

INSIDE

Anticipating the 'what if' situations

Recession fears. Bond-market collapse. Rollercoaster markets. As investors struggle with how to respond to the current economic challenges, financial planner Greg Powell advocates setting a solid financial foundation. He discusses his views on investing and his forecast for the nation's economy. 3C



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By ROY L. WILLIAMS
News staff writer

Greg Powell has been in the financial advisory business for 27 years.

But the Hoover-based financial planner, who is chief executive of fi-Plan Partners LLC, says his three young daughters have been an inspiration for some of his most useful advice, providing wisdom and insight that helps him better market his services and strategies.

"If I can discuss it with my children, and see their faces light up with excitement and understanding," he says, "then I know I'm ready to share it with the rest of the world."

With the nation teetering on the verge of a recession and consumers pinched by a combination of rising gasoline and food prices and Jefferson County's financial crisis on the minds of area residents, Powell says spending wisely and eliminating debt are more vital than ever.

Powell shares his views on how consumers should react to the struggling economy. He also talked of how his then 5-year-old daughter, Lydia, inspired Your Financial House, a trademarked financial management tool that is a staple of his firm's business.

Q. Many folks have seen their finances squeezed by the rising prices of gasoline, food prices and other goods. Here in Jefferson County, residents are worried about the impact of its financial woes. What advice have you been giving clients concerned about this issue?

A. First, debt is debt, regardless if you are an individual or a government entity and there are fundamental questions and analysis that always apply.

You need to constantly evaluate your "what if this happens" scenarios. Second, people assume that stocks are always riskier than bonds.

The Jefferson County sewer bonds are a prime example of how you need to conduct due diligence and understand where you are investing your money. Feedback, discussion and debate are healthy to reach win/win results.

GREG POWELL

► **Title:** President and CEO fi-Plan Partners

► **Hometown:** Chattanooga

► **Alma mater:** Samford University, where he serves as chairman of the Brock School of Business Advisory Board and president-elect of the school alumni association.

► **Work History:** Formed fi-Plan Partners in February 2005. Before that, spent 17 years at Morgan Stanley, advancing to senior vice president. Previously worked at Morgan Keegan, SouthTrust and Union Planters.

► **About fi-Plan Partners:** Hoover-based financial-planning and wealth management firm. Seven employees. Licensed to do business in 32 states.

Q. Has the Fed's rate cuts helped your clients much?

A. It takes additional months to see if the Fed's decision to cut interest rates provides any benefit to consumers, the economy, and the markets. A rate cut alone does not guarantee success after 12 months, but it does have a positive psychological effect on the near term.

It provides confidence in the immediate for the decisions that need to be made now for future times. There is no doubt in my mind that the financial service industry is going through a huge transformation.

This is just the beginning. Today, investment banks and other money center financial institutions are under renewed pressure due to so-called credit market concerns.

People should be concerned about a continued lack of transparency at some big financial institutions and a lack of trust. We just watched a large investment bank declare it was in decent shape and then go to near bankruptcy two days later.

Q. Tell me about Your Financial House.

A. Your Financial House is an educational process that is not product driven. It is driven by your values. It is in terms that you can understand and addresses the issues that you need to

discuss long before you invest your money.

It is designed to bring all aspects of financial planning under one roof. Built on a foundation of helping clients reduce their anxieties, enhance their strengths and give them the knowledge to do both.

There are a total of eight rooms that we walk you through to have dialogue about issues or relationships that are tied to your money. The Your Financial House process is based on three meetings over a two-week period.

Q. Have you and your wife personally adjusted your budgets or spending habits given the rising inflation and economic concerns?

A. No, at this point, we haven't due to the fact that we don't live beyond our means. Peggy and I have been married for 22 years. We have open discussions and participation in our financial matters.

I respect Peggy's opinion immensely. We don't try to live our lives based on what "the Jones' next door" are doing, but instead, what is right for us.

Q. How have your clients reacted to the sluggish economy and struggling stock market?

A. Our clients have stuck to their long term goals. I attribute this to our Your Financial House process in which we ask our clients a lot of questions. Case in point, "Which would you rather do — achieve your dreams and goals or out perform the S&P 500 index?"

In essence, why take additional risk if you can reach your goals without it.

Q. What is your view on the nation's economic outlook?

A. I have a saying that "it is never as bad as it seems and it is never as good as it's being forecast." You have to look beyond the headlines to determine the trends ahead.

How many times have you heard someone say they want to buy low and sell high? Recessions and slowing economies give you the opportunity to invest in asset categories that are out of favor at that time.

In general, I think we will see the economy slow. The proactive decisions being made now should give us a good economy a year from now.

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