
RetirePreneur: Chad Parks

By Jenna Gottlieb *Thu, Mar 19, 2015*

Chad Parks, CEO and founder of Ubiquity Retirement + Savings, provides small businesses with affordable, easy-to-use retirement plans, including 401(k)s and IRAs.

What I do: I'm the CEO and founder of Ubiquity Retirement + Savings. As an organization, we're continuing what we started 15 years ago as The Online 401k. We work for small business owners and their employees, who have largely been ignored. When we started, products for small businesses were abusive and expensive. We provide a combination of high customer service and web features.

Who my clients are: In the early years, we said under 100 employees was our sweet spot. As we got to know the market better, we started thinking in terms of 50-100 employees. But, the companies with fewer than 50 employees are where you see the drop off in service. That's whom we best serve and where the biggest opportunity is. There are almost four million businesses with two to 20 employees and 92% don't offer any workplace savings program. Forty million Americans aren't able to save in the workplace. We serve high-tech firms, pizza parlors, construction companies, architects, dentists and other businesses.

Why clients hire me: Every year we do a client satisfaction survey and the three reasons that ranks highest are cost, ease of use and friendliness. Those are always in the top three.

Where I came from: You jump in the river and see where it takes you. I tell a joke that when I was in high school playing soccer, I dreamed of being in the 401(k) business. The truth is I've always been an entrepreneur. When I was a kid I had a paper route and mowed lawns. At 15, I got a real job. In my hometown in Florida, I worked for a restaurant. I washed dishes, peeled garlic, scrubbed floors, threw out the garbage, and did whatever needed to be done. I stayed with them for eight years, working my way up.

<p>RetirePreneur: Chad Parks Company: Ubiquity Retirement + Savings Location: San Francisco, CA Founded: 1999 Niche: Small-company retirement plan services</p>
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I got an undergraduate degree in hospitality and continued working with them. I burned out and decided that a graduate degree would be a good move. I moved out to San Francisco,

went to graduate school and got a finance degree. I chose to focus on personal finance instead of corporate finance. While in school, I was still working jobs, like bookkeeping, but I couldn't let go of my hospitality roots. So I wrote a book about the local restaurant scene in San Francisco. Three editions were published. After grad school, I sent my resume to the top 25 investment banks and landed a job as a retail stockbroker for a firm in San Francisco. I didn't want to be a stockbroker. In the mid- to late 90s, there was nothing out there for small businesses in terms of retirement plan services. There were insurance companies offering plans that paid huge commissions. The Internet came along and in '99 we started The Online 401k. That has been my focus ever since.

On the company's rebrand: In 1999, being online was a novel concept. That's not the case today. We wanted a brand that had a name that reflected our mission and also include other retirement plans that might be of interest, such as payroll deduction IRAs.

My business model: Ubiquity offers three types of 401(k) plans. The Single(k) plan starts at \$215 per year and is designed for a business owner with no full-time employees. The Custom(k) costs \$175 per month and includes web features, a network of independent investment advisors to work with, customizable investment options, and online education tools. The budget-friendly Express(k) costs \$105 per month with fewer investment choices than the Custom(k) plan. We really beat the drum on fee disclosure. We have championed disclosure from inception. Plan participants can choose among thousands of mutual funds and ETFs including options from Fidelity Investments, The Vanguard Group, T. Rowe Price and others.

On the retirement crisis in America: We tried to give a voice to this issue—the looming retirement crisis in America. To bring attention to the crisis, we produced a documentary. You can find it at www.brokeneggsfilm.com. We took a six-week, 7,000-mile journey across America, talking to people about retirement. There are a lot of man on the street interviews. It shares stories of every day Americans. It cost us a lot, but it got the conversation going.

My retirement philosophy: My backup plan is a beach in Thailand. In other words, you've just got to live life. You shouldn't hoard your money. At the root is—do you have a budget? Once you've saved X amount of money, go ahead and spend some of it.