

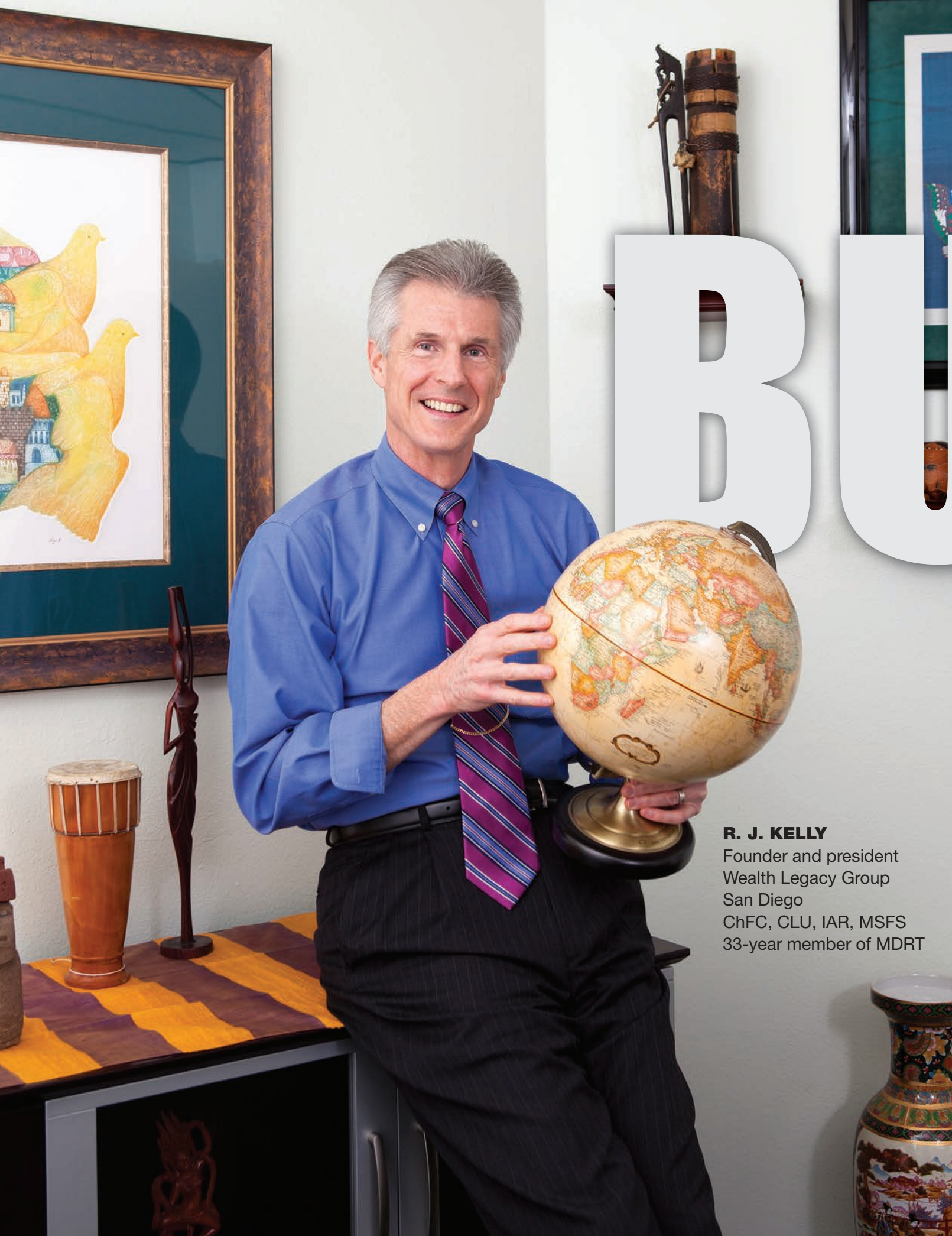
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# Senior Market Advisor<sup>®</sup>

**R. J. KELLY** lives life to the max through a healthy advisory practice, marathon running and global adventures.


## THE BUCKET LIST





**R. J. KELLY**

Founder and president  
Wealth Legacy Group  
San Diego  
ChFC, CLU, IAR, MSFS  
33-year member of MDRT



In his lifetime, **R. J. KELLY** has experienced great wealth and later seen a successful family business collapse due to a lack of a proper exit plan. With that family failure in his rearview mirror to motivate him, Kelly won't let that happen to him or to his clients. So, he plans and plans and plans and...

# BUCKET LIST

By Daniel D. Williams  
DAVID HARTIG PHOTOGRAPHY

Within the first minute of meeting R. J. Kelly, I notice something about him: he's unlike any financial advisor I've ever met. Instead of framed pictures of athletes or inspirational quotes from historically significant figures, Kelly has a collection of rare, indigenous objects arrayed on tables and walls, just some of the spoils of a global bucket list that Kelly continues to check off, one object, one adventure and one mission at a time.

Kelly prowls to each object to describe the history behind each one in great detail. Each artifact, you see, has a story. There's a Cambodian goddess on the table; there's another piece from Easter Island, 2,200 miles off the coast of South America. And, hanging on a wall, there's a primitive blow-

gun, the kind you see in Indiana Jones movies.


"That's from the island of Borneo," Kelly says. "In the jungle there, I befriended a village chief and traded him my watch for the blowgun."

Kelly used a translator to make the transaction, but due to the tribe's primitive nature, some of the message was getting lost in translation.

"Basically the chief asked me if I wanted the 'black juice' on the tip of the blow dart. It's powerful enough to take out a wild boar."

He shows me items from the Guatemalan ruins and other pieces from his time in Zimbabwe and Botswana. It's dizzying hearing all the stories. And inspiring. In my head, I can't help but hum the refrain from an old Johnny Cash song: "I've been everywhere man. I've been everywhere." >>





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#### ABOUT R. J. KELLY

**Eight-time marathoner.** Most have been run to raise money for Leukemia and Lymphoma research.

**Co-founder of The Center for Wealth Legacy™** ([wealthlegacycenter.org](http://wealthlegacycenter.org)) with a goal to raise \$500 million. Over \$100 million has been raised thus far.

**THE LIFE ON PURPOSE LISTS™:** According to Kelly, our outcomes in life are often the result of not living as intentionally as we could and should. He says to reach your real purpose you should take out a paper and pencil and make the following four lists:

- 1) **What do I enjoy doing?** What would I like to do more of? What activities get me excited, happy, positive, give me energy, encouragement, etc. when I am doing them?
- 2) **What do I hate doing?** What would I like to do less of? What things make me depressed, unhappy, angry, sad, impatient, etc.?
- 3) **When I look back over my life, and all that I have accomplished, what are the things I feel best about?** What are the goals I have set for myself that I have achieved over the years that I am most proud of accomplishing?
- 4) **What are the goals and desires yet unmet?** What is on my “must do in a lifetime” list?

#### Paying the bills

These wonderful adventures are on Kelly’s bucket list as is running marathons to raise money for cancer research, and providing education and infrastructure to third-world countries, but eventually, something’s got to fund the globetrotting.

“My wife reminds me that the best thing I can do for the poor is not be

one of them,” he says.

Kelly is the founder and president of the Wealth Legacy Family of Companies and his specialty is helping business owners develop a transition plan. We talk for a moment about wealth strategies, annuities and other safe products, but the conversation turns in various directions, sort of like one of Kelly’s adventures.

I finally comment on it. Unlike other financial people that I’ve interviewed over the years, a conversation with Kelly goes around the world as much as it gets into products and how much he’s sold. It’s a rare find.

“Well, Daniel, if this helps, when you think of me think of this gentleman who was at the Olympics this past year. He was from an obscure country. He’s a cross-eyed javelin thrower. He set absolutely no records but he kept the crowd incredibly alert!”

“Is this true?” I ask.

Kelly laughs. “We’ll have to check, but it could be true.” He laughs some more.

“Seriously, I believe my reason for being here is to raise \$500 million from wealthy clients that goes into The Center For Wealth Legacy. This allows them to redirect taxes (‘involuntary philanthropy’) and moves the money towards ‘voluntary philanthropy.’” As Kelly adds, there’s a great opportunity for clients to choose where they want some of their tax dollars to go and it’s a win-win for the client and for the non-profit of their choosing. “Where they want the money to go is their choice, but the foundation provides a platform for them.”

The foundation reached a milestone

# The “Necessary Nine”

## Key points to consider before you sell your practice:

- 1) “Make it a family affair.” The best outcomes come from talking it over as a family.
- 2) “The planning team should not fit in a Mini-Cooper.” You need a cross-disciplinary team—more than just an attorney and CPA.
- 3) “You get what you pay for.” Don’t be cheap. It’s less costly overall to pay for qualified input now.
- 4) “Begin with the end in mind.” What are the desired goals for your business and your family?
- 5) “Who’s left behind?” Your “enterprise value” depends on the answer.
- 6) “Never stop learning.” You are either growing or falling behind.
- 7) “The best stew has to simmer.” It’s as much as three to five years to prepare your business transition. You can’t rush it. The transition seldom works the first time out.
- 8) “Proper asset protection.” Without it, you can lose it all.
- 9) “Don’t leave money on the table.” Will you be an “involuntary philanthropist?”

## SUCCESSION PLANNING SURVEY

In a succession planning survey, roughly 3,300 families with businesses that averaged a net worth of \$20 million were interviewed. Some interesting statistics were revealed in the survey.

- 1,000 families were “post transition.”
- Of those families only 30 percent successfully transitioned to even the next generation.
- Among the key reasons for those failures: 60 percent of those that failed were due to a lack of trust and inability to communicate.
- 25 percent of those who failed did so because they were unprepared for wealth when it “arrived.”

SOURCE: “PHILANTHROPY HEIRS & VALUES”  
BY ROY WILLIAMS AND VIC PREISSER

in the summer of 2012 when it reached its first \$100 million.

“That’s what drives my world. It’s not about notching my gun with another sale or another transaction or another this and that.”

## There once was a king

While his passion in life is in his altruistic endeavors, in his business life, it’s to help steer family-owned businesses to avoid the traps that his own family experienced.

“It’s only been in the last couple years, since I’ve really begun shaping my message on the necessity for transition planning and what it involves, that I’ve begun to embrace and discuss my family’s business story.”

Kelly’s father was a very successful business owner who ran a multi-million dollar company, a distributor of oil products. “He had built this magnificent kingdom but ultimately it crumbled when he died because he hadn’t taken the steps that, frankly, most business owners don’t take either.” Those are the steps to deal with issues of succession, exit or as I like to call it, transition planning.”

If he has one word of advice for business owners, including financial advisors who own their practice, it’s to begin planning now. According to Kelly’s experience, often the first transition plan does not work out. Either the fit isn’t right for the person taking over or they just aren’t ready when the transition is in play. He says that a successful transition could take anywhere from three to five years to work.

In talking specifically about financial professionals Kelly says, “the challenge for me and for I think many other advisors is they may be so singularly focused or even multi-dimensional but unless they’re doing something to groom a team to continue to come behind them they have no enterprise value.”

## 20/20 vision

Kelly knows succession planning isn’t a snap. It’s work. Hard work. The transition might fail initially or be riddled with potholes, but you have to stick with it and see it through. After all, how can an advisor sit in front of clients everyday, with a straight face, and plan their future when he hasn’t planned his own?

“Everything from my world view now is how do I create a team—a family of companies that can operate while I’m gone for a year.”

“Wait, what was that?” I ask.

“I’m laying the groundwork now, getting people in place to take over the various pieces of the business so I can take a year off in 2020.”

His eyes almost twinkle as he tells this part of his story. Behind him are the artifacts that represent the expeditions he’s taken so far but they almost pale in comparison to what he has in store seven years from now.

The plan is for Kelly and his wife, who is originally from Cambodia and a survivor of The Killing Fields, to spend the year in Liberia, Africa, where Kelly will educate leaders on how to build businesses and their infrastructure.

He pauses for a moment before launching into one final tale. “Daniel, my wife’s name is Vymean, which literally means, ‘treasure’ in Cambodian. And so, I literally get to wake up next to my treasure every morning.”

