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## The Bucket

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By Editorial Staff    *Wed, Oct 13, 2010*

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*Late-breaking items about Google, Symetra Life, TIAA-CREF, New York Life, The Principal, Putnam Investments and more. . .*

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### **Google to Map Inflation Using Web Data**

Google is using its vast database of web shopping data to construct the 'Google Price Index' - a daily measure of inflation that could one day provide an alternative to official statistics. But the GPI is still a work in progress, the *Financial Times* reported.

At the National Association of Business Economists conference in Denver, Google chief economist Hal Varian said economic data can be gathered far more rapidly using online sources. The official Consumer Price Index data are collected by hand from shops, and only published monthly with a time lag of several weeks.

Since last Christmas, Varian said that the GPI shows a "very clear deflationary trend" for web-traded goods in the U.S. Though not seasonally adjusted, the data show that prices rose during the same period a year ago. The 'core' CPI in the US, which excludes food and energy, rose 0.9 per cent on a year ago in August.

### **Comic Fred Willard Stars in Symetra's 'Don't Fear 65' Campaign**

Known for his film work in *Waiting for Guffman* and *Best in Show*, as well as TV roles in *Modern Family* and *Everybody Loves Raymond*, Fred Willard appears in three new video shorts hosted on Symetra Life's [DontFear65.com](http://DontFear65.com) website. Willard also is featured in online ads directing consumers to the site.

The campaign is designed to fight post-crisis paralysis and dispel obsolete ideas about retirement. "'Don't Fear 65' is more than an awareness campaign; it's a call to action," said Jim Pirak, Symetra vice president of Corporate Marketing. "With the confidence of many retirees shaken by the economic downturn, Don't Fear 65 encourages people to take charge of their financial future and approach retirement with optimism."

In the web videos, Willard is seen on a Sunday drive with an actor playing his grandson. "Grandpa" gives the boy dubious financial advice in vintage Fred Willard style. He regales his grandson with a series of observations about staying healthy, planning for retirement and achieving important milestones in retirement.

A series of title cards are interspersed throughout the videos, countering the questionable advice from Grandpa with sound information about how Symetra's income annuity products can help build guaranteed income for life. Now in its third year, the campaign website is a resource for Symetra distribution partners to use with their clients as they build financial plans.

The campaign will run nationally through banner ad placements on websites frequented by retirees and

pre-retirees, including MSN, Yahoo, WSJ.com, MarketWatch.com, Barrons.com, SmartMoney.com, Kiplinger.com, and online media outlets on the Tribal Fusion ad network. Symetra worked on the updated campaign with Seattle-based Copacino+Fujikado.

### **TIAA-CREF CEO Calls for New Thinking on Retirement Security**

In San Antonio, Texas, TIAA-CREF CEO Roger W. Ferguson, Jr. told members of the National Council on Teacher Retirement at their annual conference that it's time "to rethink, repair, and restart America's retirement system."

He called for a system that would "combine the best practices of defined benefit plans and defined contribution plans, be affordable for employers, and give employees access to guaranteed income that will last a lifetime." Such a system would:

- Ensure workers have access to retirement savings opportunities. By enrolling workers automatically, private-sector workplace plans can approach the public sector, where nearly all full-time workers have access to a retirement plan, he said.
- Help workers amass sufficient savings, via 15-20 investment options, as well as objective advice and guidance to help workers understand them.
- Provide opportunities to save for long-term retirement health care expenses, which can be anywhere from \$200,000 to \$800,000 for a retired couple.
- Offer all workers a guaranteed lifetime income option. The average monthly Social Security payment for retired workers is about \$1,600, he said, while average monthly spending for individuals over age 65 exceeds \$3,000.

Eighty percent of higher education employees, who use TIAA-CREF, describe themselves as "somewhat confident" or "very confident" that they will have enough money to live comfortably in retirement, compared with just 54% of all U.S. workers, according to the TIAA-CREF Institute.

As an example of a new approach to public sector retirement plans, Ferguson cited TIAA-CREF's agreement with the government of Orange County, California to provide an optional defined contribution retirement account that would supplement a new tier in the county's defined benefit program.

The plan offers new county employees the option of taking a reduced defined benefit, and the county will match a percentage of savings directed to an employer-provided individual account. It includes fixed annuity options that can be used to supplement defined benefit income guarantees.

### **Phoenix Life and Reassurance of NY Is Sold to Philadelphia Financial and Renamed**

A company that recently split off from the Phoenix Companies Inc. is the new parent of Phoenix Life and Reassurance Company of New York, *National Underwriter* reported.

Philadelphia Financial, Plymouth Meeting, Pa., a firm that specializes in selling private placement insurance through advisors who serve wealthy individuals, says it has acquired Phoenix Life and

Reassurance of New York and renamed the company Philadelphia Financial Life Assurance Company of New York.

Phoenix Companies, Hartford, a 159-year-old insurer that has been hit hard by the recession, sold Philadelphia Financial to Tiptree Financial Partners L.P., New York, in June. Phoenix has been reporting the Philadelphia Financial business as a discontinued operation since 2009.

The main life operating subsidiary of Phoenix Companies is domiciled in New York state, and the Phoenix Companies did not need Phoenix Life and Reassurance to sell life and annuity products in New York state, a Phoenix Companies representative says.

John Hillman is the president of Philadelphia Financial. Tiptree, the current majority owner of Philadelphia Financial is, a holding company controlled by large financial institutions.

### **Goldman Executive Joins New York Life's RIS Business**

Benjamin Woloshin has joined New York Life as senior vice president and head of relationship management for its Retirement Income Security (RIS) business, reporting to executive vice president Chris Blunt.

Woloshin had most recently been vice president responsible for institutional relationships in Goldman Sachs' Reinsurance Group. He also worked at MetLife and Putnam Investments.

Blunt said he planned to hire several additional senior-level relationship managers who will report to Woloshin, who replaces senior vice president Allyson McDonald, who has assumed responsibility for the external sales operation of RIS, also reporting to Blunt.

New York Life's income annuity business set a new six-month record of \$870 million in 2010, Blunt said. On the accumulation side, mutual funds set a sales record of more than \$5 billion in the first six months, with third-party channels accounting for more than \$4 billion of the total. First half net sales of mutual funds were \$2.3 billion, a record pace.

### **Principal 'White Paper' Describes DoL Fee Disclosure Rule**

Starting July 16, 2011, a new Department of Labor rule will require many financial professionals to disclose to their retirement plan fiduciary clients the fees they receive and the services they provide. To help professionals understand the implications of the rule, the Principal Financial Group has posted a number of resources on its fee disclosure education website.

The new resources include:

- A white paper by ERISA attorney Jamey Delaplaine, partner, Davis & Harman LLP, [New Fee Disclosure Rule for Retirement Plan Service Providers: What Financial Professionals Need to Know](#).
- Commitment of Services. A document allowing financial professionals to outline the services they provide and demonstrate their value to clients.

- Checklist for financial professionals. This overview of ERISA §408(b)(2) can show financial professionals how to comply with the new regulation.

### **Putnam Makes Fees Transparent for Plan Participants**

Putnam Investments will offer transparent and comprehensive disclosure of fees and expenses to participants in the 401(k) plans it administers, the Boston-based fund company announced. The new disclosures will be available online through Putnam's plan participant web site later this month.

The new disclosures will:

- Give participants access to real-time information about their total fund expense ratios, as well as any transaction fees associated with their plan.
- Address the expense ratio of each investment option, converted into a dollar value per \$1,000 invested; offer a list of transactions and transaction fees as well as any fees related to services such as managed accounts or online advice.
- List the services that participants can access, including automatic plan features that help them save; educational programs; comprehensive statements; Putnam's Lifetime Income Analysis Tool, which estimates monthly retirement income; and available investment choices.
- Be accompanied by a video tutorial that addresses: assessing plan value; the employer's fiduciary responsibilities as they relate to the value and fees of their plan; the different types of fees that participants typically incur and an explanation of charges.