

CASE STUDY

Essex Financial

High-quality client reporting leads to new firm assets

The Competitive Advantage

In the competition for clients, the quality of an advisor's client reporting can often tip the scales. Just ask Essex Financial Services. The Connecticut-based advisory firm attributes over \$125 million in new assets added in the first year after implementing the Black Diamond wealth platform largely due to the quality of the reporting.

Essex Financial prides itself on independent and unbiased thinking, a strong client service ethic, and a client retention rate that exceeds 95% annually. When Ron Nelson joined the firm as Chief Operating Officer, the management team took the opportunity to take a critical look at its operations. "We determined quickly that two of our shortcomings were client billing and reporting," he recalls.

Client billing was being done in spreadsheets and taking several days every month to run. With reporting, the issue was less about efficiency than quality. "The technology was good at the time,

but things had changed and the firm didn't keep up," Ron says. "We looked at it as a competitive disadvantage with high net worth prospects. The materials we put in front of them just didn't present the image we wanted anymore."

Right Platform, Right People

The firm wanted to resolve both issues with a single technology solution and interviewed several providers. Black Diamond, as a comprehensive, cloud-based platform, offered the streamlined billing functionality and reporting flexibility the firm wanted. The real difference-maker was the people behind it. "The platform was certainly attractive," Ron says. You do business with people that you like, and we liked the people we met. We got to a comfort level very quickly that things were done promptly and whatever was promised was delivered."

When Essex Financial went live with Black Diamond, they immediately saw improvements. "Number one was efficiency," Ron says.

” Over \$125 million in assets have come to the firm as a direct result of us having Black Diamond.

— Ronald Nelson, Chief Operating Officer, Essex Financial Services

Essex Financial Services, Inc.

Essex, CT

Description: RIA/Broker-dealer

AUM: \$2.9 billion

Implementation: 2013

BACKGROUND:

- Reporting technology was outdated and put the firm at a competitive disadvantage
- Needed a reporting solution that reflected more favorably on the firm
- Sought a more streamlined, efficient, and accurate client billing solution

BENEFITS:

- Quality of reporting helps win substantial new business and retain existing clients
- Client portal strengthens relationships and drives efficiency
- Technology is an effective recruiting tool for new advisors
- Integration capabilities help streamline operations
- Billing cycle reduced from days to hours, resulting in labor cost savings

"It used to take several days to get the billing out. Now with Black Diamond, it only takes four to five hours, spread over several days to complete the task of billing. It also takes fewer people. We have seen some cost savings as we have become more efficient."

Black Diamond's Reporting "Wows" Clients and Prospects

On the reporting side, "It's clear to us that when we go into a meeting with a client or prospect, we have state-of-the-art materials—high-quality, complete, and flexible. Clients look at it and say, 'Wow, this is really good.' Our material is often significantly better than what other advisors are showing them."

Black Diamond helped move the firm from a competitive disadvantage to a very clear advantage. Ron cites at least two cases in which the firm's enhanced reporting capabilities were instrumental in winning new business.

In one case, Essex Financial was the lead advisor for a family trust with multiple accounts and firm relationships. The firm had been using an outside reporting source in order to aggregate performance on all the client's accounts. "The Black Diamond team did an amazing job helping us customize the reports we use for this very complex client," Ron says.

"The client was so impressed that they decided to move \$40 million to us. We would have not gotten that without the cutting-edge reporting capabilities from Black Diamond."

Another client came in with a combination of \$50 million in company and individual assets. "With our old reporting, they probably would

have said, 'You're not for us,'" Ron says. "There are other cases we can draw a direct line to as well. I would estimate over \$125 million in assets have come to the firm as a direct result of us having Black Diamond."

A Tool For Recruiting Advisors

Competition for assets is heating up, as is competition for talent. Ron says that Black Diamond has been instrumental in recruiting experienced advisors. "We're talking to folks that have been working in high-tech organizations and they want to know they can make the best impression with clients and prospects, particularly if they have existing business. We can show them we have what they need to be at least as good, if not better than they were before. We landed one advisor who was familiar with Black Diamond and it was a huge plus for us."

Investor Access, Streamlined Integration

Essex Financial rolled out the additional capabilities the platform offers, notably the Black Diamond Client Experience— an interactive, mobile-friendly portal that allows clients 24/7 access to designated reports and enables the firm to exchange documents with clients at a high level of security.

"There's clearly a demographic out there that would rather get information on their mobile devices and look at it when they want to. It saves our advisors time, too. We're really excited about it."

The firm also takes advantage of the platform's

third-party integration capabilities for CRM and other internal systems that currently stand-alone. "Advisors need integration to be more streamlined and efficient, and we believe Black Diamond helps lead the way."

Apart from the system functionality, the people-to-people connection with the Black Diamond team continues to strengthen. "The wonderful thing from our point-of-view as a client is that we don't hear the word 'no,'" says Ron. "The service has been very, very good."

Bottom line: Essex Financial views Black Diamond as an investment that is paying dividends. "For all the reasons we've talked about— new client acquisition, satisfaction of existing clients, efficiency and time savings for the advisor— there is no doubt in our minds that Black Diamond is a positive contributor."

To learn more about Essex Financial Services, check out their website at www.essex.financial.

FOR MORE INFORMATION

If you'd like to learn more about how the Black Diamond Wealth Platform can support your business, please call 1-800-727-0605 or email info@advent.com.

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