

# PARTNER

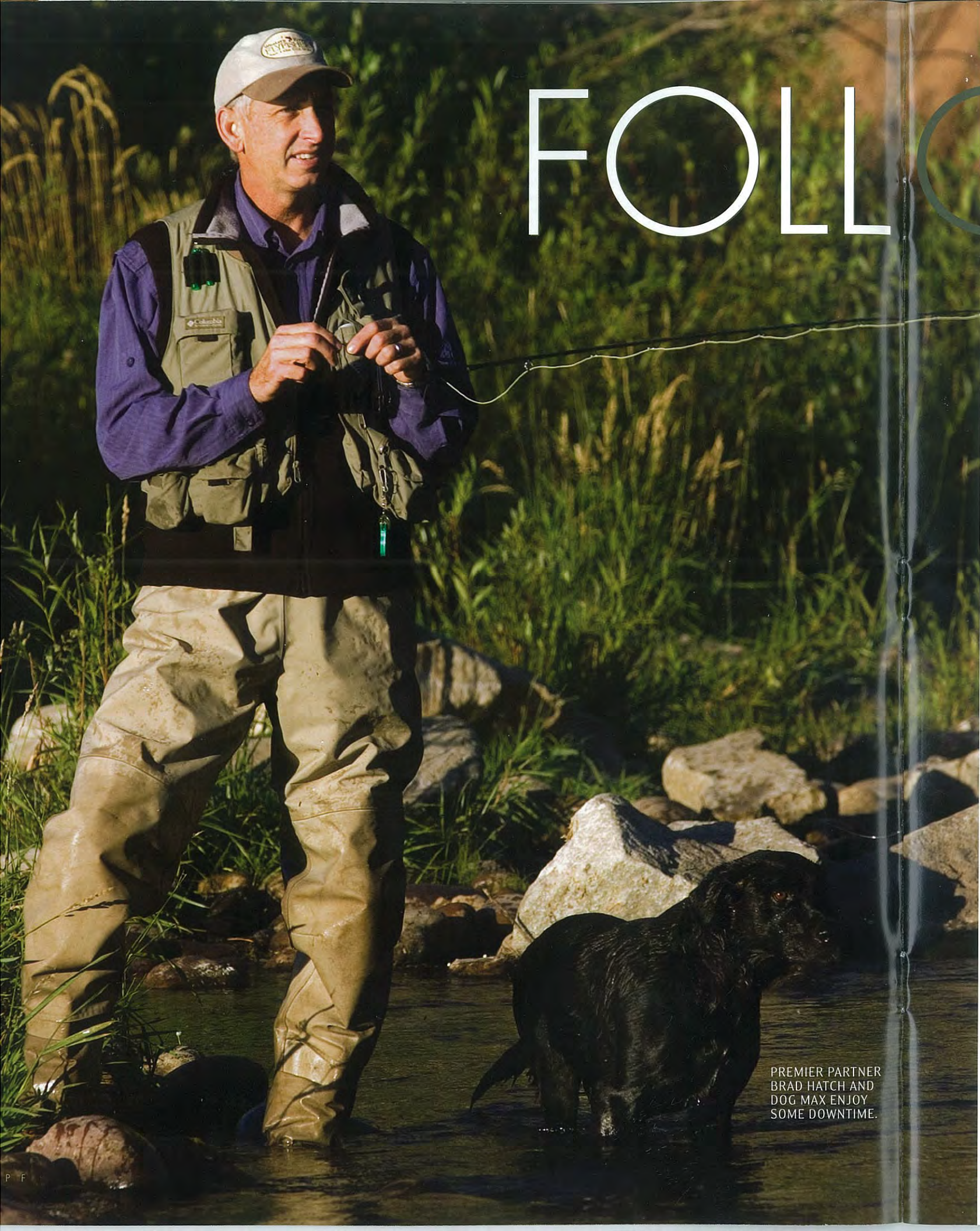
## Following The Plan

Brad Hatch's systematic approach to success

- THE PATH TO EXECUTIVE BENEFITS
- MAKING CHANGE WORK FOR YOU
- CUSTOMIZED SIMPLE SOLUTIONS
- CUTTING-EDGE COMMUNICATION



JEFFERSON PILOT  
FINANCIAL



# FOLLOWING THE PLAN

It's a perfect day for Brad Hatch.

It's not yet 6 a.m. and he's ready to exercise. Some days, that means taking Max, a 9-year-old pointing black lab, for a golf course jaunt where Hatch's hunting companion stays sharp nosing the rough for quail.

But on this morning the bicycle beckons.

In minutes he's pedaling through Emigration Canyon along the same route Pony Express riders galloped along to deliver mail and through the same Wasatch Mountain passes that delivered Brigham Young and his Mormon Pioneer Company into Utah's Great Salt Lake Valley.

The 25-mile ride jumpstarts his day. Clearheaded and energized, the president of Wasatch Capital Resources is at his Salt Lake City office by 8 a.m., reviewing case files and referrals. Lunch is with a client or a member of one of the charity or community boards he serves on.

The afternoon brings a new client to meet, cultivate and advise.

"My biggest rush is opening a new case, developing a relationship, finding a new client that I can help," says Hatch.

The workday ends at about 6:30 p.m.

Hatch may work long days, but they're long, *productive* days. Last year, Wasatch Capital logged \$485,000 in premium commissions with Jefferson Pilot Financial. Hatch says if he paid attention to numbers, he could have easily bumped that number to a \$500,000 and into Platinum Partner status. But he's too busy paying attention to the people who have helped him succeed - clients.

"The comments that we get from our clients are that they've worked with other people, but they didn't have the ideas or follow-through that we do," Hatch says. "That's the ultimate compliment for me. It's better than a commission."

Hatch, 51, has been helping clients for 29 years. He began working in insurance part-time as a student at the University of Utah, where he studied accounting and finance. During his sophomore year, he got married. When he and his wife, Mary Ann, decided to start a family, Hatch left school for an insurance career.

His first job was selling Home Life of New York products. Home Life had a strong estate planning program and excellent training. The lessons were many.

One of the most profound involved a former high school classmate who Hatch took on as a client. He learned how important life insurance is.

The classmate owned a nutrition business and was doing well. Her first marriage went south, but she didn't

PREMIER PARTNER  
BRAD HATCH AND  
DOG MAX ENJOY  
SOME DOWNTIME.

Brad Hatch's success stems from his systematic approach

stay a single mom for long. She met a great guy. They married and soon were expecting a baby.

Hatch sold her a \$150,000 insurance policy to protect her business and family should the unthinkable happen.

Unfortunately, it did.

One day she fell while moving some furniture, bruising her upper thigh and hip. Her husband, a paramedic, checked her out. Just a bump, he thought. But the next morning, as he was lying in bed, he heard a crash. His wife had fallen again, this time in the bathroom. She wouldn't get up. A blood clot broke loose from her bruised leg, traveling to vital organs. She died.

"When I got the call, I'd only been in business for three years," Hatch says. "I paid out a \$150,000 death claim. The policy literally saved her business, paid off the mortgage and provided a trust fund for her son from the first marriage.

"That was tough, but it was a great education. It taught me the value of a product that is unequaled. There is nothing that can take the place of a life insurance policy. The first dollars that land in the lap of a family are insurance dollars. There are no encumbrances, no taxation. If a provider passes away, it's the only alternative. Nothing can even come close."

Hatch says lessons from his first job gave him the confidence to go solo. He founded Wasatch Capital Resources to help business owners with continuation plans, executive benefits and retirement reviews, and to assist wealthy clients with wealth accumulation, preservation and transfer.

Hatch adopted a three-part approach to insurance plans at Home

Life that he still uses today:

- **Discovery** - Meet with clients to find out their financial position, goals, timetable and risk-tolerance.
- **Validation** - Review everything from the first meeting, and make sure the client is comfortable with the plan. It may take several meetings to finalize a plan and make the close.
- **Implementation and delivery** - Put the plan into action.

"We're very methodical and don't rush into anything," he says.

That includes finding prospects. His strategy is to be visible in the community and let business come to him.

Hatch is president of the East High School Foundation, which has privately raised \$800,000 for school development. He's involved with several advisory boards for the University of Utah and is chairman of the Crimson Club Advisory Counsel, which promotes planned giving to support the Utes' athletic programs.

Hatch met Bob Rice through the Crimson Club. Rice is the Salt Lake City man who built what was once the world's largest gym chain - the 220-unit strong European Health Spa. Rice is a Crimson Club founder and beloved philanthropist whose passions include the University of Utah and the arts. He's been a Wasatch Capital client for about 10 years. Last year that relationship helped save Rice's life.

"I was going to make a donation to the indoor athletic facility for the University of Utah," Rice says. "My plan was to make it in cash. Brad approached me and suggested I do it as a planned gift."

The life insurance-backed plan would be a win-win, delivering a donation to the university and preserving his wealth.

"When I went for the insurance physical, I flunked," Rice says. "They discovered that I had multimedeloma cancer. My next physical would have been in nine months and I would never have made it that long."

Rice was treated for the blood cancer at Huntsman Cancer Institute in Salt Lake City, one of the nation's top cancer treatment and research centers. Fortunately, the disease was diagnosed early and treatment chased the cancer into remission.

While the life insurance physical was a lucky break, Rice says Hatch leaves nothing to chance when he's working on a case.

"He's a real honest guy and very creative. He comes up with things that benefit you, your family and your charities, and properly plans it for your estate. He's a hard worker. He takes care of all the details to make something work," Rice says.

While raising money for causes is vital, so is working in the trenches. He believes in community service.

"Once a month our office goes to lunch, then we go some place to help out a local charitable agency, doing things like putting together hygiene kits for various shelters, providing donations of necessary household items, toys and clothing for the battered women and children's shelter, or putting labels in books that are given to low income school kids and children in homeless shelters," he says. "It's great because for some of them, it's the first book they've ever received. It's a way for us to give back to the community and provides us with a sense of unity."

He says that producers need to be involved in organizations such as Rotary or the Chamber of Commerce. They help build strong communities and provide networking opportunities with civic and



HATCH, WITH CHILDREN (FROM LEFT) NATALIE, JONATHAN, HEATHER AND NICHOLAS.



CLIENT BOB RICE (RIGHT) STANDS WITH HATCH OUTSIDE OF THE RICE-ECCLES STADIUM AT THE UNIVERSITY OF UTAH. THE STADIUM IS NAMED AFTER RICE.

business leaders that often lead to the question: “So, what do you do?”

“I don’t hesitate to share what I do because I’m very comfortable with it,” Hatch says. “Then I’ll ask them, ‘Are you comfortable with the advice you’re getting on your company’s supplementary retirement plan? Have you evaluated your 401(k) plan? Are you protected and insulated? Have your advisers shared with you ways to continue your salary if you are disabled? Do you have a plan in place if you pass away that will keep your salary flowing into your family for 10 or 15 years after?’”

The questions parlay themselves into areas beyond Hatch’s insurance expertise. But he works with a network of top-notch CPAs, lawyers and brokers. Together, they build solutions far beyond what they could do alone. It’s a competitive advantage.

“I am able to close the door on someone else walking in because the client looks to me to handle all of these things,” he says. “We’ve had some very good synergistic relationships with a couple of investment offices that do no insurance.”

Dave Russon, a principal with First Western Advisors, an independent Salt Lake City broker-dealer, says Hatch understands solving problems with life insurance better than anyone he has encountered.

“He’s experienced, very polished and his knowledge is great,” says Russon. “Brad is a great people person. In terms of his detail and follow-up, I don’t know of anyone who is as organized as he is. In the execution of tasks leading up to the closing of a deal, Brad is exceptional.”

Teamwork helps Wasatch Capital tackle the huge market for corporate and CEO planning. Eight of 10 companies don’t have structured plans executives need to cash out, Hatch says. They’ve built great businesses, but lack a financially solid exit plan.

“They may have the basis for a buy-sell, but it might not be funded. They don’t have the other layered executive benefits in place because no one has explained it to them very well,” Hatch says.

Lou Brittain, a partner in SoCal Uniform Rental in San Gabriel, Cal., and his partner had a buy-sell agreement in place, based on a split

dollar premium. But regulations involving split dollar premiums have changed and the partners were facing a rather large tax exposure.

Hatch unwound the split dollar design and built a pure cross-purchase buy-sell agreement. He worked with SoCal’s lawyer and accountant, finding tax credits to offset any tax liability. He used the cash value of the old policies to pay off loans and replaced them with new policies. Then he tweaked the plan to address age discrepancies between the partners.

Brad is a dedicated family man. He and Mary Ann will soon welcome their fifth grandchild into the family circle. Family relationships appear to be the future at Wasatch Capital. All five Hatch children are working or have worked for Wasatch Capital. Hatch’s son, Jonathan, 26, has moved from employee to producer for the firm as a graduate in finance from the University of Utah. Nicholas Hatch, 23, will likely join the firm when he graduates from the University of Utah also with a degree in finance. Daughters Heather, 19, and Natalie, 17, work at the firm on a part-time basis while attending school. Hatch’s oldest daughter, Angela, 27, worked for the company while she attended college.

He’s thrilled that Jonathan and Nicholas are joining him as producers. His sons will solve one of the biggest problems he’s facing: serving clients he’s outgrown. He says the 80-20 rule - where 20 percent of your clients bring in 80 percent of your revenue - is real. Those lower end clients are valuable, but take a lot of time. Hatch hopes to focus on his higher-end clients.

“That’s the main reason I’m bringing my sons into the business, to allow them to take care of clients that are suitable for them so I can keep growing the business,” says Hatch. “This is my succession plan. I’m telling clients ‘I want somebody here who can take care of your account after I’m gone. Meet my son.’”

For a man who helps others build exit strategies, it sounds like a solid plan. **P**