

Celebrating 35 Years in Business: An Interview with R.W. Rogé & Company, Inc.

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Ronald W. Rogé
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Q: How did the company get started?

RONALD W. ROGE: I graduated college in 1970 with a BS in Chemistry. During my junior and senior year, I worked part-time for New York Telephone in their Engineering department to help pay for my college tuition. It was only a few blocks from the college, and I could come and go as my schedule allowed. In my senior year, I had several job offers as a Chemist starting at \$9,000 a year. However, the phone company liked my work and offered me \$12,000 to stay with them, including a promotion to Assistant Engineer. Yes, I sold my dream of a Nobel Prize in Chemistry for \$3,000.

Although while working for the phone company I received promotions, investing was something that always interested me. I had been investing in securities for my own account since the early 1970's, and I read a lot of books on investing and financial planning. I wanted to learn more, so I asked the securities firm Bache and Company to find a planner in their organization that would write a financial plan for me. It was an eye-opener, and I started to focus on planning in addition to investing.

One of my colleagues at the phone company had recently married, and his wife was an editor for a major publisher. She was rapidly promoted to Editor in Chief for bringing in new writers like Erica Jong, author of “Fear of Flying,” the now-famous Stephen King, and many others. My colleague and I were having lunch at work one day and he asked me what they should be doing with all the unexpected money they had coming in. I suggested they needed a financial plan that would focus on their lifetime goals. He asked me if I could do that for them and of course I said yes. He offered to pay me, but I did it as a favor. It was a great opportunity for me to write a comprehensive financial plan. When I sat down to review the plan with them in their brand-new Co-Op, on Central Park West overlooking the park, his wife looked at me and said, “Ron, what are you doing at the phone company? You should be doing this as your own business. Everyone should have one of these plans. It’s a great road map to visualize one’s life.” That was the encouragement I needed to really focus on starting my own business.

I read one book on how to set up an SEC Registered Investment Company. Then one day Barron’s Magazine interviewed a financial advisor who was running his practice for over 20 years. He described how he worked with clients to develop their goals, write their plan, invest their money, and monitor their progress. I suddenly felt that if he could do it, so could I.

In July 1986, I started my own business. I wanted to educate myself about this business in a more formal way, and that’s when I discovered the CERTIFIED FINANCIAL PLANNER™ program. After studying and taking all six exams, I was awarded the Certified Financial Planner (CFP®) license in 1989.

I always think back to that first plan I wrote with gratitude. It gave me the confidence to build a successful business out of something that was initially just a hobby. After all - the future is your property, you need to care for it and direct it.



Original R.W. Rogé Logo

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Q: What was the biggest obstacle you, or the company, faced during the first year in business?

RON: Cash flow – or lack thereof – is every entrepreneur’s first-year problem. It’s easy to underestimate what your first year’s expenses will be and how many clients you will acquire. So, the deadly combination of higher expenses and lower revenue leads to a lack of positive cash flow.

Q: What was the first “big goal” you felt you achieved as a business owner?

RON: After starting the business, which was the original goal, being recognized by Worth Magazine as one of the “60 Best Advisors in the Nation” in the mid-1990’s. To me, that was validation for all of our efforts and the value we created for our clients. In fact, it sent so much business our way, that I had to start hiring and training new employees. One of the new employees is now my wife, Rosanne Rogé. Since being hired in 1995, Rosanne has helped me build the business, and continues to do so today, as well as coach, train and advise our employees about our clients and their needs.

Q: Has the company’s current mantra “Helping clients Plan, Achieve, and Live® the life they want since 1986” changed or shifted since inception?

RON: Plan, Achieve, Live® took a while to come up with, and we only started using it around 2009. I had been a member of The Strategic Coach®, and some of the exercises we did focused on trying to boil down what we really did for our clients to as few words as possible. That’s where Plan, Achieve, Live® was created.

Q: What is the most important attribute you feel is necessary for running a successful business?

RON: Business is easy. All you have to do is create something others will value, show up on time, finish what you say you will do, and say “please” and “thank you” to your clients. Our firm is a big believer in the principle of “treating others the way you would want to be treated.” The difficult part of business is people. They are all unique and have different needs, values, and analytical capabilities. So, a little knowledge of human psychology and skills assessment is helpful in reading and educating clients. Understanding that people do things for their reasons, not yours, goes a long way in running a successful business.

Q: How has technology changed the way the company does business from 1986 to today?

RON: Wow! This is a great question. Technology has helped reduce the amount of laborious work drastically since 1986. Back then, computers used floppy disks for memory, hard drives had megabytes of memory instead of the terabytes they have today – and that primitive technology was very expensive. Now we can download data at lighting speed and for a fraction of the cost. Instead of manually entering the data like we did back in 1986, everything is automatic, which allows us to focus more on our clients' needs rather than keeping up with data and its accuracy.



Rosanne and Ronald Rogé | 2008

STEVEN M. ROGE: When I started in the business there were a lot of files and physical paperwork that went along with each client. Today everything is done online and stored digitally. We are saving trees, space, and a lot of manual labor.

ROSANNE ROGE: In 1995 when I started at the company, my computer was the server and Ron was our “IT” person. We had floppy discs and whenever we had to update a program, we had to install the new floppy. We didn’t have the ability to work remotely, and there was no virtual meetings, so every meeting was in the office – or at least in person. We had hard copies of all important documents and an old-school fax machine with rolled paper – nothing like what we have now. We also had to hand write all client Schwab account applications. Today, everything is done online.

I remember the most frightening thing was going into the year 2000. I had 14 financial plans that I had prepared and printed out so that if Y2K happened, we could still get our plans delivered. We were also the beta testers for a program called Centerpiece, which turned into what is now Portfolio Center. Back then we had to go through each account by hand to generate quarterly reports. We would assemble, hole punch, place into plastic covers, match up envelopes, and stand at the postage machine to make sure each one went to the right address. Everything back then was manual labor. Today, this process can be done at the push of a button, and clients can view their reports digitally.

Creating financial plans was also a major undertaking. Each plan was over 100 pages, and you could not do certain automatic calculations on your computer; you had to do it all manually on an HP12C calculator. The SEC requires all original documents be saved for 7 years, so every client had a binder, filled with physical pieces of paper for every transaction that went on in their account. We had one client – who is still with us today – that had 12 binders at one point. Today we scan all important documents, and they are saved and backed up to the Cloud. Technology is amazing!

Q: What do you feel makes R.W. Rogé & Company, Inc. stand out from the competition?

RON: Our mission, people, experience, processes, credentials, technology, values, and ethics. The team we have today is the best we have ever had in 35 years of business. They are truly the example of what a team is: client and business focused, continuous learners, sharing knowledge with each other, and caring for clients, vendors, and for one another. We also work as a team. No one individual gets assigned to any one client. Clients benefit from the total combined experience and group thinking of the entire team.

STEVEN: Most financial advisors tend to work in silos; they have their book of business and that's who they service. Instead, we use a team approach which leverages our financial professional's personal views and unique experiences to develop solutions for our clients from different perspectives. Our clients benefit from the advice, expertise, and knowledge of our entire advisory team instead of just one person.

ROSANNE: We work as a team, and we always have one another's backs. We also make sure that the client comes first. We strive to instill trust in our clients and make sure they are comfortable in making educated financial decisions. I can't tell you how many clients have passed, and their family or next generation stays with us because we took such great care of their family member. Our "client first" culture means that we help clients in any way – even if it has nothing to do with financial planning or investing. We have helped clients research and purchase new cars; we have offered advice for clients with aging parents and best practices for caregiving; I even helped one of our clients pick out her casket and plan her funeral! We truly go above and beyond just "financial planning."

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Ben Rogé, Sami Rogé, Steven Rogé

Q: What kind of clients do you enjoy working with the most?

RON: I enjoy working with clients that are in control of directing their future and have the confidence to make that happen. I think everyone should have the never-ending goal of making their future bigger than their past.

STEVEN: It's always fun to work with clients that want to learn about our strategies and best practices. We also enjoy working with clients that are excited to implement our recommendations and follow our guidance.

ROSANNE: That's a tough one because I really enjoy working with all of them. But in addition to being a CFP®, I'm also a Registered Financial GerontologistSM (RFGSM) and Certified Senior Advisor (CSATM), so I do especially love working with our older clients. They always offer such encouragement, and I love their spunk! Of course, I like working with our younger clients too because we get to see them evolve, grow, and learn. For example – one of our clients partnered with us when she was still in college. Now she has a little boy, she has a house and a career, she takes care of her aging parents; she has become financially responsible and financially independent, and we got to watch that unfold over the years.

Q: What specific values does the company strive to represent?

RON: Trustworthiness, authentic relationships, life-long learning, communication, transparency, passion, and independence.

STEVEN: Honesty, transparency, and diligence.

ROSANNE: Honesty, integrity, and transparency. Although each team member has specific strengths and has evolved individually, I think all our beliefs stem from Ron's personal principles, and our values are rooted in what he instilled into the business from the beginning.

Q: The average customer attrition rate among retail financial institutions per year is 15%. R.W. Rogé has an average attrition rate of only 9% per year, with a client retention rate of just over 90%. In addition, Rogé has over 70 clients that have been with the company for more than 20 years. Why do you think the company's client retention rate is higher than the industry average?

RON: I think the answer is simple. We deliver value that clients appreciate year after year. We have had many clients tell us that they feel like they are family, and that if it were not for us, they would not be where they are today in achieving their goals for the future.

STEVEN: We have close, meaningful relationships with our clients, and we tend to go above and beyond financial planning. Our clients call us when they're researching college for their children, when they're moving, and when they're expecting their first grandchild. Plus, we are always thinking about the next generation. I wrote a legacy planning article recently that mentioned how 70% of wealthy families lose their wealth by the second generation, and 90% lose it by the third. We want to make sure that our clients are fully funded to reach their goals, but also that their wealth will live on for multiple future generations.

ROSANNE: Our clients' goals are what we are trying to attain – not financial goals for us or for the company. I think because we work as a fiduciary, and we truly take care of each client's unique needs, our clients rarely leave. In fact, if we do lose a client, it's generally because they have passed on – but even then, we typically retain their families. We are not a fast-track, high-yield, high-swinging, type of firm. We strive to keep our family of clients within the realm of reality. That's where the planning aspect is key. We are not just investing their money, we are putting together a road map for them to follow based on their goals, and if they veer off course, we can have a conversation and get them back on track. Some time ago, Christine and I met with a new client that was not well-funded for retirement. We created a comprehensive financial plan that they followed, and today they are fully funded for retirement. Our clients value our advice, and our planning process provides a more genuine relationship because we really get to know each client. What we provide is so much more than just portfolio management.

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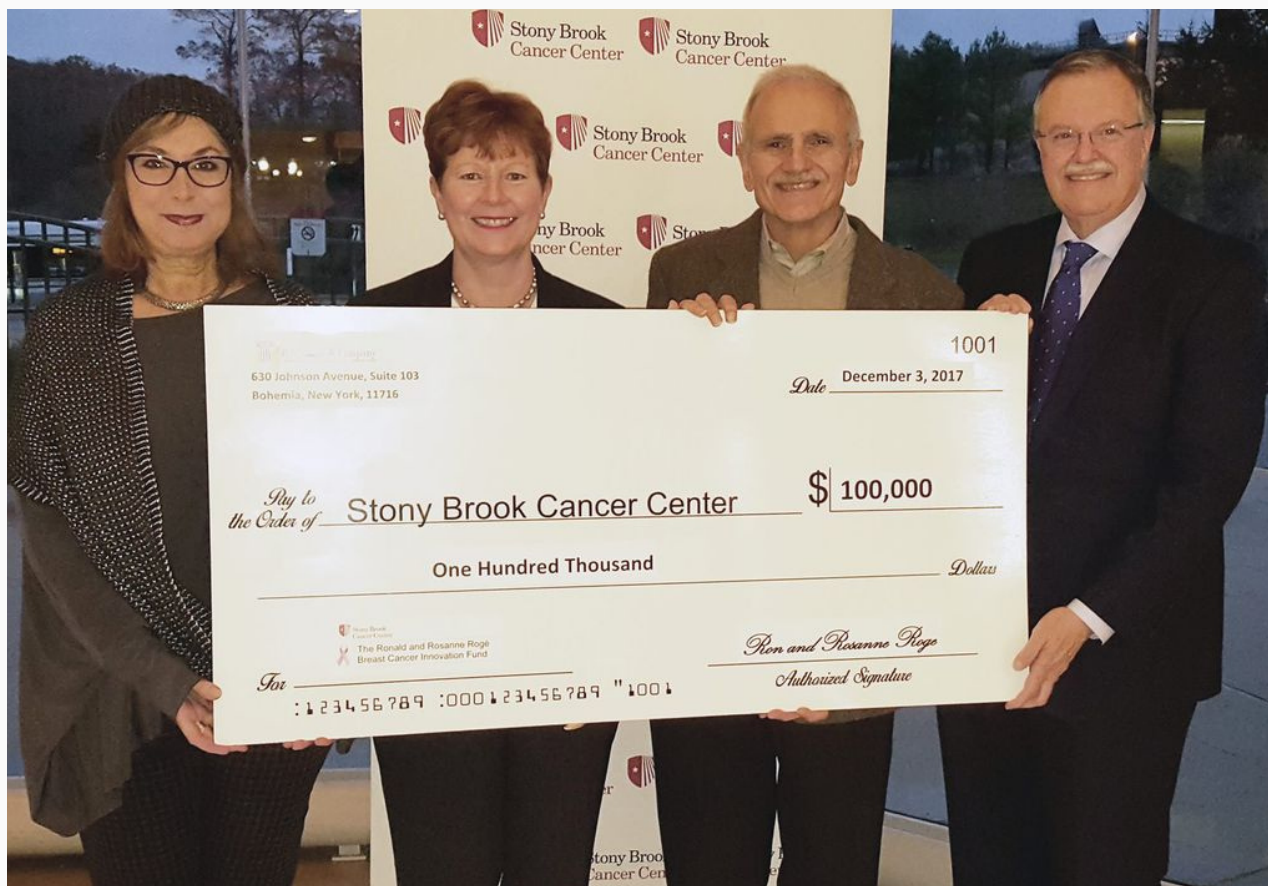


Q: How does the company give back to the community?

RON: Social responsibility is very important to our firm. Our company and team members are proud supporters of various local and global organizations. In fact, we have an entire section on our Web site titled "Community Involvement" which highlights these organizations.

In addition, over a decade ago, we began making contributions on behalf of our family of clients to organizations such as The Salvation Army, the Carol M. Baldwin Breast Cancer Research fund, and the Stony Brook University Hospital Cancer Center, in lieu of traditional holiday gifts.

In 2017, Roe and I established the "Ronald and Rosanne Rogé Breast Cancer Innovation Fund" to support pilot research projects at Stony Brook Cancer Center. The Fund is designed to give the Breast Cancer program's leadership the ability and flexibility to develop and fast-track discoveries, translate seed funding into sustainable funding for researchers' projects, and acquire cutting edge technology to further advance breast cancer research. As part of our company's 35th anniversary celebration, we are continuing to make annual gifts to the Breast Cancer Innovation Fund.



Dr. Lina M. Obeid, MD, Rosanne Rogé, Dr. Yusuf A. Hannun, MD, Ronald Rogé

Q: Where do you see R.W. Rogé & Company, Inc. in 10 years?

RON: I see a larger business than we have today. Technology will play a big role and continue to be at the epicenter of improving the business as we grow. We have always been early adopters of new technology and will continue to do that. Just look at how prepared we were during the COVID-19 pandemic to operate seamlessly from remote locations. As a matter of fact, one client wrote us a complimentary e-mail saying that he could not believe how seamless our business was operating over the past year and a half with no one in the office. I also see a big role for Artificial Intelligence (AI) in the planning and investment areas, as they are complex subjects and would benefit from AI guidance in decision making based on accurate data.

STEVEN: In 10 years, I know we will still be supporting continuing education for our employees so that we can stay up-to-date on the latest trends and strategies. I also see us building out areas of expertise in ways that benefit our clients the most. Since we opened our doors in 1986, Ron's mission has always been to put our clients' best interests first, and that client-first culture is something that will never change.

ROSANNE: Still in existence, and bigger than it is now. Although I hope to be retired by then, I imagine I'll still be doing some part-time or consulting work here. I think the team we have in place now will provide longevity for the future. We also might be able to offer additional services down the road. With the right planning, it could turn into a "personal CFO" or a "one-stop" type of shop. Ron has taught me and everyone on our team so much. If it wasn't for him, I would not be where I am today. Whatever the future may hold for the firm, I know that his legacy and principles will forever be engrained in the business.



*Sami Rogé, Rosanne Rogé,
Ronald Rogé, Ben Rogé | 2017*

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