

# KEEPING UP WITH NAPFA

## Remembering Steven Kanaly

Former NAPFA Chair Steven Kanaly died on Jan. 11, 2011, after battling Parkinson's Disease for many years. He was 57 years old.

Kanaly joined Kanaly Trust in Houston in 1976, less than a year after the firm was started by his father, E. Deane Kanaly, and eventually became president of the firm. Kanaly joined NAPFA in 1986 and was elected to the board in 1999 and served as chair in 2002-03.

"Steve was always looking at the big issues. He was able to look further out than most people," said his brother Jeff Kanaly, who is vice chairman of Kanaly Trust.

"Steve never let his imagination hold him back. He thought 'big' and out-of-the-box," said Ellen Turf, NAPFA CEO. "I'd come into the office with my plan lined up for doing Things 1, 2, and 3 on that day, and then I'd get a call from Steve with a new idea, and he'd send a bowling ball right through my plans. But he was ahead of his time on a lot of issues."

As an example, Turf said that Kanaly wanted vendors to aggregate services to NAPFA members and provide them at a significant discount. Today, NAPFA members can obtain group disability insurance and discounts on more than 20 key planning products and services. "Nobody was talking about aggregation at the time—but Steve saw that we could be big enough to make it worthwhile," said Turf.

During his tenure as chair, Kanaly also institutionalized many of the policies and procedures that had been informal when the organization was small. "Steve really created a team. He brought in our first facilitator to help us think about process and how to separate the activities of the board and the staff—to have governance like a large organization would do," said Turf.

Kanaly was deeply committed

to NAPFA, at one point making up a song about Fee-Only planning and using phrases such as "Fee-Only Only" and "Only Fee-Only" to highlight the distinctiveness of NAPFA members' services.

He was also an early proponent of emphasizing the fiduciary delivery of advisory services. "By the late-90s,



Steve Kanaly

the industry had reached a point where Fee-Only wasn't a unique phenomenon," said Jeff Kanaly, who took his own leadership role in the industry by serving on the ICFP Board and participating in the merger of the ICFP and IAFP to form the FPA. "The question for clients was finding a quality organization—and Steve knew that living by a fiduciary standard could be that template."

Ironically, Steve Kanaly's funeral was on January 18, which was the day that the SEC report came out in support of a fiduciary standard for all advisors giving investment advice. "Steve would have been undeniably happy to see that become a reality," said Jeff Kanaly.

Some of Kanaly's visionary perspective could be traced to his father, who opened Kanaly Trust after working

in one bank trust department and starting an advisory service at another bank. When Deane Kanaly decided to go out on his own in 1975, he stepped into uncharted waters. "Our father wanted to start a financial counseling firm that would help people avoid mistakes early in their lives—the mistakes that he saw coming back to haunt them later," said Jeff Kanaly. "He was doing financial plans for people in 1970; he was a real pioneer."

Steve Kanaly absorbed that commitment to serving people, even as he took finance courses as an undergraduate at the University of Texas. Steve and Jeff Kanaly both graduated from UT with finance majors, but they took numerous courses in psychology, sociology, law, and other fields. "We sort of created our own interdisciplinary majors. We always knew it was about more than finance," said Jeff.

Steve Kanaly is survived by his wife Vicki and two adult children who are working in the financial world. His daughter Kourtney graduated from TCU with a degree in entrepreneurship, and she will soon start working at Goff Capital Partners. His son Kamden is a CFP® working as a wealth advisor at Morgan Stanley Smith Barney.