The Cato Award Benefits You

Before our specialty discipline existed, Loren Dunton, the man who is recognized as the founder of financial planning in the United States, had many intense conversations with IARFC Chairman Ed Morrow and many others, about how to resolve the two major problems faced by those trying to launch financial planning as a legitimate profession. Up until that time mostly only sales people were involved with offering financial products, i.e., insurance, mutual funds, limited partnerships, etc. In most cases objective advice was totally lacking.

Financial Planning's Early Problems!

First was how to structure the many details involved in this new profession they were attempting to create, i.e., standards, practice, administration, compensation, etc.

Second was how to get their new, but totally unknown, creation accepted, respected and well-established, as a valued profession composed of highly skilled professionals. They all agreed there was a better way to more effectively serve the increasingly intricate and complex financial needs of American citizens by providing advanced, informed, accurate, and coordinate advice.

According to Dunton's own writings, "Morrow was actually the co-founder of financial planning. He played an essential background role. He was the realist and I was the idealist." Loren's widow, Marta Dunton, recently said, "Morrow's role was repeatedly documented in Loren's journals and papers. But Morrow chose to decline recognition." Marta added, "I am especially proud of the IARFC's first 25 years as this association continues what the original group started."

During his lifetime, Dunton never practiced as a financial planner. Morrow, then a highly successful MDRT insurance super-achiever, became a successful planner and key industry leader who highly influenced the development of financial planning during the following years. Morrow's contributions included nothing less than creating and improving the specific systems and practice management techniques, and other tools now used by planners world-wide. Eventually Morrow built the leading financial planning software programs and he authored industry standard training manuals, including *How to Computerize Your Financial Planning Practice* published by the College of Financial Planning. As the first major international financial planning ambassador, Morrow single-handedly established and then expanded financial planning throughout China, parts of Europe, and in most of the Pacific-Rim countries. According to *The Inspirator International* magazine, "In those global areas Morrow is recognized as the father of financial planning."

In June 1969 the founding group was incorporated as an educational non-profit organization in the State of Colorado. The group was first named Society for Financial Counseling Ethics. (Yes, the original name included the word "Ethics.")

Six months later, on Saturday, December 12, 1969, at 10 am in a second floor meeting room at the O'Hare Inn near the Chicago airport, Dunton formally opened the first "official" gathering of thirteen people who were interested in the attempted start of this new profession. At the time, Dunton hand-wrote the meeting agenda, the names of those attending, and he made other relevant notes. Twenty-two people failed to show-up as promised. Those present were **Loren Dunton, Dr. James Johnston, Lewis J. Kearns, Bob Leshner, Hi Yurman, Jerrold Glass, Lyle Kennedy, Gerald Zipper, Herb Aberlow, Walter Fischer, John Hawkins, Charles Weitzberg** and **William Kendau**.

Dunton was born January 10, 1918 and died March 21, 1999 at the age of 79. Following Dunton's death, all of his many "writings," both published and non-published, that had accumulated over his years, including all administrative documents, journals, transcripts, correspondence, and even receipts, became known as "The Dunton Papers" and were inherited by Forrest Wallace Cato. Cato even inherited Dunton's personal library.

The first three trustees for the fledging Society for Financial Counseling Ethics were Dr. Dan Kedzie, Bob Leary, and Loren Dunton. For the first five years this struggling organization barely survived as there were never adequate operating funds. Dunton went deeply into debt to keep the effort functioning and was never repaid as often promised. These pioneers remained unable to attract sufficient support, received no government help, and many initial volunteers quickly departed. They reorganized three times, changes names, initiated and then terminated various projects, almost disbanded on four occasions, and always operated in the red.

Years of association evolution have entailed such dynamics as still more changes caused by mergers, defaults, restructuring, branch-off developments that failed, some fracturing and infighting, and breaking away by support groups that Dunton also founded. There has been almost total failure of financial organization to work in liaison or unison with the original group. Despite all this financial planning continues to gain momentum. ***Presently the IARFC is the fastest growing financial planner's association in the world.***

"To Hell With Financial Planners"

Dunton, Morrow, and the few "original others" named in this article, all with courage and vision, experienced five difficult years of continued struggle and rejection despite intensive efforts that resulted in growing debts, disappointments, and occasionally even insults. *No major or minor insurance, banking, securities, or Wall Street firms, ever agreed to help, despite the years of endless request for support. Even the SEC and the NASD turned deaf ears to the group's pleas for assistance. No government agency would cooperate at any level!*

Some mutual funds threatened to punish any sales person who worked with a financial planner. At first many major insurance companies forbid their agents from becoming a financial planner. Now it is well-proven that planners sell far more insurance than do traditional agents. Most planners came from an insurance background, and this trend continues to this day. A now-deceased representative of Bank of America once even scolded Dunton by saying, "To hell with financial planners!" The bank rep felt planners would take

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clients away from the bank. We know now that all of these groups have benefitted enormously from financial planning.

The Early Struggles

Dunton often explained, "We thought the hardships would never end. Our efforts included many trials and errors. After some limited progress we made many new approaches during a period that seemed to drag on forever. Now I laugh when I read most histories of financial planning as they always seem to highly favor whoever sponsored the writer of those histories. *Our actual history was mostly one of a small group, with, each person multitasking, without much support, struggling against the odds, and often holding on by a thread. No one was paid anything and everyone involved was contributing their own money to help keep our movement alive.*

According to Dunton, "Financial planning did not exist before we created it. The beginning was not romantic or exciting. Our experience was one of confronting problem after problem, and slow hard work that was often frustrating. I went deeper and deeper into debt, eventually lost my good credit rating, and ended-up being forced into bankruptcy."

The Early Contributors

Three long-time close Dunton associates during the early days were Harold F. Chorney (a former Air Force navigator who grew into a national leader in the tangibles segment of the financial industry, now semi-retired and residing in Johnston, Rhode Island), the late John Keeble (an Atlanta attorney and former aircraft pilot, who founded FSC Securities, one of the first major broker/dealers), and the late Donald H. Pitti (a top executive in New York City with John Nuveen Investments which remains a leading global provider of investment services to institutions and high net-worth investors).

Especially active in the first four years of formation efforts were Bob Leary, Dr. Dan Kedzie, Jim Johnson, Bob Leshner, and Lew Kearns. A few people contributed so much of their time, money, and work, that Loren Dunton and Ed Morrow called them "Early financial planning heroes!" Those heroes also included Stuart Raffel, Dave Goodwin, Jerold Glass, Fred Hauheim, Hamilton Gregg, Julius Cahn, Richard Davis, Kemp Fain, H. L. "James" Jamieson, Robert Leary, Donald Simon, Jay Smith and Mack McDonald.

Later in the financial planning movement, political reform activist and financial planning pioneer Jack Gargan (the IARFC founder) joined the efforts. Gargan, now retired, resides in the village of Ban Wang Pheum, Thailand where he is presently helping the government of Thailand structure a properly funded social security system. Gargan gained fame by getting Ross Perot and Jesse Ventura to run for political office.

Vernon Gwynne (a former Western Union executive, now retired and residing in Jacksonville, Florida) played a key role in highly increasing America's early numbers of qualified financial planners. The late Kemp Fain, Hy Yerman, and Bob Leary were the three most successful early organizers. The only woman active in the "earliest days" was Venita VanCaspel who wrote the first best-selling ***Money Dynamics*** financial planning books. Her volumes consistently made *The New York Times* top ten best-seller lists and over PBS she hosted the first nationwide TV program devoted to personal financial planning, interviews Dunton, Morrow, Pitti and others.

These founding pioneers solved part one of the two major problems involved with creating this new profession that you now use to attract prospects, help your clients, and earn your living. Following years of set-backs and slow progress, this small group of involved and dedicated men (and one lady) were finally ready to address their second big problem, which was: How to bring about the nation-wide understanding that leads to nation-wide acceptance of financial planning.

Cato's Historic Role

Dunton later wrote about how their new profession was promoted. He called their promoter a "public relations genius" in his book ***Financial Planning: A New Profession)***. He mentioned (during recorded speeches in Denver and San Francisco) the following: "We knew about a very gifted young man named Forrest Wallace Cato who was a talented press agent, celebrity promoter, and image-builder, all-in-one. Cato was then Editor-In-Chief of the 152-year old magazine called ***Trusts & Estates***. In a few years Cato, built this little-known magazine into a powerhouse within the financial industry. ***T&E*** became the bible for those in the bank trust business which was a multi-trillion dollar industry. Cato was working on the side as a media-advocate making financial professionals (who hired him) famous for their specialty and famous in their market areas."

Dunton continued, "We decided to try to hire Cato to promote our new profession, but we didn't have any money to pay him. Cato was highly recommended by W. Clement Stone, the famous insurance founder and the person who underwrote the second-stage of Napoleon Hill's famous career. Stone was among the first to offer support and encouragement to us. We had almost no budget for Cato to work with. I visited Cato and later we were amazed when he accepted our offer. Cato believed that financial planning would become another multi-trillion dollar industry."

According to Dunton, "Cato knew that he had to change the conception of financial planners that existed in those days. Back then planners were considered to be second-class citizens. The rest of the financial industry had positioned planners as composed of bottom-of-the-barrel type characters. Cato insisted that he answer only to me and not to everyone involved. He also insisted that I, Loren Dunton, become the only image figure-head, and that all promotion be associated with me. He built my reputation and persona as the founder of financial planning. So I got the limelight, and financial planning gradually got the media attention and image change that was needed! Never did so many, owe so much, to the publicity efforts of one guy, Cato!"

Dunton explained, "Meanwhile I worked mostly on establishing IAFP (now FPA) chapters across the country and trying to build the College for Financial Planning. Morrow worked tirelessly on defining and perfecting planning standards, creating substantive continuing education programs, determining administrative procedures, and all-around problem solving. Later Morrow even took planning world-wide. Some of the others joined us in seeking people that could qualify to become planners."

Three years before his death, Loren Dunton confirmed, "Eventually, after the cash-flow was well established in some of the organizations I founded, I was then cast out. Our original concepts have been carried-on only by the IARFC." His widow, Marta Dunton says, "Today all financial planners can contribute to helping each of our practitioners by fostering greater understanding for financial planning through their published writings or their other media exposures that inform and educate."

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During these talks in Denver and San Francisco, Dunton further explained, "Cato was busy getting me invited to the White House to tell the President and American citizens about our new profession, enabling me to be selected by ***USA Today*** as 'one of the ten most important financial figures in America.' He arranged for **Paul Harvey** to explain financial planning during his syndicated radio broadcasts, having me chosen by ***Money*** magazine as 'one of America's most influential money men,' scheduling ***The Wall Street Journal*** to interview me, placing me on a **CNN** financial talk program, getting my books legitimately published, inserting articles in ***The New York Times***, and other on-going image-building publicity exposures."

"Cato became editor of our ***Financial Planning*** magazine — the first and only magazine devoted to this specialty. Within months our struggling magazine was landing, thanks to Cato, original and exclusive interviews with Presidents of the United States, and top financial names like **David Rockefeller, Warren Buffett, Sir John Templeton, John C. Bogle, Charles Schwab,** plus others. Cato even attracted such business leaders to our pages as **Ted Turner, Bill Gates, Richard Branson,** and more 'big names.' Soon we were getting noticed from coast-to-coast and finally financial planning was growing in big-time ways."

The Cato Award

Dunton added, "Cato too never became a financial planner. But Wally developed a near obsession for promoting financial planning and individual planners. Since then it is estimated that Cato, more than any other person, has written more legitimately produced or published advocacy works — for newspapers, television, magazines, wire services, books, radio, documentaries, syndicates, house organs, associations, lectures, workshop materials, training course texts, and newsletters, in 27 countries — all promoting the acceptance of planning. These efforts included interviews, essays, news releases, monograms, video productions, speeches, op-ed pieces, feature articles, editorials, training guides, e-mails, round-up stories, reviews, critiques, biographies, and webinars."

Today, with the help of many 'unsung' heroes in addition to Loren Dunton and Ed Morrow, financial planning is now a multi-trillion dollar profession world-wide. Only the IARFC continues to adhere to the original precepts envisioned by the original founders of this new profession that is now 'your profession.' Thousands owe their careers to these few people listed herein and those thousands have never said, "Thank you."

In 2003 the **IARFC** originated **The Cato Award** to formally encourage and recognize those who further general knowledge of planning by being legitimately published, or cause to result other positive media exposures (involving financial planning) in the consumer, educational, financial, or news media. Cato says, "It's all about you. Our stories connect us with each other. Anyone who contributes in any productive way to the growth or acceptance of personal financial planning helps every other individual financial planner."

Chris Hill, RFC®, when accepting **The Cato Award** in 2008 quoted **Vincent Van Gogh** who said, "Your profession is not what you do to bring home a paycheck. Your profession is what you were put on earth to do with such passion and intensity that it becomes spiritual in calling." Hill added, "I think this describes dedicated financial planners."

An example of outstanding published writing that increases acceptance of planning, is that of **Lew Nason, LUTCF, RFC®**, who directs the highly respected **Insurance Pro Shop**. Nason has long been rated as the most popular ("highest read") writer published in ***Producers Web*** on the Internet. Such efforts help further the understanding of financial planning and result in greater acceptance of your valuable skills and abilities. Publishing on the Internet was not available when planning began. Nason's organization now offers, **free** for **IARFC** members, possibly the most useful Internet newsletters available on increasing financial sales. www.InsuranceProShop.com

This **IARFC** award now represents your association's attempt to recognize, honor, and commend those outstanding practitioners who by their written, spoken, or other produced media effort(s) have benefited all Registered Financial Consultants.

Cato Award Winners

During a portion of the **IARFC**'s 25-year history the winners of this award have been among those who contributed highly to helping other planners by furthering understanding of our profession. The Cato Awards have gone to the following prolific financial writers:

2003

The first Cato Award was presented to the noted educator **John E. Grable, CFP®, MBA, Ph.D, RFC®**. Professor Grable is the acclaimed Program Director in the **IARFC** and **CFP** board registered undergraduate, graduate, and certificate programs at Kansas State University in Manhattan, Kansas. He is a skilled platform presenter, noted editor, and award-winning writer. Grable is also admired for his platform presentation skills. He was the founding editor of ***Journal of Personal Finance*** and co-author of a text book on plan development. Grable believes, "We all need to inform and educate, any segment of the population, about the benefits of personal financial planning."

2004

MDRT sales super-achiever, **Ed Morrow, CLU, ChFC, CFP®, CEP, RFC®**, of Middletown, Ohio, received the second Cato Award. Morrow, a primary figure in financial planning history, is a multi-award winning financial planning industry pioneer. He established, or directly influenced, key aspects of planning practices world-wide. He is profiled elsewhere in this article. As America's leading financial planning ambassador, Morrow founded financial planning in China, the Pacific-Rim countries, and in parts of Europe. Plus he created the world's most widely used financial planning software. Because of his (over 1,000) articles, Morrow is one of our most published financial authors.

2005

Ben G. Baldwin, CLU, ChFC, CFP®, MSFS, MSM, RFC®, a close Dunton friend, received the Award in 2005. Baldwin has many years of professional experience and is highly respected as a financial speaker, writer, and trainer. Baldwin served on important committees and made important presentations at annual meetings of the Society of Financial Services Professionals, the ICFP and the early Board of Governors for CFP. Baldwin authored several books, including ***The Complete Book of Insurance, The Lawyer's Guide to Insurance,*** and ***The New Life Insurance Investment Advisor*** (two editions) published by McGraw-Hill. Presently he divides his time between Arlington Heights, Illinois and Florida.

2006

Dr. Jeffrey Chiew, ChFC, CFP®, RFP, CLU, LUTCF, DBA, RFC®, of Kuala Lumpur, Malaysia, is author of the following books,

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How To Be A Super Achiever, The Art & Science of Agency Management, The Art of Selling, King of Insurance, and *The High Fliers Guide*. He serves as Asian Chairman of the IARFC and also MDRT zone chair. Possibly the best-known financial planner in Malaysia, Chiew was chosen "Malaysia Personality of the Year" by *The Inspirator International* magazine. He lectures in financial planning at the Malaysia Insurance Institute and is an officer in the Asian Pacific Life Insurance Council. He frequently appears in *The Star, The Sun, Personal Money, Smart Investor, The Inspirator International, Financial Services Professional, The IARFC Register, Just Property, Success Plans, The AIA Bulletin, Sin Chow Jit Poh, The New Straits Times,* and *Bloomberg News*. Chiew has often stated, "I believe we all have a duty to promote the growth and acceptance of financial planning." His latest book, *Millionaire Formula*, has just been released.

2007

Wilma G. Anderson, RFC®, of Littleton, Colorado, is today recognized as one of America's leading Long Term Care authorities. Her writings have appeared in such publications as *Advisor Today, Business Week, Health Insurance Underwriter, IARFC Register, Professional Insurance Agent, Fiduciary Legal Report, Agent Sales Journal, Senior Market Advisor, The Denver Post,* plus other trade and consumer publications. Anderson told this writer, "I wanted to give something back. That is how I say "thank you". I try to stimulate thought and acceptance of planning by getting published."

2008

Christopher P. Hill, CSA, RFC®, of Reston, Virginia, is an MDRT member, with 22 years experience serving his clients in diverse financial situations. For over a decade, Hill was the Vice President of Marketing and Sales for one of the leading money managers in the USA. Today he is President of the Wealth & Income Group, which W&IG specializes in retirement planning and is highly involved with wealth management and income distribution, plus tax and estate planning. Hill noted, "Obtaining media exposures not only advances careers and individual sales, but also helps our industry to grow. Plus, lots of fun, recognition, and satisfaction results from being noticed in the media."

2009

Barry M. Ferguson, RFC® is President of BMF Investments in Charlotte, North Carolina. His published efforts in trade journals are largely aimed at informing and educating. He writes on up-to-date factors impacting planning and has stimulated various round-table discussions. Ferguson's published works benefit from his technology background, his writing talent, and his ten-plus years of successful financial planning experience. Ferguson explain, "Many RFC's have the knowledge, discipline, experience, and talent to write for publication, appear on radio and TV, or to speak before influential groups. Doing this helps them achieve more. This also helps our industry and every practitioner in our industry."

2010

William J. Nelson, RFC® has been the focus of many articles about financial planning, as well as the development of advanced training manuals. He was the cover subject of the December 2009 issue of the IARFC Register. Bill has prepared significant courses, such as for the Successful Money Management Systems, the VUL Academy and the Learning Institute for Financial Executives — with accompanying articles and manuals, centered around his contention that "All financial planning must be conducted from the Net Perspective." He also developed the *Wealth Advantage* and *Retirement Unlimited* visual presentations, by Emerald Publications (now RiverSource).

Moving Forward

The IARFC President, Steve Bailey, RFC® stated, "Ongoing positive media exposures involving planning continue to benefit every RFC by furthering understanding for, and appreciation of, planning services. This leads to increased acceptance of your skills! This building of acceptance has an effect in your market area where you most need to be better known. We urge you to get media space that helps our mutual cause."

The Wall Street Journal reported recently, "Financial planning services are needed now more than ever before in their history. During these tough economic times, more than ever since the profession originated, planning is a booming profession. Many planners report that their practice is thriving today, despite the many major scandals in the financial world and the troubled economy." The future appears especially promising for those who now work in this respected multi-trillion dollar world-wide specialty discipline. This honor will live on, helping our profession, and possibly you will earn this award in coming years.

People riding to the top of a skyscraper do not pay homage to Archimedes — even if they can recall his name — but as planners we can thank those who continue to help make our careers better by earning or supporting The Cato Award.

Geoffrey A. VanderPal, CFP®, CLU, CTP, MBA, RFC®

Geoffrey A. VanderPal, CFP®, CLU, CTP, MBA, RFC®, directs Skyline Capital Management, an independent investment advisory agency, following ten years with Citicorp Investment Services and First Union Securities. At the age of 25 he created and later sold a mutual fund company that was founded with an innovative balanced portfolio methodology that provided risk reduction for investors. Presently he serves as Treasurer of a $100-million dollar technology firm in Indianapolis, Indiana.

Dr. VanderPal is a frequently booked speaker, and in 2005 he was chosen by the Consumer's Research Council of America, as "One of America's Best Financial Planners." He has served as a securities arbitrator with FINRA and the New York Stock Exchange. He is a financial writer and has appeared in Register, Millionaire magazine, Mutual Fund magazine, Financial Services Journal On-Line, The Chicago Tribune, Northwest Herald, Nevada Business Journal, Nevada Business, and the Journal of Financial Planning.

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