



# *the* Plan

Autumn 2013

## Why We Innovate

by James B. Twining, CFP

In mid-September, Financial Plan Inc. received the **Best Practices Award for being a "top innovator"** from **Investment News**; a fairly major publication in the finance world. They identified their winners based on a series of surveys and interviews and awarded the top 6 advisory firms from around the country.

As part of accepting this award, I was given the opportunity to travel to Chicago to participate in a best practices panel and workshop, educating other top advisors on what we are doing that is working and why. Throughout these interviews, I kept coming back to you, the client.



*Accepting the "Best Practices Award" for Top Innovator*

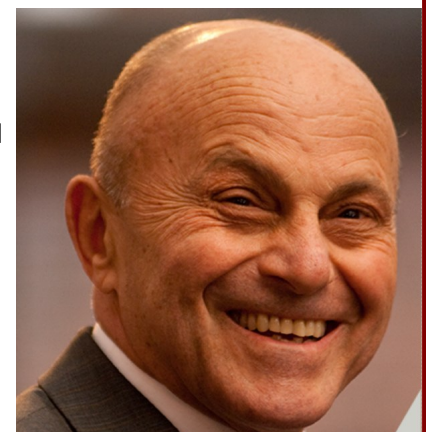
**Our decisions at Financial Plan are driven by the vision of doing whatever we can to help our clients succeed.** How sad that this is considered "innovative" in the world of financial planners. While many firms use the blunt tool of financial software to generate quick, one-size-fits-all financial plans, we have instead opted to merge the best aspects of a variety of technologies to develop a completely unique financial planning method. This method delivers real, customized advice specific to the needs and goals of each client.

We have been working hard over these past few years to ensure that our clients are getting the absolute best this industry has to offer and it was an honor to be recognized for it. But in the end, it all comes back to you. **YOU** are the reason we innovate.

## NOBEL PRIZE IN ECONOMIC SCIENCE AWARDED TO DFA'S EUGENE FAMA

We just learned on October 14th that University of Chicago professor Eugene Fama, who advises the fund family Dimensional Fund Advisors (DFA) has **won the Nobel prize in economic science**. This prize was awarded to both Fama and Lars Peter Hansen "for their empirical analysis of asset prices." This research helps to explain how and why the prices of stocks and bonds change over time. Fama's work demonstrated how new information is very quickly incorporated into the market, making it difficult to predict short-term changes in asset prices. Fama's early work on efficient markets gave rise to the index funds many investors participate in today.

**Dimensional (DFA) is one of our primary investment partners at Financial Plan, Inc.** Our advisors have closely followed Fama's work, and have had the opportunity to converse with him regarding how the securities markets work, and how best to build portfolios.



There are many different opinions regarding the best investing methods. It is assuring to see our method validated in this way. Of course the ultimate validation is the excellent results in the DFA funds, with all of the DFA equity funds in our accounts outperforming their benchmark indices over long time frames.

DFA funds are not available to brokers or to individual investors with less than \$20 million and they are extremely selective with whom they do business. **In fact, we are the ONLY Bellingham firm with the coveted DFA relationship.** Our relationship with DFA brings world-class fund management to our clients. You are on a winning team at Financial Plan, and we are happy to have been a part of your success.

**MARK YOUR CALENDER** Our Christmas Brunch will be held at the **Lairmont Manor** on the morning of **Friday, December 13**. You and your guests are cordially invited to kick off the Christmas season with some good food, fun and carols. **RSVP** 714-1234.





# *on a* Personal*note*

## **Jamie & Jeanne**

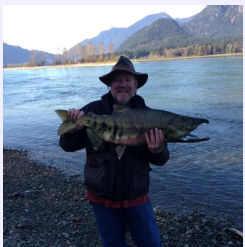


Many have asked me how our youngest son Gabriel is doing. We will always remember the support all of you showed to us as we struggled as a family to deal with his accident and disability, and we want to keep you in the loop.

It turns out that Gabe is too strong a person to let his circumstance hold him back. He may be physically paralyzed, but he is living a full, happy life, and he continues to challenge himself. When asked about his accident, Gabe says “That is ancient history.”

Gabe is now in his first year of graduate school for psychology at Saybrook University in Seattle. Gabe and Jaimee just celebrated their first wedding anniversary, and moved to an apartment in Kirkland, which is very close to school. Jaimee (who is the world’s only perfect woman) is now working as an Optometrist’s assistant. Gabe and Jaimee, you guys are the best!

## **Dave & Bonnie**



My parents came out to visit for 10 days to celebrate our kids’ baptisms and spend some time together as a family. Finally, after years of coaxing, my dad was able to join me on my annual fishing trip to the Harrison river in BC. I have always told him that if he comes, just prepare to be cold, wet and miserable the whole time. As it turns out, it was sunny and 60 degrees the entire time we were there. Instead of heavy-duty rain gear, we were wearing T-shirts. We had a ball and dad caught over 40 fish during the 3 days we were there. We also had a chance to build a fort that my boys have been begging me for quite some time. They want to paint it “Camo” and make it their Duck Dynasty hangout :)



## **Devin & Stephanie**

Jamie, Nathan, and I were able to sneak away to the Queen Charlotte Islands for a fishing trip over Labor Day weekend. Jamie’s parents have a small cabin in Sandspit, BC, so we hitched up the General Bill (Jamie’s 13’ Boston Whaler) and set out on our adventure. This was not an adventure for the faint of heart as it takes 26 hours of nonstop travelling (except for gas) each way to get there. We arrived at 8pm on Saturday only to find no stores were open. Being a holiday weekend meant we weren’t able to buy food until the store opened Tuesday morning! A local told us where the marine store owner lived, and we coaxed him into opening the shop to sell us fishing licenses. It took 2 hrs each way to get to the fishing grounds, and we almost turned around twice due to high seas and a little boat. We arrived at the cabin about 9pm each night and didn’t finish processing fish until 11pm. To some this might not seem like the ideal trip, but I loved every minute of it! A trip like this keeps you from getting soft, and the rewards are worth the effort (see the picture to the right for 52 lbs of proof)!



## **Nathan & Lisa**



Now that Fall is in the air and the leaves are turning, my wife and I decided to get out and do some Autumn activities. A few weekends ago, we took our daughter Finley to Bellewood Acres to pick apples from their orchards. Finley loved it, especially after she found out that she could eat the apples right there in the orchard instead of putting them into our bag to take home.

We also headed down to the Skagit Valley to pick pumpkins, wandering through the patches to find the perfect one. There happened to be a scarecrow watching over the field, whom Finley now refers to as “Scary Guy.”

Even though summer has left us, there’s still plenty to do around here. It’s wonderful to live in a place where you can find something to do no matter what time of year it is.