

The Detroit News

Thursday, April 1, 2004

Metro Edition

Asset managers cater to seniors

Pontiac firm's niche is helping retirees, those about to retire

By Neal Haldane
Special to The Detroit News

PONTIAC—Nola Wiley and her husband, looking for someone to help them set up a trust for their family, enlisted the help of CKS Summit Group.

The company's founders, Al Caicedo and Daniel Krug, specialize in financial planning for seniors nearing retirement or those already retired.

"Dan came out to the house, set everything in motion, and walked us through the procedures," said Wiley, whose husband has since passed away. "He took care of everything for us and explained everything."

Wiley's situation is similar for many seniors who want help handling their finances. A February AARP survey found that 74 percent of seniors prefer to have others manage their investments for them and two-thirds rely on a broker or other professional to handle their funds.

"You don't know who people are and what their intentions are," Wiley said. "Dan put us at ease and he stays in touch. I call him from time to time. He's always available, very courteous and doesn't go forward until we are satisfied."

CKS Summit Group entered the senior market while working with a company in



Al Caicedo, left, and Daniel Krug, second from left, of CKS Summit group give financial advice to Leonard and Elizabeth Gordinier of Commerce Township.

Midland that was closing and needed to help 200 retirees sort through their health care, 401k and other investment options, Caicedo said.

"This was the first time we worked with this group and saw that there was such a great need," he said.

"They didn't know where to go to get the answers," Krug added. "A lot were confused and getting a lot of misinformation about health insurance, Social Security, pensions."

The pair began learning all they could about estate planning, trusts and other retirement issues and earned certification to advise seniors, Caicedo said.

"We found that the need was even greater than we anticipated," Krug said. "There is too much information, critical information, clients need when they retire."

Clients who have spent decades building their portfolio need to switch gears after retirement and focus on asset preservation and distribution, Krug said.

"You need people to build up and accumulate assets while they're working," Krug said. "But it is every bit as important to understand how you spend down assets so you know the money is going to be there down the road."

The company now works with about 450 to 500 clients and earns its revenues, nearing \$1 million a year, from commissions it charges for the various financial products it sells, Krug said.

Representatives meet with customers at home and remain in the picture even after a client dies, often meeting with the children to discuss the financial situation, he added.

"Retirement is no longer a 5- to 10-year deal," Caicedo said. "It's become a 20- to 30-year situation. If preservation is not addressed, we are going to have an unhappy client."

Neal Haldane is a Metro Detroit free-lance writer.

CKS Summit Group LLC

What: Asset preservation consultants

Founded: 1996

Headquarters: Pontiac

Clients: 450-500

Typical client: 73 years old with \$200,000 to \$500,000 in assets (excluding the home)

Information:
(800) 346-5006 or
www.summitgp.com