Retirement Income
JOURNAL

The Bucket

By Editorial Staff *Thu, Mar 19, 2015*

Brief or late-breaking items from MassMutual, the Investment Company Institute, 'Enrich Life Over 50,' and the German pension market.

MassMutual names new plan relationship managers

MassMutual has appointed six new relationship managers (RMs) to increase support for retirement plan sponsors and their financial advisors. The new additions raise MassMutual's total number of relationship managers supporting retirement plans to 103, according to a release.

Una Morabito, senior vice president, Relationship Management for MassMutual Retirement Services, announced these new appointees:

Gregory Baran, for unbundled retirement plans in New England and New York. He reports to Jim Keating, Assistant Vice President, Client Relationship Management. Previously he held positions at John Hancock and The Hartford. He has a BA from Hobart and William Smith Colleges.

Joey Biggerstaff, for large retirement plans in California, Colorado, Kansas, Louisiana, Missouri, Oklahoma and Texas. He reports to Richard Cartier, assistant vice president, Client Relationship Management. Biggerstaff was a regional director for relationship management with GuideStone Financial Resources. He has an undergraduate Business Administration degree from Texas A&M.

Jesus Herrera, for retirement plans in Houston, Texas. He reports to Hal Oberg, assistant vice president, Client Relationship Management. He last worked for Arthur Gallagher & Company. He has an associate degree from Houston Community College and Series 7 and 63 licenses.

Douglas Morash was named as a relationship manager for unbundled plans in Georgia, Maryland, North Carolina, South Carolina and Virginia. He reports to Keating. Morash has a BA from the University of Massachusetts, an MBA from Boston College, and a Series 6 license.

Casey Sand, for retirement plans in Arizona, Colorado, New Mexico, Utah and Wyoming.

He reports to Craig Haase, vice president, Relationship Management. He has a BA from Arizona State University.

Emily Totty, for unbundled retirement plans in Alabama, Arkansas, Florida, Kansas, Louisiana and Mississippi. She reports to Phil Maness, assistant vice president, Client Relationship Management. She earned an MBA from the University of Florida and a BA from the University of Central Florida, and has Series 7 and 63 licenses.

Investment trade group to host retirement 'summit' in April

Investment Company Institute (ICI) is hosting an invitation-only retirement summit where academics, plan sponsors, regulators, financial services providers, and industry experts will discuss ways to guide "plan participants to better outcomes during the accumulation, transition, and distribution phases," according to an ICI release.

The meeting will be held April 8 from 9 a.m. to 4 p.m. at the National Press Club in Washington DC. Annamaria Lusardi of the George Washington University School of Business will speak on the financial literacy landscape. Brigitte Madrian of the Harvard Kennedy School will talk about her work on behavioral economics and how it can influence plan design.

A panel moderated by Sarah Holden, ICI Senior Director of Retirement and Investor Research, will discuss ways to help retirement plan participants prepare for retirement. Panelists from the Securities and Exchange Commission, the Financial Industry Regulatory Authority's Education Foundation, Hilton Worldwide; and T. Rowe Price will participate.

Brian Reid, ICI Chief Economist, will moderate a panel on innovations that help raise 401(k) account accumulations. Panelists from BrightScope, Morningstar Investment Management, The Vanguard Group, and Transamerica Institute and Transamerica Center for Retirement Studies will participate.

Peter Brady, ICI Senior Economist, will lead a panel on innovations and best practices involving the distribution phase for retirement plan participants. Executives from Fidelity Investments, Voya Financial Inc., and Lockheed Martin will participate.

For more information, go to www.ici.org or contact Olivia Caverly at 202-326-5945 or via e-mail at olivia.caverly@ici.org.

New group aims to organize, celebrate elder-power

A new organization called "**Enrich Life Over 50**" held a pilot meeting in the Research Triangle near Raleigh, NC, on March 14 and unveiled plans for the creation of chapters in Boston, New York and Denver in 2015 and an additional two dozen chapters in subsequent years.

"ELO50" is the creation of 88-year-old Bill Zinke, who identified himself in a press release as the co-author with Elliott Jaques of "*The Evolution of Adulthood: A New Stage"* This article that described the stage of life from ages 62 to 85 as where a period "people 50+ can continue to be productively engaged and can continue to add value."

Each chapter, led by a paid chapter head, will hold ten meetings each year, focused on ELO50's "Seven Pillars of Successful Aging."

In a release, Zinke emphasized the human capital and financial capital of people over 50, who constitute a third of the U.S. population and own 70% of the nation's private wealth. "Many of these people want or need to continue working," he said in a statement. "They represent an enormous talent pool with what we call Double ESP; an acronym coined for Experience, Expertise, Seasoned Judgment and Proven Performance."

Joining Zinke at the pilot meeting were William H. Webster, 91, chairman of the Homeland Security Advisory Council and former director of the FBI and the CIA, and Janice Wassell, assistant professor of gerontology at UNC Greensboro.

German pension market evolves away from insurers

Industry sector-wide pension plans, or those based on collective agreements, are slowly eroding insurers' dominance in providing pensions to mid-sized German companies, according to a report in *IPE.com*.

In 2014, the number of companies in this segment having entered cooperation agreements with such collective schemes to provide occupational pensions increased to 23% from just 7% in 2012, according to a survey by the research institute of German news daily Frankfurter *Allgemeine Zeitung*.

The survey also showed that among a sample of 200 companies with 50 to 500 employees, the share of those with cooperation agreements with insurers had dropped to 70% from 78%

in 2013-12.

The shift apparently began after the German government published the first draft of a proposal on introducing sector-wide pension plans.

Only one of the 200 companies in the sample ran its pension plans on its own; the rest used third-party providers. The survey also identified a trend toward the use of jointly financed pension plans, where both employers and employees pay contributions.

In 2013, this model became the most commonly used among medium-sized companies, overtaking pure employee-financed deferred-compensation models for the first time.

At present, 67% of companies in this segment—up from 59%—are offering jointly financed pension plans.

Occupational retirement provisions into which only the employer pays contributions have lost further ground and can only be found among 18% of German companies, down from 24% and 32% over the two years previous.

The authors of the survey argued that the “heightened interest” in occupational pensions among employees of medium-sized companies is “obviously a consequence of employers taking more money into their hands” for such projects.

One of the “weak spots” in occupational pensions in this segment of the German economy is “communication”, the researchers found. The survey found that relatively few employers comprehensively inform their employees about their pension plans and possible options.