

2006 Charles R. Schwab IMPACT Award™ Winner

**Tim Kochis, JD, MBA, CFP®, CEO, Kochis Fitz
San Francisco, CA**

It is hard to ignore the many contributions that Tim Kochis has made to the independent investment advisor profession throughout his more than 33 years in the business. The co-founder and CEO of Kochis Fitz, Kochis has dedicated his time and expertise to build an excellent reputation for the industry worldwide.

“This industry largely grew up while I’ve been participating in it,” Kochis says. “When I started, there was no standard body of knowledge or standard of practice. We were building as we went along.”

Kochis got started at Continental Bank, and went on to build and run personal financial planning practices at Bank of America and Deloitte & Touche. In 1991, he and Linda Fitz, CFP® co-founded Kochis Fitz, making it one of the oldest independent wealth managers in San Francisco.

Of his work on behalf of the industry, Kochis says, “Our profession has really come of age. For me, personally, the greatest benefit has been the fun of collaborating with so many hard-working, talented people in supporting the growth of this profession to genuinely help people.”

Setting the Standard for Professional Education

A co-creator of one of the first accredited financial planning programs in the United States in 1980, Kochis was chairman of the advisory board and was an instructor for UC Berkeley’s Personal Financial Planning Program, where he taught hundreds of professional students for 18 years. Kochis Fitz continues to recruit students from the program and also sends its staff there for continuing education. In 2007, UC Berkeley will unveil an award for teaching excellence named in Kochis’s honor.

Advancing the Profession

Kochis has been deeply involved in the ascendancy of the CFP® credential for financial planning excellence through his 11 years with the Certified Financial Planner (CFP) Board of Standards, of which he was president in 1995. Serving as Chair of its Board of Examiners for five of those years, he is credited with helping to develop the comprehensive CFP examination.

“Professional certification is crucial for the investing public to have confidence in their selection of a financial advisor,” says Kochis. “I believe the public needs a single credential that tells them that a professional is likely to both be competent and to practice ethically.”

Ambassador for International Growth

Kochis, who chaired the International CFP Council in 1996, has worked extensively to advance the growth of independent investment advising around the world. In 2005, he was chair of the international CFP certification authority, the Financial Planning Standards Board, and now serves as chair of the International Advisory Panel for the Financial Planning Standards Council of China. He is also an honorary director of the Japanese Academic Society for Financial Planning.

“No matter where they live, people increasingly recognize the need to take responsibility for their financial well-being, and if we as a profession can be there to support their needs, that will be a wonderful accomplishment,” Kochis says.

In addition, Kochis has been a trustee of the profession's charitable arm, the Foundation for Financial Planning, for the past seven years, and served as the Foundation's chair in 2004. Kochis Fitz is one of the Foundation's leading contributors.

Sharing Knowledge with Industry and Investors

A frequent speaker at professional conferences, Kochis is committed to sharing his vision, authoring many articles as well as two books: *Managing Concentrated Stock: An Advisor's Guide to Building Customized Solutions* (June 2005), and, with his colleagues at Kochis Fitz, co-authoring *Wealth Management, A Concise Guide to Financial Planning and Investment Management for Wealthy Clients*, now in its second edition.

In 1987, Kochis was named Financial Planner of the Year by the San Francisco chapter of the IAFP. He has been listed among the nation's Best Financial Advisors in *Worth* magazine every year since the list was first published in 1994. Kochis is a member of the Advisory Board of CCH Financial and Estate Planning Reporter, and of the San Francisco Estate Planning Council.

Committed to his community, Kochis is a board member of the Asian Art Museum of San Francisco, San Francisco Beautiful, San Francisco Maritime National Parks Association, and the Center for the Pacific Rim of the University of San Francisco.

Building a World-Class Wealth Management Firm

Kochis says of his firm, "We strive to be at the center of our clients' financial decision-making; we are completely focused on helping our clients achieve their goals." The firm provides comprehensive financial planning and investment management services to high net worth individuals, including successful business owners and senior executives of public corporations.

The firm puts a heavy emphasis on its people; nine of its 32 employees are principals, a flat ownership structure that is not only focused on the firm's longevity but on creating rewards for its professionals. "We want our people to want to be here forever," Kochis says. The same holds true for clients. Kochis Fitz chooses to grow at a rate that preserves the quality of the client experience. Much of its 20+ percent annual growth over the last five years has been the result of new assets from existing clients.

Trailblazing with a Unique Investing Philosophy

Kochis Fitz is pioneering the way financial planners address client risk tolerance. Kochis notes, "Asking a client about risk tolerance is not nearly as effective as developing a prioritized list of financial objectives and life goals, and determining the risks necessary to achieve them." Kochis says that "once clients are informed about these trade-offs, they routinely agree to accept the necessary risk." He refers to this approach as "risk tolerance as a derived conclusion."

Most Kochis Fitz client portfolios are invested 100 percent in equities, typically with 25 to 40 percent of assets in overseas equities.

The firm also places a heavy emphasis on optimizing tax consequences for clients, sponsoring research into proper timing and characteristics of portfolio rebalancing, and contributing to the development of the portfolio rebalancing software iRebal.

A Leader to Learn From

Ever optimistic, Tim Kochis is committed not to rest on his laurels in advancing the profession and the firm. Says Kochis Fitz partner Tom Tracy, "he is always looking for the next challenge, another way to move forward, to think unconventionally, to bring people together and make the profession as good as it can be."

Kochis encourages other professionals to find ways to lend their expertise, "There is much to be done and there are a lot of psychic rewards for doing it. But, really, you should do it just because it's the right thing to do. You have a great deal to offer in helping this profession achieve its full potential to improve people's lives."

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