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JIM: I have really been looking forward to today’s guest. We’ve all heard the stories of rags to riches and then back to rags again of many professional athletes. Today’s guest has made the successful transition from a successful NFL career with the Green Bay Packers as a Green Bay Packer Hall of Famer to a successful retirement and so much so that he’s actually helping other athletes prepare for the transition from the NFL to life after football. In reading about what his organization has done, Gamesover.org, where he has helped a lot of athletes create this transition and looking at the tools he had, I saw many parallels with the counseling I do with my own clients. I feel some of the things that he’s going to talk about are things you should be discussing with your advisor to make sure you’re on the road of a successful retirement so joining us today is Packer Hall of Famer Ken Ruettgers who played with the Green Bay Packers from 1985 to 1996 and earned a ring in the 1997 Super Bowl win over the New England Patriots and, just this last summer, was inducted into the Packer Hall of Fame. He’s currently a sociology professor at Central Oregon Community College and, as I mentioned earlier, founded Gamesover.org. Welcome, Ken.

1:19

KEN RUETTGERS: Good to be here with you, Jim.

1:20

JIM: Hey, I’ve really been looking forward to this interview. When I first read about your organization, Gamesover.org, and what you were doing with athletes because I think everybody has seen the horror stories of the riches to rags story of people that made a lot of money in the entertainment business or professional sports and, a few years later, you wonder and you shake your head how can they be broke but we see the same thing as financial advisors as well with everyday citizens. They don’t put that money away for the future. They don’t plan for the future and, all of a sudden, that paycheck is gone. They think they can keep spending money. They haven’t had a plan and, all of a sudden, they find themselves in trouble so, as a past professional player, and I must share with everybody, I’m a Green Bay Packer fan and you played for my favorite team, and this last summer, I think you were inducted in their Hall of Fame, so congratulations for that. What got you interested in helping to counsel players? What prompted all of that?

2:14

KEN RUETTGERS: Well, I got interested in the transition when, as a player, Mike Holmgren brought in a group of transition consultants for active players during the training camp back in the early 90s and it was fascinating to me and I’d always been a guy that my father had imprinted on me that this career is not going to last forever, you’ve got to prepare for the after-career part of your life, and so that was very fascinating to me so I did a lot of hard work on my own for myself and challenges of transition or any type of retirement or transition are challenging but, especially, you know, for a young man who’s been in the spotlight in professional athletics or entertainment or even guys in the military, fire department, police, and the medical fields. I took a job with a publishing company and was enjoying the publishing world, learning new skills or at least revisiting those skills and transitioning that into a different field when I got a call from my father-in-law who lives in Fresno and he told me of the tragedy of a guy that I played next to, a guy named Tom Neville who played for Fresno State and had been visiting down from Alaska and I played with Tom. He was a Packer for about five or six years but also played for Detroit and San Francisco, so he had about an eight or nine year career. He had ended up, he was unemployed, he was married and had a new son about 1-1/2 or 2 years old, living up in Anchorage, looking for a job. He couldn’t find a job, running out of funds, and he had gone down to Fresno and ended up in a very unfortunate position where he was held up. He had broken into an apartment manager’s office and got into a police shootout and, even though he wasn’t armed, he got shot and was killed. A bunch of the offensive linemen who played together in the mid to late 80s for the Packers, we started talking on the phone and we couldn’t believe it and the question was what happened and why did this happen and can it be prevented in the future, and so, as we started talking about it, this whole issue of transition and the challenge of transition came to the forefront and so that’s when I decided to start Gamesover back in 2000.

4:07

JIM: Well, that’s awesome, so what are you doing with Gamesover? What resources do you make available and how’d you come about that? Tell us a little bit about that.

4:15

KEN RUETTGERS: Yeah, mostly, we have a multiple prong approach. One of the things we try to do is bring greater awareness to the challenges of transition to the leagues, sports leagues, and the sports unions, either directly or indirectly through the media. The other thing we try to do is make research and data available to athletes so that they understand, hey, what I’m going through is not unique, it’s very common, and other people have made it. Here are some success stories and I can make it too. A lot of times, that’s what a guy needs, just to kind of get that little nudge to get him over the hump. There will always be guys, Jim, as you know, that no matter what the circumstances are, some people will always make it and, no matter how good or how much resources you give somebody, some people won’t make it but that group, that 80% of the group in the middle is who we’re looking to as far as to impact their lives and help them move on so we’re connecting to maybe a financial consultant, and most of those guys already have a financial guy but we might set them up with some counseling, like marriage and family counseling, and just actually talking to the guys, talking to their wives is a big help as well so we do an occasional conference, like a weekend conference, but the NFL and other sports leagues have done an amazing job in the last three to five years of really picking up this ball and moving it towards the goal line.

5:31

JIM; And, you know, when we talk about athletes and their being in the limelight, that’s where the good, the bad, everything just shows there and what I’m taking from this, a lot of the listeners that we have, they’re not in the limelight. There’s not people kind of looking out for their circumstances as much and you really have to get out there. My heart kind of goes out to the players because everybody kind of looks at them and says, oh, they’ve just got it made, it’s all lucky and everything else, and I try to imagine making all of your money when you’re barely wet behind the ears and I’ve got to believe the peer pressure of trying to keep up with the Jones, I mean, we see that where someone wants to buy a new car or maybe a new lawnmower. In the athletic area, I read about these athletes that are driving these Jaguars and Rolls Royce’s and living in these mansions and all that stuff, and a career that might span six or seven years, it’s hard to pay for all of that stuff. You can make payments on it but then all of a sudden those checks stop, how do you keep up with that, and I’ve got to believe that peer pressure of trying to keep up with everybody else and the image is something that really is hard for a young man or a young woman in sports to say, no, I’m going to be responsible with it when everybody says, come on, let’s go out tonight.

6:38

KEN RUETTGERS: Yeah, I mean I think you touched on a couple of areas. One is that I think as a public, we perceive athletes to be kind of in the Brett Favre/Aaron Rodgers category where they’re playing, you know, 15 to 20 years, they make $8 million to $15 million a year on their contracts, and those guys represent less than 1% of professional football players and even less if you look at all professional sports, so guys that are very well set financially for the rest of their lives, it’s a very small percentage. The average career length for an NFL player is about three and a half to four years. Baseball, hockey, basketball, they get more in the area of four to five and a half years. Basketball tends to have some of the greater longevity, more like five and a half. I think the other thing that you mentioned was guys that they’re spending the money and then they get out, they don’t have a check coming in, so what I tell the guys is it’s kind of like a suitcase principle where, if you give somebody a big suitcase or a big paycheck, they’re going to fill it up with stuff, okay. When that check stops coming in, they’ve still got to carry that big heavy suitcase so you still have property taxes on a big huge home, maybe they haven’t paid for it in cash and maybe they have a big mortgage payment every month, car payments, things like that, so when the check stops coming in, then they have a lot of burden, a lot of bills, a lot of payments due on things, or sometimes I tell them, you know, hey, look, you’ve had this reservoir of wealth and the stream that has fed your reservoir is down to a trickle but your flood gates are open on the other end where the dam is and you’re spending, you’re going to bring that reservoir down and, pretty soon, you’re going to run out of money so it’s the same principle, Jim, you guys talk about in the financial industry with your clients. Guys do, they get into that lifestyle and a lot of pressure for them to buy their mom a car, buy their parents a house, they have siblings and cousins that are trying to tap into, you know, can you pay for my honeymoon, can you pay for my vacation, can you pig our family out, of course. Then, if the athlete is married, then the spouse’s family, what about the spouse’s family, so it can create a lot of tension and conflict for sure.

8:33

JIM: And there is no way you can say, well, I really can’t afford it because everything is right in the limelight. The contracts that are being signed, everything, and I know, in the NFL, a lot of those contracts aren’t even guaranteed, very little of it is guaranteed, and you’re just one injury away from everything being shut off even premature to the five year average.

8:52

KEN RUETTGERS: Yeah, absolutely. In the NLF, there aren’t any guaranteed contracts and so there’s some guaranteed money like in signing bonuses but, yeah, it’s tough and, you’re right, that information is out there and it seems hard to believe that a guy would be drained financially from his extended family or friends, high school buddies, college buddies. On the other hand, we can all maybe relate to that day that you’re sitting out in the shade on a hot day and you’re talking with your buddies and you say, yeah, if we ever won the lottery, man, I’d split it with you. We’re best friends. All of a sudden, a guy gets a first round or second round draft pick, he makes it big in the league, and he’s seen as the lottery winner and, now, it’s time to divvy up the winnings. It’s kind of an interesting culture for sure.

9:30

JIM: Yeah, it’s a lot for someone who’s in their 20s to deal with. Hey, we’re going to take a short break. When we come back, we’re going to continue visiting with Packer Hall of Famer Ken Ruettgers who, in his post-NFL career, is helping out some of the NFL players realize how to successfully transition from being a player back into what we might call the real world so please stay tuned.

9:51

BREAK

10:51

JIM: Welcome back as we continue to visit with Ken Ruettgers. He’s the founder of the organization, Gamesover.org, where he helps counsel players on how to transition from an NFL career to the life after football and I think it’s something that a lot of our listeners can relate to. We were talking about, before the break, a lot of times, people are looking at the players, especially the ones that sign the big contracts, to winning the lottery and people think they’ve just got unlimited resources and I think maybe part of that, the culture around them of everybody thinking they’ve got all of these unlimited resources makes it easier for them to buy into but one thing I think a lot of people don’t even think about, you’re making all this money in a short period of time and, I don’t know how it was for you in your playing days, but when you look at federal taxes and state income taxes and, from what I’ve been hearing lately, every state and where you play a game, there’s different tax rates so when you’re out in California, you lose a little bit more of your paycheck that you might here in Wisconsin or down in Florida and, if you’re looking at, I know here in Wisconsin, you reach top federal and state brackets, you could be losing 51% of your paycheck and that can eat up a lot of your resources in a hurry can it not?

12:01

KEN RUETTGERS: It can, of course. I came into the league when I was a first rounder with the Packers in the mid-80s so we were still the highest bracket was up in the 60% or 70% range. Of course, you know, there were a lot of write-offs back then too but a lot of those write-offs, I saw a lot of teammates take those wind farm write-offs and oil, mineral rights write-offs, and other limited partnership 10:1 or 20:1 write-offs and they didn’t have much to show when they retired. By the time you get done paying your state and your federal and, of course, as an athlete or entertainer, as you travel around, those states are looking for their payoff as you visit to go play a team say in New Jersey or New York, California, of course, is very high in state income tax rate so, yeah, you know, about half of your money is gone. You get your check and you’re like what, which is always fun to see these rookies come in and go what happened to my money, to my paycheck, it isn’t half, and you’re like, yeah, welcome to adulthood. Yeah, it’s interesting but the culture does kind of breed a large and charge type of a spending habit and athletes, in general, tend to be risk takers. You have that kind of a risk taker mentality a little bit as it relates to spending and where you put your money and even risky financial investments and risky financial instruments so it is interesting.

13:15

JIM: Now, talk about what you find are the keys to success for the players making that successful transition. I know, when I’m talking to clients, I tell them, if you want to have a happy and successful retirement, you have to retire to something, not from something, and setting that vision and those goals and making sure they’re realistic and in alignment with what their resources are, do you find some of those same attributes for a successful transition from a playing career?

13:39

KEN RUETTGERS: Yeah, absolutely. I think what you tapped into right there about retiring to something, really, is not only a financial, prudent financially, but you’re tapping into purpose, identity, and, especially for guys, having something to retire to so, as I’ve been working with transition formally since 2000, I’ve been involved in some kind of a transition, either study consultant or working with guys since the early 90s, and the most successful guys I’ve seen transition are guys that are actually moving on to something they see is better than the NFL. The second tier would be guys that view maybe the NFL as having been a great part of their life but, in addition to, have something to move onto, like you said. The guys that don’t have anything to move onto, they get stuck kind of in this like a deer in the headlight stage where they can isolate themselves, they are trying to grasp for a new identity. A lot of time, when you’re in transition, you want to go back to what you knew before. Of course, you’re pretty much locked out, you know, like any job and guys that retire face the same basic issues as far as I came back to the office and I had to go through security and they wouldn’t in a place that I’ve come to for the last 25 years at work. You are an outsider but to be able to have something to move into that gives you purpose, meaning, for a lot of these guys that are younger, some kind of a revenue stream to some degree is very helpful. The other thing that we always talk about with athletes is consider getting some marriage and family counseling because the wife goes through her own transition to some degree as well, he’s going through transition, they’re both looking for new identifies. By the time they get these new identifies, it’s like you have to kind of get remarried again to a new person. One of my friends whose been tracking with me for a long time, he said it kind of sounds like, whether it’s a new wife or an old wife, you’ve kind of got to get remarried either way.

15:27

JIM: That’s well put. You see that all stages of life. If you’re defined by your career, regardless of what that might be, and I’ve seen this with a lot of couples, all of a sudden it’s like, my god, I’ve got to get him out of the house. We’ve got to find a part-time job for him. He’s driving me nuts. I hear the husbands talking the same way so it’s no different when you’re a 20 or 30-something and have had a successful career. We all have the same issues.

15:49

KEN RUETTGERS: Yeah, it is very similar. I would say probably one of the slight differences is you do tend to be, as an athlete, you’re mission-oriented. As a fireman, policeman, military, you’re mission-oriented. A lot of athletes, because they have some wealth when they retire and they’ve kind of been in charge to some degree as far as their status, what they often seek is an entrepreneurial business owner type perspective. If you take that mission accomplish type perspective of the mission must succeed at any cost, you’re going to run out of money, so I see a lot of guys will start businesses up, they put their own money into the business, pay themselves, but they’re not bringing in the money because they don’t have that sense of cost benefit analysis, a business sense about it. It is more of a mission-oriented so they do struggle that way. That’s an easy way to lose money is to pay yourself and give yourself a title and you feel pretty good about it but it’s not making the money and you don’t have the experience, you’ll run out of your own money pretty quick.

16:45

JIM: I think what we talked about today is really something that’s transferrable to anybody. I mean, it’s the same issues and I always say, if we can learn from our mistakes, that’s great, but if we can learn from others’ mistakes, that’s even better because we don’t have to live through them, and I think with the limelight situations with retired players and the fact that everything is so accelerated, we can learn but, one of the challenges with professional athletes is they’re basically retired from that professional sport at a very young age and they’ve got a lot of years ahead of them to support retirement. Well, a lot of people that are facing retirement at the normal ages of 65 or so, in the old days, you were lucky to live that long and retirement was maybe six months. Well, you’ve got people living to 100 now so, if you have limited resources and you plan on being retired for 30 years, if you haven’t done your homework and saved and figured out how you’re going to retire comfortably, you’re going to run into the same problem retired athletes have in the past that haven’t planned and that is you run out of money and now what. If you don’t have a skillset or something else and especially when you’re in your 70s saying “Welcome to Wal-Mart” or “would you like fries with that” may not be the best solution.

17:54

KEN RUETTGERS: Right. There’s no guarantees in our economy either so you do have, hopefully, you have some retirement or pension resources available to you and, if you spend those up, then, like you said, we live longer these days than we did 50 or 60 years ago, so you’ve got to stretch that out and you have to have a longer-term perspective and do you have the skills that, if you do need to go back to work, hopefully, you don’t have to, but we had talked earlier about kind of that slow burn and, when I came out in 1996, I was probably the first generation of football players, anyway football professional athletes, that was able to play 10, 12, 14 years, to come out and, with a conservative spending habit, be able to retire financially but what I’ve seen with guys that came out also in my era is, after about 8 to 10 years of trying a little of this, trying a little bit of that, about some volunteer work without having to need money, they spent a lot because they were barely maintaining a similar lifestyle. Now, they’re getting back into coaching because coaching, now, has got some good money or other business opportunities where they’re working for somebody else, and I’ve seen that time and time again. That’s not unusual for guys to be out for 8 to 10 years and goes, oops, we overspent on our lifestyle. Gee, I better go get a job before I lose everything I have and lose the wealth that has accumulated so the smart guys or the prudent guys, they’ll go back before their wealth gets too far down and they’ll make some adjustments, putting that house up for sale, that big house that they lived in when they were playing and, now, they can’t afford it and putting that for sale sign out in the front yard. You’ve got to swallow a little pride and make reality your friend.

19:27

JIM: Well, this has been awesome, Ken. I really appreciate you joining us. As we were visiting, you were talking about Mike Holmgren bringing in people. I have a new gained respect for that because you see too often a lot of us in this me-generation, we don’t care about the others as much and it’s nice to hear those kind of stories. I know one of your fellow teammates, Leroy Butler, was a guess awhile back and I remember him sharing he couldn’t wait to retire because he knew what he was going to do, he was on a mission, and I think that’s key. Hearing that both of you played under the same man and had kind of the similar paths of knowing where you were going I think is huge and I think everybody can learn from that so I really appreciate you sharing today.

20:07

KEN RUETGGERS: Well, thanks. It’s been great talking a little shop with you today, Jim.

20:10

JIM: Thanks for joining us this week and tune in again next week as we explore another phase of the Real Wealth process and, remember, if anything you heard in today’s show you’d like to get more information about, contact your Real Wealth advisor. Also, if you feel that any of this information would be helpful to a friend or family member, just click the Forward to a Friend button.