

An Interview with Joel L. Hochman, CFP® and Philip J. Cole, CFP®

Hochman Cole Investment Advisors, Inc., is an independent, SEC-registered investment advisory firm headquartered in Northbrook, Illinois. Founded by Joel Hochman, the team currently manages more than \$190 million in assets while providing highly personalized service to a select group of clientele.



Joel L. Hochman, CFP®



Philip J. Cole, CFP®

Q: PLEASE DESCRIBE YOUR FIRM'S SERVICES.

Joel Hochman (JH): Hochman Cole understands, anticipates and meets our clients' changing financial needs with a multitude of high-quality services. We provide comprehensive wealth management services and expert solutions in the areas of insurance, estate, tax, education and retirement planning. The bottom line is that we are a one-stop shop for all our clients' financial needs.

Q: HOW WOULD YOU DEFINE YOUR INVESTMENT PHILOSOPHY?

Phil Cole (PC): While no single investment strategy can be expected to outperform the overall market every year, we believe that over time, a diversified investment approach that is applied in a consistent and disciplined manner should have greater potential to outperform.

JH: We also recognize that no two clients are exactly the same in terms of their investment goals or financial challenges. Every client with whom we work comes with a unique set of circumstances that must be considered when constructing their specific investment strategy.

Q: DESCRIBE YOUR INVESTMENT PROCESS.

PC: We begin our process by carefully assessing each client's investment objectives, taking into consideration factors such as their risk tolerance, time horizon, liquidity requirements and tax circumstances. Once we complete this critical assessment, we determine the appropriate asset allocation and how we will implement it.

JH: Our goal is to maximize performance and align portfolio strategy with the client's objectives. We do so by engaging in a top-down, disciplined investment selection process that combines both quantitative and fundamental analysis.

Q: DOES YOUR FIRM TAKE A STRATEGIC APPROACH TO INVESTING OR A TACTICAL ONE?

PC: Both. We take a Core-Satellite approach that combines the desirable features of a strategic focus and tactical flexibility. The core part of the portfolio provides for strategic allocation to broad asset classes. The satellite portion allows for tactical exposure to specific sectors we think are best positioned to outperform.

Q: WHAT TYPES OF INVESTMENTS DO YOU USE?

PC: As an independently owned, fee-based, SEC-registered investment advisor, we are free to choose the right investment solutions for our clients - in other words, our recommendations are objective and impartial, and not influenced by the demands and sales quotas that could be imposed by a corporate parent. As a result, we have the ability to diversify across a broad spectrum of investment products that may include stocks, bonds, exchange traded funds, mutual funds, options and private money managers.

Q: HOW DOES HOCHMAN COLE DISTINGUISH ITSELF FROM THE COMPETITION?

JH: We differentiate ourselves based on the highly personalized and specialized services we provide to our clients. This is so important to us that we've made a business decision to focus on a smaller number of clients so that we can consistently ensure the highest standards of service. We also distinguish our firm by providing each client with a portfolio that is designed expressly for them - we don't simply plug their assets into one of several model portfolios.

Q: WHAT ARE YOUR FIRM'S GREATEST STRENGTHS?

PC: Our team's greatest strengths are our premium service, our depth of experience and our culture. As we've mentioned, Hochman Cole's focus on providing the right resources for each client enables us to give our clients the personal attention they need and deserve. We also have significant industry experience - 40 years between Joel and myself. In addition, both Joel and I are CERTIFIED FINANCIAL PLANNERS™, nationally recognized as the standard of excellence for personal financial planning expertise. Finally, our team culture is to be passionate about what we do, while doing it with honesty and integrity.

Q: HOW IS YOUR FIRM POSITIONED TO RESPOND TO CHANGES IN THE INDUSTRY?

PC: Because of our boutique size and independent structure, we are well positioned to respond to new and changing regulations within the financial services industry. Since we've always offered our clients an open-architecture investment platform, we will continue to have virtually unlimited flexibility with regard to how and in what we invest.

Q: WHAT DO YOU FIND MOST CHALLENGING ABOUT TODAY'S INVESTMENT LANDSCAPE?

JH: The level of uncertainty surrounding both financial markets and the economy as a whole is extremely high right now. While it's not our job to predict emerging trends or the direction of the economy, it is imperative that we be nimble enough to respond to changing market and economic environments so that we can continue to identify the most compelling investment opportunities.

Exchange traded funds, also known as ETFs, have been instrumental in providing us with quick, targeted access to specific segments of global markets when we do identify tactical pockets of opportunity. For example, we can purchase an ETF for exposure to a specific sector of the US equity market, such as healthcare. Or, we can drill down further, for example, by purchasing a healthcare subsector ETF that tracks healthcare providers - should we believe it is the right opportunity for the right client at the right time. In addition to very specific and granular exposure, ETFs also provide the means to more efficiently manage risk, cost and taxes within our clients' portfolios.

Q: WHY SHOULD SOMEONE DO BUSINESS WITH YOU?

PC: Our team of experienced investment professionals offers dedicated attention to each and every client. Through a collaborative approach, we ensure that all eyes remain on two goals: meeting client needs while also building trust.

JH: I would also add that our commitment to high ethical standards, combined with our independent ownership status, promotes integrity and ensures objectivity in all that we do. We are never constrained or influenced by the often bureaucratic agendas of larger firms.

Q: HOW DO YOU DEFINE SUCCESS?

JH: Our success is defined by the long-term staying power of our Hochman Cole team, and by the success of our clients.

PC: On behalf of our clients, we define success as having their complete financial picture positioned so that they have the opportunity to live their lives as they choose and feel confident about their future.