that for the past 40 years, stocks have averaged over 9% per year, far outpacing any other asset class and tripling inflation!

Now, as you approach the retirement harbor, however, the risks are far more dangerous, and you lose the greatest ally you’ve had on that journey...TIME! There’s no time to recover from bear markets, defer taxes, overcome dumb decisions, or ride out economic storms by dollar-cost-averaging on the downturns.

Plus the risks in the harbor are much more numerous. You have sequence of returns risk, health-care costs, legislative risks, and now taxes! An IRS agent is standing on the dock with binoculars watching your ship approach. He’s thrilled to finally be getting a

piece of that massive pie that you’ve shielded for so long.

### You are the expert

Clients need to understand that retirement is simply not the same animal. You have the specific training, tools, and experience they need at this critical time in their lives.

A harbor pilot is specially trained to navigate those risks. They know the tides, the relative wind, the sunken obstacles, cables, rotted-out hulks, narrow channels and everything that can breach your hull as you come into port.

### Required by law

In the real maritime world, any ship over a certain size is required by law to call for a harbor pilot. They turn control of the ship to them and that expert gets them safely home.

This is a fantastic way to differentiate yourself from an investor’s “accumulation” advisor without ever trashing the work they may have done. In fact, they might have been a good “open ocean” Captain. They navigated the markets with some skill. But even a four-star Navy Admiral must turn control of their vessel over to the harbor pilot at this critical time in the journey.

### The Key Bridge Disaster

Recently, we all saw the horrifying collapse of the Key Bridge in Baltimore when a giant container ship lost all power and collided with it. Six bridge workers lost their lives in that tragedy.\*

Two harbor pilots were in control of that ship at the time. There was no way for them to avoid the unprecedented catastrophe of a total ship power failure. But they took quick, decisive action to prevent that nightmare from becoming even worse. Their skill in the face of an unforeseeable risk likely saved many more lives, both on shore and on the ship itself.

No advisor can prevent every possible risk from harming a client. But the chances of success are infinitely better with you than without you. **Simply put...Retirement is time for an expert!**

*\*In respectful memory of...*

*Alejandro Hernandez Fuentes; Dorlian Ronial Castillo Cabrera; Maynor Yasir Suazo-Sandoval; Carlos Daniel Hernández Estrella; Miguel Angel Luna Gonzalez; and José Mynor López.*