

## Clark Kendall uses bicycle experience to invest money

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By Donna Broadway

ROCKVILLE - Saving money has always come naturally for financial analyst Clark Kendall. As a young boy, instead of spending the money he earned by mowing lawns for \$5 each on candy or trips to the movies, he saved his money for a bicycle. After buying that bike, he began saving money and investing in stocks at the age of 12 and began attending shareholder meetings with his father. His family regularly discussed financial matters such as return on equity, profitability of different companies and how companies generate revenue.

Today Kendall, 51, is a certified financial planner (CFP) and certified financial analyst (CNA) with over 30 years of experience. He is the founder and CEO of Kendall Capital Management, a fee-based investment firm based in Rockville that focuses on "the middle class millionaire," which Kendall defines as someone with \$500,000 to \$5,000,000 in assets. Kendall teaches his clients an 80-10-10 rule. Clients are encouraged to live on 80 percent of their income, save 10 percent and donate 10 percent.

"I have many clients who walk through the door and are policemen, firemen and teachers and have gotten the concept of, I am going to live within my means and even though I don't make a lot of money by the age of 45-50, it is not unusual for them to walk in with a million in assets. On the other side, I have clients who walk in with salaries that are a million income, but because of spending, they have a net worth of a negative number because they have never put that discipline in saving as a priority, and I think the main thing is to live within your means," said Kendall.

After graduating from James Madison University with a degree in finance in economics in 1983, he spent seven years as a retail stockbroker for Folger, Nolan, Fleming & Douglas, before moving on to Legg Mason. At 29, Kendall was involved in the implementation of the trust department for the Sandy Springs Bank, where he worked for six years.

Later, Kendall became one of the few financial planners at the time to become CFA and CFP certified. After leaving Sandy Springs bank, Kendall became an offshore trust officer for the Bank of Canada. In 2005, Kendall launched Kendall Capital Management, which manages over \$125 million in assets.

"I thought the middle class millionaire was dramatically underserved in this market and I saw an opening in the market for a fee only firm serving this (demographic). What has happened in the market place because of 2008 crisis, I think it highlighted the conflict of interest in the brokerage firm and the banks not taking care of the small guy. There has been a big market for us. The majority of our clients come from referrals. It has been primarily word of mouth and we just went over \$125 million in assets that we manage," Kendall said.

One thing Kendall said that makes his firm different than others is that he is fee-based, not commission based.

"I never tell people how to spend their money, but I try to point out the pros and cons of making choices. I think it comes down to the basic philosophy of if you can start off at day one whether you are a missionary in Uganda only making \$2, I am still going to save 10 percent and give 10 percent away," Kendall said.

For people in Montgomery County who may be furloughed or experience a reduction in salary and benefits, Kendall advises people to look at their assets and job security and plan accordingly.

"The key thing is to look at the individual and skills and talents, and to look at the area they are looking at, and is there a possibility of being laid off or is there a reduction in income, and to plan accordingly. I think the key issue is that if you have saved 10 percent of your salary every year, you have become less reliant on your paycheck and you have the opportunity to strategically think of 'do I want to run through this' or say 'do I have other skills and talents I want to go into the private industry with?' Each individual case is an individual case and no two individual cases are the same," Kendall said.

For more information, visit [www.kendallcapital.com](http://www.kendallcapital.com).