

# Wealth Managers

## How to Survive and Prosper: Strategy, Focus, Communication

### Top Wealth Managers

Leading wealth managers used new mixes to keep clients during downturn, grow with recovery

■ BY CHRIS CASACCHIA

The county's top wealth managers held on to most of their clients through the downturn and are picking up new business as the economy recovers.

Laila Pence, of Newport Beach's Pence Wealth Management, said business has grown 40% in the past year. ...

Strong returns and referrals have helped Pence Wealth Management increase business nearly 40% in the past year as assets under management have hit nearly \$700 million.

That's up 10% from December.

"Our business has grown dramatically," said Pence, who was ranked No. 61 on the statewide list and 23rd among all U.S. women advisers by Barron's in 2010. "One of the keys to that growth is our investment philosophy."

She handles wealth advising and the management side of the business while her husband, Dryden Pence, is the chief investment strategist.



#### Cash-Flow Is King

The firm counts on a cash-flow strategy that uses a mix of exchange-traded funds, dividend-paying stocks and individual bonds to create income yielding portfolios.

About 65% of her clients are retirees, a "niche where people need us the most," said Pence, who has 31 years in the industry.

#### Laila Pence

*Company:* Pence Wealth Management

*Location:* Newport Beach

*Years in Business:* 31

*Rank on Barron's California list:* 61

*Education:* economics bachelor's, University of California, Los Angeles

#### Notable

Manages about \$635 million in assets with an average account size of \$2 million. Typical client has a net worth of \$5 million. Ranked No. 23 of all U.S. women advisers by Barron's in 2010. Native of Egypt, has friends and family in the country. Keeps tabs on developments with satellite news from Egypt; concerned but hopeful on outcome. Husband Eldon Dryden Pence is chief investment officer. He has economics degree from Harvard University and served as Army intelligence officer specializing in psychological warfare.

The average account size at Pence Wealth is \$2 million and a typical client has a net worth of \$5 million, according to Barron's.

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## Post-Recession Planning

New Mix Shows More Comfort With Risk, Little Taste for Treasuries

■ BY CHRIS CASACCHIA

The ongoing economic recovery and rising stock indexes have some of the top wealth advisers in Orange County shifting strategies to meet market conditions and their clients' needs.

Some are holding longer positions on stocks and dumping U.S. bonds.

Others are moving to blue chip stocks for dividends.

And some are looking to commodities.

### Real Estate Play

Strategies at Newport Beach-based Pence Wealth Management haven't changed much in the recovery. Cash flow investing is the niche carved out by adviser Laila Pence and her husband Dryden Pence, the firm's chief invest-



**Pence: targeting companies with competitive advantages, improved balance sheets**

ment strategist.

"Cash flow trumps volatility," she said. "It's our core style."

At Pence Wealth, that means at least 65% of portfolio assets are paying some income, whether high-yielding bonds or dividend-paying stocks.

In stocks, Dryden Pence looks for companies with a competitive advantage. Domestically, the firm is targeting food and agriculture companies, real estate investment trusts and heavy manufacturers.

"These companies improved balance sheets tremendously," Dryden Pence said. "As the economy continues to grow their profitability will expand dramatically."

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