
Another robo—the “Robin Hood of fees”—takes aim at fund fees

By Editorial Staff Thu, Mar 31, 2016

*"FeeX" shows visitors the differences between the fund fees they are paying and funds that offer similar investments but lower fees—then helps visitors into a rollover IRA at Betterment, E*Trade, Scottrade, TD Ameritrade or Wealthfront.*

FeeX, a web-based robo-type financial service that describes itself as the “Robin Hood of fees,” this week announced the FeeX Investment Test Drive, a process that analyzes the funds in an investor’s portfolio and tries to find comparable but lower-cost funds. The tool displays alternative funds that have both the lowest fees and best past returns.

The tool also serves as a lead attractor, because the FeeX site evidently doubles as a 401(k) rollover processing site. Visitors to the FeeX site, whose simplicity of design resembles that of leading robo-advisor sites like Betterment, are urged to rollover their “old” 401(k)s to accounts at Wealthfront, E*Trade, TD Ameritrade, Scottrade or Betterment.

The Test Drive tool employs the FeeX Similarity Score, a major component of several other offerings including Fund Switch and the 401k Rollover Center that relies on FeeX’s proprietary technology to automatically identify better potential investment choices and visualize the estimated cost savings of switching a fund, or, in the case of the 401k Rollover Center, the holdings within an entire retirement account.

To calculate its Similarity Score results, FeeX analyzes hundreds of data points to determine which funds are most comparable and the level of similarity between funds. FeeX ranks each investment on a scale of similarity from 0 to 100%. Funds with a similarity ranking of 85% and higher are displayed as similar funds for the user to consider.

Americans currently pay \$600 billion in investment-related fees each year, a FeeX release said. “We’ve been shocked by some of our findings, which expose funds that are very close to others in most attributes — except for the fees,” said Yoav Zurel, CEO of FeeX, in a release.

To help users switch to similar low-fee alternatives, FeeX presents alternative investments with better past returns (when possible) than their original investments. Users can either search for a fund to find alternatives or sign up to have all their accounts automatically and objectively analyzed to find lower-fee investment options.

“Put simply, fees matter,” said Michael Zeuner, long-time fiduciary advocate, managing

partner of WE Family Offices in New York, and a founder of The Institute for the Fiduciary Standard, in the release. “The FeeX Investment Test Drive is an excellent way for investors to take matters into their own hands — even if they work with a broker or financial adviser.”

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