

Family, philosophy, and finance

Leo Marzen gets personal on Mainstreet Moxie podcast

Curious to know more about what makes Bridgewater different? Our co-founder, Leo Marzen, was recently interviewed on the podcast “Main Street Moxie.” He revealed a great deal about the origins of Bridgewater Advisors, what compelled him to start a financial planning firm that was radically different to what was typically on offer, and his fortuitous meeting with fellow co-founder, the late Milton Stern.

Here is an excerpt, with a link to the full episode below.

Back in the late eighties or early nineties, firms like ours didn't really exist. The barriers to entry to our profession were a lot lower at that point. And I was in my late twenties or early thirties. I was unattached. I was renting. So I felt like, as long as I can pay my rent and put some food on the table, that I would figure it out as I go. I didn't have anyone else to worry about. I did this probably for about a year, just trying to make progress every month. Every month, I'd get a little bit better.

And then a really a seismic thing happened. My path crossed with another gentleman who was doing the same thing. He didn't like the way financial advice was being disseminated back then, so he started his own firm. He was a whole generation older than me, so his progression was a little bit swifter than mine. But he was looking to do this with someone else. It was wonderful for me because he had a completely different background than I did. He had a lot of street smarts. I learned from him. And we just made a good team.

We were actually two very different people. But we had very similar views on what it meant to provide client service, to do the right thing, to provide independent and objective advice, and everything else sort of fell into place after that. So that was really the genesis of our firm, Bridgewater Advisors. Then the two of us were fortunate enough to find other like-minded people along our journey, who had a similar passion for what we did. And we got great people. Most of our folks stay for a very long time. And a stable firm tends to lead to a stable client base.

Back in the eighties, if somebody had money to invest, they typically went to a broker. Basically, everything was on a commission basis. The broker would get paid based on a transaction that typically was more transaction-oriented and less consultative or collaborative. Because there was a lack of technology at that point, there was a bit of a mystery surrounding investing. It was rather opaque; there wasn't nearly the transparency that there is today. You went to your broker if you wanted investment advice. You had your accountant if you wanted tax advice. You had maybe an insurance agent if you needed insurance. You had an attorney for estate planning issues. It was very segmented at that time.

The whole concept of investment advisory, financial advisory, if you will, is to take a lot of those disciplines and bring them under one roof. To us, the whole concept our firm

stands for now is really called comprehensive wealth management, where clients come to us for help with how to how to invest money. We ask: Do they have the right insurance coverages? Even though we don't sell insurance. We provide insightful tax planning and even preparation. And we're not attorneys, so we don't draft documents, but we go pretty deep into the process of helping our clients think about estate planning issues, and gifting and transitional wealth. And because of technology, we can bring all of this information together under one roof.

Read on!

<https://mainstreetmoxie.press/leo-marzen/>

