

## ¿Tiene Usted Un Plan?

A young advisor, originally from Spain, wants to build a business serving international clients living in the U.S., but isn't sure where to begin. We turn to our panel of experts to help him.

Oct. 24, 2012 Anne Field

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Jorge Padilla

A young advisor, originally from Spain, has an ambitious objective: to leverage his own experiences in the US and specialize in international clients. He's been busy laying the groundwork for his plan. But he isn't sure if he's on the right track.

For advice, we turned to our panel of experts: Chip Roame, managing principal of Tiburon Strategic Advisors, a Tiburon, Cal-based market [research](#) and [strategy](#) consulting firm for financial institutions and [investment](#) managers; Hellen Davis, president of Indaba Training Specialists, a management consulting and training firm in Treasure Island, Fla.; and Philip Palaveev, CEO of The Ensemble Practice, a Seattle-based consulting firm that helps advisors build multi – professional enterprises;

### The situation:

Nine years ago, Jorge Padilla moved to the US from his native Spain to attend Winthrop University in South Carolina on a tennis scholarship. He didn't have any particular career goals.

He enjoyed finance and business and enrolled in the school's financial planning program. He got a summer internship at an independent advisory in Miami, Lubitz Financial, a three-advisor firm with about \$150 million assets. After he graduated, he took a full-time job there, beginning in operations, "doing a little bit of everything," he says. Recently, he was made a junior advisor, working with the firm's principal to support her clients.

But Padilla has his eye on a much bigger prize. Not only does he want to start bringing in his own accounts, but he's after a specific niche: working with international clients and addressing cross-border planning issues. He has a deep understanding of the kind of problems that need to be addressed from his own personal experience: Language barriers, unique terminology, an unfamiliar [legal](#) system and the complexities of establishing credit among them.

He started by reaching out to other professionals in the area who work with international clients, like attorneys with clients looking for help with foreign investments or immigration issues, as well as CPAs. The goal is to develop a team of professionals to provide comprehensive services to his

future clients. Eventually, he'd like to start reaching out to professionals in other countries who serve the type of client he's looking for. Since he's fluent in Spanish and Portuguese, he'll focus on Spanish and South American clients.

Of course, there's much to learn. He's started a graduate program in international [tax](#) and financial services offered online through a San Diego law school. Padilla figures it will take him about a year and a half to complete.

He also has begun working with groups in the Financial Planning Association that work with advisors in other countries. For example, he's coordinated speakers with expertise in such areas as foreign direct investment or [estate](#) planning issues for non-US citizens. In addition, he plans to start writing articles on the subject.

His current firm fully supports the plan, and he still works there. When he starts bringing in business, he would receive a portion of those revenues. Initially, he'd get 50%. After that, the structure would change.

But that's all in the future. Realistically, it could be 3 to 5 years before he's established a reputation as an expert in the area. Says Padilla: " It will take time and a lot of determination."

### **The advice:**

#### **Chip Roame**

At first I was worried when I heard "international clients". That's just most of the world. But narrowing it down to Spanish and Latin American clients, I think that's exciting. You can go after that market. So good for him for having a great target market. My [opinion](#) is segment [marketing](#) works if you do it right. But it's not about whether or not you have the background. It's all about execution.

I'm glad to see he's getting educated in international planning issues. The only question I have is that, taking this online, you are missing part of the benefit of the classroom: Interaction with other students studying a similar topic and with similar aspirations. You're also missing a humongous networking opportunity. If you're taking a similar course at a university in Miami, I'm sure there'd be a whole bunch of Latin American oriented [people](#), lawyers, CPAs, and so on. You could meet hundreds of people that way. I'm not saying he should change schools. I know the program lets him work on Saturdays and at two o'clock in the morning. But it's an issue to consider.

He also should research and profile other firms doing something similar. I know of a firm in Phoenix that focuses on Canadian snowbirds. What have they done? What are their services? What's their website look like? What's their newsletter look like? Go learn everything about firms like that. You're not in competition with them. You're living 2000 miles away. But there are maybe 50 firms that already have been down this path you could study. I'd even call them up and say, hey, this is what I'm thinking of doing. Can you give me any advice?

And he needs to identify newsletters and magazines that Latin Americans with an interest in financial issues would read. Subscribe to them. Read them online. See who's advertising in them. Contact people mentioned in them. Write an article for them. Your phone's going to ring is what's going to happen. And find out what conferences and get-togethers they have. I just saw an ad for a conference on Latin American private equity in Miami. Guess who's going to be walking around there? If you want to find wealthy Latin American people, go to conferences titled things like Latin American private equity. You have to get yourself to locations these people will be at.

Finally, I'd consider starting a client advisory board. Even if his firm doesn't have any accounts that specifically meet his target, there might be someone who has some connections to his market. It could be a client with a Latin American CPA. The beauty of being with a successful firm is that there must be people with some connections he can tap.

#### **Hellen Davis**

I think he needs to have a relationship with a tax attorney or CPA on the other side. Even if somebody's here the United States they're usually not licensed in the other country to transfer assets. He's got to build some kind of relationship with tax professionals over there. He can't depend on guys in America. He can ask his clients for referrals. Ask them who they're dealing with over there.

You want to get these guys, ideally, as they're thinking about the move. I'm South African. And it took me about three years to come over and get my visa, transfer all my assets and so on. But I used an immigration specialist in Los Angeles. So I think that dealing with immigration specialists is a really good idea. That's the first point of contact for pretty much any immigrant coming over legally. He has to make some really good relationships with those guys.

The other people he should connect with are [real estate](#) professionals specializing in international business. When people with money come over here they usually don't want to rent. They've probably been here on vacation a few times and they want to buy a property. So he can establish relationships with realtors and ask them whether they know of anyone moving here permanently or at least for part of the year. People moving here from Latin America, the realtors are the first to know.

Another thing I would suggest is [webinars](#). He can have his specialists overseas do webinars with the people who are thinking of moving or have just moved. You have 15 minutes with an immigration attorney, 15 minutes with a tax attorney, and a 15 minute Q&A.

Also he needs to set up a website in English, Spanish, and Portuguese. And list the advisors from both countries on the website. I've coached an advisor who didn't do this for the first four years and it cost him dearly. He only had it in English.

And he's got to start writing articles about the pros and cons of immigration. People are going to start on the web, getting educated. If his name starts popping up with [white papers](#), [blogs](#), he'll get a really good reputation. Also when he meets clients he can say I have a blog, I have some information you can read on my website. While he's getting educated now, I would say he should start blogging and writing white papers on pertinent topics that are generic enough that people would search them out on the web. The five biggest mistakes that immigrants make coming to the U.S. with their money. That type of thing. Those are the words people search for. They want to avoid making mistakes

### **Philip Palaveev**

I think what he's doing is great. He's going to be very successful. He's found a definite niche market that requires special expertise and knowledge. I love niche business plans. They create a significant value added and allow advisors to compete against much larger competitors.

And I think he's chosen a fantastic market. I very much believe in it. In fact I live it. I'm keenly aware of all the tax issues, financial planning issues, cross-border movement of money issues that can get in the way of an expatriate living in the US.

He's on the right track with his plan to work with professionals. He might also try online forums for Spanish expatriates. Online communities often are a good way to approach a market. Also, the big four accounting firms probably have tax divisions that specialize in expatriate tax returns, preparing returns for Fortune 500 executives. It might be a good idea to network with them. They're very difficult to crack. But if he has a specific expertise than it might be possible.

The biggest challenge is figuring out a way to reach his market, to communicate to it, to make them aware he's a viable provider, someone who knows what he's doing. This market by definition is fragmented. Just because someone speaks Spanish doesn't automatically mean he will relate to a Latin American. Just because you're fluent in a language doesn't mean you understand the culture. I speak Russian. I would never become an advisor to Russian clients.

Still I think this is a great plan. He has the support of the firm. Certainly, it's going to take a lot of patience, but he's aware of that.