
The Bucket

By Editorial Staff Tue, Jul 31, 2012

Brief and late-breaking items from Natixis Global Asset Management, Symetra, Fidelity, Allianz Life and Genworth.

Symetra forms team to support new variable annuity sales

Symetra Life Insurance Company has formed a wholesaling team to represent the company's registered investment products, including Symetra True Variable Annuity, which launched on June 18, 2012.

The team will focus on sales to fee-based and fee-only advisers. Industry veterans who recently joined the Symetra team include:

- Dinah Bird, Ph.D., who was one of the original wholesalers of iShares exchange-traded funds at Barclays Global Investors. She earned a doctorate and master's degree at Claremont Graduate School, a master's degree at Texas Tech University and a bachelor's degree at Southwest Texas University. She holds the CFP and CIMA designations, Kentucky life and health insurance license, and NASD Series 6, 7, 24, 26, 63, 65 and 79 licenses. She is also Symetra's senior investment specialist for Ohio, Michigan, Indiana and Kentucky.
- Jeffrey Jennings, who recently served as vice president, regional marketing director at Sun Life Financial in San Francisco where he was responsible for traditional and fee-based annuity sales through independent broker-dealers. He previously held regional vice president and account management positions at Guardian Investor Services and Hartford Financial Services. Jennings is a graduate of the University of Colorado, Boulder and holds NASD Series 6, 26 and 63 licenses. He is Symetra's senior investment specialist for Northern California and the surrounding area.
- James Maertz, who joins Symetra from Hartford Mutual Funds, where he was a regional vice president. He earned a bachelor's degree at San Diego State University and holds NASD Series 6 and 63 licenses. Maertz is Symetra's senior investment specialist for Southern California and the surrounding area.

Managing volatility a key problem for retirement advisors: Natixis

Most financial advisors (81%) say it's challenging to effectively manage volatility and generate sufficient income for clients already in retirement in 2012, nearly all advisors (95%) are confident that their current investment strategies will help clients better meet retirement income needs, according to a survey sponsored by Natixis Global Asset Management (NGAM).

According to the survey, eight in 10 advisors also say clients continue to be concerned about the "long-term durability" of their assets, including meeting their retirement income goals, outliving their assets (81%) and continuing declines in value of the real estate they own (59%).

Four in five advisors (81%) also reported that it will be difficult to effectively manage volatility risk for those in retirement, with four in ten advisors (41%) finding it “extremely difficult.”

In the area of public policy, 81% of advisors oppose proposals in Washington to scale back retirement savings incentives for 401(k) plans.

The retirement data is part of a study distributed by NGAM through its Durable Portfolio Construction Research Center, and are based on a nationwide survey of 163 advisors at 150 advisory firms whose firms collectively manage about \$670 billion in assets.

Allianz Life promotes Emily Reitan

Allianz Life Insurance Company of North America has promoted Emily Reitan to a new role as senior director of Strategy and Business Development. She will be responsible for Allianz Life’s market and business development strategy, marketing planning and the company’s retirement strategy, and report to Nancy Jones, Allianz Life’s chief marketing officer.

Prior to this, Reitan was director of executive projects where she managed the office of the CEO and reported to president and CEO Walter White and his predecessor, Gary C. Bhojwani. Prior to that, Emily was the chief financial officer for Questar Capital, a subsidiary of Allianz Life, responsible for modeling, business planning, regulatory reporting and audits. Before joining Allianz Life in 2005, Reitan was a senior financial analyst for Cardinal Health based in San Diego, Calif.

Reitan received a BA in economics and political science from the University of Puget Sound in Tacoma, Wash. She also earned an MA in international economic policy from American University in Washington, D.C. Reitan is a Financial and Operations Principal and holds FINRA Series 7, 24, and 27 registrations.

Fidelity to fund research on employee stock purchase plans

Fidelity Investments will sponsor a research fellowship at Rutgers University’s School of Management and Labor Relations “to help uncover emerging trends and issues regarding stock options, employee stock purchase plans, performance shares and other forms of equity compensation used by corporations to share ownership and capital income with employees,” the Boston-based fund company said in release.

Ilona Babenko, an assistant professor of finance in the W.P. Carey School of Business at Arizona State University, has been selected as the first recipient of the Fidelity fellowship. Babenko, who will begin her one-year research project this month, will explore why some workers do not invest in employee stock purchase plans (ESPPs). Rutgers University will provide her a \$25,000 stipend funded by Fidelity.

The Fidelity Fellowship is one of 23 fellowships to be awarded by Rutgers this year as part of an equity compensation research program started in 2008 at the School of Management and Labor Relations.

Research fellowships are awarded to Ph.D. candidates and postdoctoral scholars who are studying

employee ownership, profit sharing, stock options and related topics. They can reside at Rutgers or their home institution.

As part of her research, Babenko intends to survey groups of workers who don't participate in ESPPs to determine the contributing factors such as financial illiteracy, unfamiliarity with stocks or personal financial constraints. She will also analyze what motivates employees to hold the company stock long-term versus selling soon after purchasing through the ESPP program. Finally, she will study whether employees who receive company stock through compensation plans tend to have higher participation in the equity markets and tend to make better financial decisions.

Fidelity is a major provider of stock plan administration services in the U.S. It services 230 employers nationwide, representing \$125 billion in grant value and more than 1.5 million participants.

Genworth Financial announces 2Q 2012 results

Genworth Financial, Inc. has reported net income of \$76 million, or \$0.16 per diluted share, compared with a net loss of \$136 million, or \$0.28 per diluted share, in the second quarter of 2011. Net operating income² for the second quarter of 2012 was \$80 million, or \$0.16 per diluted share, compared with a net operating loss of \$113 million, or \$0.23 per diluted share, in the second quarter of 2011.

"Total net operating income increased both year over year and sequentially, with substantial improvement in Global Mortgage Insurance results partly offset by declines in Insurance and Wealth Management," said Martin P. Klein, acting chief executive officer and chief financial officer. "In long term care, we are implementing significant rate actions and product changes as part of a company-wide focus on improving business performance, which is key in achieving our longer term goals and objectives as a company."