



## RICHARD KERSTING

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To answer all of your wealth management questions, *Finance Monthly* connected with Richard Kersting, President of GGFS. With nearly 30 years in the industry, Richard has been with GGFS since 2005 and currently oversees the day-to-day advisory, sales and marketing activities of the firm, particularly focusing on mentoring younger up-and-coming advisers and working with clients and advisers directly.

**Q How has the wealth management landscape developed recently and what has influenced this?**

The thing I love the most about our industry is that it is always changing. In addition to changing market conditions, there are new products developed and made available on an ongoing basis, and most significantly - clients’ expectations, needs and objectives are always changing too. For investors entering or being in retirement, there are more potential solutions available today than ever before. From low-cost and no-load insurance products to ETFs and separately managed accounts focused on paying a reliable income stream from high-quality dividend paying stocks. It takes a lot of research and dedication to sift

through it all, determine the best in class solutions, tune out the noise from product salesmen and advertisements, all the while knowing that a changing market environment may require a complete rethinking of the current strategy.

**Q What are common misconceptions you find that clients have towards wealth management?**

One of the first discussions I try to have with clients is about what they want versus what they need. Wants are often heavily influenced by personal biases and predispositions towards one type of strategy or another. Needs are driven by circumstances and personal expectations. It’s rare that these two align, so

one of my jobs is to make sure everyone is on the same page.

Secondly, I explain and illustrate to clients that predicting outcomes in the short-term is nearly impossible (or at the very least based on luck not strategy), and that in order to be a successful investor, one must have a consistent replicable process to guide us in the decision-making process. If you trust the process, then you won’t be distracted by short-term events that can derail a sound long-term strategy.

**Q Can you outline how you go about auditing a client’s needs and then designing a successful wealth management plan? What would you advise the first course of action to be?**

Naturally it starts with a discussion on what brings them to me. Understanding a client’s concerns, goals and objectives has to be the first step. Then, comes the review of their existing portfolio and understanding why they are invested the way they are. By gaining insights into their past decision-making process, their current objectives and needs, we are able to tailor a set of solutions that addresses these issues.

**Q How does your parent company, Bruderman Asset Management, assist in enhancing GGFS’ services?**

Bruderman Asset Management has been deeply rooted in the asset management business since 1879 and has worked with some of the wealthiest families in the world. Because of their broad expertise and our ability to tap into these resources, we are able to provide sophisticated solutions and money management services to investors who might typically not be able to access these services. Of course, sometimes the simple solution is the best solution, but if something more complex is required, we have access to the expertise and tools required.

**Q Do you expect any changes in wealth management in the US in the upcoming years?**

A lot of advisers are retiring, and that will impact both clients and the industry. One of the reasons I developed our firm’s mentorship program almost a decade ago, is because we recognise the need to develop talent and we want to ensure that in 10 or 15 years our clients will receive the same level of expert advice they are getting today.

**Q What are your top tips for wealth management in 2019?**

Same as always, trust the process! Market conditions and product availability will change, but what shouldn’t change is a well-thought-out, consistent, replicable and reliable investment process. Don’t allow short-term events and ‘noise’ from the media to distract you from your long-term goals.

**Q You recently spoke about trade deficits in the US. Can you briefly summarise how they hurt the economy?**

In the short and sometimes intermediate term, tariffs act like a tax on consumers, as they raise prices. The real question is what will the long-term result be? If, this time next year, the United States has been able to negotiate better trade deals with China and Europe, as we already have with Mexico and Canada, then the short-term pain may be well worth it. From an investment perspective, it simply means that your process should guide you towards investments that are less susceptible to the impact of tariffs or the trade war – that’s our approach.