CHRISTOPHER WEIL & COMPANY, INC.
A Wealth Management & Financial Advisory Firm

# CHAIRMAN EMERITUS' NEWSLETTER

**To: Clients & Friends** | **Fourth Quarter 2026**
**From: Chris Weil** | **October 15, 2026**

In May 1963 I took and passed the securities exam which "qualified" me to represent a securities brokerage firm in the sale of its "product lines." If the firm happened to be a member of the New York Stock Exchange, the product lines consisted of any security (common stocks, preferred stocks, mutual funds, options, private partnerships - as well as bonds of all denominations, credit characteristics, durations, coupons and issuers) the company chose to propose clients buy or sell. This was not the way my firm worked. More on this below.

I put "qualified" in quotes because, while passing the exam qualified me (in one sense) to be in the business, I was only marginally more qualified (in the conventional sense) to make investment recommendations than I had been before passing the exam.

In 1963 I was twenty-six years old, an age at which most youngsters arrive with at least some modest degree of professional competence. Not so in my case. My justification, such as it is, for this lack of preparation has been discussed before: High School dropout; four years in the Navy as a quartermaster and signalman (skills with no application in civilian life); and four years at university as an (at best, average) philosophy major.

And now, a job I was wholly unprepared for, with the first company that showed any real interest in me and whose products and services were a complete mystery to me. But then, the whole of economic life, micro and macro, was a complete mystery to me.

It is true that I did have some job experience, however irrelevant to the one I was now embarking upon. Certainly, most people would say four years in the Navy was a job. I never thought of it as such, but more akin to a duty to be endured - at which, by the way, I was successful. E-6 in four years, for those of you who are familiar with military jargon.

While an undergraduate I had two year-round part-time jobs and one full-time Navy-related summer job for each of three summers. One part-time job involved me sitting at a small desk in the bowels of the UCLA main library (aka the Stacks) waiting for a book order to come down via air tube from the front desk. The book order provided information which allowed me to search and then send up the book in question via a small elevator.

The other part-time job came about when a fellow UCLA Veterans Housing tenant, Leo, asked me if I was interested in working for him on weekends. It seemed that Leo had been a tree trimmer in another life and word had gotten around West L.A., Brentwood and Bel Air that Leo did a good job, was reliable and fairly priced. He had started his weekend business with a very few customers and did all the trimming and clean-up work himself. But as business grew, he decided his time was best spent "in the trees" with a low-cost

assistant to do the clean-up work "on the ground." Clean-up meant raking, sawing big branches into small ones, packaging whatever hit the ground into containers which Leo provided, then loading the full containers onto the bed of his truck and driving with him to the dump.

Leo was as agile and fearless as a monkey, and always accurate with his ropes. I asked him more than once to teach me how to become a bona fide tree trimmer, but he refused on the grounds that the time necessary to train was inconsistent with his full-time college attendance and full weekend work schedule. Also, at some point he had done a rigorous apprenticeship and so had no time for an obvious dilettante like me.

I have written elsewhere about my Navy-related job so will only touch on it here. By virtue of a series of happy events, each of three summers I went back on temporary active duty to serve as staff recruiter at the Naval Reserve Center Santa Monica (year one) and Naval Reserve Center Hawthorne (years two and three). This job was by far the best summer work I could have imagined. Pay? Working conditions? Respect (yes, respect)? Fringe benefits? Comradery? All materially greater than what the typical student can expect from the typical summer job.

I am supposed to be writing about my career but I have somehow been sidetracked into discussing pre-1963, the year in which my career was kick-started. But the mention above of UCLA reminded me of an experience there which was seared into my brain and is alive there still. It is (probably) not career related but I will share it anyway.

Sometime in 1961 I learned that a Westwood bookstore was sponsoring a student book collection contest, the three winners of which would have their collections exhibited in the rotunda of the UCLA main library and be awarded a handful of books. Over the years I had managed to buy a number of books (many the result of searches by Blackwell's, Oxford) on Gilbert and Sullivan and related topics. Aside from the standard biographies I owned biographies of some of the original D'Oyly Carte Opera Company players (known to perhaps twenty people in the world until "Topsy Turvy"), the scores of two or three of the operas, the libretti of most of them and some G and S adjacent ("The Gilbert and Sullivan Chorus").

I submitted my collection along with a required essay on how the collection came into being. In due course I was notified that I had won third place. (Elation!)

The three collections were mounted, much admired and, after three or so weeks, came down. I waited for someone to call and tell me to pick up my books. No call. So I called them. "We'll get back to you." No, they didn't. So I called again. Whoever I talked with passed me to the Head Librarian. "We are terribly sorry, but we have mistakenly accessed your collection." Which meant the library had somehow managed to put my books through its acquisition process, stripping and putting Dewey Decimal System numbers and letters on each spine, stamping "UCLA Library" on random pages…and then shelving them.

My first thought (brief, unworthy, conspiratorial): "They wanted what they couldn't otherwise easily obtain and so just took them." But on reflection, and subsequent investigation, it turned out to be just another bureaucratic screwup. But in any event it is still, while not exactly painful, a memorable memory. And not just because of the lost books. It was also the shocking discovery that even the most admired institutions are susceptible to egregious failures arising from people going on automatic, people not paying attention, people not sweating the small stuff. (Perhaps this was a kind of career preparation, after all, albeit from an unlikely source.)

Postscript. The library offered to restore the collection but "given its esoteric nature it could take years, with no assurance blah blah blah." In the alternative, I was offered a settlement of $2,500, a fortune at the time to a little family living in Veterans Housing, aka "the slums of Westwood" (rent $32 a month

including utilities) on GI Bill income ($140 month) and whatever I made from part-time employment. I took the money. By the way, that $140 monthly was among the better investments made by the federal government. I will not burden you with a calculation showing the sum of federal taxes I've paid over my lifetime as a percentage of GI Bill income but suffice to say it's damn near infinite.

So, back to 1963.

In my first months as a securities licensee, I realized that my company, which looked to the uninformed like a conventional securities firm, was in fact not one at all.

Investors Diversified Services (now Ameriprise Financial) differed from typical Wall Street-type broker-dealers in a number of fundamental ways.

First, its sales force, including me, were not employees but independent contractors. Imagine my surprise when I discovered that I had to pay all my own expenses - including rent, which I couldn't afford. Some 60 or so years before COVID sent many to work from home. I was a "home officer."

Second, unlike Wall Street and the regional NYSE firms, our product line consisted of just five proprietary mutual funds and a life insurance company. We were independent contractors but our contract with IDS prohibited us from selling any other securities or insurance policies. (Anyone who knows anything about what it means to be an independent contractor knows this provision should have been a non-starter. But that was then and this is now.)

Third, for technical reasons I did not then fully understand, IDS did not belong to the National Association of Securities Dealers, the industry self-regulatory body, which was itself subject to SEC oversight. This meant that the IDS direct regulator was the SEC. Early on I was told that this was not a good thing, that the NASD was your friend and the SEC was not. (I subsequently came to believe that this was pernicious nonsense, based on the fiction that should a broker be subject to a regulatory action the NASD would be easier to deal with than the SEC.)

Fourth, there was, at the time, a stereotypical view of a Wall Street sales force (degrees from "good" colleges, lots of MBA's, golf with clients, country club memberships, expensive suits). There were individual exceptions, of course, but they only proved the rule. In the case of IDS, on the other hand, there seemed to be only exceptions and (a paradox) no rule. When I arrived, our Los Angeles Division sales force numbered about thirty-five men (no women). There was no evidence of "standardization." One was an itinerant rabbi, one an itinerant Baptist minister. Four or five were obvious career salesmen for whom IDS was one of many stops on the road to hoped-for sales success. Two were ex-retirees who had suffered financial setbacks and needed to work. One was an ex-senior banker who had become frustrated with bank compensation and moved to a place where he hoped for income improvement. (Of all the members of our sales force, he was the one who most nearly resembled the Wall Street stereotype. But he was the only one.) The most successful was also the most mysterious. He never came to sales meetings, few of us had ever met him, yet he was consistently the leading producer in the office. He was rumored to be gay (true) and to be the go-to guy for gay men in LA seeking investment opportunities from a trusted source (probably true but exaggerated). At a time when homophobia was relatively common, I never heard a slur or a criticism. The generally held opinion was that he was extremely clever at identifying what we would now call an affinity market and then successfully cultivating it. And though all ages, life histories, financial circumstances, ethnic backgrounds (one African American) and political opinions were represented there were some commonalities. They were proud of their product. With few exceptions they were honest and really did want the best for their clients. They were hard working. And they were generous with their time when I needed help.

Fifth, it was said of IDS, rightly, that an IDS rep was in two businesses: the investment business and the sales business. Training time was divided evenly between the two. At the heart of the sales business was the sales presentation, the time when the rep is having his first in-person meeting with the prospective client. We were taught that there was only one perfect presentation format and to vary from it was to court disaster. This turned out to be true…but only when the presentation was made to the model prospect for whom the presentation format was designed: (middle- or working-class couple, employed, relatively predictable income, relatively modest net worth, with straightforward long-term objectives: comfortable retirement; children's education, economic independence). For my first few years these were the kinds of folks with whom I met, and the model worked well. Actually, it kept me in business. But at some point, I realized that in the big world there were many that I wanted to meet for whom the model presentation format didn't fit: anyone with complex financials; anyone with complex family or business issues; a surviving spouse who knew little or nothing about the wealth he or she was now responsible for. But it was the early years experience at IDS that set the foundation for what was to come.

In part, what was to come was the realization that I did not want to be just a salesman or just an investment broker. Although I did not then have the language for it, I wanted to become a trusted advisor, one who melded whatever sales and investment skills I had with a deep understanding of personal and business finance - so as to bring a productive advisory role to the client relationship. By and large, and with some significant detours along the way, this motivation has been at the core of my business operations during most of the last sixty-three years. I should add that today it is at the core of our firm's operations. Every WEIL employee is committed to bringing and sustaining a productive advisory role to the client relationship.

Chris Weil

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