

# THE BAG LADY OF BAY STREET™



Sandra Pierce, The Bag Lady of Bay Street™.



**You're out for the evening with a few of your friends. Well into your second glass of wine and having caught up on what's happening at work and with the kids, the conversation turns to more intimate things.**

In a discreetly hushed tone, your best friend confides that she feels like a fraud. Despite all appearances — a home and a cottage, success in her career and a high-income earning husband, she can't shake the sense that somehow it's not "real". She fears that it could all be gone in a heartbeat.

Your friend may be suffering from "bag-lady syndrome" — a fear that financial security can disappear all too easily, leaving you impoverished, destitute and living a life very different than the one you've come to know.

This week we spoke with Sandra Pierce about midlife crisis, money and why Bag Lady Syndrome isn't such an irrational fear. Sandra is an investment advisor with Blackmont Capital but these days she's more often known as The Bag Lady of Bay Street™. From humble beginnings in Gananoque, Ontario, Sandra started in the financial services industry 24 years ago. Focused and hardworking, she quickly rose through the ranks. Yet despite her success, she couldn't shake a nagging sense that something wasn't quite right.

## **The Bag Lady Syndrome...**

"Fifteen years ago I was doing really well but I kept having all kinds of insecurities and doubts. I happened to catch an interview with Sherry Lansing, former CEO of Paramount Pictures.

"She described a recurring nightmare where, having lost everything, she was living on the streets wearing cast off clothing. In the dream she saw her ex-husband drive by in a Rolls Royce with a glamorous blonde at his side. Despite her obvious wealth and success, she was afraid of ending up as a bag lady.

"A light bulb went off. This fear of losing it all and having nothing left as I aged was what I'd been grappling with. I spent the next several months researching the bag-lady syndrome."

Bag-lady syndrome is a real fear that haunts many women regardless of their station in life. Celebrities including Lily Tomlin, Katie Couric, and Gloria Steinem have admitted to fearing there won't be enough money in retirement to maintain the lifestyle they now know.

Sandra's quick to point out that it's not such an irrational fear.

"First of all, women outlive their husbands. If he's been the primary wage earner, that can be a problem."

## **Why we need to be concerned...**

Can't argue with that — the statistics speak for themselves. 69% of women who marry outlive their husbands. With the average age of widowhood pegged at 56-years-old and the average Canadian woman's life expectancy currently at 81, chances are good that we'll have to learn to fend for ourselves for a good chunk of our lives.

"There are other factors too," Sandra warns. "Women are much more likely to have stepped out of the workforce to stay home with small children. Some never go back and, if and when they do, chances are they're making less money than their male counter-parts."

And then there's divorce. More than one-third of Canadian marriages will end in divorce before the thirtieth anniversary. According to the National Population Health Survey, 43% of women who divorce or separate experience "a substantial decrease in household income".

Looking back, discovering the bag-lady syndrome was a pivotal moment in Sandra's life and career.

Over the next 13 years, Sandra continued her upward career trajectory, dealt with the bag lady demons in her own life and began working with more and more female clients.

## **Midlife crisis strikes...**

But in 2006, Sandra turned 49 and experienced what she describes as a "personal crisis" at the thought of turning 50.

"I couldn't stop asking myself, 'What have I done in my life?'"

"I always felt like life was a three-act play and when you get to 50, it's the start of the final act. I wanted to know that I was doing exactly what I wanted so if I were to die tomorrow, I would be sure I was doing what I was passionate about."

After much soul-searching, Sandra recognized that she had a philanthropic side. "I realized I wanted to make a difference."

But what would that difference look like?

"I asked myself, 'Have I done anything worthwhile in my life that would lend itself to my new-found goal?' I realized that through my work with women and their finances, I give women a voice. Once my clients know they are doing okay financially, they have power. It was an 'Aha' moment."

Sandra's mission in life became clear — to eradicate The Bag Lady Syndrome. So far, she appears to be winning the war on numerous fronts.

"I thought I'd do seminars but quickly found that scheduling groups of busy women can be challenging. So I decided to do seminars one-on-one."

This self-professed purse-aholic reaches out to prospective clients by delivering an exquisite clutch purse, along with a note that reads, "Do you suffer from bag-lady syndrome?" Hence the alias, The Bag Lady of Bay Street™.

Sandra believes strongly in educating her clients. Her strength is in taking complicated information and explaining it in non-technical terms.

"I really despise jargon. I always try to deliver the message simply, in plain language."

## **Why we must plan...**

Do we really need to turn to a financial planner to help us manage our finances?

"People think of sex and money in much the same way. They want to be perceived as an expert at both. But financial planning isn't simple. People have personal trainers to help them stay healthy. They turn to a tour guide when they travel. Or they consult a gardener about what to do with their yard. So why would they think they can plan for their financial future without the help of a professional?

"Most people don't think about planning until they hit 50. It reminds me of the Titanic. If the ship's captain had seen the iceberg coming up in advance, there would have been time to change course. Planning lets you change course before it's too late."

Jill O'Donnell, co-author of The Canadian Retirement Guide, concurs. "Boomers are considering what they want for their own retirement and later years. They still have time to work with their financial advisors to make that possible."

Sandra plans to further channel her philanthropic interests later this year when she launches The Bag Lady Foundation. While the details are still being finalized, Sandra tells us that a key component of the Foundation's mandate will be to develop a program to speak to girls about the importance of earning a living and managing money throughout their lives.

### **Final words...**

I asked Sandra if she had any suggestions for the midlife women reading this newsletter.

When it comes to managing finances, Sandra urged us to "take the first step. Don't be frightened. Look at it as one step at a time."

And on turning 50 and overcoming our own personal crises?

"Forty-nine was a hill but 50 is a gift. First of all, you must celebrate for the entire year.

"And remember that you bring so much knowledge to the table. Realizing that frees you in so many ways. Embrace 50 because it really is exciting."

*N.B. Blackmont Capital Inc. was acquired by Macquarie Group and became Macquarie Private Wealth on February 1st, 2010.*

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