Erik Averill ([00:16](https://www.rev.com/transcript-editor/Edit?token=-wCKoqbUEAW1wGajsbfpLcB-BTCDrAgPMGfNQo4fOBhMCF9wFUkiZ1CSyXZGsSBDYgd1WXxdBXMV6wnd9FS57XtinK0&loadFrom=DocumentDeeplink&ts=16.21)):

Hey everyone, welcome back to the MLB draft podcast. I am your host, Erik Averill. I am joined by former major league pitcher, certified financial planner, Travis Chick, welcome back.

Travis Chick ([00:34](https://www.rev.com/transcript-editor/Edit?token=ghJww517KhQ9S1YbSroFcPNafuyPgnSG4n2n05iXjGPwSgED7koARFgfH7xvlEjob9SfdIz36SuJdIH_CLbiMpWiKGo&loadFrom=DocumentDeeplink&ts=34)):

I'm excited to be here man.

Erik Averill ([00:36](https://www.rev.com/transcript-editor/Edit?token=bL0Gtrpuho6W8gMzBrMoaoOJFSt1nd5hYxfVYZ2QHIxqZyzND_Z0zhz5uCCsm0edm3yUy7KQMpt7WqUtKMZq0xWjhac&loadFrom=DocumentDeeplink&ts=36.14)):

So am I, because I want to jump into this question that we're hearing a lot from specific families, but also sports agents is, in 2020 because of COVID major league baseball adjusted the way that signing bonuses are being paid out to draft picks.

Travis Chick ([00:55](https://www.rev.com/transcript-editor/Edit?token=LETsEOMighAdJPfF62QGzvRvL3mF0OtQpg6gkfTsr8Jd7L3qtvzrvt9pyWExJoUO6mI7XQ7__vvlUDozs9EnU2BVyks&loadFrom=DocumentDeeplink&ts=55.38)):

Right.

Erik Averill ([00:55](https://www.rev.com/transcript-editor/Edit?token=_p-Cch3OFAjyOfGFp9PHbRLNPis_omFHi__hNb5mAV0xY2F6K6CmsgyomLEqjcwbFmF_yIxT8zkR8pYwkuJkvTQ6sXE&loadFrom=DocumentDeeplink&ts=55.63)):

This is absolutely true for 2020. It's going to be true. We at least know for 2021, is no matter what you signed for, the maximum amount that you will receive in the first calendar year is $100,000.

Travis Chick ([01:10](https://www.rev.com/transcript-editor/Edit?token=pEGZOo2GIJk-xwTnNyhQjdpj43b6wvnD5-VfGywfQOGyaow0oRTOkGGxgpH1D1j_oZ8Sn06JzTu73PBY93bptP26Kh8&loadFrom=DocumentDeeplink&ts=70.07)):

Right.

Erik Averill ([01:11](https://www.rev.com/transcript-editor/Edit?token=8VSRXi-6gSzKhlqiGqRqEHgOgyDaBx8N3-pwkEYVMR4qNTA544ZikThETqRwgEHDy1YRl3b8psO50oFTGEQbLx__FvE&loadFrom=DocumentDeeplink&ts=71.15)):

One of the things we're hearing a lot is like, Hey Travis, these players are only getting $100,000. Why do they even need a financial advisor?

Travis Chick ([01:21](https://www.rev.com/transcript-editor/Edit?token=P5lwbRN6z1s_NX0bsM92XSpW3xudaL2eE0PVk_Qs0qSM0lCzJm9BMpVkUKQrJf-9dpEz-3hecMYwlhKdsrMFwSg5VtQ&loadFrom=DocumentDeeplink&ts=81.39)):

Yeah, I mean it's funny because for a high school kid $100,000 is a lot of money, but a parent knows that especially after taxes and agent fees, and then too, through some of the different strategies that the teams are using to play the tax game.

Erik Averill ([01:38](https://www.rev.com/transcript-editor/Edit?token=sjE5uCHmkrU1bbmce9dLuOP-Nb1xDUB_uogNB0yALR_MCyIF6WobPsFNMpgsBE8mgSG61Oin_ttPSZHVEr-K57CbHHQ&loadFrom=DocumentDeeplink&ts=98.45)):

Yes.

Travis Chick ([01:38](https://www.rev.com/transcript-editor/Edit?token=Mq67btC1UNo4_hZWnYKFQ3G2QH6EBuTtSGMf2nGoNg3Geki0y1dvJmgF0pltYyqWZHs_1URhYbaD44ckRvzGGGJLrE4&loadFrom=DocumentDeeplink&ts=98.82)):

Some of these kids are ending up with $20,000 to $30,000 that they're going to have to live on for a whole year. The misconception is if I hire a financial guy I'm going to have to pay him to do proper tax planning, proper investments, proper all that, right? We all know that if you have $30,000 that's got to last you for a whole year. Conceptually it doesn't make sense to hire a guy like us right now, right?

Erik Averill ([02:02](https://www.rev.com/transcript-editor/Edit?token=DJ2pH0d1NUUVgF3B8otekFTwMwBJRMyKJ0AfeiB36YVux_X3iDTrFxM_gtvNL8ytPpzTc0mKfba3ECYNuzo1ReUc2No&loadFrom=DocumentDeeplink&ts=122.98)):

Because they're reducing the term financial advisor, most people's mind goes to investing.

Travis Chick ([02:02](https://www.rev.com/transcript-editor/Edit?token=SBiqz3t9Ifjg05FF6Is9uhPLjpVVSE0K41MRajhUyilBuWTvdTOwoMxvE4fk9cBuN1TKPzlXzM3Y6GxlosOo3Mfm2Go&loadFrom=DocumentDeeplink&ts=122.98)):

Investments.

Erik Averill ([02:09](https://www.rev.com/transcript-editor/Edit?token=acH6436jJsBoI8QMdnRjfE1okn3OarXfnem41muAMJxSiKduWCo9TNmockB7MAnB7o6R7od7y-lyqGOmWQt50yb0vj8&loadFrom=DocumentDeeplink&ts=129.98)):

Right? If that's where your mind is at, we absolutely agree with you that what you don't need is somebody who can handle a public investment portfolio.

Travis Chick ([02:20](https://www.rev.com/transcript-editor/Edit?token=tkRNRmeSE2pRCroQh2ZYWQZvHCXdD9y2QIYfs0671QxnEXtnhXZ-Xd1rL_Ys7vEVYC0CrvN9hMbydpNsO6vgESqBUno&loadFrom=DocumentDeeplink&ts=140.07)):

Right.

Erik Averill ([02:20](https://www.rev.com/transcript-editor/Edit?token=bKPlwHT1DLEhfaue6doIlYVcS0Hv170m-OJY-AdyARFXNintgsi4sJM3dQrluz8M-54moNp7XYLEKPrwuWLwDng3SWI&loadFrom=DocumentDeeplink&ts=140.16)):

That's the value that they're providing.

Travis Chick ([02:22](https://www.rev.com/transcript-editor/Edit?token=hR07PFOdMkFMDfcs6Tx17psSybdV-KGktCejtKNswKeTv84TrKZgebx3J70pbzU6jhSlmdQfNCjINTcJRZjXbgOiSOQ&loadFrom=DocumentDeeplink&ts=142.15)):

Right.

Erik Averill ([02:23](https://www.rev.com/transcript-editor/Edit?token=VMfRjiCacZ5b-JWCSCW9BUVa1YIa8Qda5fBxbT7IGTxsC7WzYXzvBF5QmA_7It4C0eq3ZOt2wGRc5PaszOQTGihBhn8&loadFrom=DocumentDeeplink&ts=143.01)):

Maybe shed some light on why a conversation with a certified financial planner does make sense if we're sitting here saying, you're not going to even have any money to invest right now.

Travis Chick ([02:35](https://www.rev.com/transcript-editor/Edit?token=8AVnKmUDLvjxlNzdoniiXhyLudza3YdYTBL3TfD4ZWCfIcG9HlmC2dGtdn8-AOFXTtKTQNfDW9g3bD1lr9dG_6m_HvM&loadFrom=DocumentDeeplink&ts=155.99)):

Yeah. I think at first starts, and this is where we provide probably the most value initially, is taxes. How do we plan for all the different tax situations that you're actually going to go through? The reality is yes, there is no money to quote unquote invest, but there's also a lot of planning that goes into, how am I going to make $30,000, $50,0000, $60,000 last 11 or 12 months? How am I going to train? How am I going to pay my agent fee? What kind of liability do I actually have as a baseball player?

I'm a famous baseball player that just got drafted. What happens if I hit somebody that knows I'm going to have three or four million in a year? How do I protect that? There's a lot more that goes into what we do for our clients than just investing their money. It is pure on, we're trying to educate and empower them to make good financial decisions from the day that they hire us.

Erik Averill ([03:29](https://www.rev.com/transcript-editor/Edit?token=i2fHYZZ6tfr_uN-yoGPxlBoZZbkp8kdYhsokYn4dX8vOKTjAz0GREypD86qYI37Vfkp9eszIs_V7bkNAuKxukbtgLp4&loadFrom=DocumentDeeplink&ts=209.81)):

If we take a step back, and I think we miss this a lot of the time, is ask what is happening in this situation? You have a high school player or a college player, 18 to 21 years old, now making a decision. A company, usually a billion dollar company is going to offer you an amount of money and you've got to make a decision. Do I go to school, if I'm a high school kid, or if I'm in college do I stay in school?

Travis Chick ([03:57](https://www.rev.com/transcript-editor/Edit?token=BRgtzKGchAFqoiDGz0Yx4_sLFdRzuUvQA0y5w7qB3ZyVtir8ssSwlLP8sv1sfRwk7bt3DSYcdUxp2CFzOupKVS99yV0&loadFrom=DocumentDeeplink&ts=237.62)):

Yeah.

Erik Averill ([03:58](https://www.rev.com/transcript-editor/Edit?token=uv0BSJSar8RcxMZdQvIgyW7P9js9HxPocK3nIwre7QZ_knq5_1rpOlYKPvse99y8DihLPBg0BRyjUeonHIazd7mTli4&loadFrom=DocumentDeeplink&ts=238.32)):

That's a financial decision for most people.

Travis Chick ([04:01](https://www.rev.com/transcript-editor/Edit?token=usj2OpNZZ7N_cW8JDxJc7I28hCsGBOu9fnDcOTEPdnfz0ZCKicpAwh_BGANddC5z0ljjldsdMAOL0waaJs64xv8581k&loadFrom=DocumentDeeplink&ts=241.12)):

Absolutely.

Erik Averill ([04:01](https://www.rev.com/transcript-editor/Edit?token=3oZ9BLrIn52vk0mXtM5GFJ1FrVdYvAIUmqFw1vmJYrM9x27XDA0WNq_LPyRLYRc6K-67rOTGeQHFCHIlvWb8IxGpFo0&loadFrom=DocumentDeeplink&ts=241.69)):

What's the opportunity cost if I forego my college education and sign a professional career, how much money does that require?

Travis Chick ([04:11](https://www.rev.com/transcript-editor/Edit?token=RFP2SrL7PnZHuvPpAMJKPEzzCyhSWuIgCeiDVw7guYd7thtqryUZKopLGpgAerMVnArStOOBK7iKM333v-6PswANFE8&loadFrom=DocumentDeeplink&ts=251.35)):

Right.

Erik Averill ([04:11](https://www.rev.com/transcript-editor/Edit?token=5ct2k2ZHToYBRyV02vZ7cwLx-v05qlHjXJOVzIVbbV4Eph0JuKOBxn-HGzl6AjtMQ-NBm0aV1Vx8pjQBzgeV_Yr-KSg&loadFrom=DocumentDeeplink&ts=251.53)):

That's a financial decision. The built-in implication there is, it needs to be enough money that if baseball doesn't work out, it pays for the opportunity cost of having to go back to school and get a degree and then go get a job, right?

Travis Chick ([04:11](https://www.rev.com/transcript-editor/Edit?token=h7U0mWkdiKQOBAozFgeQzdqn7KbmNsaMM2FaNx35cjpraYWbdxWS2M26m3D2cgbicwFQ9mDwDYgcCsGf_1LgrAwwXHA&loadFrom=DocumentDeeplink&ts=251.53)):

Right.

Erik Averill ([04:28](https://www.rev.com/transcript-editor/Edit?token=4ax-IaUGh9hJ7wp9WS1P9oi9uoccFEBAiqFjNnUNMEfffkGzgVX9JTRLRExAe88KYIP0hB2jymdGdl2EOia3cRBD_uo&loadFrom=DocumentDeeplink&ts=268.89)):

The other built-in assumption is that you are smart with that money.

Travis Chick ([04:32](https://www.rev.com/transcript-editor/Edit?token=5o1spXFETUHsRdOo8qsm2YsQNip93SpQHfr1bz8cjeNdhjKUBNQjDbMG5fMbuoVF1q5gIQp6Fe0CLkrLTA14KbSH6KA&loadFrom=DocumentDeeplink&ts=272.72)):

Sure.

Erik Averill ([04:34](https://www.rev.com/transcript-editor/Edit?token=eyD0hNLCX3InhhWJTYnMihPWT34XMJRONuGtHkn94cIuPVmZwuPser5OZSNDcr4uzuxhBSvWtvHuspriWbyaPZwWOrc&loadFrom=DocumentDeeplink&ts=274.76)):

From a timing standpoint, yeah $100,000 may be the only thing paid out the first July or the first 30 days, but you're now also trying to make important financial decisions for the entire future without qualified financial advice.

Travis Chick ([04:51](https://www.rev.com/transcript-editor/Edit?token=g9vglZC1GBRumpqMeJHfYpyme3xes-hcgwLfR453HbGcvo7H3jUrEl0q3KU8ddzzN2H2vl73Z_bcjGkshX8b3mMX_fQ&loadFrom=DocumentDeeplink&ts=291.2)):

I like that you said that, but you know so often we get reduced down to what happens after I sign, right? What you were kind of alluding to was, well that's actually way before I signed, because if I'm educated going into that decision of when I sign, then I'm not forced into making an emotional decision. If I'm a high school kid and my number is a million dollars, do we know what that million dollars actually means? Do you know how that's going to impact your life? Do you know how that's going to impact the future outcomes that you actually want it to have? Have you thought about how much that's going to be after taxes and agent fees?

It's not just, hey I want a million dollars. It's, let's start putting together a financial plan that actually executes on the outcomes that you want, and that all needs to happen before you sign.

Erik Averill ([05:40](https://www.rev.com/transcript-editor/Edit?token=Qq12qq07Xq4ZZgagjWTEtnv9e_Pmo7cPqd_BNLzyj_Q7bTKiwrjcGhxaGbc3KHZMEL0RiWcFe9_eBmStyNhEwIYOdpE&loadFrom=DocumentDeeplink&ts=340.31)):

For two reasons I love what you're saying, because for the 15 years we've been doing this, and literally the same answer that my parents gave when I was 17 years old and I had scouts in my house and they said, "hey what do you want for Erik"?

Travis Chick ([05:40](https://www.rev.com/transcript-editor/Edit?token=72TH83RQGxLfj6htcHeC5wmoW4rr-i95OxtHwuu_farjC9N66PB_n1CEzsi0yNKXB2k5x5DyYZGhhE2NAjBcoCTKKLg&loadFrom=DocumentDeeplink&ts=340.31)):

Yeah.

Erik Averill ([05:54](https://www.rev.com/transcript-editor/Edit?token=OQuXZ5tfU6GJ7bxrSLQEe2-JYMfgTKujDez-8FSVs1KkRMbna2OzZfnplM-jQ6_W40cIHEPkq0i7iti4iae-g5YH54k&loadFrom=DocumentDeeplink&ts=354.96)):

It's, hey, if he signs, I just want to know he's going to be okay.

Travis Chick ([05:54](https://www.rev.com/transcript-editor/Edit?token=LnoDBOBk2o4uhCoTYGqeS3CpU-6cupPARRAkwJBWc7Crxjlj-tbScu-VWaeCeWVkT1_YZ9eENU0-zli6pIFciEKkUBM&loadFrom=DocumentDeeplink&ts=354.96)):

Right.

Erik Averill ([05:58](https://www.rev.com/transcript-editor/Edit?token=Rvh5BTunTJVC-NaxTVddI1YNHq_Xkc5l99UAcl8F9SEl5wLFG-QAtmIRmwimtUSHRg00rmkAUca2WC5M7eD_OZa-AI0&loadFrom=DocumentDeeplink&ts=358.21)):

I don't want him to blow his money. The built-in assumption there is Erik is not equipped to handle this amount of money, whether it's a hundred bucks or, or $5 million dollars.

Travis Chick ([06:10](https://www.rev.com/transcript-editor/Edit?token=eWOx_XLEk-iyQlwHACfFksf3UILuKNT1IqZXLlRU4F9a-vwqhscMYfXlVeItlzp1OI7w79AEhrTXdJU6ykb25KuIZJQ&loadFrom=DocumentDeeplink&ts=370.07)):

Yeah.

Erik Averill ([06:10](https://www.rev.com/transcript-editor/Edit?token=K0MD-C0e8I03dloUIkJDH0M8QxFBeMNfrNRcXwRhXUdwljk9y5du2pLFWM65RTl8QROfxENmZFyv75cLYsL44SRzSeQ&loadFrom=DocumentDeeplink&ts=370.32)):

Because I'm 18 or 21 years old. I haven't developed really the knowledge. I absolutely don't have the skillset on how to manage money, right? I don't have the discipline to build in good money habits, and so mom and dad listening to this, or even a player, if your goal is to make sure that you make good decisions with this money, can you answer whether or not you have that knowledge, skill set and discipline? If the answer is no, that means we have a lot of work to do that has nothing to do with investing the money.

Travis Chick ([06:42](https://www.rev.com/transcript-editor/Edit?token=VfQYGYie4ekIxikGsJ-m38uHj3KzaRPuGGCn6uFfxDDMKhP78n6w1052MXsXxurgAQPNoZ9XMGZ1nmp84U6KhZQlA94&loadFrom=DocumentDeeplink&ts=402.32)):

Absolutely. One thing, and this goes true with everybody, right? I hear it from retirees all the time. Well hey, once I get a million dollars in the bank I'm going to retire, or draft pick, well hey my number is a million dollars, and a million dollars is a nice round number that everybody kind of settles on. But what if you're the best pitcher in the country that signed to go to, and I'm just going to randomly pick a school, Vanderbilt.

Erik Averill ([07:06](https://www.rev.com/transcript-editor/Edit?token=hjv6hClSela0KRo38eSPhOPmbMIOfOr-Jc5r0H3Ux-e0g5kc06vaTb2QqgJiQRHSbPWEw6sjeV1xImm6x1iuQftElHQ&loadFrom=DocumentDeeplink&ts=426.87)):

Right.

Travis Chick ([07:07](https://www.rev.com/transcript-editor/Edit?token=3P-1yOiduQte4SwqiI0uBBfl2Jn06szkVXDEimY9Mban-yBb59tw7z51ram6UAsrLbxyvS4DkkdolnqbdHVE05t5e6U&loadFrom=DocumentDeeplink&ts=427.13)):

I know that I want to get a law degree, and I know that I want to be some specialty type of lawyer if baseball doesn't work out. What is the present value of that law degree from Vanderbilt, or wherever, right?

Erik Averill ([07:20](https://www.rev.com/transcript-editor/Edit?token=6_PCxTD8T3Ec2IKqm6CcNqSnSl6uugHrefVHm_I_becKYxQXRY73j3aHtei9Qynv57MuzjsZwAhvW2Zf_SSuTDp8hGI&loadFrom=DocumentDeeplink&ts=440.56)):

Right.

Travis Chick ([07:21](https://www.rev.com/transcript-editor/Edit?token=I0yJwd2oR2L-SuMxx4-CKDDSZQUZM0xbx0ldPgBFELS8wPGXhNCiIxqrt2UZLHcWBojpOyvpQ6CjXKyKCUgoBUrh8Ho&loadFrom=DocumentDeeplink&ts=441.49)):

Just throwing a number at the wall and hoping that it sticks is, it's not a good financial plan.

Erik Averill ([07:27](https://www.rev.com/transcript-editor/Edit?token=rn9vGC2Jkv1iEU7hb5n8RyZw0oGNgNxA7j6uJL0Pizdnj23JNiiVtYPyRtPXYkG5MyroLZ3_9s_c0d5BRj7U5hLn9j8&loadFrom=DocumentDeeplink&ts=447.49)):

Right.

Travis Chick ([07:27](https://www.rev.com/transcript-editor/Edit?token=JHZ8_ex5G-dw9Ey_HIhVDf-hrHdbJdwrOqbeia_jQWwPx5Dwf2NiA84SPCpPxasiXfYrL4dEtdibFMpiH6WddCBTIAk&loadFrom=DocumentDeeplink&ts=447.87)):

Because it doesn't really take into account, what we talk a lot about is your human capital. Yes, you can throw a baseball really hard, or hit a baseball really far, or you're one of the best in the country at hitting a curve ball, or you're one of the fastest runners, whatever, pick a pick a skillset, right? But you also may have some human capital inside your brain that you can unlock and make a lot of money that way.

Erik Averill ([07:50](https://www.rev.com/transcript-editor/Edit?token=xDNEuG58vIgm6VGzSi93QZUsxznuua_tamSXREHRoWYVZepKbqkloE_nBBv7FwkwCEs__Z8PncsDTQOuqcRyYPKSsro&loadFrom=DocumentDeeplink&ts=470.23)):

Yeah.

Travis Chick ([07:51](https://www.rev.com/transcript-editor/Edit?token=Pv2FbaPWf7p11d3Q6x4bsoMZW2rOQHsl1Pei95BU8-R9AOLzuHi-EgRGJdL_TxbBk1X0l0KT5hrrxToURIQvvDR4kY4&loadFrom=DocumentDeeplink&ts=471.82)):

That should be valued into the conversation I think too.

Erik Averill ([07:54](https://www.rev.com/transcript-editor/Edit?token=BzjYCXaz5ACqbWJluJQzln_AWxK-ROHWoeg90ORAN32qCi0SLZp-oWcW-O6PZiRhaAqxFHeDV8V8t9XalH2MMv-YTlQ&loadFrom=DocumentDeeplink&ts=474.31)):

Yeah. One thing that I want to get your thoughts on is, let's talk about the other big statements or questions that surround this conversation. Hey, you don't need a financial advisor before the draft, so hopefully we've talked about why, just on face value, that doesn't make sense. You're making the most important financial decision. There's already a recognition, you don't have the knowledge and the skills on how to do that. But then all of a sudden my agent tells me, hey Travis, I don't want you to hire a financial advisor because that signals to professional baseball that you only want to sign in, you're not going to go to college.

Travis Chick ([08:31](https://www.rev.com/transcript-editor/Edit?token=lCtP39KtXVIqZVjUs1iNSvD1yaASB-jV7J5ADA1ey9wNMdIvsC1R2GxFlmikn8QWfKDFYtvrg5KszU3AN4LjWC4jKcw&loadFrom=DocumentDeeplink&ts=511.14)):

Yeah. That's just a terrible idea for two reasons, number one, and I've had multiple discussions with scouts-

Erik Averill ([08:41](https://www.rev.com/transcript-editor/Edit?token=qK0EUb8S63niteTbDWpfSmIxFEO9BeKBzR20HMkEwuhzK67--jfsvbMXnSu0VEjAz0RDR8HN90_qPTzAiZV2UM-xr-c&loadFrom=DocumentDeeplink&ts=521.92)):

I love that she reached out to scouts and asked him this.

Travis Chick ([08:44](https://www.rev.com/transcript-editor/Edit?token=GlsrFYltkMGfcE60cKdL067yPZ912EEqfJKnWZjbDp5l7wzBreXQFnz7ECqQvdIG5gYR8fxF_0rcm5wsCinhYuf80-4&loadFrom=DocumentDeeplink&ts=524.12)):

I heard, then I went straight to scouts and went straight to scouting directors. Most of the scouts and scouting directors actually said that they want to know that somebody is actually wants to be a professional athlete. Now that's not going to impact how much they're ultimately going to sign for, because guess what, if all the teams know that you want to be a professional athlete, what is that going to do? It's going to make that next person want to draft you. On its face, that's bad information.

Erik Averill ([09:10](https://www.rev.com/transcript-editor/Edit?token=9rFzO65x3wNcPmK1c8LwGJgBC60bRegPfq52HKjXzBXptOfYTLZaXtMivhJSoNSdYMluWUZ_Z84b84FuzgLYNq0yL44&loadFrom=DocumentDeeplink&ts=550.24)):

I kind of crack up about it because, you're worried about having a meeting with a financial person indicating-

Travis Chick ([09:16](https://www.rev.com/transcript-editor/Edit?token=KcXUi9I-7_v8sRBuoD5_dYAcxI6RveH4pAm4tWtGP7yT0UsIiUt0JcC_ve5oKAg-hWIQx1X096TauK5UWp1EBujqmkk&loadFrom=DocumentDeeplink&ts=556.82)):

After you've hired an agent.

Erik Averill ([09:17](https://www.rev.com/transcript-editor/Edit?token=z_NHNHxg-3kpo7e3vaEE-wJqBGpToy2PxrU7Jf4nEVLgU66qe8gL5ExflDZvv6OuF8QOQWolRSW0vXF_0TQyHMjrlj8&loadFrom=DocumentDeeplink&ts=557.86)):

You've hired somebody whose specific job is to negotiate-

Travis Chick ([09:21](https://www.rev.com/transcript-editor/Edit?token=s9XfArQhv_GHrnShUysMdzzOCb8j00LP0t3BB_QsM7NOwZov1CKnLvEPmm21wy34rd0PXP1unNebjh3ztWQRc3_7fGw&loadFrom=DocumentDeeplink&ts=561.4)):

Negotiate your professional-

Erik Averill ([09:21](https://www.rev.com/transcript-editor/Edit?token=jH7ZXRPxmn0rVs04L6bniRjSM8fDBYdcHXp0h6ML5dl4C-6TM1o9aYm6shSagClc1nXHbgic_VCxdp5d1OOB3ksyM90&loadFrom=DocumentDeeplink&ts=561.64)):

On your behalf with a professional team. I think they got the indication that it might be an option for you to sign a professional contract.

Travis Chick ([09:28](https://www.rev.com/transcript-editor/Edit?token=yH02Fw5AmVGIbnsJJY6PQAt76g1ScRGiYR7DwCWEZ9dmKK8b6Q8YkAKWfeDVFCtQgfQQYVra2z-4dEsg1J9QK-UBeXU&loadFrom=DocumentDeeplink&ts=568.99)):

Yeah, for sure. The other side too that I think is detrimental there is, and I'm going to give the agents the benefit of the doubt, the reason that they say that and I'm hoping that this is the case, is that they've seen a lot of athletes make some really poor choices in who they select.

Erik Averill ([09:42](https://www.rev.com/transcript-editor/Edit?token=yXmxcFQtu-1CVUtBtFULk1AZIZA_oefWbvTd44QKlRiMBDsG6L_N-kwTDTHhFgKBqg1gsMjFOn0ntRfMymBngAnMfBA&loadFrom=DocumentDeeplink&ts=582.29)):

100%.

Travis Chick ([09:43](https://www.rev.com/transcript-editor/Edit?token=YF3yJbHjEYcvTLD--5YGF3iDI3ozAeBMeqqKB-8N7k5C9E_r2NZ96pBdQyf-2a_b-5YDFQTgjQ5E6vEEC5Ri-TFVENQ&loadFrom=DocumentDeeplink&ts=583.48)):

If they know that, hey you're just going to pick your average Joe Blow broker, Merrill Lynch, Morgan Stanley, pick a guy that's your family advisor. They know that that person probably doesn't have the dialed in expertise in baseball to be able to help add value to your situation. When I think through the decision tree, right? I want to make sure number one, the person that I hire, whether it's my agent, my financial advisor, my yard boy, it doesn't matter. I want to make sure that that person is an expert in their field.

In our field, we can start pulling down that decision tree of hey there's 300,000 financial advisors in the United States, or that say they're financial advisors. How do I start whittling down to make sure that I'm selecting that pool of advisors to choose from? Number one is a certified financial planner designation. That's an absolute necessity. If they don't have at least that, send them down the road, right? There's a ways that we can start going down from there, but that's at least the minimum says, hey this guy's an expert in his industry.

Erik Averill ([10:42](https://www.rev.com/transcript-editor/Edit?token=JiJ8_dEUz5JNpyK-lLqqcm1J_-TfgcidH6wFXlQY5GHl6p1CM_8cGbrMGJ_PBZVUYxKftxJeLLiCUEllA336cVpNXBs&loadFrom=DocumentDeeplink&ts=642.52)):

Yeah, and we see this all the time. The way to not choose somebody to ask about financial expertise is, is this person just a former big leaguer who's giving you hitting lessons?

Travis Chick ([10:53](https://www.rev.com/transcript-editor/Edit?token=ejbpDBFiI6MfKKMrAw24ciJ0RkFGV99eprIVFxmfLUnYmiiu5PP0QOQeM_gXb6Rrwp6aPVKsS4tznvy35YiDsBIAMAA&loadFrom=DocumentDeeplink&ts=653.75)):

Yeah.

Erik Averill ([10:53](https://www.rev.com/transcript-editor/Edit?token=t2pYWFxAj01I0xNLAnFPwus-TnFXNtSkE3ph0K0qgDKQ9yiMA7oVFf8937g8vgH2xMZo7pbeUK4DspVcBifw-g9Y0i4&loadFrom=DocumentDeeplink&ts=653.95)):

Because if he's got time on the side to give you some hitting lessons and he's not certified financial planner?

Travis Chick ([10:59](https://www.rev.com/transcript-editor/Edit?token=HEZ5aVamnUQmUh8O7c569TAFgNGpNr7lW6B9Oh8zl308_yjf4oqhGq66MtiOfSJwDSANiri6c9r2rAVXd52OGfQM8Yo&loadFrom=DocumentDeeplink&ts=659.04)):

Right.

Erik Averill ([10:59](https://www.rev.com/transcript-editor/Edit?token=kstXoC4TOtFq9FXkXcNJ_v0VElpxw4-OMI4fZEwXSMHHSqkZgLg1F31KlWX_go18CH-YkxyEne-E6WUr8d0zan9tx9w&loadFrom=DocumentDeeplink&ts=659.33)):

He's probably just a broker at a company that has their own products to sell you something, right?

Travis Chick ([11:05](https://www.rev.com/transcript-editor/Edit?token=VqAxk1yRUDOAZkz8q6AVUD-IE1uL4QIkzoh4prj3eKloHsXWUIQ0Z43yPqTVdlacOQJorOh8i5DjFhHuifHvppHPeVU&loadFrom=DocumentDeeplink&ts=665.46)):

Yep.

Erik Averill ([11:06](https://www.rev.com/transcript-editor/Edit?token=MJvLQR5JO-j4-q38jnU5Q6mrpn6LV4BbZmvNGPPMFvpYs5uYJjjLYH3yelxoWTHVpb8Mcfb9l1z1WPaGipPJo2e0h4g&loadFrom=DocumentDeeplink&ts=666.19)):

I think beyond the certified financial planner, are they there just to provide advice or do they actually work? Are they a registered representative somewhere that's trying to sell you things, and you're right, you shouldn't talk to those people because guess what they sell? Investments.

Travis Chick ([11:22](https://www.rev.com/transcript-editor/Edit?token=WeSHHJmmYopvl9mEqCtZYYvU--JwgxeaveonAq87_fGZ_aqCpPlJknHtiApwO-OQR0eS1NqgTlDTvcdGv4q_rJUPTBQ&loadFrom=DocumentDeeplink&ts=682.01)):

Yeah.

Erik Averill ([11:23](https://www.rev.com/transcript-editor/Edit?token=2MWnY4jZHkPr-M11W_T3kpFmNPbnt04IRhRkoDTNViq3vMwNx4vLnLnJY1M-3284O0iR2Es3WSp1mXAGDMnIR6kJdDI&loadFrom=DocumentDeeplink&ts=683.44)):

Proprietary investments with conflicts of interest, and so I think your advice is super important is, what we're saying is, yeah don't go meet with just any financial advisor, meet with a qualified, certified financial planner that you know is going to help you navigate this decision with information that's in your best interest.

Travis Chick ([11:41](https://www.rev.com/transcript-editor/Edit?token=n1pMACZy2XeqJgPiOPMcRXYx0hF-hhemu6Vk9g34DccvZ5nVbkgOcWM2Zdzyhv6aP1vYk4FhbX539ERmmVIJ4SRqgq4&loadFrom=DocumentDeeplink&ts=701.88)):

Well and that leads to the next part of the decision tree, right? At least I know now that I've narrowed it down to experts in their field, but I'm a professional athlete now. I need to find an expert in my field. I need to know somebody that's, I need to have an expert in their field that actually understands all of the tax complexity that I'm about to go through as a draft pick, I'm going through as a minor leaguer, or I will go through as a big leaguer, right?

I need somebody that understands how to project out what a contract valuation is going to be. I need somebody to project out and plan for, do I need to make an individual or a Roth IRA contribution this year or next year, or what is that going to impact me in the future? It's not good enough to just have a CFP. It has to be a CFP that actually understands your niche, and understands what you're going to go through.

Erik Averill ([12:34](https://www.rev.com/transcript-editor/Edit?token=AaZkYRU5I19qRNhuBwHzwG-Jbb3i39EaQTn5aTHM3eN5mGAplHxivhXC9lXnarjNW6WP4FZ8dtdgE3q3mhJnpx0WCGM&loadFrom=DocumentDeeplink&ts=754.4)):

I was going to say it goes back to the beginning of the conversation, of having a robust definition of, an expectation of a financial advisor should be that they should be able to provide advice on all your finances, not just on the public traded investment portfolio that their company happens to see, because you don't need that person before the draft. You need the person who's saying, hey I'm going to manage your entire net worth.

Travis Chick ([13:01](https://www.rev.com/transcript-editor/Edit?token=PhYnVbGj7pdV6zPxQpeI0hI9EPYBKVir2XJM7meGg28inrXBWl8cmGPrM3RAHnz1q1mtv49lwrgjRtJwu2wZpMwXc4A&loadFrom=DocumentDeeplink&ts=781.05)):

Right.

Erik Averill ([13:01](https://www.rev.com/transcript-editor/Edit?token=eq9AGovO2zrHajgntX6l8jwJzguXODhBAqY1g1B73z0V9-Nf14iLFadmKXmbCuSIUAB5-cowKAVwGh9muxsWq8wf1o4&loadFrom=DocumentDeeplink&ts=781.32)):

Something called a family office, right?

Travis Chick ([13:02](https://www.rev.com/transcript-editor/Edit?token=H09zXL9cZ4VmRve6N40ogTnEIAvy4LqJI1D4eNnCszXcbgnWQ0ktTX4XxHDA7DDbnPBTPp7mxiuP0DISixKz7-2Ipu8&loadFrom=DocumentDeeplink&ts=782.64)):

Right.

Erik Averill ([13:03](https://www.rev.com/transcript-editor/Edit?token=UTO6UdxoT7qH3oFvvpdq-SFEx146kGHQJ5hep2WrTBuaPtizGoLpxMsZ29oRYwW1nzkQhLDVCODNCTSQaw31rr87A_g&loadFrom=DocumentDeeplink&ts=783)):

That a lot of times, most financial advisors are actually limited, and we have a whole podcast about that. We have a whole resource. You guys are probably already familiar, and if you're not, we've written a book called Paid, which is all about maximizing your signing bonus, minimizing the amount of tax that you pay and winning the money game. It breaks down who's qualified, what are the unique needs you have as a professional athlete? You should definitely check that out, and so just being sensitive to time Trav, if you could put a bow on this conversation, maybe also talk about how important building rapport and trust and due diligence is and why waiting until after the contract has already been signed, really can put you at a disadvantage if you haven't done that pre-work.

Travis Chick ([13:54](https://www.rev.com/transcript-editor/Edit?token=_ADrYZMrdHNB-K35mhDP-B9Cr6L7IhhDAgpbcBxgb-nL09ZgH5sTLcyv2of-pegAPwZQp7kgbJmw2MzDElnyjN14Irg&loadFrom=DocumentDeeplink&ts=834.55)):

Yeah. This is a relationship business, so there has to be a trust factor, number one. But so often we see this emotional decision and there's this time crunch and COVID was a unique year, but every year is a unique year, right?

Erik Averill ([13:54](https://www.rev.com/transcript-editor/Edit?token=flp-wmx9nBCDOcKFZ8SJx3jzFTljrwUiCRn15qoCUrZI8FFxPU3_WA8RG2p0eYf3zV5JWdVI8gO4KeYHcI0D-IrJG54&loadFrom=DocumentDeeplink&ts=834.55)):

Yeah.

Travis Chick ([14:08](https://www.rev.com/transcript-editor/Edit?token=09XRHV_QKpsOmLDElZRc5s1kN0Ioi2xdMZ85_U5wjuFUxaZ61pthPx92LPzPerjBdWEmHno2mIIno3fHTaUcqY0-zUI&loadFrom=DocumentDeeplink&ts=848.98)):

Everybody wants to use COVID as this excuse to say, hey you know, I can't get in front of somebody, or I can't meet with somebody. Well we've figured out ways to cope with that, right?

But the reality is you don't want to make an emotional decision and narrow that focus. You don't want to narrow that selection process. The other part too, is there are, as we've discussed in earlier podcasts and things like this, there are time limitations on when you should actually start making really good financial planning techniques and strategies, right? We're coming up on one, December 31st. That's a really important date to be able to maximize and plan for your future, and if you're waiting till, you know some of the kids weren't getting home until October or November, what is that interview process like?

When you selected your agent, was it that you sat down and you hired the first one that you met with? Maybe, maybe it was a good one, but maybe not.

Erik Averill ([15:03](https://www.rev.com/transcript-editor/Edit?token=T0Ln2R-PPKoLmL2PCIxcs0oxfTaciRQx3gECqjIUWAzqLo5-uHsdbjuEw9WzNv50Y9e-T8TkIs4TIJAfOCOqyACSVr0&loadFrom=DocumentDeeplink&ts=903.52)):

I think you bring a really good point there because we really do value sports agents, right?

Travis Chick ([15:10](https://www.rev.com/transcript-editor/Edit?token=1JoS5GgeNn3u-NsjDd5WXGlN7JVWZh6roy9SvSNLGSqrcsDViYJRJYDmniADHboGJdV86zkFMcveBGCwas2PECF3g2Y&loadFrom=DocumentDeeplink&ts=910.19)):

Absolutely.

Erik Averill ([15:10](https://www.rev.com/transcript-editor/Edit?token=k7uBHSpv1uxx8o7LIJbv82BGVIVZjECSEZahtXbfy8AOuQscFaPpfGq65V9ksICRR00XLVnzLSJRX5fn14yOVDvpxQA&loadFrom=DocumentDeeplink&ts=910.28)):

We've seen some of them do incredible work for our clients and there are some very good ones, and most players take their time, right?

Travis Chick ([15:18](https://www.rev.com/transcript-editor/Edit?token=NaZMyvSIiQJ9X9AUQ1Y6YGCXraVlcPZstfE3aYnPXaZW0FLK2I34i19g8Rl-aP1WlMNY84nn8QFdNDz68catOGvqxG4&loadFrom=DocumentDeeplink&ts=918)):

No doubt.

Erik Averill ([15:18](https://www.rev.com/transcript-editor/Edit?token=ODG5Rek58Bf-8W6EjuCDJPlk2vq4_JoZ_RFb6vBAsWJlkLIxpvHkScEZ0MeIqMf8j9q031SKSoRrSX2jWv3RLUcAwjY&loadFrom=DocumentDeeplink&ts=918.17)):

They get to know them, they interview multiple companies, because they're trying to figure out who's the best fit.

Travis Chick ([15:23](https://www.rev.com/transcript-editor/Edit?token=rfrQm_z55hDPwoqiRJl4tl7Mf6xA8pzSIqCEtimHd_vmuaQDHW2lwoZT52fJktnXE7PpmIpRXItVNpzPSSDse5nIurc&loadFrom=DocumentDeeplink&ts=923.14)):

Sure.

Erik Averill ([15:23](https://www.rev.com/transcript-editor/Edit?token=VleT5RN_AIaww_Z0V4Psc3FFf8EFimsTAt6a_VJ4qYQbiCZN4lULSm4bml4XzK69p7g-g40DEAkIgHUAMaF_m3vel_s&loadFrom=DocumentDeeplink&ts=923.57)):

All we're saying is, here's the really interesting thing, agents, their involvement with you as the player, or your son, it only exists as long as your baseball career is.

Travis Chick ([15:35](https://www.rev.com/transcript-editor/Edit?token=AY0y_TPTKP99JctudXUthfUzsIdHVS6_Gp1y20Zb7a5U7t9wb3GVW2hGFSSeQutIQ2uB_UFIoT1k0Qy-ks4uTwS8h2Y&loadFrom=DocumentDeeplink&ts=935.94)):

Right.

Erik Averill ([15:36](https://www.rev.com/transcript-editor/Edit?token=DW1c1UScgo769D1M1uCwou3CeiQGFGmW4I__7loz3JHgV7KHfpoVvZi1ZVWVoEP2DZ72Fj53PS8YL73YYciDHnJ2i8Q&loadFrom=DocumentDeeplink&ts=936.16)):

Which if you're a hall of famer, that might be 15 years, right?

Travis Chick ([15:39](https://www.rev.com/transcript-editor/Edit?token=yn6QteFP1JXvCOaI1Ub8Wb7dhmRN8dqVIcrBx3IDlqo5D1wzh9QjSVKIGyS4B56b4bZeraVK5MkQDbMf3rYXybR_Fk4&loadFrom=DocumentDeeplink&ts=939.42)):

Yep.

Erik Averill ([15:40](https://www.rev.com/transcript-editor/Edit?token=P4LWtX0RVYaHtnUoGn5eyHmedk31Cu8Hc5lytbFbVAT7uzapj-f2Ov4s_o0Oh6hHyfoILHuFwh_CmyYY9Pau4S_Xr-Y&loadFrom=DocumentDeeplink&ts=940.17)):

How long is your money important for, the rest of your life? I think-

Travis Chick ([15:43](https://www.rev.com/transcript-editor/Edit?token=w_31hT0x5YhR_CX2Trg1dlvyZeRLJ5IwbwTRVDqQBomKvS4DrrfXtsfF-5QCTxkPiqJ5tE7ouvZH9KhCxlf6YgYH3yc&loadFrom=DocumentDeeplink&ts=943.98)):

As long as you have it.

Erik Averill ([15:45](https://www.rev.com/transcript-editor/Edit?token=cP1N1x8WDsxZLF4XKEZ7oKn9RlBfS2NmbZ4w3gvDnlf8q9t8STvsnitKVS24wX53mp-ctsx0ZMTN6Nc_bZlNfGdu43w&loadFrom=DocumentDeeplink&ts=945.9)):

Exactly, and so instead of being reactive to who you're going to turn your money over to, it's this proactiveness to say, who's really my partner in helping me have a successful, not only career, but post life and so that's one of the things I love of our experience here is we've helped guide the first overall pick, right?

Travis Chick ([15:45](https://www.rev.com/transcript-editor/Edit?token=I_e2JgwbxdEFWqiIwtySuL-pPQDOcpmlh-k1FdnaXWCSm1LS6oXE_G23z5MuxuWwO3iJ3swdGRhr6YGW3m3fCF4ptlM&loadFrom=DocumentDeeplink&ts=945.9)):

Yep.

Erik Averill ([16:05](https://www.rev.com/transcript-editor/Edit?token=1WE2uSiOWT5isKMHIeINc1XjodxwRzn4_h-G78SKBRGa9PS4JOZc_6uuyOCrrgyRfw95qerCTSXrm5ZOaisDI9dU354&loadFrom=DocumentDeeplink&ts=965.4)):

From tax projection, planning, XYZ to the guy in arbitration, to the multiple clients who signed these massive long-term deals.

Travis Chick ([16:12](https://www.rev.com/transcript-editor/Edit?token=5VS04XXyiGVx3-usz4wXFDiWvVwXzpD0Dy0AGaiABCRhX_QSlbVZKstfTUvArJGaV_o4nRZcVIGL7z8tLy3TmNy1eMU&loadFrom=DocumentDeeplink&ts=972.61)):

Right.

Erik Averill ([16:12](https://www.rev.com/transcript-editor/Edit?token=QauPYIZD4MBywCeVWAqPxW4IJVglcZ5uUR2LcsE6EgnoI_G5DnHY8BueIDD7X4SXz32pxYZHGJ9ngixqFvmqg7QYxno&loadFrom=DocumentDeeplink&ts=972.96)):

But some of my favorite stories, we have these clients that we're helping go through the MLB pension right now.

Travis Chick ([16:12](https://www.rev.com/transcript-editor/Edit?token=xn-QimzHyy45Kq_TDtv1o5fTGZvToc9QMtPRCcpsdP2PaVF8kOT5-0yGhwMa00nELc97DzRSspKl2Ob33DAaCdjhOi0&loadFrom=DocumentDeeplink&ts=972.96)):

Yep.

Erik Averill ([16:19](https://www.rev.com/transcript-editor/Edit?token=jJKQhBPs30BLjZVC_8OwCcAum0pFdladnw4Gf6I0ZWWt1domINtX8vpE_O-vWexzqyIFmCV2rXDFx62HaAiR3QbtYjs&loadFrom=DocumentDeeplink&ts=979.24)):

That means that they have to be 62 years old, right? To be collecting on that, we're helping them navigate it so it's from literally a year before the draft, all the way to our clients that are collecting on their pension, so we have this full picture about how to plan for the major league baseball player.

Travis Chick ([16:37](https://www.rev.com/transcript-editor/Edit?token=65J18DLn2T8_wp2PCuXoN5G7cCMZtqG7xISQj7SzEglE0WUbBTrrQVLbzheBoX5JLrfpMjsIxigFsAFZ_DEZHKfIrtA&loadFrom=DocumentDeeplink&ts=997.88)):

Right.

Erik Averill ([16:38](https://www.rev.com/transcript-editor/Edit?token=zLR36kBuHhKLqHKKCoJaPZFn3rL74XgS-Z_b0Dqvdht4vJGCPdnmq6UbJ-F07pzMEC_2qYLTm0uadbwUKo8-Kvt9bbY&loadFrom=DocumentDeeplink&ts=998.85)):

We appreciate your guys' attention, obviously you can tell how passionate we are about helping you guys make the right decisions, having the right education, and so make sure that you head over to MLBdraftpodcast.com. There you can get all the links that we talked about in the show notes, access to the book, and until next time stay humble, stay hungry and always be a pro.