The Decision - Big vs. Small?

Continually, people face the decision of whether to use the services of a larger and more recognizable name brand organization, or those of a smaller and relatively unknown company whose service, personnel and reputation are equally sound. Familiarity does not guarantee superior service. In many cases "smaller" equates to superior service due to an "owner's" commitment, being unfettered by bureaucratic bulk, and the flexibility afforded to smaller businesses over their larger more stodgily restricted counterparts. For investors, this decision of whom they want to manage their money - too often influenced by sheer size and name recognition - is a critical one, since the result of it will decide to a large degree how comfortable one will ever become with the competency of those involved.

"Branding" is a pursuit for which literally billions of advertising dollars are spent each year. These are dollars expended for not one bit of direct benefit for the customer, yet these huge expenditures are generated by the cost each client incurs for their service…..e.g. getting "nothing" for "something."

If you asked for a box of facial tissues, would the store clerk hand you a box of Puffs or Kleenex? If a business person needed a copier, would their fingers most likely take them to Ricoh or Xerox in the yellow pages? Why does the term "soft drink" conjure up the red can of Coke rather than the orange can of Sunkist? If an investor used Merrill Lynch or Trent Capital as a money manager, is one better than the other just because you recognized the first name and not the second? Of course not.

A key component to the quality of service one will receive is to recognize that only about three to four people deep - in any organization, large or small - will determine the quality of the service provided. In many cases, just one person determines the level of effort and service that one will enjoy. This concept is the reason that many investors follow their broker, regardless of how many times he/she moves to a different brokerage firm - as they usually do - and this of course assumes one's broker is any good. Being large and/or recognizable has nothing to do with the delivery of competent investment service. The quality of service one receives is dependant upon the experience and level of commitment of those top 1-4 individuals with whom a customer interacts, particularly in the investment business when there are only about three to four people who *ever* touch your account, or know that it even exists…or *care* that it does!

Would an Office Manager in Florida with a nationally recognized investment firm actually enhance one's growth account in Kansas? No. Does the myriad VP's of Human Resources, wholesalers who travel the country, brokers or Agents - and all of their respective support personnel that make an organization large, and therefore recognizable - really add aggregate value to the quality of the service your personal advisor provides? No! Will an intermediary "Account Representative" - usually transient - satisfy an investor's comfort as will talking directly with the individual(s) making the critical decisions to invest a client's assets in the best and most prudent manner for them? No!

The false comfort that size elicits for some only prompts a critical mistake made by those who believe size and name recognition offer any tangible benefits or higher probability of superior performance. It is considerably more beneficial to check the reputation of, and meet with, the several people with whom you will deal in any consumer service situation? In fact, the greater flexibility found in smaller service providers brings benefits simply not found in the more cumbersome structures of larger, restrictive organizations. The investment advisor of a smaller firm can focus more on satisfying the client's investment needs and goals rather than being forced to succumb to operating under the influence of corporate objectives and ulterior motives of executives ensconced away from the client fray in their Ivory Towers.

Virtually all larger investment firms have proprietary products to sell; hold restrictive selling agreements for shelf-space with other investment providers; dangle bonuses of exotic trips to entice their Agents to sell specific investment products; and are often influenced by investment banking relationships. These negative pressures that compromise investment decisions do not exist at Trent Capital. Trent Capital can make any investment available to any larger firm, but these larger firms, on the contrary, often will not make investments that Trent can and does.

Size does matter, and in many cases……….smaller is better than bigger.