
P&A Group Targets Fee-Based Plan Advisors

By Editor Test *Mon, Jun 29, 2009*

A unit of the Buffalo, NY-based firm has partnered with the CIF Marketplace to supplement their mutual fund and ETF product base with collective investment funds (CIFs).

P&A Retirement Plan Services, an open-architecture defined contribution recordkeeper and third-party administrator for employer sponsored retirement plans, is expanding its product line to appeal to the fee-based advisor channel.

The unit of Buffalo, NY-based P&A Group has partnered with the CIF Marketplace to supplement their traditional mutual fund and ETF product base with low-cost core and managed collective investment funds (CIFs).

By doing so, the firm hopes to “deliver the cost efficiencies of ‘large plan’ products and services to the ‘small plan’ market.” The new program will be launched immediately in a national sales campaign.

The CIFs in question include both actively and passively managed investment options from major national trust companies and consulting firms. All funds are non-proprietary in terms of the core holdings, so that individual investments “may be judged on the basis of merits rather than contribution to the parent company bottom-line,” P&A said in a release.

“While we continue to remain strongly committed to our national broker-dealer relationships and to offer the products and services [they need], neither can we deny the growing trends in the industry to fee-based advisors and their desire for low net cost investment product alternatives to mutual funds, which include ETFs and CIFs,” said Sean Zent, vice president, retirement plan sales for P&A.

By pooling qualified retirement assets, CIFs allow firms like P&A to offer asset allocation solutions to plan sponsors at fees lower than many mutual fund alternatives. Priced and traded each day, CIFs aren’t subject to many of the restrictions of mutual funds, such as early withdrawal penalties and can be combined with mutual funds and ETFs.

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