Black Stallion vs. Shady Pines

AI, Distribution, Execution, and the Coming Flood

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The fundamental rule of massively disruptive technology is that, eventually, everyone gets access to everything. Once these technological edges collapse because the tools become widespread, there's only three things left –
Distribution, Execution and Storytelling.

Firms that are good at these three things have an incredibly bright future. Firms that don't care about these things or aren't willing to prioritize them will be gone.

Imagine two RIAs operating three years from now in a fully AI-enabled environment. Black Stallion Capital is acting with urgency, Shady Pines Wealth Management is implementing stuff and wishing it would go away.

Both have access to the same tech because the models are ubiquitous and widely available, delivered by custody firms and CRMs.

Black Stallion gains an edge because it has distribution – an audience of potential clients – it can spread new capabilities like digital onboarding, customized planning models, on-demand tax insight, etc across a larger base.

Black Stallion has another edge when it comes to execution. It has technology employees in-house – not just CTOs who speak at conferences

– actual practitioners and can therefore execute and iterate faster as the tech evolves.

Its most enduring edge over Shady Pines is that people have heard of it. Story. Its brand means something. Its reputation precedes it. Its success is widely known. It pulls talent and capital toward it like a magnet 24 hours a day while Shady Pines holds meetings about maybe hiring a marketing consultant.

Black Stallion has national distribution among generations of investors, high-throughput execution and a beautiful story to tell about the future. Shady Pines has a website, a TAMP and a quarterly newsletter.

You already know Black Stallion is going to win, the only thing worth discussing is the timeframe.

Now here is the most remarkable thing about our industry. You would think that the majority of advisors work at firms like Black Stallion. But it's actually the opposite. There is a Shady Pines in every county in America. THAT is the norm. Because financial advisors, by nature, are conservative, traditional, risk-averse and they prioritize comfort over change. All of these are great qualities for an advisor to have – these are the attributes a wealthy client should be seeking out in a financial planner.

But at the firm level, these qualities lead to Shady Pines. Inertia. Anachronism. Lethargy. This is why many advisors will struggle to find their place in the age of AI. The attributes that made them great at advice are not transferable to entrepreneurship. ***A moment like this practically demands a level of risk-taking and suspension of disbelief that the Shady Pines advisor simply is not capable of mustering.***

My team got a glimpse of Altruist's coming AI features last night. Kristopher Venne, CFP® was speechless, just staring off into space when we FaceTimed after.

There's a flood coming. Choose the right Ark.