



## Partnering with Morningstar

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### From Landlord and Tenant to Colleagues

While the partnership of Kevin Davis and Mark Wehrle is relatively young, both principals came to it with 20+ years of experience in the investment services industry. When they decided to merge their businesses in 2007 to form Davis & Wehrle, LLC, an Austin, Texas-based financial planning and risk management firm, they also opted to break away from the broker/dealer structure to form an independent RIA. Like many other advisors, they felt that going independent would allow them to better meet the needs of their clients. Today, Davis & Wehrle serves 195 clients with a total of \$65 million in assets under management, with an approximately equal mix of corporate retirement plan clients and individuals.

### Choosing Morningstar Office

Because their broker dealer had supplied much of their infrastructure, Kevin and

Mark had managed to avoid many of the operational tasks required to run their practices. So when it came time to set up shop, they turned to their new custodian for guidance on operational issues, including their portfolio management solution.

Their initial portfolio management system, while well established, did not provide the research and reports they felt their clients needed and deserved, nor did it offer the analytical tools they wanted. Based on their familiarity with Morningstar research and reports, Kevin and Mark decided to purchase Morningstar Office to supplement their portfolio management system.

### Outsourcing the Back Office

While Kevin and Mark originally chose Morningstar Office for its investment research capabilities, they soon realized it could do much more for their practice. They had grown frustrated with managing the

day-to-day operational tasks that RIAs face, including keeping client data reconciled while juggling multiple software products. They started looking for a way to simplify their practice and this led to a conversation about the advantages of using Morningstar Back Office Services in conjunction with Morningstar Office.

Kevin and Mark were both drawn to the idea of using a single, integrated platform for their performance reporting, research, and CRM needs, but they were understandably skeptical about making an abrupt change. Their solution was to run the two portfolio management systems side-by-side to ensure that any change would be a smooth one for both themselves and their clients.

After only a month or so, it became clear that the combination of Morningstar Office and Morningstar Back Office Services was far preferable to their previous solution, from handling the daily reconciliation of client data to providing their clients with the accurate and informative reports they required. “We couldn’t be more pleased with the hands-on customer service from Morningstar Back Office Services,” says Kevin. “The amount of communication we receive is incredible. We even receive e-mails about our import specialist’s vacation schedule, letting us know who to contact in her absence.”

As for the integration between Morningstar and Davis & Wehrle’s custodian, Mark’s assessment is succinct: “The integration is perfect.” And Kevin sums up the partners’ feelings this way: “We couldn’t afford not to use Morningstar Back Office Services, period. It’s that big a part of our practice.”

### Pixels Replace Paper

The only piece they were missing was a website—and for this task they ultimately turned to Morningstar Advisor Websites. Kevin explains, “We knew we needed a website, but we don’t design websites. That’s not what we do.” Prior to their

conversations with Morningstar, they entered into an agreement with another company to build their site. But Kevin and Mark were so unsatisfied with the process that they ended up requesting a refund. “They gave us no guidance,” explains Kevin.

track which clients have viewed which reports.” While not all of their clients are ready to go paperless, “the response has been very positive,” says Kevin. “Clients really like having the ability to access reports on the Client Web Portal.”

“With Morningstar, you already have credibility with what you provide your clients. They get a report and it has Morningstar’s name on it. They’re familiar with it.” Beyond the name recognition, he appreciates how the Morningstar team has worked with his firm: “Morningstar comes to the table with a can-do attitude, not throwing up roadblocks and saying ‘Well, we can’t do this.’ We feel like we have a partner in our business who genuinely cares about creating solutions for us.”

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“Basically they said ‘Here’s a blank sheet of paper, tell us what you want and we’ll do that.’” When the process began with Morningstar Advisor Websites, however, Mark and Kevin felt included, yet didn’t feel as if they had to drive the creative process.

The result is a website that both partners are thrilled with—and one that has met with approval from clients. Mark especially appreciates that the firm’s new website has replaced the need for print brochures, “Technology is a wonderful thing, we don’t need a brochure anymore. The website is a de facto brochure, a virtual brochure that is living and breathing, that we can continue to update.”

In addition to integrated Morningstar research, charts, and tools, the website features full integration with Morningstar Office’s Client Web Portal. Using the batch reporting functionality in Morningstar Office, Kevin and Mark schedule individual client report packets to generate automatically at month-end. Once the reports have generated, they post them to the Client Web Portal. Says Kevin, “with just a couple of clicks, we can post clients’ reports to their web portal and send out customized e-mails informing our clients that the reports are ready. We can even

### **Boutique Service and Leveraging the Morningstar Brand**

Morningstar Office plays a key role in the firm’s ability to tailor its services to the unique needs of each client. As Kevin explains, “We use the term ‘boutique’ when describing our business. Individualized service is very important to our clients. Each client’s needs are specific to them—as are their expectations. Morningstar Office allows us to provide true customization for the modeling of an investment portfolio.” Mark adds that Morningstar Office provides analysis that permits the partners to provide very specific insight to each client. They can “drill down” into the entire portfolio and make the necessary position changes and subsequent reallocations.

And across the board, Kevin and Mark believe that the Morningstar name resonates strongly with their current and potential clients. According to Kevin, “Morningstar is objective and it’s recognized as a credible source of financial information not only by our industry but also by the public. We don’t have anybody who doesn’t understand what Morningstar is. As a small businessperson, you have to fight the name brands that are out there. In this day and age with banks selling insurance and securities and trying to be the Walmart in the financial services business and offering everything they can, name recog-

### **Powered By Morningstar**

With the all-in-one capabilities of Morningstar Office, the efficiencies provided by Morningstar Back Office Services, and the technical know-how and design skills of Morningstar Advisor Websites all supporting their practice, Kevin and Mark are working more efficiently than ever before. Best of all, they now have more time to devote to providing a much higher level of service to their current clients and engaging new prospects. ■■■

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To learn more about Morningstar Office, call 866 685-4494 or visit [global.morningstar.com/office](http://global.morningstar.com/office)