



## If I Can't Sell It, I'll Keep Sittin' On It, 'Cause I Ain't Giving It Away For Free

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March 2013

"If I can't sell it, I'll keep sittin' on it, 'cause I ain't giving it away for free." Those lyrics to a song by Ruth Brown made Recca famous in our little community. Taking off with the company's payroll made her infamous.

The company was a small outfit located in the Feather River Canyon of California that seemed to attract an eclectic group of misfits. We had everything from a former symphony flute player to an ex-lineman for the Detroit Lions football team. At least, that is what they claimed on their job applications. And since background checks appeared to be nothing more than taking the applicant's word for it, there was no way to dispute their claims. So, when Recca showed up with an impressive bookkeeping résumé, the boss was duly impressed.

Everybody else in town was impressed with Recca's voice and charisma. Almost immediately she got a second job singing at the local tavern on weekends. The Ruth Brown song was her signature piece. She open and closed each evening with it. And whenever she came to the chorus, the crowd enthusiastically sang along: "If I can't sell it, I'll keep sittin' on it, 'cause I ain't giving it away for free."

Contrary to what you might think, those lyrics were about a female owner of a secondhand store who was trying to sell a used chair. The song was a classic double entendre and was a perfect metaphor for Recca's duplicity. The chair represented the seductress's charms. And we were all so charmed with her that we never noticed what she so brazenly warned us about: that she wasn't "giving it away for free." She not only took off with the company payroll, but left outstanding loans with most of her friends at work and at the bar. Like the prostitute in the Book of Proverbs, she reduced us all "...to a piece of bread."

In his new book, *The Clash of the Cultures: Investment vs. Speculation*, John Bogle bemoans the fact that "...some of our nation's proudest professions..." are, in my words, starting to resemble the world's oldest profession. He says, "...medicine, law, accounting, journalism, architecture, and, of course [investing]...[have] been gradually shifting away from...trusted professions...toward...commercial enterprises." He quotes Roger Lowenstein, from *The New York Times*, who notes we have lost the "...notions of integrity, ethics, and unyielding loyalty to the customer...America's professions have become crassly commercial..." They have replaced professionalism with pandering and marketing.

With regard to the mutual fund industry, Bogle says this shift was the "...reflection of a fundamental change...The [mutual fund] industry that had been dominated by a professional culture...had evolved into an industry with a business culture." Prudent investment management was replaced by aggressive product marketing. The result was that "The focus on stewardship was overwhelmed by salesmanship."

Like Recca, investment managers use impressive pitches to "Sell it." And like my former boss, investors are too easily impressed. To avoid being seduced by salesmanship, investors need to heed Bogle's caution to "...select funds from those organizations that...have done their best to put service to shareholders above service to themselves." And one of the easiest ways to find these managers, he says, is to look at what they don't do. Unlike Recca, her song's protagonist, prostitutes and suspect fund managers, stewardship-minded investment managers don't "...advertise their performance."

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