CHAPTER 29

BUILDING WEALTH VS. FINANCIAL PLANNING …SUCCESS BY ASSOCIATION

BY STEVE GOLDBLOOM

ON TOP OF THE WORLD

I am finishing this chapter the night before my 55th Birthday. In my late thirties, my family and I were blessed to be living a lifestyle that had us living in a neighborhood where superstars such as Rosie O'Donnell called home. I had just finalized the sale/merger (pre-dotcom explosion) of Bay Area & Hawaii Barter Exchange Inc., the San Francisco-based, barter and trade company I had founded and built over 14 years.

My ties in this unique industry were strong. I served on the industry association's BOD and came to know two men on the same BOD, the President and CEO of Active International, the then (and I believe still now) undisputed Industry leader. When they learned of my transaction, they "made me an offer I could not refuse," which soon was titled Senior Vice President of worldwide, non-media trading, which is what brought my family from San Francisco to New York.

Three years later, after achieving more success than we all anticipated (and even more learning for me from two brilliant men and their incredible team), I was recruited by a venture capitalist firm to lead a technology company, a dotcom to which I lent my financial and barter experience. Reading about admin assistants who made 8 million due to IPO's,

I took the offer, despite enjoying my work and the genuine respect and admiration for my "recent" employers.

I commuted from my New York home to San Francisco each week. I was continuing to be highly compensated for solving complicated financial problems and creating large profitable opportunities for clients, both American and international corporations, something I'm good at and enjoy; my family and I wanted for nothing.

A BABY GIRL IN A CELL

In 1997, during the time period I sold my company, my son Sam was born. Sam is a gift from God in many ways. His birth nearly cost his mother her life. It was time for adoption, what we had already agreed as an option before Sam was conceived. Sam was about a year old when we started the international adoption process, which we learned was a true exercise in patience and stamina.

Around that time, an advertising transaction with one of my more famous corporate barter clients, Anthony Robbins allowed for tuition for my staff and me to attend his various events and have ongoing access to his numerous materials and trainings. One of many tools I internalized while attending trainings leading to the weeklong Mastery Series event was the Triad. The Triad was a seemingly simple tool that really resonated with me, as I realized I had unconsciously used similar components of it in my earlier years in swim competition. I saw clearly by Anthony Robbins clear documentation of the concept how it could easily and effectively apply to many aspects of life. It was a tool we used daily during the adoption process, and continues to be useful and I pass it to others who are open to personal growth.

The adoption process went on for quite some time. We had doors close in our faces after weeks and months of effort on multiple occasions. In 5/2001 we received a photo, a little girl approaching a year old in Vietnam from the agency we were working with. When we arrived in Vietnam, we saw our little girl, whom we had already named Zoe through the narrow strip of glass in the door at the orphanage. In a large room with dozens of other babies, she sat in a crib constructed of metal bars with a net over the top like a cell.

The plan, Zoe was to be in our arms the very next day. We could see an infected scab the size of a silver dollar atop her head, which of course made the delays even worse. We kept our heads up and our language positive, always believing the dream would come true this time; without allowing doubt from past false starts. The Triad is a powerful tool.

After what was already almost a 3-year period, two days later Zoe was in our arms, and soon after we were able to fly home. When Zoe's feet touched US soil she was officially a family member, and an American citizen. The joy was overwhelming.

THE INCREDIBLE, BLOOMING BABY

The days that followed Zoe's adoption were some of the most miraculous I've known. Like the video clips of a flower blooming in time lapse, Zoe's progress was stunning.

She was a lifeless, unresponsive child when we received her. Just three days later, after a "complete family love immersion," she was laughing and giggling as we played in the pool. The transformation was unbelievable, really. I promised myself and Zoe then that we would return to Vietnam for her tenth birthday – for her to see her beginnings and understand all that it entailed.

Not uncommon, becoming a father was a turning point in my life. A difference for me; I had accumulated enough wealth to where I really did not have to be concerned about money. With Zoe's adoption, the decision became clear; I resigned from the dotcom to once again be self-employed, really to be a stay-at-home dad, to prioritize building and growing what was surely my most valuable asset: my family. Eleven years later, many things have changed in our family but much also remains the same. Zoe is twelve at the time that I write this, very close to straight A's, and is determined to achieve them. She is doing back handsprings at gymnastics practice, planning to go to her first Junior High school dance with two girlfriends; and I am confident she will make the right decisions.

EXPERIENCE ASSETS GALORE!

The part of the story I've left out were the severe challenges which I hit sometime in 2002-2003, just before and after my family's relocation to Seattle, during the messy dissolution of the marriage between

my children's mother and me. Now a single dad, I found myself living in a series of modest apartments, sleeping on the floor on air mattresses near my kids during the seemingly rare times I saw them. Once again, I leaned on the tools I acquired through the years of association with great mentors, including but not limited to Tony Robbins' Triad; I remember thinking, "Gratitude is the key, we're all healthy…things could be worse and they're bound to get better."

How did I go from a millionaire to not being able to afford beds for my kids and I? …It doesn't matter. What matters is the promise I made to myself and my daughter that I was determined to keep, even at a time when the financial hole seemed very deep.

In my mid 40's, I was essentially starting over. In the process of beginning a new career, different from what I had been doing (I had to get off airplanes as part of my work) but still in the world of finance. I was significantly in debt to a handful of my closest friends who "knew" I would succeed …to them I am eternally grateful. An international trip in a few years with my kids seemed logically out of reach. We were just gathering the basics, but I soldiered on.

In 2010, I more than delivered on that promise. By that time, I was remarried to the love of my life, Eden, an American Filipino widow with two sons, Chris and Tony which completes my current, blended family (who I lovingly refer to as "The UN"). I had been in the insurance industry for some time, helping those approaching retirement or retired move from risk to safety. We were doing very well at meeting our clients' objectives. The crash of 2008 took its toll, causing insurance companies to significantly reduce commissions in the "safe money" areas. My company's dynamics would have to change to continue to meet client objectives and prosper. While many people were losing significant portions of their retirement and net worth, I am proud to say that the money we had taken care of for the 200 client families we served remained 100% unscathed. Today, both of our institutional money managers show that same past 10-year audited track record.

The events of 2008 shone a spotlight on the financial services industry I was already witnessing, and as a result was preparing for. An added path to our plan that would serve two purposes became very clear to me. Many people I was meeting were in a place where much of their re-

tirement savings was just gone, as the person who gained from serving them was not "watching their back." Many were dealing with brokerage firms who have no legal responsibility to be transparent and put their clients objectives as #1. I saw a better way through forming a Registered Investment Advisory Firm (RIA). I felt a more robust securities licensing that would have my team and I working under a fiduciary responsibility which legally bound us to 100% transparency, no hidden fees, and to use the best interest of the client as the goal. The RIA (not the majority choice today) requires the advisor to give up the right to make commissions on transactions and make client objectives the goal. Wanting to be paid only for advice, and not from sharing the profit margins hidden in the brokerage world's manufactured financial products at the expense of the client, it was clear the RIA was the road less traveled, but perfect for us, as it was best for our clients.

So there I was, my company and industry experiencing changes, plans to add licenses, to add another location, to add staff. I had just paid for our wedding, the purchase of a larger Sammamish home for my newly-blended family, and was experiencing real estate value declines – causing poor timing to choose selling the homes my wife and I owned prior. Not exactly a time you'd think that I, someone who gives financial advice for a living would choose to spend five figures on a family l trip to Vietnam and to meet my new extended family in the Philippines.

I THOUGHT THIS CHAPTER WAS ABOUT BUILDING WEALTH!

Are you wondering? What does it all have to do with Building Wealth vs. Financial Planning?" Great question. Here it goes.

I was just interviewed and taped a show that I was invited to be an "expert" financial commentator on that will air soon sometime in 2013 on NBC, ABC, CBS, and Fox and affiliates, and I explained we all live our own story, have our own struggles, our own wins, all of which amount to a type of asset. I'm not talking about money, although financial assets are certainly important, but one of a set of four assets defined by entrepreneur and author Lee Brower (also featured on Oprah). Lee has become a mentor of mine over the years as I've invested time regularly in an exclusive Strategic coach program he leads quarterly to continue to improve my service to my clients. In his book, Brower discusses

"True Wealth" consisting of a person's collective assets: Core Assets, Experience Assets, Contributory Assets AND Financial assets.

Through the recognition and acknowledgement of all of one's assets, Lee suggests that we all "live life deliberately." What you have is not about doing more with less, but doing more with more in all areas of your life!"

Related are the many success principles Anthony Robbins identifies, who I mentioned earlier in the context of my daughter's adoption. The Triad - comprised of three elements: Beliefs, Language and Physiology, each of which affects how you feel; if you start with the end in mind, "I want to feel happy" then adjust each of the triad elements to suit and happiness will ensue. It may sound simple, but implementation is key. My experience and the ongoing feedback I receive is that it really works.

I've also found that the concepts of The Brower Quadrant blend synergistically with those of entrepreneur and author Bill Bachrach, another mentor of mine whom I've spent weeks with in recent years studying at his San Diego Academy sessions. Bill is the author of "Values Based Financial Planning: *The Art of Creating an Inspiring financial Strategy.*" Bill says, "In the grand scheme of things, money's not that important. It's important only to the extent that it allows you to enjoy what's important to you. And not worrying about your finances is critical to having a life that excites you, nurtures those you love and fulfills your highest aspirations." In other words, money is just money... it has no intrinsic value. Money only has value when it's put to work towards what you value in life.

I recently met Don Yaeger, who spent 30 years interviewing star athletes for Sports Illustrated, and he spoke of "success by association." He hit the nail on the head!

For over 35 years I've studied with and learned from many brilliant mentors, recent examples I've mentioned already, and many more, in an effort to glean their experience. Not only to achieve personal growth, but as important, improve my ability to best or better serve my ideal client. I'm grateful for the association and knowledge I've received from each one. Each has various tools, tips and repeatable methodologies to achieve success that I draw from regularly and use to help others.

The Brower Quadrant and Values-Based Financial Planning help to define a part of the difference between Building Wealth vs. Financial Planning. Building wealth encompasses all your assets, not just your financial assets. It acknowledges that things like the adoption of a baby girl from Vietnam, and the journey back with your kids to deliver gifts to others, when its easier to be financially practical and "put it off," from being somewhat wealthy one month to finding yourself sleeping on the floor on air mattresses with your kids the next, are ASSETS - MY Experience Assets. Like a bank account, a life insurance policy, or a market account, Experience Assets such as education, career, life experiences, etc. are also passed down through the generations, … back to the trip I took my family on in 2010…

At a time where the trip meant raiding some of my cash reserves, at the age of 53, when I would advise most people to simply put the trip off for a few years, I knew it had to be done then to increase my families overall assets most significantly. The trading of some Financial Assets, for the value that came from this trip was simply trading one asset for another that I believe is a greater value.

I understood making that promise back in 2001, that the experience of visiting the orphanage Zoe came from in Ho Chi Minh City, after ten years of a typical, American childhood filled with iPods, flat screens, and gymnastics lessons would become Zoe's Experience Asset (although it was 3 months prior to my meeting Lee, and I did not yet have this term). Our children handing out $400 worth of simple toys such as balls and puzzles from the dollar store, one at a time to each child at that orphanage and seeing them react as if they had been handed solid gold, would be a valued asset that Zoe, Sam, and Chris would carry with them forever. The realization on our kids' faces as they saw kids Zoe's age at the orphanage, and understood that they were "her" nine years prior, is an Experience Asset that we all gained that day. All three kids realized how very fortunate our family is, and the gratitude I feel to see my children grow in a way that's hard to put into words. Deliberately living life comes to mind.

I believe the experience we gained on that trip will lead to the increase in their Contributory Assets as they grow. I have been fortunate enough in my life to be able to accumulate Contributory Assets; giving has become part of who I am. I believe that asset too, is passed down through

generations of my family by deliberately "Building Wealth vs. Financial Planning."

BUILDING WEALTH VS. FINANCIAL PLANNING: SUCCESS BY ASSOCIATION

The term "financial planning" is often used interchangeably with other related terms such as "wealth management," "asset management," "retirement planning," etc. No semantics lesson here, but I do want to make clear that all financial services approaches are not created equally. Financial planning sounds good; so does Wealth management, and they are. I use a team of subject matter experts in tax, legal, insurance and securities to name a few to financially plan – using our clients' goals. Retirement planning, income planning, wealth distribution and wealth preservation in a tax effective manner are important, and my team and I excel on these subjects. It does not stop there, for those I work with directly in an ongoing manner.

The problem with financial planning is that, by definition, it only deals with financial assets. What I've learned through life experiences, and what we've learned from Lee Brower is that financial assets are not our only assets. What we've learned from Bill Bachrach is that our financial assets are meaningless unless they're supporting the rest of our assets, which really represent our values. Financial planning often does not take into account the whole picture of our lives. Often it results in a "set-and-forget" type thing, which for many reasons doesn't work in the dynamic setting of our ever-changing lives. Those referred to me to give a second opinion on, who have worked with their advisor for years "accumulating wealth, often do not take into account critical aspects of their "grand plan" and actual objectives today. They are not "bad advisors," they just have different "non-fiduciary" tools. The terms I prefer to use when working with my ideal client, who typically would be "the millionaire next door": a professional, a business owner, or corporate executive nearing retirement with between $2 and $25 million of investable assets are "building wealth" and "wealth management" (and the same holds true for the people with less than $2 million who I refer to my associates and direct relationships for). Both are dynamic terms implying ongoing attention and action. You spend the entirety of your life, before and beyond retirement building wealth, represented by the accumulation of your quadrant of assets. Wealth management at Gold-

bloom Wealth Management LLC (GWM) is the process by which you are asked, "What is important about money to you?" Your cumulative assets are dynamically managed and allocated. It includes financial planning, but is entirely more robust, encompassing your own set of values, what you want your money to do for your family, what you want passed down through generations of your family and how. At GWM, Wealth management considers the whole ball of wax, core assets, experience assets, contributory assets, and financial assets which includes advanced estate planning, legacy planning, with focus on not only securities, but insurance, legal and tax planning. A wealth management plan is a living thing, regularly reviewed and scalable and flexible to your life.

The collective tools of my past experiences and the ideas and strategies of the brilliant minds I've had the incredible fortune to associate with (Don Yaeger most recently), such as the few examples I've included here, are what I bring to the wealth management table in addition to my education, and securities and insurance licenses.

While I continue to learn, I can pay it forward by sharing with families who really want to pass on their collective assets. Beyond financial planning, beyond even wealth management is a relationship between me as an advisor and my ideal client that borders on, and often extends into, friendship. For those referred to us who need less of my services, I act as the initial "direction" setter and one of my associates takes the ongoing relationship management role, bringing me in as needed. I sit with people and I learn not just about their money, which is why they're there in the first place, but also about their problems, about their kids and grandkids, and about their passions and dreams. I use the many tools I've learned and applied to my own life and ongoing self-improvement journey to help people grow and get clear, so they can make decisions that allow more comfort, enjoyment and pleasure into their lives. It's a pleasure and an honor to help guide people using their own values and dreams, focusing on what is most important to them; it's the whole idea behind my being a fiduciary, to make sure it's all about the client. It's my job to "watch their back" so they can spend their time doing what is important to them.

Success in life can be measured any number of ways, as can happiness. Everyone has different ways of moving through life, tackling challenges and celebrating wins. I've had many blessings in my life, …many gifts.

I've also, like everyone, had many challenges and made my own share of mistakes. The learning I've acquired I feel honored to share with those I come in contact with, just as I hope to continue learning from the rest of the citizens of this world (Don Yaeger -"success by association"). I've shared a few of my big takeaways with you here, among them Tony Robbins "Triad," the Lee's "Brower Quadrant," and Bill Bachrach's "Values-Based Financial Planning." I am lucky to say these gentlemen are just the tip of the iceberg.



About Steve

Steve Goldbloom has been championing entrepreneurs, executives, professionals and their families for over 30 years in the world of money. Utilizing the same "value-for-value" fair business approach that made him a front-runner in the Barter & Trade industry, Steve now helps clients optimize, preserve and effectively pass on their financial assets through generations. An expert problem solver, Steve negotiates complex financial problems on the client's behalf according to their values, creating big wins for the client and their family that wouldn't be possible with just any financial planner.

Through client education, transparency and fiduciary behavior, Steve and his team of "best in class" professionals offer a better, honest approach that is refreshing in today's world. As an Investment Advisory Representative (IAR) of Goldbloom Wealth Management LLC (GWM), Steve's status as a Fiduciary legally binds him to 100% transparency, no hidden fees, and to always do what's best for the client – which really sets him apart from many financial professionals. Between the fiduciary standard and complete, professional independence from any one insurance company or brokerage firm, Steve and his team are truly able to offer clients a plan that's best for them and their particular individual situation.

Utilizing a Values-Based Financial Services model, Steve gets to the heart of what people value most and then puts their assets to work towards those values. Steve addresses his clients' entire financial house, getting it in order, the goal being wealth preservation through generations. His clients' delegation of that responsibility to Steve and his team allows them to better enjoy spending their time in the way that they choose and sleep easy, knowing their financial house is in order, constantly monitored, and tended to from a fiduciary standpoint, and being cared for generations to come.

In addition to what Steve considers to be his most important role of father, husband, family member and friend, Steve has been seen in the public domain. Steve has been seen in *Newsweek* magazine as a Financial Trendsetter, as well as on America's Premiere Experts/Consumer's Advocate TV Show on Fox, NBC, ABC, CBS, and affiliates. He has been regularly heard Sunday mornings at 10 am on Fox News' station 770AM in Seattle, WA as a local guest expert on the nationally-syndicated *Financial Safari* Radio Show. Steve has been featured on the CBS evening news hosted by Dan Rather as well as on KTVU, the Fox affiliate on *Mornings on 2* interviewed by Ross McGowan. Steve earned a spot in the IRTA's Hall of Fame as one of the youngest

members inducted for his efforts in helping to shape the barter industry through his involvement with the International Reciprocal Trade Association (IRTA). Steve has also been featured in many periodicals including the *San Francisco Chronicle, Nations Business, San Francisco Business Times,* radio interviews, and as a guest lecturer in the MBA program at the San Francisco School of Business among hundreds of other speaking engagements.