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*Rendering of TDC's expanded facility*

# TDC invests \$11M in facility expansion

## *Merger and new business entities part of growth strategy*

TDC Companies, a Maumee-based group of multi-dimensional risk and wealth management firms, is implementing a strategic growth plan that is positioning the firm for its future. The business has grown from 30 employees in 2010 to over 100 employees today. But new business entities and growth of existing business segments will bring important changes to the company and its Maumee operations.

## **New facility**

The company broke ground on a new building addition that will be adjacent and connected to the firm's current headquarters in Maumee's Arrowhead Park. TDC currently employs 80 professionals at its 12,000 square foot Maumee facility. However, the company is in the process of adding new business entities and will be adding new employees and needs to expand its headquarters facility to support its growth.

The new \$11 million structure, to be built on the firm's existing parking lot, will have 28,000 square feet of additional space to provide a total of 40,000 square feet for the company's operations in Maumee. TDC owns a two-acre site that is adjacent to its existing headquarters, and will use part of this vacant land to replace the current parking lot. Work began earlier last month and the construction project is expected to take 14 months, with completion in the fall of 2018.

"The architect is The Collaborative, ironically enough, and they did this (existing) building for us. They're friends and clients of ours. The general contractor is Miller Diversified, Kurt Miller. And so it is all about building not only collaborative space, but candidly, working with our friends and clients in northwest Ohio in a construction project much like we did this (existing) building," stated Cleves Delp, chairman and CEO of TDC.



## **Wealth management**

TDC has three business units that support clients and each is focused on protecting and advancing the wealth and assets of its clients.

One of the company's affiliated business units, TDC Investment Advisory, is a wealth management firm specializing nationally in services for high-net-worth individuals, families, and closely-held businesses. As an independent Registered Investment Adviser, TDC Investment Advisory provides wealth management services and consults on self-directed retirement plans.

## **Life insurance**

A second business unit, TDC Life, focuses exclusively on providing comprehensive life insurance and estate planning solutions to successful individuals, their families, and closely-held businesses.

TDC Life works with a national network of advisors including investment advisors, attorneys, CPAs, and business managers for athletes and entertainers who have partnered with the company to provide services for TDC's clients requiring complex wealth preservation strategies.

## **Risk management**

The third business unit, TDC Risk Management, is an independent property and casualty insurance agency and represents a range of insurance companies. The company operates on a national platform, with associates throughout the country.

Its clients include business owners, their businesses, and high-profile executives, as well as athletes and entertainers, often requiring complex risk management solutions. TDC Risk Management's insurance solutions are designed to preserve and protect the wealth of its clients.

As part of their growth plans, TDC Risk Management is entering into a definitive merger with NEBCO Insurance Services, LLC., that has offices in Greenwich, Connecticut; Palm Beach and Naples, Florida; and New York City. The combination brings together two industry firms, specializing in personal and commercial risk management solutions for affluent and high-net-worth individuals and families. Their mutual focus in this market sector brought the two firms together, according to Delp.

“I have known Cleves Delp, Jim Schwarzkopf, and the TDC Risk Management team for quite some time,” advised John Paolini, CEO of NEBCO Insurance Services. “Together they have built a team and culture that perfectly aligns with our core values: personalized client service, holistic risk management solutions, and continuous investment in team development. Coupled with their complementary footprint and extensive experience in the high-net-worth sector, these attributes make TDC Risk Management the perfect partner.”



*Rendering of TDC's new courtyard*

According to the firms, the merger of equals will combine the groups into a national organization. “Today marks a monumental event in our firm’s history,” stated Delp, in explaining the merger. “By joining together in co-ownership with NEBCO and Stone Point Capital, and leveraging the strength and intellectual capital of our existing teams, we’ll be even better positioned to serve our clients both present and future.”

Delp further explained the benefits of the merger, “So geographically, we’ll get more reach and it’s particularly important to physically be located in Florida because, and this is timely with hurricane and flood insurance, agencies that have bricks and mortar in Florida have an advantage because Florida made it that way, over agencies that are located in Ohio. So having physical agencies down there is advantageous to our clients.

“The other is, of course, in the property and casualty business, the more markets you have, the more insurance companies you can go to ... There was some crossover, but their strengths and our strengths were different, although the kind of business we did was greater. The other is that it becomes more attractive not only to clients to be part of a bigger deal with more geographical locations with more folks that can do a better job of servicing and more markets to remain competitive, but it attracts other producers to our agency, these high-end personal lines producers from around the country literally are calling in saying ‘Hey, what about me joining your deal?’ So this combined deal is one of the ten largest independent high-end personal lines property casualty agencies in the country, and related personal property casualty.”

TDC Risk Management and NEBCO plan to launch the new brand toward the end of 2017. The business will continue to focus on providing personal and commercial insurance solutions for family offices; business owners; high profile executives; athletes and entertainers; and collectors of fine art, wine, and automobiles.

## **Digital investment advisory**

One of the firm's new business entities is an entry into digital investment advisory services. The new business, One to One, is a Registered Investment Advisory company that will focus on individuals with \$1 million or less of investable assets.

In an interview with *Toledo Business Journal*, Delp shared information about this new business, "... Folks want to think about investment advisory when they want to think about it, not when it's convenient for me, but when it's convenient for them. Whether that be in the evening, on the weekends or when they're traveling, not when it makes sense to set up a meeting and come visit with their investment advisor. So if people can do it when they want and where they want, they're more likely to do it more often. And of course I buy my Christmas gifts over the internet now, and I'm not on the cutting edge. Cars are going to drive themselves. People are going to buy their homeowner's insurance over the internet. So this shouldn't surprise anyone that (some) people are going to obtain their investment advisory in a digital way."

Delp continued, "Although we're going to leverage (digital) technology for the benefit of our clients in accessing the investment advisory experience, we're going to back it up with real humans, because candidly, there are moments in life where you need to talk to somebody. You change jobs. Somebody just died. You just had a baby. Where do you take distributions now that you require distributions in your retirement plan? Sometimes you need a person.

"So the solution is giving them a true investment advisory experience that is efficient through the use of technology. So now everybody, whether you have \$5,000 or \$50,000 or \$5 million, you will get access to a bionic experience with individualized investment advice and planning tools. The retirement planning, the college education planning, the what-if planning, the asset allocation, all of the elements are done digitally, so you can serve this underserved market in a customized and efficient way. That's the whole notion of digital investment advisory."

*Toledo Business Journal* asked Delp to address financial products to which clients of the digital investment advisory service would have access. "In our evidence-based approach, we believe ETFs don't capture the right asset classes like certain mutual funds do. The problem with mutual funds is the transaction fees have been historically higher. We made a deal with a brand name custodian to eliminate transaction charges, and it'll still allow us to use our institutional specially-designed mutual funds. So, we've fixed the cost problem by doing that deal with the custodian. We're going to be one of the first to have what I call open architecture and we can use ETFs or mutual funds," explained Delp.

At the close of the interview, Delp explained, "I would emphasize what I believe has allowed us to enjoy the success we've had is people. People, people. So it certainly is not Cleves Delp. It is the many fine men and women who work in this organization and around the country that are completely awesome. They care. They work hard. They're technically well-trained. They put the interest of our clients in this organization in front of their own interests. And by the way, finding non-self-interested people is really difficult. So 'people, people, people,' that's most important to our organization and its success."