

Digital Planning Podcast (Season 7, Episode 4): Trust & Will

Speakers: Justin Brown, Jennifer Zegel, Ross Bruch and Cody Barbo

Jennifer Zegel:

Welcome back to the Digital Planning Podcast. I'm your host, Jen, and I'm here with my co-hosts, Justin and Ross. And we have a very special guest today, Cody Barbo, CEO and co-founder of Trust & Will, which is a leading online estate planning platform that makes it simple and affordable for families to create wills, trusts, and other basic estate planning documents throughout the nation. Some of our listeners may remember that Cody was previously on the podcast back in July of 2021. Cody, welcome back. We are thrilled to have you on the show today and are so excited to learn about the evolution of Trust & Will.

Cody Barbo:

Thank you, it's great to be here.

Jennifer Zegel:

Excellent. So since your last appearance in 2021, what have been some of the biggest milestones for Trust & Will?

Cody Barbo:

Yeah, it's kind of crazy to think back, I mean, because we're coming up on eight years as a company, so we got to meet halfway in our journey. And where we are today is we've helped now over a million families with their estate plans in all 50 states. The business has 115 people, spread across the country, working hard every day to make estate planning affordable and accessible. And the biggest evolution is, is how we go-to-market. So when we met four years ago, most of our marketing was direct-to-consumer, and it still is today. I don't know if any of your listeners have seen the TV commercials, or have heard us on radio, or a podcast, not a recorded podcasts like this, but in advertising a podcast, the readouts that hosts do.

And even search, search is a huge driver for us. Even influencers, which is crazy to think, is a big driver for us. But where we've shifted tremendously is with large partnerships. So 40% of the business and growing is through big banks, life insurance companies, through the employer benefits channel, working with broker dealers, RAs, nonprofits around planned giving. And a new product we get to talk to you guys about today is we have an estate attorney product experience that we're going to be rolling out, so get to tease that out to you and your listeners.

But it's been a really fulfilling business, I mean, we're generating tons of revenue. We're a B Corp, a proud B Corp and public-benefit corporation, so very mission aligned. And we'll talk a little bit about e-wills and the digital execution throughout the podcast today, but I think in '21 it was maybe just a few states that you could digitally sign your state plans, today that's now 15 states, plus DC. We're going to be investing quite a bit of capital for 2026 and beyond, that also has a coalition behind it, of our peers in the space to try to get more states to adopt digital execution until we're at all 50, so just really fulfilling time in the business and in life. I had another kid after we last talked, so I have two kids now.

Jennifer Zegel:

Well, congratulations on the expansion of your family. And one million estate plans, that is remarkable. That is such a needed service for so many people in the country and it's just wonderful that you provide the technology to really facilitate that, so big, congratulations. So when you were on the show before, you had described your typical user and estate plan, and what does that look like now? How has that changed?

Cody Barbo:

It's still very much the same. I mean, we started this company for the families that don't know to create estate plans, they can't afford the estate attorney. And it's unfortunate that, even with our million plus estate plans we've created, the statistic is still pretty much the same, 70% of families don't have estate plans. But the fact that we've gotten a million people to do it, let alone do it online, is really something that we're proud of. But it's still that sandwich generation, 30 to 55, anywhere from a couple hundred thousand, to a couple million of assets.

Generally, kids is the biggest trigger. But also aging parents, or even the empty nesters, or so many folks who are dropping kids off, at least at my network, dropping kids off at college the last two, three years. And we even launched a young adult plan for the healthcare proxies, so the young adults, kids, mom and dad, it's still their kids, their baby, but they have an option to get the healthcare docs in place in case something were to happen to them. So the same audience, for the same reasons, four years later since we spoke, but eight years since the founding of the company. And we started it for ourselves. I couldn't afford the estate attorney, so I looked for online solutions, didn't find one that we liked, and that's what led to the inception of Trust & Will.

Jennifer Zegel:

So I have to ask you now, because you mentioned it in the beginning as a teaser, tell us about this new product that you're rolling out.

Cody Barbo:

The one for estate attorneys?

Jennifer Zegel:

Yes.

Cody Barbo:

Yeah, so I laugh as I answer this because I remember in the early years, the first two years, people kind of dunked on us for being another LegalZoom and just brushing us off like, "You guys are going to fail. You're going to have all this unauthorized practice of law complaints." We've just played a very conservative approach to how we built the business, and one of our first attorneys that we hired was practicing for ultra-high-net-worth. And the reason why he had joined the company was how many families he turned away because they couldn't afford the firm, they didn't have the minimum assets as a criteria to work with them. And I was like, "Well, how many firms are turning people away today?" But we knew early on we wanted to work with attorneys. We had launched our first attorney in California, the home state of the business, back in 2019.

And today, we have 350 attorneys in all 50 states that customers, if they choose not to, they can go start to finish on their own in 30 minutes or less with the platform. But if they want to talk to an attorney, they have a family dynamic they want to run through, maybe a tax implication, that attorney network is there as a backstop. We charge 2.99 retail to the customer to choose to work with that attorney, and it's been an incredible process for us to recruit that many people who want to work with us, they're pro Trust & Will, they believe in what we're doing, believe in the mission. But I think that the integrity of the documents has only gotten better, and we're constantly leveraging that attorney network to take the next step.

If the client isn't able to be served by Trust & Will, say they need a special needs trust or an irrevocable trust set up, that is the handoff that we can feel proud of, that we didn't turn someone away just because they had more complex needs, opposite to the gentleman that we had recruited back in the early days. The piece that I'm really proud of too is we're trying to push the envelope. It's the digital execution, which we'll talk more about, but this opportunity to really change the way the perception of an industry and how it thinks about estate planning, that it can be done safe and secure online, and at scale. That's both for existing attorneys to have a tool, which I'll get to your question, as I see this up. And with so many attorneys that we're using, that we have in the network, they were starting to hack our financial advisor tool, so a tool for financial advisors that tens of thousands of financial advisors use to bring their clients into our estate planning ecosystem.

And we noticed a unique use case, where some of them were hacking it to send links to prospective clients, which they could create an estate plan with Trust & Will, they could track their progress. Has Cody started his estate plan? Finished it? Does he need help funding his trust? And we're like, "Oh, interesting use case." Do attorneys just want a tool that gives them a digital interface for their clients that they can also use our AI assistant or our AI doc ingestion to create summary snapshot? We have bulk doc upload, average attorneys working with thousand to 3,000 clients throughout their career. So not like copy paste, but close to carbon copy of that for estate attorneys, and we did a similar product rollout about a month ago for planned giving professionals at nonprofits.

But this estate attorney tool will launch later this quarter, so for those listening Q3, 2025, later in the quarter. And we announced it earlier this year, but we have hundreds of estate attorneys already lined up, ready to use it. And it'll be very simple functionality, we're not trying to take business away from these attorneys. These will be attorneys outside of our ecosystem, but it's, again, it's the ability to take the best-in-class AI that we've built, allow them to upload existing client docs, ask it questions. It's just much more interactive than having those conversations with colleagues or even with the family itself. They can almost do these scenario role-playings with the tool. It's really cool.

Justin Brown:

One of the things that you said was, since the last podcast, you've really been partnering with more entities or more people to develop Trust & Will. Can you talk a little bit about what those partnerships look like and how that has expanded Trust & Will?

Cody Barbo:

Yeah, so look, we have the largest wealth transfer in history happening over the next 20 years. When we started the company in 2017, the number that was being marketed was 60 to 70 trillion. The latest numbers that are coming out is 124 trillion, so it's almost doubled just in the last seven years. That is wealth that has grown in the United States, and that's wealth that's flowing into the United States. So almost half of all the wealth transfer in the world will happen here over the next 20 years. And for these financial service companies, it's the same pitch, kind of like the same pitch we've given to consumers, where I would ask the question to bank leadership, and say, "Hey, a morbid question, but how many of your customers pass away every year? What does it represent from an AUM? How much of that AUM do you retain?" None of them can answer it.

They're starting to worry about it now because the death rate is going up, the peak of wealth transfer will hit in 2038, and a lot of gen two or gen three clients, kids or grandkids of clients, are not sticking with mom and dad or grandma/grandpa's firm, they're going to the firm down the street. So when these firms are prioritizing estate planning, and we're always trying to just be the best option in their menu. We still encourage them, "Hey, you still recommend the attorneys you work with for your private bank or wealth management segments. You can recommend a Trust & Will for that kind of retail to mass affluent." Or they can just choose to figure it out on their own. They go find an attorney, or they find another online tool, or what most people do is just don't do it.

So to incentivize the end client, generally, the end client to do it, these often will come with a discount or a complimentary estate plan. So one that we're really proud of is with Fifth Third Bank. So last quarter, Fifth Third Bank rolled out a free will program to their four million banking customers. So I think the prerequisite is you have to have at least a checking account relationship with Fifth Third, and the goal is to get as many people through the door as possible. And they're so committed to the marketing, they're doing billboard campaigns, in-branch advertising, ATM campaigns. Their CEO, Tim Spence, did a readout in their earnings call. I mean, they are all in on it. And it's not like this initial pop and then it fizzles out, it is consistent marketing throughout the year.

And what's fascinating to both us and Fifth Third Bank, is that a lot of those customers are upgrading to trusts. So if you might come in for a free will offer, but you're upgrading to a trust, you have assets now. So it's an amazing asset discovery opportunity for these banks and for their wealth managers or for their bankers to interface with the clients in a way that they maybe only ever treated them for a checking account relationship. So we're doing this with a lot of large firms, we have some really big names that we'll be announcing through the end of the year. A handful of those will be at our own, we have a conference coming up in late October, it's called Generations, it'll be our own first hosted conference, in partnership with

Financial Times. And we have keynotes and fireside chats with some of our partners and stakeholders that will talk through the case studies and successes they've seen. And it's really an event for the industry.

So to answer your question directly, the banks want to retain that AUM, and when they prioritize estate planning, they can create a really nice retention strategy. Because we're helping them on the planning side, not on settlement, but that's just the natural evolution, I think, of where we'll head with them, but it's really nice to get the buy-in. Because they really didn't care about this, honestly, the first three, four years we were building the company, they're like, "Eh, estate planning is interesting." Pandemic happened, a lot more interesting. And now that this wealth transfer is real, it's front and center, they are at risk of losing quite a bit of their AUM to their peers, just because they don't prioritize it. So that's kind of how we narrate it with them and get the partnerships in motion.

Ross Bruch:

So you mentioned AI a few moments ago, and I have a few questions about that, but primarily, I'm surprised that we haven't seen the market flooded with startups who are advertising, "Get your AI will here." But to that extent, I've also been surprised that we haven't seen a lot of competitors come on board either, because when we last talked in 2021, I thought there would be a lot of copycats, but clearly there's a larger barrier to entry than perhaps I thought. Do you have any thoughts on why we haven't seen, as a market, either of those entries on mass scale?

Cody Barbo:

It's interesting. So when we started in 2017, we're recognized for the success we have today, but we were a really small company back then, I mean, we had no customers when we started the business. And when we launched in 2018, we launched our first beta, which was just the last will and testament in Texas and California. LegalZoom had been at it for, I think 15 years at the time. Rocket Lawyer was just doing wills. You had FreeWill.com who still exists today. They have scale, they're at significant scale, but they sell through the planned giving space. You had Willing.com, who sold to MetLife after a seed round. And then Tomorrow, who had raised through Series A, who sold to Ethos Life Insurance. That was it. And there's maybe two or three others that maybe had a little bit of funding, just track them through Google Alerts, but never scaled period.

And then the second wave came over the last four years, which is on the wealth management side. So I just got back from Future Proof in Huntington Beach, which is a forward-thinking wealth tech conference, where you have all these technology providers meeting with financial advisors. And there's nine of us now selling through the wealth management channel. So there's Trust & Will, Vanilla, Wealth.com, Luminary, Estatefy, which is a spin out brand from FreeWill. There's EncorEstate Plans, Estate Guru, Snug, FastWill. That's nine. And us, which is wild. But even with all of us together in that channel, and three or four of us combined have raised almost \$400 million cash, real capital. How is the next startup that's starting today going to compete with that amount of cash?

We have a business that's in the tens of millions of revenue, that's got tens of millions of cash on the balance sheet from our last cap raise, and we're spending tens of millions of revenue or tens of millions of marketing dollars every year to run the TV ads, to go through the paid search campaigns, the influencer campaigns, radio, podcasts. And then we're investing millions of dollars of team time into this go-to-market through business development. It's not that we can't be beat. I mean, we saw LegalZoom and we're like, "Yeah, we can beat them." But it's just the investors tend to pick a market winner or market winners, and there's two or three of us that are very well funded right now at revenue scale.

So it's letting the market shake out of, who's going to be the unicorn, who's going to be the IPO story? And we hope that's Trust & Will over the next three to five years. We want to take this company public and keep building it. And that, for us, creates the opportunity, not forces us to acquire our competitors, but if it creates a better narrative and we can consolidate and grow faster together. That's why I try to be friendly with all the peers in our space that we could hack our way to a billion-dollar company very quickly or to an IPO much quicker and... Keep your friends close, enemies closer. They're all in it for the right reasons, they want to make estate planning accessible, we just target different audiences at the end of the day.

Ross Bruch:

Great answer. That explains a lot. As you may know, we had David Barnard from Luminary on as a guest in our last session. So let me turn then to AI for Trust & Will, how do you see AI reshaping how you work with your customer base and/or the attorneys that are going to use your platform?

Cody Barbo:

Yeah, so I'll give the context as to why we've really redefined ourselves as an AI first company. And when I had my second kid last summer, we took the full six-week pat leave, and besides being tired, because we also had a five-year-old, and a dog, and not a lot of free time, but I just became obsessed with AI. I was like, "How are these companies raising so much money, getting such crazy adoption?" My dad, who's 80 years old, is using ChatGPT to create funny images for my kids. It's here. And it was like an adapt or die moment in my head, that if we do not reorient our entire thinking at a board level, at a C-suite level, leadership team, whole company, tops down, bottoms up, to AI first, AI native, at least in how we think, we can still be somewhat practical with reality.

But if we think that way, we will stay ahead of the curve versus the company who it's founded... I tell this to the team all the time, it's like an X, OpenAI, early engineer who's like, "I'm going to go do Trust & Will AI, and I'm going to get \$50 million from Sequoia or Andreessen, and I'm going to go recruit all my former colleagues from ChatGPT or Perplexity." Fill in all the blank AI companies. And they just accelerate go-to-market because these AI companies are hitting a hundred million run rates in a year's time. It's just insane. Now, the brand, that's why we've always invested in the brand, we want people to know who Trust & Will is, that it's a safe place to create an estate plan online, that's why we borrow the brand equity of all these partners.

But AI was like, we looked at it through the client lens first. We're very consumer centric at Trust & Will. So what does the everyday family need that's going to be beneficial? Because if they benefit from it, the stakeholders around them, the professionals, the advisor, the planned giving officer, the estate attorney, they can also benefit from a lot of the similar functionality. So we took this platform strategy that we've been building towards, and we branded it EstateOS, which we launched earlier this year. The consumer side is just very simple function. I'll explain it simply for the listeners, a lot of technology behind it. So things like the AI assistant. Being able to log in and ask your estate plan any question with the exact context of what's in your documents, and hundreds of thousands of estate plans that we've created. Those are anonymous answers that we pull in with expert content behind it. A year ago, I had to log in, look up in the guardian section, who are the guardians of my two kids?

I can log in my dashboard today and have an instant answer. Mom and dad, mother-in-law, second is my brother-in-law and my brother. And I could change right there in real-time. It's fascinating how quick you can get relevant accessible information based on a 40 to 80 page document, without having to think about it. That's a \$500 invoice from your attorney. So I love that, and it's really a value-add to our members. We have a thing called Plan Strength that we launched, think of it like a credit score for your estate plan. So if you've created a will, that's great, but if you haven't executed the documents, you're going to probate, and even if you've executed the will, you're still going to probate. So if you've got a trust, you've signed it and executed the trust, but you haven't funded the trust. Assets are still going to probate.

So we have this very simple red, yellow, green credit score system, like a Credit Karma, that gives the client, the consumer, the relevant information to always keep their estate plan up to date. It has a goal and action plan backing that, which is really cool. So if you're planning to start a family, or planning to buy your first home, or planning to move from California to Texas like I did, you can get ahead of it of what's expected and what updates you need to make to keep that estate plan up to date. So we're at this stage now where we have so many people that are creating estate plans with us. That's amazing. We have a lot more people who are updating their legacy estate plans. Like my own parents, they did a attorney drafted plan 20 years ago and when they moved out to Texas, they updated it through Trust & Will.

And you don't have to interface with a human in any of this stuff, but you know what? We really love the human centric approach that we take. So five days a week, human support, 350 person attorney network. So there's always that two layers of backstop behind the AI. Humans that are direct, that we choose of our team, or the actual estate attorneys themselves in the states that the clients reside in. So I think that AI complements the consumer and the professionals at the end of the day, and we've got a whole bunch of functionality. The dock ingestion, being able to take an old PDF copy of an estate plan, load it up, ask it a question, make that the reason why you update your estate plan after 10, 15 years have passed.

And the same functionality for consumer that I've shared with the listeners and you guys, it applies to the financial advisor, who's managing a hundred to 150 clients. Or in the estate attorney tool we're going to roll out, maybe they have historically a thousand clients. They don't even have to think. I haven't seen Cody in 10 years. I can pull up his estate plan, ask it a question, and have a really proactive conversation with him around his planning needs. And I think that is the future of most industries, but for us, that's how we look at it. It's very simple, always through the client lens first.

And the ability to predict life events is another fun one. So we've got, it's a little creepy, but this life events engine that we're rolling out, that will know, to some extent, if you got married, bought a house, died, had a kid. You can find a lot of data about all of us now, it's creepy. We use it for good reasons. People out there use it for nefarious reasons, but we're like, if we knew that Cody had a kid June 22nd last year, we should probably nudge him like, "Hey, you want to update guardians for your son?" In real-time. Because I was coming out of a six-week lack of sleep slumber to remember to update my estate plan. So I love that because, again, it's for those life triggering events, which is how we take a playful approach in our TV commercials to get people back into the system, but also for advisors, and nonprofits, and for estate attorneys, hopefully helps the experience at the end of the day.

Jennifer Zegel:

That's very, very interesting. Yes, definitely a little bit creepy, but that lends me to have to ask, in general, security and privacy are always top concerns with estate planning. But when you're layering on tech, and AI, and potential hallucinations, it becomes even more highlighted. So how do you address these challenges, especially dealing with all this sensitive personal information and financial data?

Cody Barbo:

Yeah, I mean, we take a very conservative approach. You got to imagine, so for the listeners, we have the direct-to-consumer piece. We've been mindful of UPL since the start of the company, but we also work with some of the most regulated, largest financial institutions on the planet. They want a 50 set sample doc of John Doe, Jane Doe's for every state. They want to do reviews of our security and our... All this is publicly available on the website, scroll down to the bottom. We have our commitments to AI. We have the actual webpage on the marketing site that is our... You think of our 10 commandments, our promise of ethical AI. We're a B Corp, public benefit corporation. We're very intentional about this stuff. But privacy and security, the tech stack that we use, fairly ironclad for a company at our stage and size, considering if we messed up, what that would result in with our financial service partners.

So we go through, from a security audit perspective, we report all this to the board on an annual cadence. We have white hack hackers, we've got the insurance policies in place. But it's like, at the end of the day, my biggest worry is someone hacks our database and holds our data ransom. We have hundreds of billions of client data in those estate plans. It could be a kiss of death to the company. So we've invested in it very thoughtfully with an incredible leader, VP of N, she's got a whole security committee, we've got outsourced security. And we do these audits now that we report onto the board.

And even blocking, I think we block traffic internationally, because we're US only, so we block all international traffic. I'm trying to think. We've gotten through simulations, like true fire drills, like a real fire drill. You cannot access any company comms, how do you reach out to the CEO? We've got just everything from A to Z fairly buttoned up at this stage. If you would ask me this question four years ago, I would not have had this answer. I'd have said, "We're on AWS, we've got a modern tech stack, we have 2FA." But the layers of security that we now have to commit to and have to commit to for our partner's sake, these enterprise deals, is as ironclad as it can get at this stage of the journey.

Justin Brown:

How are you using e-wills as part of the platform and incorporating it into the wills that you guys produce?

Cody Barbo:

Yeah, so for the listeners, when we started the company in 2017, I thought you could just Docusign an estate plan, that seemed really obvious. You can Docusign almost everything else in our lives. And in 2019, we did the first electronic will, so e-

will, electronic will, we did the first one in Nevada. And then we sent Patrick to Anchorage, Alaska to the Uniform Law Commission's annual meeting, and he's like... Patrick is late 30s at the time, he's like, "I was the youngest person there by a lot. And I was there to talk about e-wills, which was a foreign concept to a lot of the folks there." But he did get people excited about it, because we had done the Nevada one, but that led to the Uniform E-Wills Act, which was amazing, because that's what we modeled a couple of the other states, Arizona, Indiana, and a few others off the e-wills.

But then we're like, "Well, what about the other documents? Is there a catch-all for all estate planning documents?" So then the ULC had UEEPDA, the Uniform Electronic Estate Planning Documents Act. They're not marketers, that's their acronym, not ours. But that was an opportunity to bring digital estate plan execution to all docs, which now is live in Illinois and Washington, there's one more state for UEEPDA. But what we've done is we've actually spent money. We have a strategy firm out of DC, we've lobbied several states. We had bills killed in two years ago or a year ago we had Texas, Missouri, and Oklahoma killed. Bills were killed. But this year we had New York passed, we had Missouri passed, and we had North Dakota passed.

And as we look to 2026 and beyond, we're putting up a pretty good chunk of change. And I think, again, going back to the question about competitors, I try to refer to them as peers because the peers have notoriety, they have some cash, but they have the same interest that we do, and hopefully the same interest that benefits the future of an estate attorney's practice. It's like the client experience should be digital, and it should be just as secure, if not more secure with this technology on the execution piece. So we have seven states that we're going to be targeting for 2026. One them is Texas, that'll bleed into 2027. But the goal here is to get most, if not all, 50 states to digital execution in the coming years. And the company that we model that potential success off of is Proof Notarize. Proof does remote online notary. They were originally called Notarize.com, but they took a lot of their capital and they changed the laws, I think in 47 states today, allow for remote online notary.

So their business is primarily selling through real estate transactions, but we follow the RON and RULONA laws similar with e-wills and UEEPDA. So we're going to launch this coalition, we're going to have real capital, we'll be the seed capital behind it, but that seed capital, we'll hopefully get the snowball effect rolling. And it's pretty wild to get the pushback. When it was being debated in New York on the floor, there's folks saying, "Oh, everybody has access to an attorney, even folks in rural parts of the state have access to attorney." We're like, "They don't. They don't have access, they can't afford the attorney."

And the execution of this online requires video. It requires a recorded session, it can be used as evidence in a court of law. And there's a handful of platforms that do this now, there's Proof, there's OneNotary, there's BlueNotary, Docusign has their own notary tool through their Live Oak acquisition. Docusign, at least is the most reputable example. Docusign is accepted in almost every industry today globally. So having a company like that say, "Hey, we also want to serve customers with this digital execution." Estate planning just feels like it's the final frontier. And luckily, we have the size, revenue, scale, and cash to be able to invest in it, but we tried this a couple years ago, tried to get some bigger names that I'll leave out, who might join us in this journey now at this time, that I was like, "Hey, why don't you match our spend?" There wasn't urgency back then. Now, there's urgency because it's a real win, it's a win for the industry and it's a win for consumers.

Justin Brown:

I guess the question I have is, how do you guys utilize electronic wills and electronic execution? Are all of your documents e-signable, if the jurisdiction permits it?

Cody Barbo:

Yeah, so in a handful of states, not all 15, in five or six of the states we have it, so it's basically a handoff to Proof, Proof.com, where you do... Think of it like a Zoom call with Docusign built-in. For the listeners who haven't done a digital notary experience, you do the video call, you show valid form of ID. There's a document exchange between Trust & Will and Proof's platform, so they do the digital stamp, digital signature, and then the whole session, plus the witness is present, is a recorded video, if needed. But when the documents are executed, they get passed back to Trust & Will to the vault, we have a document vault. And the legally valid documents are digital. It's a PDF with notary and signature. In all 50 states though you can choose to print the documents at home.

What most of our customers do is they choose our print and ship option, we have beautiful packaging that we ship out the documents to the customer, gets to their house within a week. And it's usually people print at home when they're going on a

trip without their kids, is the use case we see, it's like, "We're going to Italy tomorrow, we don't have anything in place. And kids are with grandma and grandpa." The people that are more patient get the documents shipped to them, are like, "Hey, we're just getting this done finally and storing it securely." We have a mobile app for iOS and Android, so they can scan and upload all the documents back to the vault. Most importantly, the signature and notary blocks, and that gets stored in perpetuity until they need to make a change again. I tell investors it's like when Netflix did direct mailer DVDs, that's the transition that we're making. When Netflix went to streaming, we're like, "That's our version of Netflix and Trust & Will."

Jennifer Zegel:

I like that analogy. Out of the states that you do support the electronic will signing, how many of the customers in those states are actually utilizing that feature?

Cody Barbo:

It's a lower volume today because we don't force it. So customers have the choice. There's something like the tactical physical estate plan that's still trusted. You go to an attorney, you get the nice three ring binder with the gold foil print with the Barbo Family Trust. There's something nice about that. So it's a choice that we can make. I think that once we get to a majority of states or some larger states. We have Florida's passed, New York is passed, but needs governor's signature, that'll probably go effective Jan. one, is my guess. But Texas and California or a couple other top 10 states passing laws, that's when we have a choice as a company, say, "Hey, we would prefer if you did it digital, and if you want to choose to do the print and ship, I would either print at home or you pay an extra 10 or 15 bucks to print at home."

Because ideally, we don't have a paper trail anymore, if we're mandating that we're going to go digital execution. The goal is just to not have the... It's just extra steps that people have to do that they don't execute their documents, they don't fund the trust. That's the biggest gap we're trying to figure out today. There's a hundred million estate plans that were done by attorneys, how many of those are executed? How many of those were funded? And that's what the technology is able to do, is we can run trip campaigns through email and through in-app notifications like execute the docs, execute the docs. And even for today, you can go get a mobile notary with witnesses to your house, same day. If you're in a big city, I'm in Dallas, when we had our second kid I had mobile notary with witnesses at my house within three hours of booking the appointment, that's when I was free. And then I uploaded the docs back to Trust & Will.

It's like the financial plans. I tell financial advisors, "How often are you getting a physical financial plan today?" Very few clients want one, let alone have one anymore, it's all done through technology. So I feel like that's the evolution for estate planning to go digital. But it's our choice to make, we could force the digital execution, we'd prefer it, but customers, we love giving them choice, that's why we built this company, is give customers choice. So they have the preference to go print the docs at home or to choose the print and ship option. They have all three available to them today.

Jennifer Zegel:

So that's really fascinating. Kind of along those lines, let's talk about digital assets, which are becoming bigger and bigger parts of people's estate plans, from crypto, to NFTs, to just online accounts, email, social media. How is Trust & Will addressing people's digital legacies?

Cody Barbo:

Yeah, so a couple parts to this answer. So we have a legacy contact feature, so similar to iOS for your iCloud account, or for Google, or even Meta has this, I think even LinkedIn has it now. You can appoint a digital contact, a legacy contact, so for myself as an example, I have my wife and my mom, something happens to me, even though I have the physical copy of Trust & Will at home, they can gain access to the digital version of the estate planning platform. We have for digital assets specifically, a section to call out which assets you care about. Most people, it's very straightforward, it's like, do you want your social media accounts memorialized or deleted from existence? Same goes with email or any other photos. Photos are really commonly called out. Crypto is still... I'm a tech guy, so I would say Bitcoin has become a mainstream asset, it's got three 4 trillion of market cap today. It's pretty much in most financial portfolios at this point. You've got 50 million accounts on Coinbase.

And for wealthier families, 5% allocation is pretty common to hear, into Bitcoin specifically. I didn't feel like this was a need for us to go solve for. I remember our very first pitch deck back in 2017, we had a digital will product that we wanted to launch, specifically for crypto. And when the crypto bubble popped in 2018, it was like having that in our deck was a bad thing. VCs are like, "Why are you doing this crypto thing? Crypto's dead." It was crypto winner for a while. So we're like, "Okay, let's just focus on estate planning, as it historically has been." And in the last year with crypto, Bitcoin specifically, hitting an all time high, my interest came back, I was like, "Man, how are we helping our customers?"

We have a lot of customers with crypto, I think 37%, 39%, somewhere between the two. 37 to 39%, their crypto is with Coinbase. So if it's a hot wallet, it's pretty straightforward. But if it's cold storage wallet, it's totally different. So there's a company called Casa, as an example. Casa has an inheritance product. It's a multi-storage wallet solution, you have to have three of the five keys to gain access to the crypto. And they have these really tight security controls and provisions over it, because most people that are setting that up, it's not cheap. Probably have at least a Bitcoin maybe in the tens of Bitcoin or maybe in the hundreds of Bitcoins. But that company's raised venture capital, the founders become a friend. We're trying to figure out a webinar actually for this before the end of the year because we do get asked this question a little bit more frequently, mostly from financial advisors, interestingly enough.

There's a handful of crypto companies at the last couple of advisor conferences we've gone to. But we have learn center articles on the website. I mean, you can link your accounts through Plaid, so if it's on an exchange like Coinbase or Kraken, it's pretty straightforward to connect the accounts. But for larger crypto positions, the Casa inheritance, there's not a lot of these companies, there's only two or three that we've come across. But there's Casa, Webacy, Bequest, and then there's a NFC card company, they're a YC company, I think out of India, that's doing it specifically for crypto. And I always thought this might just be a partnership opportunity for us more so than something we have to build or acquire.

Justin Brown:

So Cody, this is a question that we asked you last time, so I'm curious to see how your answer has changed, but what is your vision for estate planning in the next five years?

Cody Barbo:

Same as it's always been, it's the most successful and affordable it's ever been. Next five years, I hope we're a public company. I hope not one of four Americans has heard of Trust & Will, as is true today, but one of one, every American's heard of us. I hope that we're helping tens of millions of families in helping them with their planning, their estate management, and maybe we get back into settlement. We'd acquired a probate business and done thousands of settlements, we put that business on pause for the short-term. It's very, very complex. We're navigating 50 states with estate planning, 3,000 counties plus with probate and settlement. So if we solve for that over the next five years, we continue to grow the business from a revenue perspective, I think that, ultimately, this company could have more international footprint.

So just coincidentally, right before this podcast I had lunch with a friend from Nigeria, and he was like, "How do I bring trust & Will to Nigeria?" And I said, "Well, we think about international expansion all the time." You've got up in Canada, Willful, Epilogue Wills, Estateably, Clearstate. In the UK, you've got Belong and Farewill. In Australia, you've got Safewill, Willed. There's one other one in Australia. I've talked to Testamenta in Spain, I've talked to three in India, one in Japan. There's a lot of these starting to pop up. They're smaller, smaller companies, but I think that if we're successful enough in the United States, that global expansion to me is really the next evolution because it has such a mission alignment with who we are, reaching the most diverse set of families.

And even starting with that here in the United States, we're trying to figure out next year if we can bring a Spanish version of the platform, so you can do AI translation with human translators as a backstop to make sure that the marketing site language reads correctly, the in-app experience reads correctly, the support reads correctly. The documents, ultimately, would be in English, but having even Spanish as one language, let alone the next 10 most commonly spoken languages in the United States, that is aligned with our mission. We want estate planning to be inclusive, and accessible, and affordable. And that's even within our home country here.

So it's taken a big swing. I mean, we're building out the C-suite, we've got a really robust cap table, really healthy balance sheet in business and revenue diversity, and the go-to-market with branding, our brand marketing is working. Maybe you'll see us in

a Super Bowl spot in the next two years as the league sponsor for the NFL or the NBA. I mean, we want everybody to think that at least there is a brand, hopefully Trust & Will, that they can go to, to set up their estate plan. If we're not the right fit for them, that's okay, but if we started them thinking about it way earlier, rather than too late, which is what every family still deals with today, then we would've done our job and stayed true to our mission from the first conversation we had about this business. Hopefully consistent with a little bit more ambition behind that four-year later answer.

Justin Brown:

I think it's consistent with a lot more ambition and a lot more detail. I think four years ago you had broader views of where you wanted to be, and it feels like now you're so much more focused on what you want the future of Trust & Will to be.

Cody Barbo:

Yeah, I think the focus part matters. Look, when you're an early stage entrepreneur, like you're dreamy, you get shiny object syndrome. We filter Daniel and I's shiny object syndrome through our executive team, who keeps us accountable to our OKRs and our quarterly planning. We'll be here in Dallas, we'll be in this boardroom actually next week for two, three days with the exec team going through Q4 and 2026 planning. I mean, we've built a real business. We've created hundreds of millions of enterprise value through the capital that we've raised and the business we've built. And to look back in five years, 10 years, and to have built a generational company, it becomes less about the money, for me personally, it's really about the legacy. Did I be a good dad and husband to my family? Was I good son to my mom and dad, good brother to my brother? And was I a good leader at this company, Trust & Will? And I take a lot of ownership in that. And it feels like we're closer to it than ever before, and I think that's maybe where the focus is coming from.

Ross Bruch:

So Cody, let's dive back into estate administration for a second. And I hear you that it's a complex subject. It's really of interest to us because it's the other part of the entire strategy or project around making sure that assets are going where they're intended to go. But what did you experience and what did you find in that complexity that you mentioned before? And where do you think about it in the future?

Cody Barbo:

Yeah, so for the listeners, in 2022 we acquired a company out of Vermont called Easy Probate, who was the first direct-to-consumer probate business. And it was after a big capital raise, it was the most cash we ever had and we did a build versus buy analysis. And we'd been keeping in touch with the founder, Byron, for two years up until that point, so had a relationship with him. And we felt like our marketing chops were working, our go-to-market through partners was working, and I was like, "Could we run the same playbook with an acquisition, not building in-house?" So we didn't have to catch up revenue, we could just take their existing revenue and accelerate it. But they were a small team. They raised a little bit of capital. It was basically five people running that company, four people came over, one of which is still here, Abby, she's amazing on the team, on sales ops team. And we did thousands of settlements.

Now, we had a more narrow scope, 50 states for estate planning. We narrowed the scope down to 30 states, and we had... It was interesting because it takes so long, some of the states, it takes up two years. So we were testing pricing, we're trying to test pricing, we had prices ranging from 3,000. We had a DIY that we got rid of pretty quick. We did a 3,000 to \$8,000 tier. Three, five and eight, those are the three tiers. This is a couple years ago now. And the \$8,000 tier was the attorney quarterback tier, you're going to hand everything over, they're going to run the process for you.

Still high gross margin on that tier, but that sweet spot was the five grand package because we had high gross margin, it would be fairly profitable for us, most of the heavy lifting was in the first month. The thing that was crazy, and this might resonate with your listeners, is stuff comes up, family members come out of the woodworks, especially as you're getting closer to the actual tangible asset, mostly home value or some family heirloom. And it'd be month six or month nine, and shit comes up way more than you think because people want their cut of the pie, what they're left or what they thought they were supposed to be left. And we'd have to refund because it would create a complexity for us that could lead to maybe, not litigation of the company, but family members suing each other for what they think they're rightfully entitled to.

And the refund rate wasn't so crazy that we're like, "Oh, it's a bad business." It was still a good business, we're like, "If we could figure that out..." You can't predict what people are going to do six to nine months in, that would've been a pretty good business for us to keep running. So we tried a different go-to-market through large financial service partner, who had... You think of big banks, they have hundreds of thousands of customers dying every year, so we're like, "Could we be more of a service partner to their support teams, the estate care centers of these large financial institutions?" So we tried that for a little bit, but it was kind of the same thing coming up, and we're like, "We could keep floating this business." We have a great team, a lot of whom are still here, we've kind of shifted them around, but we're like, "Do we keep investing millions of dollars into probate for the, maybe it works out, or do we take that millions of dollars and invest it in everything that we do really well like consumer, advisors, platform expansion into these new professionals?"

So that was the decision that we made. And it's interesting because there's this company called Meetalex.com that has raised a pretty big Series A, like \$20 million. Alexandra is the founder, CEO, and she's amazing. She's super inspiring. And not only great VCs, but she got Edward Jones and Schwab to invest, who may be a great podcast guest in the future. I can make an intro there. I hope they figure it out. So we took a bet on it, we thought we could do it, and we didn't quit probate and settlement, we were just putting it on pause. And that was a big lesson learned because it even come down sometimes to the judge. Judge was more right leaning or left leaning, that would create nuance, or the documents themselves.

The question we used to get asked in the early days, we didn't know yet, they're like, "Have any of your customers died?" We're like, "Oh, we don't really track that. But yeah, some people come to us because they are going to die and have a terminal illness." We probated a handful of our documents and they were fine, which was great, but they were consistent, right? Similar format, we control how they're structured, on the back end we control how they're structured in the actual legalese. The other 3,800 documents were all over the place. I mean, we had some that were literally typewriter estate plans from 67 years ago, to ones that hadn't been touched in 30 or 40 years, to ones that were up-to-date and were pretty ironclad. There's just a lot of variability. So that variability was hard for us to accommodate for in a consistent ops flow. But it was an amazing...

I mean, the team that ran that probate operations, incredible. Most patient people on the planet. They also had customers going through the seven stages of grief on calls with them. So call could be very peaceful like, "Hey, mom and dad's in a better place. I'm just happy that you guys are able to help get us through this." Some of those calls were our colleagues getting cursed out. We had people quit because they couldn't handle the pain of getting cursed out a couple times a week by a customer who literally just lost mom or dad and they need someone to vent to. A lot of sad, tender emotional calls. I think we had a lot of team members here for the right reasons, for those conversations specifically, just to be a virtual shoulder to cry on as they went through this process.

And people forget, this is a very human experience to go through. Everybody's going to go through it at some point. So I feel it'll be inevitable that we get back into it at some point, and maybe it's kind of like the crypto conversation with Casa, maybe it is a partnership with Alex or a future acquisition down the line. But yeah, it's a fascinating space. We're more interested in, what does the future of trust administration look like? And what the future of trust companies look like with AI and technology, and that's kind of directionally... That's our horizon three narrative that we'll start building towards in the coming years.

Ross Bruch:

That's really fascinating. And you mentioned the DIY, I don't think people realize, I don't think the layperson realizes just how difficult it is. We've all, as practicing attorneys, have experience with clients who have said, "Well, I could just do that myself." And then only to come back and say, "No, this was way more difficult than I thought." It eliminates a lot of the problems you just mentioned of the interactions, the difficulty dealing with documents if it's all on the client. But I imagine the margins just aren't there to justify in terms of your offerings.

Cody Barbo:

Yeah. It's such a timely question, I had a conversation today with a company called FairSplit, and this entrepreneur is helping families create asset inventory. It's pretty slick. It's an AI asset inventory tool, so it helps the family... So just for the listener that may not be an estate attorney, mom and dad passes, they have 3,000 square foot home, they have all this stuff in it, and you're trying to figure out what do all they have? What's it worth? Who wants it, who doesn't want things? And you see at an

estate style, people usually do the sticker system, there'll be certain colored stickers of grab what you want if it's got a green sticker, bring it to the debate table and hash it out. Why do you deserve this vase from grandma?

Jennifer Zegel:

Stickers definitely can be moved too. I've had that.

Cody Barbo:

Totally, very sneakily moved. So it's pretty cool. I'm convinced we don't have to solve for everything. I think maybe to the question earlier, I think earlier on we got asked to solve for everything and we're like, "We don't have to solve for everything." Just do a few things really, really well at scale and find partners or potentially acquisition opportunities that we can work with these organizations on these more nuanced, niche ideas.

Ross Bruch:

Absolutely. This has been a fascinating conversation. I hope that you'll be willing to come back, because everything's moving so quickly and your insights are really helpful to us and to our audience, so thank you very much for your time.

Cody Barbo:

Yeah, it's an honor. Look, you guys are doing a great job bringing attention from so many different voices in this industry. I hope the one thing that's consistent from the last call we had to this, from the inception of the company is, we're trying to be so intentional with being a good company, helping families. And if people want to work with us, if any of the listeners have interest to work with us, reach out to me directly on LinkedIn if they hear the podcast. Because we're just trying to find good people all the time, and we've got 115, got this amazing attorney network. And with the estate attorney tool that we're launching, we are going to be looking for a lot of feedback. It's not going to be perfect. It's an MVP, just to set expectations, but you all should get access to it and it has a pretty robust roadmap behind it, but at least in the initial inception, just making sure it works, it's useful, and try to re-engage clients that an attorney hasn't talked to maybe in 10, 15, 20 years.

Ross Bruch:

So our guest today was Cody Barbo, CEO and co-founder of Trust & Will. Cody, again, thank you so much for your time. The Trust & Will journey has been fascinating to watch, and we're really happy to see what you've accomplished thus far, and wish you continued success in the future.

Cody Barbo:

Thank you so much. Thanks all.

Ross Bruch:

So on behalf of my co-hosts, Jen and Justin, this is Ross, and thank you so much for listening to this episode of the Digital Planning Podcast. We'll catch you on the next one.