

SPECIAL POINTS  
OF INTEREST:

- **A Growing and Prospering GFG**
- **Latest additions to GFG**
- **Internal office changes**
- **Client Satisfaction**
- **A brief look at the 2007 market**
- **Merrill Lynch Ruling**
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# Keeping You Ahead of the Game!

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## Growth & Change Yield Success

Over the past eight years we have grown tremendously. We doubled our number of employees as well as our number of clients after acquiring the financial services division of Shapiro Robinson & Associates in 2004. We have restructured the internal framework of the company creating departments committed to our core competencies working in tandem to provide our clients the guidance and elite customer service they deserve in a rapid response manner. GFG has created many new processes and procedures and re-vamped many of those already existing to make the life cycle process experienced at GFG smooth, efficient, and seamless. We have also grown in square footage as well! We are now occupying 6700 square feet of the building we have resided in the past 4 years.

Besides the quantitative and physical growth achieved, we have continued to flourish in the



CEO of GFG, JOE GEIER

way we approach servicing our clients. GFG has been forged from a very strong foundation comprised of trust, honesty, excellence, ambition, tradition,

and friendship. Throughout time the word "friendship" has been associated with dependability, sincerity, and all the words referenced above. It is a bond between people joined together through a promise. GFG makes this promise to each and every client that comes on board. This promise comes from 20 years of providing the best investment and financial planning advice in conjunction with building lifetime relationships, which is where the term "life cycle process" is derived. We continue to grow not only as planners and professionals but also as individuals, and we have our clients to thank for that!

## Newest Additions to GFG!

We are very excited GFG continues to expand!

**On the athlete front:**

**Tyree Hayes:** Team: Princeton Devil Rays (minors for Tampa Bay)  
Position: P

**Matt McBride:** Team: Lake County Captains (minors for Cleveland Indians)

Position: C

**Cedric Hunter:** Team: Fort Wayne Wizards (minors for San Diego Padres)

Position: LF

**Rodrigo Lopez:** Team: Colorado Rockies

Position: P

**Jon Rauch:**

Team: Washington Nationals,  
Position: P

**Josh Kinney:**

Team: St. Louis Cardinals  
Position: P

**On the Geier Asset Management front:**

**Bryan & Sandra Even**

**Ken Bassman**

**Ellen McCormick**

**Lauretta Ashley**

**Sheldon & Laura Suga**

**Juanita & Charles Smith**

**WELCOME TO OUR NEWEST CLIENTS!**



*“In these matters  
the only certainty  
is that nothing is  
certain.”  
-Pliny the Elder*



## Internal Office Changes

We have made some additions not only to our clientele, but to our staff as well.

### Recent new hires:

- James Restivo** - Bookkeeper
- Iris Harris** - Bookkeeper
- Marcia Chandler** - Client Service Representative
- Nikki Wingire** - Accounting Supervisor
- Dan Mules** - Client Manager
- Kelly Wright** - Financial Planning Manager

### Recent Promotions:

- Cate Holland**-Supervisor, Client Services
- Melissa Jordan**-Client Relationship Manager
- \*We are sad to see Heather Glockner and Mike Couch leave. We wish them the best of luck in their future endeavors\***

*“The Secret of Joy in work is contained in one word—Excellence. To know how to do something well is to enjoy it!”  
- Pearl Buck (1892-1973)*

## The Market-The Year in a Glance

\*In early March the market had some declines due to concerns about overvalued stock prices and slower economic growth. The market closed down, and we had to make a decision as to whether or not we should scale back some of our client's in the Diversified Growth and Aggressive Growth models.

\*In mid March the market really started to become troubled with concerns regarding U.S. sub-prime lenders and lack of retail sales causing sell-offs. Asian stocks dropped and Wall Street took its second-biggest drop in four years. Some are looking at this as a correction after the rally that was experienced for the preceding several months around the world.

\*With all that going on, strong U.S. jobs were still supportive of global equities, and the world economy seemed to continue to move upward. Comfort seemed to restore itself with regard to the sub-prime issue after it was reported that Goldman Sachs and several Wall Street firms were taking on sub-prime lenders with credit, anticipating a rebound in this sector.

\*Financial stocks moved up in September as the Federal Open Market Committee cut its benchmark federal funds rate by a half percentage point to 4.75% to restore some

order due to the sub-prime disaster. Discount rate was also reduced by a half percentage point to 5.25%, which was double the quarter-point move that many economists had been expecting.

\*The stock market regained composure late November from some positive developments that included a drop in oil prices below \$90 per barrel, a report that a plan is in the works for helping out sub-prime borrowers, which would hold their mortgage rates steady, and an inferred indication from Federal Reserve Chairman Ben Bernanke that interest rates would likely be cut again at the December 11 FOMC meeting.

\*Rates were in fact cut post the FOMC meeting but only by a quarter-point, which was half of what most analysts expected alleviating any upside the market had shown previously.

## GFG Zeros in on Client Satisfaction!

This year GFG has taken a hard look into the arena of client relations as well as overall client satisfaction. We have taken steps necessary to gauge how we are doing as a company in our client's eyes by sending out a client satisfaction survey, as well as hosting our first client appreciation event for the GAM clients, which was a huge success! It was held at the beautiful Savage Mill Manor House. The evening was

filled with entertainment from our guest speaker, the well – recognized economist, Anirban Basu, and a creative twist of handwriting analysis. We hope to see more of you at next year's event. We have also taken other measures such as performing random quality checks on client's experiences with us throughout the year. We will continue to send a

newsletter such as this to all our clients on a semi-annual basis. Although we provide top-notch customer service, we are continuously looking for ways to improve as a company so as to better serve our clients, and exceed their expectations. Please feel free to offer feedback or suggestions anytime throughout the year as it is always appreciated! Thank you for your business, loyalty, friendship, and referrals.

# The Winds of Change are Here!



There has been a great deal of recent press regarding the investment advice clients receive from their financial professional. Specifically, you may have heard about a reversal of SEC Rule 202(a)(11)-1, commonly known as the Merrill Lynch Rule. An issue has been a clarification of the role and levels of responsibility of a financial advisor

## The Ruling has been made!

versus those of a traditional broker. I would like to offer a brief explanation of the differences so you may make an informed decision as to the relationship you would prefer to develop with your own consultant.

There are effectively two types of advice available to investors: 1) advice given by a Registered Investment Advisor (RIA), or "financial advisor" and 2) advice given by a representative of a brokerage firm,

or "broker." The differences are as follows:

### A Broker:

- \*Is compensated on a commission basis and is paid by you and sometimes by another company based on the product you buy.

- \*Is held to a suitability standard. The products that they recommend you buy from them are suitable for you as an investor according to them.

- \*Is a representative of a Broker/Dealer. They hold licenses that allow them to offer the specific products that they may recom-

### Investment Advisor:

- \*Charge clients a fee, usually based on a percentage of assets under management negotiated in advance. Their compensation only grows if your account value increases.

- \*Has a fiduciary responsibility to all of the client's investments at all times. This means that they act in your best interests, not their own. **Always**

- \*Operates in a Registered Investment Advisory firm. They hold specific designations in order to act as an investment advisor and offer conflict-free advice.

## The Sub-prime Mess Explained

The market has been nothing less than a very volatile roller coaster! One of the main reasons for this is the sub-prime issue. Borrowers who do not have the money to put towards a mortgage the traditional way are giving lenders reason to get more creative. Sub-prime lenders have benefited in recent years by low interest rates and a rush of refinancing using non-traditional terms, like interest-only loans, low down payments and teaser rates. The trend is reversing now with regulators expressing concerns about these types of lend-

ing practices. Borrowers are defaulting on their mortgages and therefore putting a huge strain on the major warehouse lenders. By cutting off access to credit for these extra buyers, demand for homes falls, further depressing prices and feeding a broader slowdown in the U.S. housing market.

"Most sub-prime specialists sell the loans they've originated to big banks, which then package them up and sell them on again as mortgage-backed securities to hedge funds and other institutional investors. It usually takes at least several weeks

for sub-prime specialists to sell their loans. During that time, big banks provide a "warehouse" in which to store them. In return for passing the loan onto these warehouse lenders, the originators get cash equal to the value of the asset, minus a fee, called a "haircut", which provides a cushion against late payments and delinquencies. The warehouse banks are crucial to this process because they keep sub-prime lenders supplied with enough cash to help them make more loans immediately. But as more sub-prime borrowers struggle to meet their monthly mortgage payments, warehouse lenders have started worrying about the quality of sub-prime loans that have been originated in

originated in recent years. Some are now asking sub-prime specialists for bigger haircuts, putting the originators in financial peril and forcing some into bankruptcy." **(Yahoo Finance)**

Basically credit is tightening. This is leading to concern over consumer spending and the possibility of that weakening. The Fed has cut rates, which has lessened the tightening, but that doesn't mean the problem has gone away. If anything it has just pushed it to the back burner until it is time again for it to start boiling.

## Prepared for Retirement?

Center for Retirement Research at [Boston College](#) (CRR) characterizes the current state of retirement savings in its latest study. It concludes: "nearly 45 percent of Americans will be 'at risk' of being unable to maintain their standard of living in retirement." A recent report from the Employee Benefit Research Institute (EBRI) finds an increasing percentage of Americans work past the traditional retirement age. The

percentage of those aged 65 to 69 still on the job in 2006 rose to 29 percent from 18 percent in 1985. EBRI says these are not just part-timers, but include full-time workers. Maybe that is because a widely used rule of thumb states retirees should spend no more than 4 percent of their nest egg each year. To produce \$1,000 in monthly retirement income, it will take a nest egg of \$300,000. That \$1,000 a month is \$12,000 a year

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of \$300,000. The withdrawals have to grow to counteract inflation. If withdrawals are growing, the nest egg needs to grow. **(Money.CNN)** The message is clear... start saving!!!!



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## GFG'S PRESS BOX

- GFG is ranked #19 for largest money managers in the Baltimore area by the Baltimore Business Journal!
  - Azuree D Tucker launches business website for <http://shopcelebritykids.com/> on 12/7/07
  - Eric Young is signed by ESPN Baseball Tonight
- Howard County Physical Therapy & Sports Rehab ranked #9 for largest ortho. & rehab. Practices in Baltimore area
- Chris Booker chosen to represent U.S.A. on the World Cup Olympic Team– Chris closes out the game helping Team U.S.A. win it's first gold medal
- On July 6, 2007, Buddy Carlyle achieves an immaculate inning (37th pitcher to do so since 1958)
  - Jessica Carlyle promoted to Regional Vice President of Arbonne
  - Cal Ripken, Jr. inducted into the 2007 Hall of Fame
- Brady Anderson added to the writer's ballot for 2008 Hall of Fame
  - Ben Broussard traded to the Texas Rangers
- Glenn Tilley, President of Becker Group closes deal to sell company to Arizona marketing company for \$24.3 Million.

## Exiting the world of Professional Baseball

So what happens when an athlete exits the world of baseball? Some return to their sport, others try new sports, some become coaches and many more transition into other highly successful careers.

One thing is overwhelmingly evident...the majority of these athletes go on to be successful in whatever their future endeavors are. Why? Is it due to the athletic drive that propelled them into the world of professional sports? Possibly the discipline learned and attained through the constant competition and training...or maybe the vigor that drives their determination?

Interestingly enough athletes tend to exhibit many of the same characteristics of a successful business entrepreneur! In an article written by Judith L. Glick- Smith, titled "Successful Entrepreneurs," she references these key characteristics, some of which are:

**Good health.** Successful entrepreneurs must work long hours for ex-

tended periods of time. When they get sick, they recover quickly.

**A Need to Control and Direct.** They prefer environments where they have maximum authority and responsibility and do not work well in traditionally structured organizations.

**Self-confidence.** Findings showed that as long as entrepreneurs were in control, they were relentless in pursuit of their goals. If they lost control, they quickly lost interest in the undertaking.

**Sense of Urgency.** They have a never-ending sense of urgency to do something. This corresponds with a high energy level.

**Comprehensive Awareness.** They have a comprehensive awareness of a total situation and are aware of all the ramifications involved in a decision.

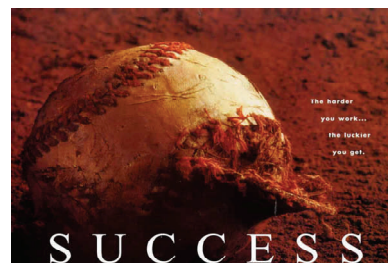
**Low Need for Status.** Their need for status is met through achievement not through material possessions.

**Emotional Stability.** They have the stability to handle stress from business and from personal areas in their

lives. Setbacks are seen as challenges and do not discourage them.

**Attraction to Challenges.** They are attracted to challenges but not to risks. It may look like they are taking high risks, but in actuality they have assessed the risks thoroughly.

So perhaps there is something to the educational and professional paradigm of baseball. It is apparent there is more to it than meets the eye. These athletes are proving that to us!



**"The Harder you work... the luckier you get."**