

# INSIDE RADIO

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## A Ray Of Hope

by Mike Kinosian, Personality Editor

It's easy to root for certain people, and when good things happen to them, even those far from the sidelines feel a certain sense of validation.

This is a good case in point.

### Four For Four

After graduating from college, **Ray Lucia** supported his family by juggling jobs as a schoolteacher, football coach and weekend musician.

Starting when he was 23, Lucia and his wife had four children in four years. "I looked at how much money I was making as a schoolteacher and realized it wasn't cutting it," he recalls.

A fortuitous call, however, would dramatically change his life and the vibrant Certified Financial Planner is now on extremely firm financial footing and heard daily (12 Noon-4pm, ET) on approximately 80 Business TalkRadio affiliates.

### There's Dough In Cocktail Napkins

A friend of Lucia's who was in the financial services business recruited him over the course of a summer. "I thought I'd try it out and then go back to teaching and coaching - which I did," remarks Lucia, who grew up in Philadelphia, but moved to San Diego with his parents when he was 10. "I turned around and quit the following January right after football season and went cold turkey into the financial services business with virtually no money."

The ingenious way he prospected for business involved his weekend music appearances. "I'd write people's names on napkins during the breaks," he notes. "I'd call them the next Monday and [discuss money matters]. That's really how I got started in the business."

### Branching Out

Initiation to radio came in 1990 at KFMB-AM/San Diego, where then VP/GM Paul Palmer wanted the reasonably successful financial advisor to buy some advertising. "I had no money for that and really knew nothing about it," Lucia recalls. "I said if they hired me as a talk show host, I might consider doing some advertising."

Management mulled it over and offered Lucia a show on Sunday from 7-8pm - opposite television's 60 Minutes. "I didn't know that was a bad time, but I took it," he explains. "It evolved to 7-10pm; then nightly from 10-11pm; and I began doing local television."

### Golden Opportunity

When KFMB-AM PD Cliff Albert left to take a similar position at cross-town KSDO in 1999, he hired Lucia and placed the CFP (Certified Financial Planner) in morning drive. "A fellow running a business [station] in San Francisco was in San Diego and asked if I'd like to do an afternoon show in San Francisco," Lucia remembers. "I wanted to expand my show to some kind of national presence, so I did three hours in morning drive on KSDO and two hours in afternoon drive in San Francisco. The San Francisco show took off like crazy."

So much so, in fact, that then Business TalkRadio President Chet Tart invited Lucia to join the national network in 2000.

Doing so, however, would necessitate shifting day-parts for his San Diego show. "I told Cliff Albert I had the opportunity of a lifetime and he moved the show," Lucia notes. "I was very fortunate [because] we could do [both the national and local shows]. The management that came in after Chet has done a good job and I'm very happy with them."

### Down & Dirty

The Certified Financial Planning background Lucia possesses is oriented more toward broad financial

advisory services, than to picking stocks and bonds for customers. "A broker sells stuff and a CFP does advisory work," he points out. "They may also sell stuff, but it's based on a game plan. My background stems from being able to assess a person's financial situation and then give recommendations. I've been involved in business structures; LLCs; and have a real estate company."

Two other advisors - Rob Butterfield and Rick Plum - and producer John Dean share the microphone with Lucia. "John is a consummate radio pro," he proclaims. "Rob is a brilliant tax attorney and adds the dimension of law. We call Rick 'The Professor,' because he's the answer man. We get down and dirty with good, solid straightforward financial advice. We never say 'I don't know.' One of the three of us will know the answer. It's a brain trust that is pretty much unmatched."

The program hasn't changed dramatically in the last five years, although Lucia jests, "I've gotten a little better. It's all about timing and coaching other people who are on the air."

### Aggressive Versus Conservative

It can be cumbersome when four people have microphone access, but Lucia declares, "John Dean has been in radio for 20 years and is a fantastic producer. He produced my first radio show [at KFMB-AM] and we've been good friends ever since. He's a keyboard player and - like me - a Beatles freak. The show has gotten better because we've become better. I'm convinced that, if you listen for six months, you'll know more than 95% of the financial planners and brokers on the street."

Questions Lucia receives on his national show

aren't necessarily the same from those he fielded on the local level, so it keeps him on his toes. "We'd get a lot of stock option questions from people in the Silicon Valley as they watched their fortunes go [down the drain]," he remarks. "People in Arkansas and Buffalo call about mortgages at \$50,000 and \$70,000, whereas in California, it's for \$570,000+. A show in San Diego or San Francisco may be a tad more sophisticated because of the people listening, but you still need to be able to answer basic questions that come from rural areas. Those people are every bit as important as someone who has a million bucks."

A fairly even male/female split exists among the show's callers with the men holding a tiny advantage. "Men are more risk-takers and women are more interested in the family's security," Lucia maintains. "More and more women are getting involved. They'll ask about saving for a child's college education and whether they can retire in comfort and safety. Men will ask if they should borrow money from their equity and invest in a margin account."

### Frightening Domestic Tales

Demos on one recent Lucia show ranged from 15-83, with the 15-year-old wondering if he should put the \$1500 he has in a Roth IRA. "We have a pretty broad base, but on average, the demo is 45+," he points out. "We get our share of younger people because they're very interested in finance. This Gen X [segment] hasn't had a 401-k before and they want to know what to do with it."

The constantly upbeat Lucia does his best to make the show mass appeal and doesn't incessantly discuss what he terms the "narrow" topic of money. "Our TSL is absolutely phenomenal," he proudly



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notes. "We beat Rush Limbaugh handily in Martin County, Florida [among those] 35+ and making [at least] \$75,000 a year; that's pretty amazing to me. I grew up in the entertainment business, so I think we need good baby boomer rock and roll music. We also try and keep the show humorous."

There have been times when complete eight-ten minute segments will elapse with lighter discussion topics. "I might talk about my wife and the remodeling we're doing with our house," Lucia notes. "We have horror stories about that and it sort of ties into money. Our show is about 'Your money, your business and your life.' We try to keep the thread of finance somewhere in the conversation, but not always. When it comes down to answering questions, you have to be the best in the business and I think we are."

#### **Different League**

Some other very talented people front radio financial shows, including ABC's Bob Brinker and Westwood One's Ron Insana, but Lucia notes, "Neither one of them comes from the financial planning side like I do. They come from the stock and bond and macroeconomics side. Quite frankly, it's stuff that most people don't care very much about. I wouldn't say they compete against me because I'm not watching the Dow on a minute-by-minute basis. I'm interested in how someone will be affected if interest rates are raised. Really important questions deal with what people should do if they have a variable interest rate loan. Should they hang onto it? Should they sell their property? Should they re-finance now?"

Also excluded as being competitors are Dave Ramsey and Clark Howard. "Both are very nice guys and do a fine job," Lucia comments. "Dave is a financial preacher. [For him], it's all about getting out of debt and [tearing up] credit cards. Clark is a phenomenal consumer guy. If you're interested in saving a buck on airfare, he's the guy to call."

On-air talents who've had the most profound influence on Lucia don't come from the Money Talk genre at all. "Joe [Rosenthal] Bauer was the kind of guy who just visited with his listeners," Lucia notes of the man who teamed with the late Mac Hudson to form Hudson & Bauer – one of San Diego's most successful morning drive shows. "I learned from Joe

that people identify with you when you talk about yourself, your family and your values. [Hudson & Bauer] became good friends and I listened to them every morning. [San Diego Padres announcer] Ted Leitner is able to weave in humor, energy and enthusiasm. He takes a narrow subject and makes it fun to listen to – even if you don't like sports. I learned I could captivate an audience the same way."

#### **Five-Minute Checkup**

Maintaining that some other financial show hosts are centered on their audience making money today, Lucia states, "I want to make sure you don't go broke and lose all your money. If I can show you a way to make more money because you pay less taxes or because you allocate your interest bearing accounts inside your 401-k and your equities inside your personal account, I'll probably be able to add 20% to your pie just with strategy. That's really my focus."

It's important to be in shape if one wants to keep up with the frenetic Lucia, who travels to about 30 cities a year and is as energetic a person as one will ever find. "It's a lot of work, but the listeners love it," he maintains. "People do think I'm on drugs or caffeine – I'm on neither. It's really nice when you can get up close and personal with listeners."

Another way listeners get to encounter him face-to-face is through the 12 retirement seminars he's been doing across the country with Ben Stein. "In five minutes, I can figure out whether or not you're going to make it in retirement," Lucia states. "If you're not, I'll tell you how much more you need to save and how you should be invested in order to do it in a broad sense."

#### **Looking Out For The Long Term**

One couple drove an hour to a seminar Lucia was conducting in Phoenix to thank him for giving them a suggestion that helped them purchase their dream house. "They thanked me profusely," he remarks. "They wanted to buy that house, but couldn't afford it. They had an IRA and I explained how they could [use it to their advantage]. That's the kind of stuff that gets me pumped up and keeps me coming back."



But Lucia admits that not every story has a happy ending. A 34-year-old caller was worth \$10 million in his company's stock and margined it to buy a \$4 million house. "The stock was trading at about \$75," Lucia recounts. "I suggested he sell some of it because his home and entire net worth were tied up in the stock."

The young man's goal was to be worth \$40 million by the time he was 45, but Lucia pleaded with him to take care of his long-term financial security.

### Asset Allocation

The caller didn't take his advice. "Six months later," Lucia recalls, "he was totally bankrupt."

Especially from that standpoint, it's Lucia's goal to help people understand how to be smart financial consumers. "A lot of the stuff that's been preached by some brilliant people is flat wrong for most American savers," he contends. "Whether or not you buy [a certain stock] is less important than your asset allocation and making sure you're making the right financial choices. It's also boring as hell if [other listeners don't own that particular stock]. We don't do any of that stock and bond stuff because it's much too narrow."

### Who Are You?

The self-taught guitarist got into a band when he was 13; scored a recording contract three years later; and was doing club work by age 19. "I've performed on stage with Gary Puckett and recently did a little shtick in Las Vegas with the Doobie Brothers," notes Lucia, who was part of a group that won the "Battle Of The Bands" at The Rock & Roll Fantasy Camp.

The Learning Channel (TLC) is doing a special on it that runs in less than two months (10-2-2005).

As a Christmas gift, Lucia's wife gave her frustrated rock & roller husband the fantasy camp experience. "It's just like baseball and football fantasy camps," Lucia explains. "You audition and they place you in [one of 10 bands]. On the last night, we were taken to the House Of Blues/Hollywood. Each band played one Who song on stage with [Who member] Roger Daltrey. My band – with me singing lead – came in first."

### Nepotism Lives

Having already authored "Buckets Of Money: How To Retire In Comfort & Safety," it's only natural that Lucia would write a book that somehow had a music tie-in. It's called "Rock Your Way To Retirement" – a theme based on rock songs from the baby boomer generation. "We associate lesson plans upon which we can teach financial concepts," he explains. "The market crash, for example, would be tantamount to the [Rolling Stones'] '19th Nervous Breakdown.'"

In the business of finance for over 30 years, the now semi-retired (at least from financial planning work) Lucia says he feels "very blessed. I have a nice portfolio of investments and have made a reasonable living. I don't need to make millions of dollars doing this sort of thing. I can devote my attention to doing the right job for listeners."

Continuing to host the daily national radio show remains part of his 10-year plan. "It's more fun than work," Lucia emphasizes. "I don't want to [leave that] because I wouldn't know what to do. My wife travels with me and introduces me at all my seminars. My four kids are grown and three of them work in the business. I've pretty much turned my former financial planning company over to my son, who is a CPA. I focus on the radio show, television, writing and my appearances. Doing the national show has given me the chance to meet people from all walks of life."



**WHO:** Ray Lucia

**WHAT:** "The Ray Lucia Show"

**WHERE:** Business TalkRadio Network

**WHEN:** Monday – Friday, 12 Noon – 4pm (ET)

**HOW MANY AFFILIATES:** Approximately 80

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