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August/September 2014

HECK CAPITAL ADVISORS

NATIONAL RECOGNITION,
SMALL TOWN VALUES

David, Bob and Ken Heck

INSIDE:
ENTREPRENEURIAL
LEADERSHIP

MIDWEST ENERGY FAIR
HERALDS COMING CHANGES

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August/September 2014



The family business

by Timi Eckes

Heck Capital Advisors

Contributing to the community is as important as focusing on business for Dave, Bob and Ken Heck of Heck Capital Advisors.

Cover photo by Timi Eckes

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Heck Capital Advisors: national recognition, small town values

Story and photos
by Timi Eckes

Hardly a day goes by, it seems, without some tidbit about Wall Street malfeasance in the headlines. Fraud, a lack of accountability and mind-boggling bonuses for execs are just a few of the reasons for the negative press. Wall Street has become a turn-off for many people, so much so that a Chicago Booth/Kellogg School survey published in 2010 revealed that fewer than one in four Americans trust the financial system.

That probably doesn't come as a surprise to those at the helm of Heck Capital Advisors in Rhinelander. The independent company, headed by Bob Heck and his sons Ken and Dave, has no affiliation with any Wall Street firm; in fact, Heck Capital comes across as the antithesis of Wall Street greed and corruption. The company is family-owned, with Bob Heck serving as chairman and chief investment strategist, Ken as chief financial officer and senior director of portfolio management, and Dave as chief operating officer and senior director of consulting. With its emphasis on helping out in the community and dedication to exemplary customer service, Heck Capital Advisors stands in sharp contrast to Wall Street's tarnished image and to the often uninspiring corporate culture that has turned off many Americans.



The company has found success by building trust with clients, by swimming against the current and by striking a balance between prudent decisions and a willingness to take appropriate risks. That winning combination has paid off, ensuring client loyalty, helping the company earn national recognition and enabling Heck Capital to navigate a turbulent economy successfully. In fact, when the economy imploded in 2008, Heck Capital Advisors increased their assets under advisement by adding new client relationships while providing effective strategies through the downturn. With the growth of their business and the need to serve clients efficiently, the Hecks are entertaining the idea of opening a branch office in

southern Wisconsin (with the Rhinelander office remaining as the company's headquarters) and adding new employees.

Dave Heck credits that growth to a combination of factors: an outstanding team of professionals, great strategies and great clients. "We also have grown our assets due to clients wanting to invest with an independent advisory company that is not affiliated with Wall Street," he says. "Clients want help, simplicity, confidentiality, respect and professionalism. We have been able to grow our company through providing strategies that are personalized to our clients' objectives."

Heck Capital, a Registered Investment Advisor (RIA), has clients across

Left and right: The city of Rhinelander gave its Commercial Yard of the Month award for July to Heck Capital Advisors. When their building was under construction, the Hecks worked with Birchfield Nurseries and Hanson's Garden Village to create an attractive landscape.



THE FAMILY BUSINESS

H HECK CAPITAL ADVISORS

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- Dave Heck





the country and has garnered recognition repeatedly from national publications like *Forbes*, *Financial Advisors*, *Financial Planning*, *Research*, *Advisor One* and *Conquest Press*. Conquest Press LLC named Heck Capital's chairman and chief investment strategist, Bob Heck, one of America's top financial advisors for 2012. Last year, *Forbes* ranked the company as one of the country's top 50 wealth managers. Earlier this year, *Financial Planning Magazine* listed Heck Capital Advisors among the 100 and in the top 50 fastest growing RIAs in the US.

It all began in 1962, when Bob and his wife, June, moved to Rhinelander where Bob started from the ground up after working as a research analyst at a Wall Street firm in Chicago. He worked at another Wall Street firm after coming to Rhinelander, and over time he cultivated a client base in more than 30 states. Sons Ken and Dave joined him in the 1990s and the trio created The Heck Group, which at the time was affiliated with a Wall Street company.

The Hecks, however, harbored distaste for what they saw as greed among Wall Street firms and decided to strike out on their own, forming Heck Capital Advisors LLC.

"Looking back, the timing was very important as Heck Capital was formed in May 2007 and Wall Street, banks and other related financial institutions went through the worst financial crisis in 2008-2009 since the Great Depression," Ken says. "We saw a lot of these concerns before we left Wall Street and we believed it was best for our clients to not be associated with these firms, and to work with an independent company. We also did not like the big corporate culture and believed it

hurt our ability to service our clients."

They could have taken the path of least resistance and joined another Wall Street firm or signed on with an independent firm that offered a financial incentive to join. Instead, the Hecks opted to start over as an independent firm.

In addition, "Heck Capital does not receive any soft dollars or other fee remunerations, in contrast to many other firms," Dave notes. Investors tend to take a dim view of soft dollar arrangements, and Heck Capital's refusal to participate in them with mutual funds or other money managers adds to the company's credibility.

Today, from a gleaming new building downtown, Bob, Ken and Dave Heck, along with nine employees, offer portfolio management, consulting and planning to clients, both individual and corporate, and retirement plans, endowments, trusts and foundations. Education is a high priority for the Heck family, in the workplace as well as at the community level. Heck Capital employs people who specialize in various areas of investment, and who have earned a number of certifications. "We have incredible people that are talented, knowledgeable and have an amazing work ethic," Dave says. "We care a great deal about our client relationships and it shows in our high retention rate."

That Heck Capital Advisors remained in Rhinelander when they could have left for a more cosmopolitan location is a testament to their sense of community.

"We love Rhinelander and Rhinelander has a lot of great attributes, which mainly are the people," Dave says. "The majority of our client relationships are not in Rhinelander, yet we

believe a small town work ethic and values are important. We believe our faith is also deeply rooted in our business in regard to our convictions, values and our beliefs.”

Those at the company’s helm dedicate a lot of time and effort to charities and civic organizations, and they encourage their employees to do the same. Heck Capital Advisors sponsors more than 25 local organizations each year.

Since 1975, Bob Heck has chaired the Rhinelander Oneida County Airport. Bob’s efforts were the major factor behind obtaining funds and the construction of the airport as it is today. For 45 years, he chaired the finance committee for Nativity Church. He also spent a decade serving as a board member and the finance chair of Saint Mary’s hospital.

Ken Heck is following in his father’s footsteps, now chairing Nativity’s finance committee. Dave Heck formerly chaired the strategic planning committee for the School District of Rhinelander. He’s now president of the Hodag Schools Foundation and serves on the board of Aspirus Wausau Hospital and Aspirus Clinics. The company’s employees have volunteered at the annual Relay for Life, the food pantry and coaching youth activities. They also volunteer for other activities and organizations.

It’s clear that the importance of community involvement isn’t lost on the Hecks or their employees. But when Dave Heck discusses the significance of giving time and effort to the community, a sense of frustration comes through.

“We would like to see more people become involved in the

community,” he says. “Everyone is busy, but everyone has a talent. And this talent may be fund raising, helping with strategy, cooking brats for a school trip, anything to help the community. This is absolutely vital for the future.”

Also vital for Rhinelander’s future, he notes, is education. The Hecks supported the School District of Rhinelander referendum and were glad to see it pass. “We believe education is a key factor for a community and the future,” Dave says, “but it is also a culture issue as the schools, both parochial and public, are the center of the town.

“Rhinelander has a lot of great things going for it, but needs to move faster,” he continues. “The airport, YMCA, medical centers and schools make Rhinelander more attractive than other areas to live and help complement Northwoods communities such as Minocqua and Eagle River. Yet, too many times, there is not enough passion to see change and back this change as a community.”

It’s worth noting that during a conversation with Dave Heck, the dominant theme isn’t the success that Heck Capital Advisors currently enjoys, or the recognition that the company has earned. Instead, on this particular day, Rhinelander and its future are uppermost in his mind.

“We believe that a community is based on the whole community; the vitality is based on the input and help you put in,” he says. “If business and community members do not step up, it will suffer. If there is forward thinking, change and help, a community will move forward.”

What’s on the horizon?

Navigating the economy has been a challenge, particularly over the last several years. The people at Heck Capital have seen a lot of changes and have developed a sense of the trends to expect. Noting that the two worst bear markets since the Great Depression occurred in 2000-2002 and in 2008-2009, Dave Heck thinks a secular bull market in equities (a long-term trend that consists of larger bull markets and smaller bear markets) is on the horizon.

“There are many roadblocks with our country’s debt situation at \$17 trillion,” he says, “yet valuation and earnings are complementing the market’s upside.” Compared to the past 10- to 13-year cycle, he predicts, the future should be an improvement.

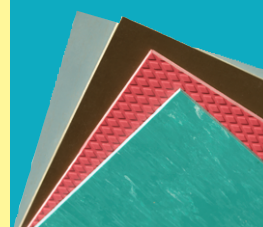
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