
RetirePreneur: Kelli Hueler

By Jenna Gottlieb *Wed, Apr 9, 2014*

While in Japan on business in the late 1990s, Kelli Hueler saw an aging society and had an epiphany. She realized that American retirees would soon need sources of guaranteed income. So she started a SPIA sales platform called Income Solutions. Last winter, she added DIAs.

What do you do? Hueler Investment Services offers [Income Solutions](#), a web-based income annuity purchase system that allows individuals to buy institutionally priced annuities. The business started out by allowing retirees to purchase annuities through a rollover of IRA assets, but it has evolved to allow anyone to purchase institutionally priced annuities. We just launched a new product offering in December. It gives participants access to deferred income annuities (DIAs) for both qualified and non-qualified savings.

<p>RetirePreneur: Kelli Hueler Company: Income Solutions; Hueler Companies Location: Eden Prairie, Minnesota Founded: 1987 Niche: Income annuities; stable value funds</p>

Who are your clients? Our clients are the employers and financial services firms who provide defined contribution plans to employees. Ultimately we serve individual retirees and participants. When we started out in 2000, we expected to work only through the plan sponsors directly. But plan sponsors didn't want traditional in-plan annuity options. Largely due to fiduciary concerns, they needed the annuity purchase to occur outside the plan, and they wanted it to be voluntary. Our principal role is to develop a collaborative relationship with the plan sponsors and help them empower the participants to use our platform when they retire. Because we needed to incorporate the platform into the overall benefits delivery model, the plan administrators became our clients as well.

Why do people hire you? We've created a platform where annuity providers compete and where there's no bias or conflict of interest. Clients want fees to be disclosed and to be fair. That's what we provide. There's no pay-to-play that drives us to put a product on our platform or to advantage one provider over another. It's fully automated, so costs are very low. But we also have professional service capabilities built in.

Where did you start? We started the Hueler Companies in 1987 as a research and consulting firm for stable value funds. At the time, no standards existed for stable value funds. We had to create a standardized methodology for collecting and evaluating the data. It was very challenging to convince investment managers to buy in. Fund managers Vanguard and Merrill Lynch were the first firms to

cooperate. Like us, they believed in transparency. Then insurance companies and banks came in. We made a lot of companies uncomfortable initially. We had to convince them that this was in the best interest of the participants. Eventually, everyone came around to support it.

In the late 1990s, I made a trip to Japan and spoke to financial institutions about the role of stable value funds in a defined contribution system. I stayed a couple of extra days to meet with Japanese insurers and suddenly a light bulb went on. At the time, Japan was in a low-interest rate environment and had an aging population. In the next years, I realized, the US would be facing the same situation. So, in 2000, we began talking to plan sponsors about our idea for an annuity co-op that plan participants could access. That became Income Solutions.

Where did you get your entrepreneurial spirit? I come from a long line of entrepreneurs. My dad was an Air Force pilot who became a minister and then earned his Ph.D. and built a business. He was a great mentor. He used to say, "Don't focus on financial success. Focus on the big picture. Focus on the common good. Be smart, be prudent, keep your eye on what's important and eventually financial success will come." I have three sons, 13 to 28, and I try to pass along the same message.

Before I got into financial services, I lived in Thailand in 1979. I volunteered in the refugee camps with the UN task force. Not many Americans were there at the time. That experience taught me that some things are more important than yourself and your own success.

How do you feel about annuities? Some people dislike annuities, and sometimes that opinion is justified. But sometimes people just don't understand the product. We hear brokers telling folks that annuities have no flexibility and take away control over your assets. Those are scare tactics. Because of them, a lot of people don't even get the opportunity to consider adding a lifetime income component to their retirement plans. People tend to choose to annuitize more often when they've seen all the options. My husband is a surgeon and has his own practice; so neither of us has a pension. We both plan to annuitize a portion of our savings.

What is your retirement philosophy? My father never fully retired. He just gradually scaled back. He was always alert and active and engaged. I want to continue working as long as I can. Whether you're working or volunteering, I believe you should always stay engaged and enthusiastic.