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by Kathy Holwadel

A Revolution in Financial Service

The question has been often asked, do we recognize history as we live it? For it is not the role of network news and newspaper headlines to point out the events that are fundamentally changing our culture in meaningful and lasting ways. In the end, Monica Lewinsky will turn out to have been but entertainment, and even an impeachment trial, just another drama in a long series of short-term political conflicts. Great, big shifts in the way we do things and look at ourselves are so easy to overlook because the stuff of real change is usually quiet, not sensational. It is hard work, commitment, some false starts, and a lot of thinking. It is probably Tim Meyer.

Yet it is doubtful that Tim would consider the establishment of MCM (Meyer Capital Management, Inc.) in 1996 to be a revolutionary event. Hardly the first entrepreneur in Cincinnati to start his own investment management company, our city, like every other thriving metropolis, is dotted with offices of financial professionals who have left the safety

of bigger firms to strike out on their own and offer a slightly different brand of service. For it is not the nature of the business that is historically significant. It is the fact that with relatively little capital, a good education, some experience and a willingness to take risk, establishing your own company has become the accepted norm for many of the most talented in the financial services industry today.

This is a relatively recent phenomenon. When I started in the business in 1979, there were but few money managers in Cincinnati — Bartlett, a financial powerhouse in its own right. All the rest of us worked for national wire-houses, well-established regionals like Gradison, or bank trust departments. We needed what the deep pockets of the corporate structure could provide: Support staff, big research teams and expensive office equipment. But the last two decades have witnessed a steady increase in the affordability and capacity of computers, coupled with an explosion in the

concept of outsourcing and universal access to information through the Internet. When Tim Meyer left Procter & Gamble to start his business, he didn't need a big organization to support his efforts. He needed a computer in his basement and the right software to run it. Tim's preparation for starting his own investment management operation began in college, where he earned a degree in finance and portfolio management. Hired as an analyst by P&G, he moved often within the firm, viewing each new challenge as an opportunity to learn business from the best, to have the honor of working with top-caliber people. As he was completing his MBA while working, colleagues became aware of his financial background and began to ask for help with their investments. After several years of successful results, his abilities had become so widely recognized that he found himself having to turn people away. That was when he realized that it was time to change his hobby into a full-time commitment.

Having planned the move with his wife's input for five years before hanging out his shingle, there was

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never a day that Tim regretted his decision to start his own company. Conservative by nature, the business was initially a very low-cost operation run out of his home. With little overhead and a second income in the family, the Meyers didn't have to spend valuable energy worrying about paying the mortgage and putting food on the table for their two children. Tim was free to concentrate on client needs and performance issues, and in his very first year he more than doubled his most optimistic revenue projections.

A lot has changed in the three years since the birth of the new business. The office has moved out of the basement and into a more spacious facility in Springdale. The staff has grown to include an office manager, other support members and a second portfolio manager. But MCM's obsessive focus on the needs of each client continues to be the cornerstone of the company.

While every business trumpets the importance of customer focus, the fact that Tim truly takes that responsibility to heart is perhaps best reflected in the way he markets the firm: He doesn't. He doesn't advertise or cold-call or send out letters. And strangest of all, he doesn't accept new accounts from people whom he doesn't know. If you want MCM to manage your investments, you have to be referred by an existing client. At MCM all resources are devoted to the needs and expectations of current customers, and he wants to make sure that any new additions will be like the good clients he already has.

In a time when the message of sales is everywhere, worn on coat lapels and printed on the sides of buses, where slick images and catchy slogans rule the land, Tim Meyer's approach to growing his business seems rather naive and simplistic. He's a shoemaker who believes in making the best shoes he can, and that will be enough. And, oddly enough, it is. Clients arrange lunch meetings with their friends. Satisfied customers, happy with the personal attention they receive, tell their neighbors. New business takes care of itself.



The full measure of innovation at Meyer Capital Management is most clearly observed when contrasted with Tim's former life as an employee at one of the largest and best-run companies in the world. Though he sometimes misses the luxury of big budgets and seemingly limitless resources at P&G, he is happy with the trade he has made for the opportunity to create a culture that is a truer reflection of the people who work in it. Since a smaller organization does not have the need

for control of a big manufacturing operation, MCM can be flexible, for clients and for employees, without creating chaos. Travel schedules are not written in stone. Tim can take off an afternoon to watch his son play soccer. The office manager can bring her daughter to the office. Family life is blended with work life, not balanced.

Tim Meyer may not recognize it yet, but he and the company he is creating are part of a revolution, part of an exciting, powerful change in the way we will live our lives.

New technologies are the weapons, and he's one of the foot soldiers. And the battle he's fighting is for a return to the pre-industrial values that make us all feel more human: Substance over image, and solutions tailored to individual needs, rather than to the efficiency of the organization.

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