

# Chitwood / Lindberg Wealth Management

60 years advising individuals on their financial wealth. *by Josh Roberts*

We spoke recently with Patrick Chitwood and Jon Lindberg, managing partners with Chitwood / Lindberg Wealth Management at their offices in the Inverness area. Chitwood and Lindberg have spent nearly 60 years combined advising individuals on their financial wealth.

Chitwood became an investment counselor with Paine Weber in 1979, started Chitwood Advisory Group in 1988, and obtained his CPA in 1994. Lindberg started J. Lindberg & Associates, a Risk Management/Estate Planning firm in 1981. Chitwood, with a Ph.D. in Psychology, has also published articles on the psychology of the investor as it relates to volatility and risk; as well as designed proprietary models that are used in the selection of asset classes and portfolio design for the firm.

With combined investable assets of over \$150 million, they cater to a select group of mid- to high-net worth individual clients; specializing in retirement income planning, tax/wealth management, and estate planning services.

Embracing an open platform approach of asset management, they reject the use of outside third party money managers, and the “passive indexing” approach that gained popularity in the late 1990s. With experience in difficult markets, they believe in an investment approach that emphasizes wealth conservation above volatile growth.

Having been professional advisors through the market crashes of 1987, 1990, 1998 and 2000-2002, the two feel that the 2008 market melt-down is unprecedented in volatility and scope. “In the 2000–2002 decline, about 60 percent of the over-all market took the hit; In 2008, as of this writing, over 97 percent of the over-all market is involved. Standard diversification techniques were of little solace...virtually every asset class has been affected.”

They also feel it is necessary to allocate certain portions of assets to protect or hedge against unexpected catastrophe; especially when dealing with retirement income that has a “zero time horizon.” “Just because none of your neighbor’s homes have burned in 30 years, is no reason to discontinue your fire insurance premiums, and the same goes for one’s investment portfolio.” Chitwood explains.

“With the open architecture of our asset management serv-

ices, we turn down more market offerings than we implement. It is all about finding the best products, regardless of who designed them—and this is very attractive to our clients,” states Lindberg.

Both Chitwood and Lindberg know how important personal service and communication is to their clients. “When our clients call, they speak to a person. Voice mail is kept to a minimum. When clients have a question, we personally answer it; and when they talk to us, they are talking to the person that is managing their money. We treat it as an honor to be a resource for the tough personal questions that arise”, states Lindberg.

“With the high frequency of mergers and acquisitions in the Brokerage and Banking industry, our clients find it reassuring to be able to work with the same advisor and staff year after year.

“We believe that the damage to fundamental underpinnings of the financial institutions around the world will take considerable time to restore. In this regard, we feel that going forward, an allocation of assets to a model that pays the investor to wait until a return to more normalized markets is essential...the days of simple static asset allocation of particular indexes are gone.” —Patrick Chitwood



We have heard stories from recent referrals of how they had to deal with name and broker changes at the same time that the market had been changing...all with no one who has consistently been there for them. We are able to put an end to all that.” states Chitwood.

Chitwood goes on to explain: “Large, name brand banks and brokerage firms answer to management... they have to. Management supports their staff, rent, retirement plans, and general overhead. When they become dissatisfied with management, they simply leave, and where does that leave the client?”

Their staff consists of experienced, personable people, some who have been in the financial service business for over 20 years. This has enabled them to develop long term relationships with clients. Financial resources are also a crucial part of client support. “We have long-term relationships with our broker dealers, legal and risk management people. Our clients consider us their financial ‘neutral corner;’ they know they can turn to us

for independent non-biased information and services,” explains Lindberg, “People need someone they can think with... a sounding board... we try to give them another perspective. When they need an answer or a particular service or require information, we know how to find it or who can handle it best.”

Being independent is a refreshing experience for clients.

“If our clients become dissatisfied, we have



“In the investment management business, you have to realize that there are attributes you cannot completely control. This is the reason we find it is so important to communicate with our clients... this way, you both know the variances to expect. We call it putting a face on the money. After all, our clients are our manager.” —Jon Lindberg



Patrick Chitwood

Jon Lindberg

everything to lose. We have our lives invested in this firm and pay all the overhead, so we know where our allegiance lies. We cannot simply go to some other firm or change jobs. And most importantly, if something happens to either of us, we have strong contingency plans in place, with each other, our custodial institutions and Broker Dealers, so the client is still taken care of,” states Lindberg.

Mr. Chitwood lives in the Inverness area in Birmingham AL, with his wife Judith of 30 years. They have one daughter, Lauren who will be getting married soon. Mr. Chitwood is an avid reader, traveler and outdoorsmen. He is currently working on publishing a book on investor’s psychology of the investment markets, and their perception of risks and volatility. Chitwood has been published in the *Journal of Accountancy*, *Registered Representative*, *Wealth Manager Magazine*, *Money Magazine*, *The Birmingham Business Journal*, *The Birmingham News*, and was also selected as one of the top Wealth Managers in *Forbes* and *Worth* magazines.

Mr. Lindberg, also residing in the same area, has been married to his wife, Cathy, for 25 years, and they have three daugh-

ters. When not advising his clients, Mr. Lindberg enjoys playing tennis, as well as music. He heads a band called the Rhythm Kings that play in various charity and private events. “I enjoy using music as a way to help charitable organizations. It is a great outlet that works the right side of your brain. When playing music you have so many things you can control... it really takes your mind off work,” Lindberg explains.

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