

**STATE HISTORICAL SOCIETY OF MISSOURI-ST. LOUIS**

**INTERNATIONAL WOMEN'S FORUM ORAL HISTORY PROJECT**

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**JONI MALLOY INTERVIEWED BY BLANCHE TOUHILL**

Blanche Touhill: Would you introduce yourself?

Joni Malloy: I'm Joan Hamilton Malloy. My friends call me Joni. I grew up in a small town in Illinois, a farming community where we lived in town, very small: 2,000 residents and a small high school, 80 students in the class and a very, very close community. Everyone knew everyone and it was very close, very caring, very warm and supportive community.

Blanche Touhill: So you went to elementary school there and high school?

Joni Malloy: I did. I grew up for my first 18 years of my life, born in Alton, Illinois, grew up in Bunker Hill, Illinois. My father worked in Alton as a factory worker where he stayed for 32 years before KKR bought it and closed it and then he moved to Kansas City. Going there was one of my early lessons on working for others in a factory kind of position and not having a lot of control over your schedule and career. My mother always worked, from the time I was born so it's an interesting thought process, to go back and think about what shaped me and how I got where I am. Yes, my mother worked over here in St. Louis. She worked for Ralston-Purina and, from as early as I can remember, she was juggling and working and juggling a lot of balls and I had a babysitter and I was taught to be very independent as far as getting myself ready, getting things going, not a lot of meddling; a lot of support. She made all my games. They were both there for me. My dad coached softball but they were just busy working their careers in the late '60s and '70s and kids were separate and going about as they pleased.

Blanche Touhill: So when you got to a certain age, you made your own breakfast and dressed yourself and went to school?

Joni Malloy: Yes, yes, my 13-year-old, we still make breakfast for and I wonder if we're enabling her, taking care of her too much. So, very much, I guess, a self-starter, independent, a little different, I guess, with my mother being a working woman. It was probably in the minority in our town. Mainly housewives or farmer wives which definitely had a lot of work; it's just a different kind, local work that was there; several business owners in a small town where they had their own shops. Of course, every town had the bank and the dentist and things. So sometimes it would be a family business that you'd see. So that was interesting to see and to watch and to learn from. But we were a great, healthy, normal, busy, thriving...felt very well off; didn't know, as I look back, that, it was a very simple upbringing and the one car, family vacation a year with my older brother, three years older and our weekends were spent following sports activities or other activities, but dinner together most every night. Dad made it because he got home first from Alton, where my mom got home an hour later from St. Louis and so that's one of my memories, is that partnership and sharing and just really...you didn't have a certain role or you didn't have to fit in a box as far as what you did to make a household successful.

Blanche Touhill: Did you form friendships there that have lasted a long time?

Joni Malloy: Absolutely, and friendships weren't arranged and such. It was just the neighborhood and everyone went out into the local church field to play ball and you might play with kids that were eight years older than you and three years younger than you. It was kind of in your neighborhood, is who your friends were and you went off on your bike and there was a whistle that blew in our town every night at 8:00 P.M. and that's when I had to be home, was with the 8:00 o'clock whistle and no cell phones, no way to stay in touch but they kind of always knew where we were and who we were playing with. Then school was so small with maybe 40 girls in the class, that you played basketball together; you were in band together; you played softball together. It was just the same group of girls. So you go in and out of different friendships as you grow but I still think you're really blessed if you find two or three great friends that you can always go back to and call any time of the day or night or year or go two years and not think anything of it; just pick up the phone and call them. But, yeah, I've stayed close, even when I got married, to reach back and

have childhood friends from second grade in our wedding. So that was wonderful.

Blanche Touhill: Now, where did you go to college?

Joni Malloy: Well, the whole high school and college experience was different for me. High school was difficult for me in a small town where literally...10% is probably a high percentage that went on to college. So it was hard for me as a self-motivated person...if there was an A out there, I wanted to get it; if there was a chance of getting everything right, I just wanted to master it. So, to take the challenging classes and to do the challenging things and I loved music and so that was one thing that I took part in. I drove a half hour each way to find the Alton Youth Symphony or to go to Lewis & Clarke College to play in their band to be challenged and to take lessons at SIU-Edwardsville and such. So that was something that no one else in the school was doing. So I never really had too much concern about doing things different than the rest of the world. I always tell this story that I just love that, by the time I reach...everybody's a Brownie in the little Girl Scouts and Daisies and Brownies and Juniors and Cadets and by the time you're a senior or older, it gets smaller and smaller. Well, I was a troop of one in my high school in probably junior and senior year and I got involved...I went to camp in the summer and I thought I was just so blessed in what it was. It was my mother's childcare arrangements, to send me to music camp and church camp and Girl Scout camp..."Where do you want to go next?" But it was great because you got to meet different people and learn different opportunities. So I loved Girl Scouts and being counselor out there in the summer and then I learned about our council opportunities. So I became part of the teen...they called it "senior planning board and council" and so I would drive to Glen Carbon, Illinois and lead that and what it led me to actually was these national opportunities. One was a 10-day horse pack trip out in Wyoming that I would have never had the opportunity to do in my little town and have those kind of experiences: to live on horseback for 10 days and keep everything with you and have the maps out there and visit Wyoming and be with 24 girls from around the country and just kind of experiencing that together. The other wonderful thing about reaching out there and being different, I guess, was being able to sail on the first all-women's tall ship crew coming up the Chesapeake into the New York City harbor and I was 18 years old; I turned 18 in Philadelphia because I was on this...they

called them wider opportunities, almost like an Outward Bound, I think, experience, to be able to work a tall ship, schooner and sleep for eight or ten days on the boat. It was a really, really neat experience. So I was the only one from my little town...but I didn't feel like I got made fun of. I didn't feel ostracized. It didn't really matter about being part of a group. Everybody just kind of did their own things because they were different enough, I think. So going to college was something that, really, I think, maybe five people in my class of 83 or something went on to out of town college. Some would stay and go to Lewis & Clarke or SIU-Edwardsville but going...and my mother said...this whole college thing is really interesting to me because my 16-year-old now, is just starting that process. She takes the ACT this month for the first time and is in a review course and when I was a junior in high school that spring or something, you took the ACT; you took it one Saturday morning and there was no prep for it. You went and took it and your score was your score and I didn't really know anything better. When I went to look at colleges, my parents said, "You can go anywhere you want in the state," and so I had the whole State of Illinois. I chose the University of Illinois because it was big and it looked like it offered a lot of opportunity and just being in Illinois, I think, the Illinois football was following and things like that. So I applied and was accepted. I didn't even visit until I was accepted and here we are, scheduling all these trips for our kids now to go see 10 or 12 colleges before you even get into senior year. But that's how we did it then and so I got a lot of stuff in the mail. There was no internet or whatever so I got the brochures in the mail and you'd look at them and you'd apply and there you go. So, I loved college. I really came into my own in college. I felt like I was with a lot more people who had more similar values, who valued education, who valued growth and success and really achievement and things like that whereas, I think for me, personally, high school...just trying to figure out whether you did fit in or not was always something that was hanging out there. So I'm very sensitive to that with my children now, telling them it's okay to be different; it's okay to be yourself and not worry about having every single thing just like everybody else and if they want to do something different, to do it, to be a leader in that regard. So, went to college and when I was growing up, I was going to be the president. I wanted to be president of the United States and I don't even know why; probably because there was an election around that time, in the late '70s and early '80s, there

was a lot of mess going on and there was a spotlight on how to fix the economy and such and inflation was out of control and I thought maybe I could help. So I originally started by majoring in political science and then, after about a year...it was interesting but I started having a little bit more maturity and awareness of what it took to be in politics and things like that. I started having doubts about whether I wanted that as my career so I added on accounting as a major and then eventually switched over to the business school and majored in accounting, after a couple of years. Business seemed easy for me to grasp and learn and made sense and there was kind of a concrete answer there and I kind of liked getting to a solution that you felt was...there was only one answer and you get there. Now I find out there's so many different ways to do a tax return. It's all an art and not a science. But I felt comfortable there and I liked it and so I stuck with that in college and I loved college because also, being in a big community but then joining a small sorority to have a small town, small group of girls who you could hang out with and do things with and serve with. We did a lot of philanthropy and such and it was just the right mix, for me to have the big school and all these opportunities and to get involved but also to have a close group of people to come home to, maybe 50 people that were in our sorority. So that was really fun.

Blanche Touhill: Did you play sports in high school or college?

Joni Malloy: It was very social for me. I was more of the musician. I was actually thinking about majoring in music for a bit of my high school and doing the flute. I was more people-oriented, more extroverted than what it took to be...I would find myself wandering down the halls in the music camps and at the lessons, trying to find other people to talk to and things like that. So I enjoyed it and I played music all through college and for sports, being in a small town, you got involved but for me it was mainly social. So, from playing softball all through junior high and high school and basketball through most of it...I was in a car accident my junior year so I didn't play senior year and I just kind of fell off at that point, but no real volleyball, one year of volleyball; probably eight years of softball; probably six years of basketball. Our community was a basketball town. They didn't have football so that wasn't...so going to college, it was really fun to get to experience all something new and game day and all that kind of stuff so it was fun.

Blanche Touhill: Did you make friends in college that you still have today?

Joni Malloy: Yes. We were in each other's wedding and just being in the sorority and staying there in the summer and having roommates and spending weekends at each other's homes or going on road trips together. It was just a lot of fun and mainly from my sorority that I was in and I still stay in touch and are continuously e-mailing and posting on Facebook, seeing each other's children and such.

Blanche Touhill: Do you still play the flute?

Joni Malloy: That I have not picked up in probably 15 years. I have it though and (then we got it plugged up?) but I was giving it to my daughter to play in third grade and she realized it was hard. She thought it was like, you go to band like you go to soccer practice and you just pick it up there and I'm like, "No, you have to practice on your own first." That didn't last very long. I did love...I had teachers and women who I was drawn to and I was a teacher's aide to the drama and English teacher in high school and I learned so much from this crazy, unique woman who basically helped me feel like I could do whatever I wanted to do and then watching my mother, after about 10 years...no, I was 14...when she stopped working in St. Louis. I remember her saying, "If gas ever gets to \$1, it's not going to be worth it for me to drive to St. Louis and back every day." But, as luck would have it, this restaurant came up for sale in our home town and so I actually got to be part of my parents buying a business and then being their first employee and working with them and then evolving to do every single job in the restaurant, from dishes to manager to hostess to, waitress was the biggest one.

Blanche Touhill: And did it succeed?

Joni Malloy: Oh, yes. They had it for probably 14 years...14 or 17 years. It seated 200; it had 35 employees; it was open from 6:00 A.M. to 10:00 P.M. at night; banquets; big busy days were Thanksgiving and Mother's Day and Saturday nights, Friday night fish fries and Sunday after church, chicken and dumplings; very home-style, a go-to place for both coffee drinkers and farmers as well as people for their coffee breaks and such. So I got a real...so many lessons from that about family business, about expectations from children and I actually think it's sometimes harder on the children...they've got it easy and they come in and they're just able to

do whatever they want. I think, at least for me, my mother had never been really a boss before and I think she felt uncomfortable correcting or making suggestions to other workers so she would always give them to me, even if it wasn't really relevant to me. So I felt like there was kind of a pull there, a tug between us because of her being my boss at age 15, 16, 17, 18. But it was really good, got to see a lot and how hard it is to run a business and what it means and what it means to our family. We had always had, every night, dinner together at our table which is a big value, and then they bought this restaurant and so Dad would come home from his job and Mom would be there and we'd all then end up at the restaurant at some point during the night. But that was also another lesson I learned that I employ in my family now: people can adapt to the life that we have today and you can't have the whole volleyball team change their practice time or whatever happens, so your kid, if they're going to play, they're going to go to that practice but you just need to be adaptive. So in our house, we have a philosophy of, whoever's eating...whoever's in the house will come and join them and have as much togetherness as possible and a couple times a week we're all together but generally on the go during the school week, between practices and classes and different things like that. But I think I learned that and got comfortable with that because of the restaurant, where they wouldn't sit down until later but I would be hungry earlier and so they'd just sit with me when I came in and we were able to talk about our days and what was going on. So it was good. So I learned something about entrepreneurship there.

Blanche Touhill: When you graduated, what did you do then?

Joni Malloy: Accounting was my major, probably full-time starting junior year and that's when they give internships. Illinois, as luck would have it, is just a major accounting school. They churn out a lot of top accounting people and so I was lucky to get recruited to do an internship for Ernst & Whinney at the time and came down here. I was still pre-law; I used to be poli-sci/pre-law. I was still pre-law but then when I got into the accounting firm, I learned that there was a lot of similarities with various clients, challenging environment, a lot of different people, a lot of different things going on and I liked it. So that, and the fact that my parents said, "If you want to go to graduate school, it's on your nickel," impacted my decision to go to work right after college. I did take the L-

SATs and I thought, well, they'll be good for five years but I had my offer right out of school and ended up going to Price-Waterhouse instead of Ernst & Whinney because of the clients. I just felt I could relate better to a Ralston-Purina and an Anheuser Busch than a McDonnell-Douglas at the time and the engineering and I just wanted to relate to the major clients that they had. So I went to Price-Waterhouse right after college and moved to St. Louis and lived in the central west end and was starting my life and then my dad got really smart. I didn't think they knew anything until I was asking about how do I take care of my car and how do I find a TV and a bed and things like that. It was great to have them close by to call on and help. But I loved working in the accounting world and it was very challenging and lots of different things but early on, I was recruited into service with Junior Achievement and when I went to join the group that was volunteering there, I learned about a different group at Price-Waterhouse that was just getting started and it was called Personal Financial Services and it was being led by this very non-traditional woman who was a teacher and then became a CPA and then came into the accounting world at the ungodly old age of, like, 35...37 years old and she was recruiting people to join this group to service corporate executives in the financial planning area. So I was blessed to be able to work with Carol Caruthers in Price-Waterhouse and to be one of the founding five members of that financial planning group that ended up being the nation's premier financial planning shop. She was the head of the country's program in that area and I loved it. I didn't realize that I was not totally fulfilled being an auditor and going in and telling people or looking over their shoulder and checking their work but you felt not quite welcome when you would go in to audit someone's books or, at (Ameren or Union Electric) at the time, I remember one week going in and finding a \$25,000 adjustment and then see it getting kind of written off as non-material adjustments that were just kind of swept away and I was like, okay, but when I switched and I went...this was part of the tax department and when I could call on a vice president at Ralston-Purina and help them with some tax savings ideas or help them exercise their stock options or invest their 401K for meeting their long-term growth objectives, we were welcomed in there and they loved our advice and they would always take your meeting and I really felt like I was helping more than. So that really...I found my love and passion in that area, where I could take technical expertise that I had learned in the

accounting and tax and financial world and then apply that to help people.

Blanche Touhill: How did you keep current?

Joni Malloy: In the early days, because Price-Waterhouse was the first firm to register with the SEC to give investment advice in 1986, you had to look out to the industry. There wasn't the College for Financial Planning and these classes offered through universities. It didn't really exist so I did a lot of self-study and online education and reaching out...there weren't firm courses in that; we were creating them as we went along and I would open a book, read it and then do the study questions. I think I'm in the hundreds of the CFP certificates, one of the early awardees of the Certified Financial Planner, but that was really my basic training. Then, staying current on...reading, reading, reading, I loved to...and then the firm had resources on the tax side. I quickly migrated, after a couple of years, to investments. I had a passion for understanding the markets and what's going on with the economy and how you can adjust to that and it's something that's typically always changing and so you're never really done when you're set in that. So continuous monitoring and adjusting to adapt to new circumstances was...and the same thing with tax law. You're never really set because there's continuous changes in that. So I felt like it kept me fresh, to stay on top of those things and I learning new things. As we went along, we would teach others or we got more formalized in the financial planning. I remember being a senior manager at Price-Waterhouse and being offered the MBA program. Sometimes the firms did that for their people and I asked if I could exchange that for the CFA, which is the Chartered Financial Analyst which wasn't really extremely widely known in the field I was in, versus an MBA but it helped me really understand how businesses are valued and how companies and stocks are valued. So it helped me help my clients more, didn't necessarily make me any more marketable but it was a skill set that I learned from getting the designation.

Blanche Touhill: Who led the classes on the CFA?

Joni Malloy: Again, it was more of a self-study but there were study groups that got together and being in a financial town and having the wonderful resources of A. G. Edwards and Edward Jones and Stifel Nicolaus at the time, was terrific and so they would form study groups of maybe 30

people who were going to go through and take the exam that year and we'd get together and then have an outside facilitator who would do review classes with us and then the practice tests.

Blanche Touhill: Did you get time off work or did you have to do this on your own time?

Joni Malloy: Three Memorial Day weekends in a row because you can only take one section a year were lost to studying for the CFA. I do know that. No, it was pretty much on top of everything else. So I encouraged the people that worked with me as, while they're young and they're in that mode, that's when I did so much of my learning because your time doesn't really expand as you get older and have family and have additional priorities and things like that. So we've got one young father going through the MBA program right now and another one wanting to get the CFP. So I really encourage that as one of our values, is continuous improvement and helping make things better.

Blanche Touhill: Let me go back, when you joined Carol Caruthers, was that a chancy thing to do?

Joni Malloy: It was risky because I wasn't unhappy where I was in the audit department and she was not totally open-armed accepted by all of the other male partners. She was, I think, one of the first female partners at Price-Waterhouse-St. Louis office, if not the first, and just having to break...it was very hard in that role. We had a terrific offering of helping these executives and these programs that had been built out by (ACO?) and others to help executives on their tax planning and such so that they could focus on the business more. But the auditors who controlled the relationships with these top executives didn't want to let us in because we might mess up and then kill their relationship that was "Just fine, thank you. We don't need you to come in; we're doing just fine." So what Carol had to do, she had to go out and make new relationships where none existed. So she knocked on Emerson Electric's door and she knocked on Monsanto's doors where KPMG or Deloitte was the auditor and we broke new ground serving executives where we had no other relationship and so it was cold calling at its best...at its basics. We were really busy from Day One and we were really growing and eventually we earned the right to call on the audit client executives at Ralston and Anheuser Busch but we really counted on ourselves. We didn't really count on being fed opportunities from the other partners and in the end,

that's really what led to me leaving there because it really wasn't a supported nationally initiative and there were maybe four partners out of hundreds nationally that were in doing this. So when she left and had the opportunity, I kind of tried for a couple of years to keep it going and I saw that they weren't making partners soon and so I got the opportunity to go work with Arthur Anderson and so I took everything I'd learned about corporate executives and publicly traded executives and monetizing stock and hedging it and all that kind of thing and financial security planning. Then I moved to Arthur Anderson to lead their practice there and what I got to expand into was the Family business because Arthur Anderson was the last Big Eight firm to come to St. Louis and so a lot of the public companies' audits had already been assigned and they were happy and nobody changed. Then they added in the seven-year rotations, but back then, it didn't seem like you had to change auditors very often. So, when they came to St. Louis or even nationally, they were the last firm to come up. They did a lot more small business or privately held business planning. So, when I started working with Anderson, I felt like it was basically opening a franchise and I look back...I'm very reflective about my career and my history and I feel like everything I've done has given me what I need to be where I am today and I feel like going to Arthur Anderson and opening up a franchise shop, because there were 35 other offices in the country that did this, versus maybe six at Price-Waterhouse where we were doing everything from the ground up. Here, I could just do turnkey the way everybody else was doing it at Anderson and it was much easier and the partners wanted to refer to you and they wanted to open the doors and if you've had value to add to their clients, they wanted you to be in there. So it was a much more collegial environment and I loved working with the family business owner and adding on that extra dynamic of not just helping the business owner be financially independent but also helping them transition the business and deal with whether it was going down to children or being sold or what the different options were. So, I felt much more comfortable working with entrepreneurs and the closely held business issues because it was a little bit more challenging, to deal with the liquid stocks versus just the New York Stock Exchange stocks and that was something that stuck in the back of my mind as I started my business now. But after Anderson, I was there for four-and-a-half years and I loved my time there. I did not want it to close but the industry has to adjust and move and improve and I do

believe that accountants got off the straight and narrow and got too aggressive on...I always thought that the tax people were the more aggressive ones until I found out how they were doing off balance sheet accounting and different things on the audit side. So I think it needed to be cleaned up and, unfortunately, Anderson had to go, for that, and at that time, as I looked around after four-and-a-half years there and having two small children and thinking, what is going to be my career now, I realized that being in an accounting firm wasn't really necessary for me, to continue to do what I wanted to do with families. There was a couple of guys that were starting an independent trust company to serve families that might have desired a high level of service but might have lost that level of service because of all the bank mergers that had taken place in St. Louis. So I was invited to join...

Blanche Touhill: What decade was that?

Joni Malloy: That was 2002, so from October of '97 through June of 2002, I was at Arthur Anderson and then, as Arthur Anderson deregistered as an investment advisor on May 31<sup>st</sup>, 2002, the St. Louis Family Office and shortly thereafter St. Louis Trust Company got started on June 6<sup>th</sup> of 2002. So we basically had one week off. And I look back and I was really lucky. It was like, almost every major transition time in my life, we were in Hawaii. My husband got...he is a sales rep for Pfizer and so he wins these sales awards and we get to go off but you can't really pick your time. You go when the trip is happening for the 200 people that won. So I look back and in '97, when I transitioned from Price-Waterhouse to Anderson, we were in Hawaii, right around that same time, and then also in ('01/'02?), right as our first week was open was his trip and so I had to sit back, rest, relax and then get up and going. So...

Blanche Touhill: Was it a shock when you heard that Arthur Anderson was in trouble and would probably go under?

Joni Malloy: Yes, it's one of those things, you remember where you were...when Elvis died...I remember that, but yes, we were up in St. Charles and getting training up at our education center and that came out and at first it was like, "Oh, that can't be right. It will all go away" but then, in March of 2002, when we were actually indicted for whatever...document destruction or whatever it was...of evidence or something...that's when we knew. So literally from March to May, eight weeks, the whole firm

went out of business. It was so fast, the unwind that happened and so to figure out what was going to be next for you, for your team, for your clients, and so all we wanted to do was kind of keep doing what we were doing and so it was great that I had the ability to take a dozen of my team members and 15 or 16 of our client families that we worked with and just lift them out. So I went from opening a franchise to doing a lift-out of this group, this business and when we were off and running, we just modeled it the exact same way we had been doing it inside the accounting for but we were outside now, from doing taxes to using the same consultants and the same reporting and all of that. So it gave us a nice book and a nice platform and revenue and such just to seed and get started. So that company grew from there and more and more, clients left the bigger bank trust companies and because they had trust powers, they were able to name St. Louis Trust Company as a corporate trustee and so did a lot of trust administration and fiduciary planning and it was really interesting to meet the different sorts of wealth holders, from the corporate executive, self-made, to the entrepreneur to the trust beneficiary or someone whose grandfather might have been an entrepreneur or corporate executive, to learn all the different ways to...the certain issues that impact those types of people and it was helpful.

Blanche Touhill: You landed on your feet but I imagine a lot of Arthur Anderson people didn't.

Joni Malloy: There's just a book out about that Larry Katzen wrote. It just came out and there were probably some other ones too but the partners that were at retirement were the ones worst hit.

Blanche Touhill: Because their retirement was invested in the company?

Joni Malloy: Yes, their whole capital account, a couple of million dollars or whatever would have been saved up or would have been paid out to them over the next 10 years and that was all...it was a non-qualified plan and it was lost. So those were the people that got hit the hardest and for mainly everybody that was at least five to ten years out from retirement, yes, it was a step back; yes, it was a hardship but the people that worked at Anderson were some of the best and brightest people I know and hard workers and diligent and most of them went on to lead other firms. It's fun to look around the other accounting firms now and see my former partners and colleagues running divisions of them and even after...

- Blanche Touhill: Were you a partner Arthur Anderson?
- Joni Malloy: I was, I was. I was admitted over there as a partner and had just made what they call worldwide partner, which is an equity partner where you actually buy into the firm so I had just taken on a whole lot of debt to buy some Arthur Anderson partnership interest and then it went under. So I was on the hook for the debt.
- Blanche Touhill: And you lost it?
- Joni Malloy: Yes. So we all lost something and several of them got that loan taken over by, if they went to another big firm but I stepped back and I said, "I know that's an easy way. I could just jump over to one of those other firms" but I just felt like that wasn't the best place for me.
- Blanche Touhill: So you had to pay it off?
- Joni Malloy: I did, hundreds of thousands. So that was a wonderful growing phase and I was there for seven years and loved being at St. Louis Trust Company and growing something there. Then, just seeking a different vision with a different generation of leadership, I was the president and just had a different vision than the CEO and ended up leaving there after seven years, in 2009. So I feel the franchise to the lift-out prepared me for the start-up and so that's what I did. So in May of 2010, I had this vision and I didn't see it being offered anyplace else, to truly integrate all the needs for families and be their backup and do the things, from both, that they need to be a strong family, people that have financial success or sometimes they worry more about the relations that they have and what the money is going to do to the family. So, to not address those things would be...I feel like it would be under serving the clients.
- Blanche Touhill: So what do you do for a family that comes in and says, "I want financial advice"?
- Joni Malloy: Well, in the short message, the elevator message we give, families, what they want more of: more time; more money and the opportunity for better relationships. So if you don't want that, then we're probably not appropriate but if you want more time, we'll take over and take responsibility for a lot of the communications with outside service providers and organizing, filing, monitoring and maintaining all financial records and coordination and communications. Then, by the planning the

opportunities and the basic financial planning that you would expect to optimize their situations and set up the right trusts and entities and things like that to help them achieve their goals that way, is the traditional financial advisory. But then, that mission of the family. It's like, one of the main differences that I think we deal with versus other financial planners is, we deal in excess capital and so our clients have sufficient capital which is usually the main objective of others who are saving for retirement or savings long-term and our clients have tended to win that game and they're trying to figure out what to do with the excess and how to manage that and what does that mean, and oftentimes, people haven't even thought about, what is their purpose or "why do I have this and what do I want this to do?" So it's wonderful when you can spend the time and give people the comfort and the peace of mind that they can have the luxury of thinking through what do they think they should do with these extra financial blessings and make it a blessing. And so we help families transition and keep strong trust and keep communications open and help educate the next generation so that they can be good stewards of family or, if they want to...whether it means buying businesses or supporting political initiatives or philanthropic objectives, whatever their dream is, we're there to help make it happen and support that. So that kind of blends the technical knowledge and the love of learning with our love of people.

Blanche Touhill: Now, is that a unique business?

Joni Malloy: It's getting more and more common.

Blanche Touhill: But it was unique when you were starting?

Joni Malloy: Oh, definitely. We were the first full family office, technically, named Family Office in St. Louis and so it's been terrific, to see the term get a little bit more widely spread because everybody used to have a broker. I think you mentioned something about, would you have been able to do this 50 years ago, and absolutely not because the term "independent financial advisor" or "financial planner" just didn't exist then so I don't think I could have been in the same career. It might have been more numbers. I might have been a bookkeeper for a company or something like that because I think that's just the side of my brain that works. I also think about some of the questions that were prompted here about women and women in business and I'm one of the first beneficiaries of all

the hard work that I think women ahead of me did, to have female bosses and to have female partners and to have female mentors around me and to have people like Susan Elliot and Joe Harmon and Jo Beth Brown and Blanche Touhill to be in leadership positions and executive positions and to see them making a difference and doing it their own way, was really something that I've been able to take advantage of, modeling and using as support and inspiration to move forward.

Blanche Touhill: What I find interesting about your story is that you started new things. You sort of had to teach yourself and then you had to have the confidence to say to somebody, "This is the law" but you didn't hesitate.

Joni Malloy: I have thought, and even as...when you start a business, they say your business plan is crumpled up and thrown away every two weeks, right? It's like, okay, now I'm going this way. You have to be flexible and you really have to be nimble and adjustable and that's what I find. I think being in the accounting firms and doing something a little bit different, being kind of a square peg in a round hole there helped me prepare for differences. The accountants were always...the way they billed was always based on the number of hours that they spent. Well, in the investment industry, it was totally different. It was either a fixed fee or a asset-based fee on what you were investing for them. So, even then, back then, the way we charged for our services was different so we had to explain it to them and after a while, they understood why the investment in the first year was so heavy as you got to know and did a lot of planning and then beyond that [inaudible 46:29] if you had a longer term outlook, you could see that it was a very nice business line to be in. So, yeah, I guess that willingness to step out there and be different. I've never been afraid to ask a question. I've never been afraid to go do research and I love to learn and I think that's part of what helps me continuously better serve the families. But what has also resulted in is two steps forward and three steps back a few times as we've gotten up and going. We've had to change providers of technology, providers of reporting, you know, people and just kind of being flexible in that. But when I started this firm, I sort of pushed aside every preconceived notion because when we did the lift-out we did, we did as much replication as possible and I really wanted to step back and think, if I were doing this today from scratch, what's the best way to do it today? So it gave me an opportunity to be in my field and I really stepped back and thought, based on my experience of 20+

years as an independent financial advisor working in the high net worth world, who better to start this than me and try to show this vision? I may not be the most successful one or the one that goes maybe to G-2 of what I'm doing but if I can get others inspired to treat the whole family and to pay attention that the wealth of a family is not just their financial assets; it's their relationships; it's what they stand for; what they serve, then that would be great. Then I'll feel like we've accomplished something. So I'm trying to throw it out there, get it moving and I think more and more places are starting to pick up on it.

Blanche Touhill: When you hire somebody for your new company, what do you look for?

Joni Malloy: Well, being an accountant and a CPA, I really love that kind of background but what, more and more...the last couple of people I hired, one, we test them and their relational skills and their service skills and their love of people and their multi-tasking, of course, because we do a lot of 15-minute tasks in our world, so the ability to multi-task. But I still think accounting people are really good to organize someone's financial matters but I also think that someone who has that desire to help, desire to help see people improve. It takes somewhat of a...I don't want to say "servant" attitude but somebody who's fine being supportive of another and not having to be the leader. One of the things I kind of butted heads with before was whether we're the leader to the family and the advisor and the lead advisor or whether we're the support to the family and they're the CEO of their family and we're like their COO in helping all the operations of the family run smoothly. That is something, I think, helps us as people come through and we talk to them about working with us. But strong technology skills too. We want to be able to reach the family anywhere and we really are looking to...we are paperless; we are cloud; we are...everybody can reach all of their information from any computer with an internet service. So, building personal websites, secure private portals for families and so having people who are really comfortable working in that environment and who are smarter than me in that space is terrific.

Blanche Touhill: How long has your new company been going now?

Joni Malloy: Three years.

Blanche Touhill: And you're sailing along?

Joni Malloy: We are at scale. We are at profitability finally, not without going back and forth and not taking a salary for a while but thank goodness, I'm a financial planner so we had college set and healthcare and things like that that allowed me to have that luxury of that runway.

Blanche Touhill: Talk about your husband and children. You continued to work when you had children.

Joni Malloy: I did. I took off 10...12 weeks with my first child and maybe a little bit less, maybe 8 or 10 weeks with my second. After my second child in 2000, we had a nanny from the first time and so I kept her through my whole maternity leave and it was wonderful because I got to enjoy being a new mother with each child when I was home and really treasuring that and the older one didn't feel like they were left out and they enjoyed the time with...the ongoing time with our help. But I had such good people around me and great support and partnership and my husband has never been one to be jealous or wanting to be in control or whatever. We look at it very much as a partnership and he's much stronger. We balance each other and he's much stronger at some things and I take the lead on some things and I think it's worked out really well. Our kids have been an integral part of our client relationships and so clients were at our wedding. We had baby presents from our clients. We've stayed at our clients' homes and oftentimes we'll travel as a family to their summer home or winter home and such. So it's a very close relationship that you have and sometimes that's resulted in problems, if I've had to be away and missed something although I've tried really hard to manage the commitments because I know...I really want to be there as much as possible for their activities and their support and such. So as they've aged, I have pulled back right now on my involvement in the community and I used to be on six boards and out every morning at 7:00 and every evening but, as the children have...really since they've been starting in 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup> grade, just tried to cut back and really one or two outside activities so that I can be there at home every night as much as possible. So what happens is, we'll come home, we'll eat. Whoever is there, eat and then we'll do that in stages but then we all pull out our computers and we do our homework around the kitchen table together because they're all on computers at MICDS [Mary Institute Country Day School] and they do their online work and I'll clean up my e-mails from the day too and we're all together from 6:00 to 8:00 or 6:30 to 8:30 and working

on that and just bouncing things off of each other. So that's been good. Sometimes it's been a detriment but other times it's been very, very positive because clients have enabled us to have some experiences we wouldn't have otherwise had and the kids have benefitted from that.

Blanche Touhill: How have your parents reacted to your business life?

Joni Malloy: My parents have always been so supportive. I remember, right before I went into college, I said, "Mom, I think I want to be an airline stewardess. I think it would be really fun just to travel the world" and she's like, "If that's what you want to do, go for it." But then it was me that pulled back and I said, "No, I think I want to do this," but just being independent, being there for me whenever I needed something. My mom has been a role model. My dad has been strong and proud and silent but my mom tells me that that support is there and I know his love is there. He's just more stoic and less emotional and less out there. I think my mom tries to give me a different experience when I'm with her versus, if 90% of my life is talking business and work, that we don't talk about it as much so we talk about them and kids and doing things together. So I love that they've retired now close by and can see the family and we can be in and out of each other's lives but very busy and active. I think they're happy. I went through a really, really tough time when my second child was born, about four weeks after that. My brother was diagnosed with brain cancer and that was the summer of 2000 and then he lived another 16 months but I even look for the blessing of that, if it had to be that way, because, in being very busy, being able to take the time and go to his doctor appointments with him and help be another resource for his family and to have that time with him and be up there as much, was an extra treat for me, to have that extra time with him. But he died after his 40<sup>th</sup> birthday, in October of 2001, which was right after 9/11 of 2001, which was right before my grandmother died, in February of 2002, which was right before my friend died in May of 2002. So there was a nine-month period there that was extremely transformational. I mean, there was just so much going on in your life and they say if it doesn't kill you, it makes you stronger but it really helped me get my priorities straight and it helped me face...by the time the Anderson thing came around, I had had so many other big rocks in my life that I said, this is just a job; we can fix this; we can figure that out. So, to have that kind of attitude and to be willing to go out and accept another challenge and to try something...it

was just like, you know, so what? I guess having that confidence that you can go back and the other thing with me is knowing...it's interesting to me that money doesn't matter to us and we don't judge our success or anything by money. We use it and we take advantage of having it to educate our children and to give back and things like that. So stepping way back and going to about 25% of what my former salary was at Anderson, it didn't really change our lives that much, and maybe being a planner did that. So it never really...we never over extended ourselves and so whenever there was a financial crisis, whenever Anderson went under, we were lucky, I guess, because we live conservatively. Growing up in a small town, watching for sales, watching for bargains, being smart about how you buy things, so it didn't really affect so much. So, interestingly, that's all I deal with, is people that have a lot of that wealth or business or whatever but I think I've learned that there are people that that doesn't define your happiness and so that's probably one of the biggest things, if I could teach my children that it's not about that; it's about other things, and the fact that we're not always preparing for something else, that this is our ride; this is the...you don't get a second chance. We're not in a rehearsal here and if you're not living the life you want and doing the things you want and that make you happy, there's never any time like now to switch it. So, that's me.

Blanche Touhill: What do your children say about their careers, anything?

Joni Malloy: They are open. My daughter wants to serve others in foreign countries and was able to take advantage of a medical mission down in Ecuador and has gone for three years and down to a Spanish speaking country and helped the Timmy Foundation give basic medical care, sustain medical care in these third world countries in Quito, Ecuador and she's really intrigued by that but she's also still trying to figure out what she wants to do. So, she will do something. I'm not pushing her based on the potential salary of it. I would love for them to be passionate about what they do and to love what they do and as long as they're doing that, then they'll not have to work again.

Blanche Touhill: Does she speak a language?

Joni Malloy: Spanish.

Blanche Touhill: So that really has helped her, with the Spanish?

Joni Malloy: Yes. She's thinking about going to Argentina as an exchange student and I'm thinking maybe it should wait until college and not in high school, so going there for a week so we're enjoying these high school days together as a family and that's my thoughts on that. I think it's a no-brainer that they will be college educated and they will work, although, with the high cost of college now, I think they will work at something and they will be self-sufficient. I don't know what that means from here. I don't know what that will look like. I don't know whether you really go to college and get a degree for what, to learn, for what? I almost wish you could work for a few years and then go back to college because I think you might get more out of it then. But I think that's a given, like I think 100% of the kids in their school go on to college.

Blanche Touhill: Is accounting now more open to women?

Joni Malloy: I was one of the beneficiaries of that. There were 50% of the kids in my class, starting class were women and now I think it's even slightly higher than that. So it's really...the problem...and it's been an issue for a while...that the (time?) for really starting to take on to how to retain women. I remember participating in an initiative called GROW, Growth and Retention of Women inside the accounting firms and trying to figure out how they could be more flexible on letting them be mothers and maybe not have the continuous out of town travel and to be more cognizant and aware and doing things a little different for them and I remember people leaving the big international accounting firms that were just not flexible and going to the, at the time, smaller local firms that were happy to have you work part-time or work just during busy season or things like that and I have to applaud (Rubin?) Brown for being one of pioneers that I know of in really seizing...working with the female accountant and using them for their best ability, maybe just work 9:00 to 3:00 and be there on both ends of the day for your children and things like that. So I think that the industry has gotten very flexible in that regard. It's a wonderful profession for women.

Blanche Touhill: How did you get into the International Women's Forum?

Joni Malloy: I was given the opportunity and the invitation from wonderful mentors over the years, Susan Elliot, Nancy Peckloff from Anderson and when I found out I had the opportunity to spend quality down time with them, I really wanted to. I knew I could learn from them. I knew just sharing time

with them and asking questions and learning from their experiences would make me a better person and so I wanted to participate to get as much as I could and learn from them and now I'm getting others in because I think it's wonderful networking and helping each other, paying it forward and helping each other with how they can be successful.

Blanche Touhill: Well, thank you very much.

Joni Malloy: Thank you.