

Opening Statement of Brian D. Quintenz, Nominee to the Commodity Futures Trading Commission

Thank you, Chairman Roberts, Ranking Member Stabenow, and members of the Senate Agriculture Committee. It is an honor to be with you this morning. I would also like to thank Majority Leader McConnell for recommending me for this position and President Obama for my nomination. If confirmed, I would fill the seat vacated by Scott O'Malia, who set a high standard in his service as Commissioner.

I am deeply grateful for the love and support of my parents, Kenneth and Susan Quintenz, my brother, Darren Quintenz, and my two children, Connor and Vivienne, all of whom are in attendance today. I am proud to have them here.

Mr. Chairman, I am a Midwesterner—a first-generation Ohioan whose mother and father grew up in Wisconsin, the home of my extended family. While I'm a resident of Washington, D.C., I still consider myself a Midwesterner, and I believe firmly in the Midwest values of hard work, honesty, and community.

I come from a family of entrepreneurs and small business owners. My grandfather on my mother's side, after serving in World War II, returned home to northwestern Wisconsin and bought a Ford car dealership. His wife, my maternal grandmother, was raised on a family dairy farm in Chetek, Wisconsin. My paternal grandmother owned and operated a restaurant on the east side of Milwaukee, putting her three sons through college. My father started his own business, my brother started his own business, and I am the founder of my own business, Saeculum Capital Management.

Saeculum is an investment firm currently registered with the CFTC as a Commodity Pool Operator. As the sole proprietor of the firm, it is my responsibility to effectively and meticulously manage risk as well as compliance. I am, therefore, very familiar with the CFTC's investor protection rules, disclosure requirements, and recordkeeping obligations. Additionally, as a registered Associated Person of this firm, I hold a Series 3 National Commodity Futures Exam License, a credential valuable in analyzing and interpreting the impact of regulations on futures markets.

I began my career in finance in 2008, during the financial crisis. Working directly under the CEO at an investment firm focused on the banking sector, I performed detailed valuations on financial institutions of all sizes and complexities. I became an expert at reading banks' balance sheets and income statements, understanding their accounting rules and financial disclosures, and forecasting their capital levels and quarterly earnings.

In this position, I depended on the accuracy and accessibility of publicly available information and became a firm believer in data and transparency. Transparency increases market efficiency and can provide important checks on risky behavior. The Commission's focus on data and transparency is encouraging, but more progress is needed. If confirmed, I will draw from professional experience to advance that important work.

However, my professional career did not begin in finance, it began in public policy. After graduating from Duke University with a degree in Public Policy Studies, I joined the Office of Congresswoman Deborah Pryce, who represented Ohio's 15th District, an area that included my hometown of Columbus. Ultimately, I became her senior policy adviser with an issue portfolio that included agriculture.

In meeting agricultural constituents and personally visiting some of the over one thousand family farmers in our Ohio district, I developed a strong appreciation for the work ethic and sophistication of America's farmers and ranchers, as well as for the pressures, costs and risks they face. Should I be confirmed, I pledge to ensure the market concerns of the agricultural sector are recognized and to continue developing a firsthand knowledge of the agricultural community.

The financial crisis scarred every sector of our economy, hurt individuals, families, and communities, and exposed deep flaws in our markets. It deserved a legislative and a regulatory response. As that response is calibrated, regulations meant to address those flaws should not spill over to harm the normal activity of ordinary businesses. When costs are added without targeting risk, poor outcomes ensue. When standardized rules treat low-risk behavior and high-risk behavior equally, risk is encouraged instead of reduced. I will work to ensure that regulations and their burdens are tied to the risks being mitigated.

I would be honored to bring my public policy background, my expertise in finance, my knowledge of derivatives and their uses, my familiarity with risk management, and my respect for the agricultural community and end-users of these markets to the CFTC. This is a crucial time for our financial markets and for the people that depend on them. It would be a privilege to be of service in safeguarding and improving our country's marketplaces.

I would be pleased to answer your questions.