

# INVESTMENT EXECUTIVE

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## Moderation with a high-tech twist

Marc Dalpé sees his IDA Award of Distinction as a nod to his technical innovation ■ BY ALAN D. GRAY

To some people the term "dynamic prudence" might seem paradoxical, but not to Marc Dalpé. The stockbroker, who last month won the 1999 Award of Distinction presented by the Investment Dealers Association of Canada, considers it perfectly sensible.

"It's not incompatible to be cautious and dynamic," says Dalpé, a vice president and director of Lévesque Beaubien Geoffrion Inc. in Montreal. "Dynamic is the ability to react quickly, seize opportunities, but within a conservative environment."

The approach, which means his 750 client portfolios are light in speculative issues yet contain international exposure, has proven successful. After commissions and expenses, Dalpé's typical portfolio boasts an average annual compound return of 11.8% since 1990.

Despite his cautious investment philosophy, Dalpé has taken a creative approach to client services. A friend and former colleague, Louis Vachon, says he is impressed with Dalpé's vision.

"All the things he put in place, such as computer programs and fee-based remuneration, are things that are becoming necessary for a financial advisor to succeed," says Vachon, first vice president (treasury and financial mar-

kets) at National Bank of Canada, which owns Lévesque Beaubien.

Every Dalpé client receives a quarterly newsletter covering markets and recommendations; faxes are sent daily to 250 clients who monitor their holdings more closely. "It's a plus I haven't seen elsewhere," remarks Guy Piché, a client and retired pharmacist.

Dalpé is proud of his use of technology. The five members of his group within Lévesque Beaubien are linked through their own internal server, and he has spent \$200,000 and 1,000 hours upgrading a financial-management software program.

He has tried to ensure that use of technology and growth of his business have not undermined old-style attentiveness. "My challenge," he says, "has been to make sure the client who was with me eight, nine years ago is better served today."

Piché provides an example. "He [Dalpé] returns his calls religiously," he says. "It annoys me to have to run after people, call them three or four times."

Client Serge Langlois, gives a dollars-and-cents reason for staying with Dalpé. "His results are excellent; he exceeds our expectations," says Langlois, president of the Quebec Diabetes Association.

Dalpé, 40, joined Lévesque Beaubien's corporate-finance department in 1981, after receiving his bachelor of administration degree at École des Hautes Études



Dalpé with sons, Alexandre (left) and Louis-Philippe, and wife, Anne Bérard.

— Allen McInnis

Commerciales. He came in first — not unusual for him, he says. "I was always first or second in my class, in high school, CÉGEP [college] and university."

He was 26 when he became a vice president in 1985. Three years later he was named a senior vice president.

During his nine years in capital finance he handled about 100 initial public offerings and became acquainted with the elite of Québec Inc.

Take, for example, André Chagnon of Groupe Vidéotron Inc. and Rémi Marcoux of G.T.C. Transcontinental Group Ltd. He found their entrepreneurial enthusiasm infectious, and decided he'd rather work for himself.

"I had the best job in the world," the investment advisor says, "except I didn't want to have a job. I wanted to have a business."

In 1990 he became a partner

with a veteran stockbroker at Lévesque Beaubien. The association was dissolved last year, with Dalpé looking for younger blood, and in April 1998 he set up a 50-50 partnership with Jean-Marc Millette, a former university classmate. Now an investment advisor, Millette has 17 years' experience in computer programming.

Dalpé is a chartered financial analyst and a chartered general accountant. He also holds a financial-planning diploma from the Quebec Institute of Financial Planning and is a licensed life-insurance broker.

First among his non-business interests are his wife and their two sons. Other interests are their home in the Town of Mount Royal, a chalet in Ste-Anne-des-Lacs, a 40-minute drive north of Montreal — and golf. "I adore golf; I've read 400 books about it," he says. He doesn't play often, certainly not enough to warrant a handicap.

He spends 15 to 20 hours a week reading business newspapers and periodicals such as *Barrons* and the *Bank Credit Analyst*, but manages only three or four books a year.

Dalpé finds doing business has become tougher during his nine years as an investment advisor. Clients are "more demanding and less loyal" than before, he says.

Discount brokers have proliferated. Research is free and widely available thanks to the Internet. Such realities underlie his enthusiasm for client-service touches

such as birthday phone calls.

"When you deal with an investment analyst today, you don't need him for research or to execute transactions," he says. "The value of advice is more important than ever."

His first step in dealing with a new client is evaluating his or her needs, which may take as long as five hours. The appraisal covers basics such as when the client plans to retire, and level of knowledge and tolerance. "You must know the situation," Dalpé says.

Portfolios range from \$20,000 — there is no minimum — to \$30 million. A typical holding is worth about \$200,000 and is invested 23% in cash, 32% in bonds and 45% in equities. It's a mix Dalpé believes marries moderate long-term growth with moderate risk tolerance. Assets under management total about \$200 million.

Dalpé says he was one of the first Canadian brokers to switch to fixed-fee remuneration, running from 0.75% to 1.75% depending on portfolio size. Because his income growth is tied to portfolio growth, temptation to buy and sell needlessly is eliminated.

Dalpé's triumph in the IDA's distinction program is not his first such victory. He has received awards from his alma mater and the Montreal Chamber of Commerce.

The reason he won this time? "I think I represent to them the investment advisor of the future," he says. "I think it was our innovative spirit."

### PROFILE

Marc Dalpé

### FIRST PERSON

## Be ready to put in long hours

Marc Dalpé, the winner of the Investment Dealers Association distinction award, has a ready tip — and quip — for would-be stockbrokers:

"Change your mind!"

That's said jokingly, but Dalpé warns that the job gets tougher

all the time. Be ready to put in long hours; he works 60 hours a week, he says, and figures that's the minimum for neophytes.

"There are brokers who put in 65 hours and who have background, experience, contacts."

Another tip is ongoing self-improvement.

"You have to consult every-

thing that moves, in terms of training, reading. I took courses. All that made me better informed, more knowledgeable."

But there is an advantage to being a novice.

"Someone coming in with a fresh approach, who isn't burdened with old-fashioned baggage, can succeed," he maintains.