



Bridge Portfolio

Chad Meyer '01
Founder and CEO of BridgePortfolio.com

By Rajesh Krishnan

When the founder remembers his first quarter's revenue down to the penny, you know you are dealing with an entrepreneur who pays attention to the details. That describes Chad Meyer '01, the founder and CEO of BridgePortfolio.com, Inc., or BridgePortfolio for short.

"\$1,633.24" was his answer to what might be a trivia question someday -- "What was BridgePortfolio's first quarter revenue?" Founder Chad Meyer spoke with the Phoenix at BridgePortfolio's headquarters on La Salle St. in

Chicago. Conceived and started at Chicago GSB, BridgePortfolio helps investment advisors manage client assets more efficiently while freeing up time for providing advice.

By taking back-end administration chores away from advisors, it allows them to help clients with investment decisions which are then executed and tracked via BridgePortfolio. Those chores include performance reporting and trade execution. This allows advisors to focus on advising, and reduce the amount of minimum assets which make for a profitable account since low value-add services are handled more efficiently by BridgePortfolio for a large client base than by individual advisors. "You have accounts that aren't generating much revenue, you send them to us, run this neat modeling tool, and we can run trades in an efficient manner. You're happy because client is getting your investment management expertise," says Meyer. That was the theory when Meyer was a student in the Class of 2001 -- whether it would stand the light of day was the question.

Meyer -- a serial entrepreneur prior to the GSB -- didn't enter school intending to start up another business. At least not right away. When one of his classmates, Thury Foster was persistent about an idea for helping investment advisers scale better, Chad listened. The rest became history. "We went to WestQuest, saw some of the start-up opportunities and talked to the VCs who were there, getting a better appreciation for the process. It was a good learning experience." WestQuest, a GSB student trip out to California, was in its infancy as well in 1999, prior to the 200-student Y2K WestQuest bringing more students to the Bay Area than Banking Week brought to New York. Before long, BridgePortfolio was well-formed in concept, only needing investors and customers to launch it. That came at another event - TIE (The Indus Entrepreneurs) -- which brought Chad in contact with his first investor. After the first check was written, the idea had to move from concept to reality.

BridgePortfolio's unique software value proposition came to life in early 2000, when Chad and the other BridgePortfolio.com founders worked with contract developers in Chicago to put together a prototype based on concepts and designs aimed at the emerging world wide web. By making it easy for investment advisors and masking any complexity, BridgePortfolio.com was able to put together a powerful value proposition that would let advisors easily add their clients to the BridgePortfolio system while using custom reporting to maintain their face to their client. Advisors keep the best of what they like, while outsourcing the execution to BridgePortfolio. The advisor easily enters a client into BridgePortfolio's system and associates her with a model. Advisors make changes to the model, and the necessary trades are executed by BridgePortfolio across all the clients, regardless of the particulars of where their account is held. Suddenly advisors focus on advising and understanding their clients instead of wrestling with multiple back-end systems. BridgePortfolio even handles performance reporting for its clients, taking another administrative chore away from its clients while adding a service that BridgePortfolio clients can use to enhance service to their investor clients. One client even became an employee after becoming enamored with the promise of BridgePortfolio.

Recently, BridgePortfolio hit a major milestone - \$1 billion under management in 2006. Of course, there were growing pains - including staffing and finding early clients. GSBers have been helpful in the early days as advisors and later, including as hires after the founding. Meyer keeps in touch with GSB professors and staff - even the ones who advised against the founding. BridgePortfolio started seeking clients by getting a directory of investment advisors and dialing for dollars. Part of the attraction was offering an early and complete online sign-up. BridgePortfolio would take care of opening a custodial account behind the scenes for clients at their preferred custodian.

In the future, BridgePortfolio plans to grow its services and size. Assets under management growth continues offer more sophisticated services as their clients demand more and become larger. "Financial services was last to the ASP party" says Meyer, referring to application service providers offering software services through hosted platforms. BridgePortfolio will be sure to greet the latecomers to the party.