

September 17, 2018

# BARRON'S



## The Top Independent Financial Advisors

Our annual rankings of firms and individuals

Keith Negley for Barron's

## The Top 40 RIA Firms

The largest independent advisory firms grew by over 40% last year. With M&A only increasing, that growth is unlikely to slow anytime soon.

RANK		Firm	Location	Top Executives	Clients	Advisors	Offices	States
2018	2017							
28.	23.	<b>RMB Capital</b>	Chicago	Richard M. Burrige Jr., Frederick Paulman, Walter H. Clark	2,722	22	17	13

*(over please)*

THE PUBLISHER'S SALE OF THIS REPRINT DOES NOT CONSTITUTE OR IMPLY ANY ENDORSEMENT OR SPONSORSHIP OF ANY PRODUCT, SERVICE, COMPANY OR ORGANIZATION.  
 Custom Reprints 800.843.0008 www.djreprints.com DO NOT EDIT OR ALTER REPRINT/REPRODUCTIONS NOT PERMITTED 55549

# More For Your Money

As advisories grow larger, they're able to offer a broader range of services

By Steve Garmhausen

*The following has been excerpted*

Once a pebble in the U.S. wealth management landscape, registered investment advisor, or RIA, firms will soon account for 30% of all retail investment assets, according to Mark Tibergien, CEO of Pershing Advisor Solutions.

Recent figures from Cerulli Associates have RIAs managing about \$4 trillion of client assets, compared with about \$6.5 trillion within the traditional brokerage, or wirehouse, model. (Yet more assets are invested through smaller, independent brokerages, discount brokerages, and so on.) And while thousands of mom-and-pop shops still populate the RIA universe, they are shrinking in number as operating costs rise and fees drop. In short, financial advice is rapidly becoming the domain of firms that have the scale to handle the intense technological and regulatory challenges.

This is largely good news for clients. For starters, as bigger firms gain prominence,

advisory fees are dropping. According to the most recent State of Retail Wealth Management report from McKinsey's PriceMetrix unit, fees for both individual transactions and for broader financial planning have dropped every year since 2014. The average fee last year for households with between \$1 million and \$1.5 million to invest was 1.08% of assets managed, down from 1.16% in 2014.

At the same time, the range of services and expertise available to clients is growing, as RIAs expand their teams. Investing acumen remains important. But in an era of low-cost investing options from the likes of Vanguard and so-called robo providers such as Betterment, advisors understand that they need to bring other services to the table, such as estate and tax planning. If you're a client, now is a good time to review what you're getting for your fees—and to perhaps ask for more.

**Barron's produces** RIA rankings to help investors find quality financial guidance. The third-annual Top RIA Firms Ranking, ranks the leading independent advisory firms. The ranking weighs dozens of qualitative and quantitative components, including assets managed, the size and experience of teams, and the regulatory records of the advisors and firms.

This year, the RIA Firm ranking expanded to 40 spots (from 30 last year and 20 in 2016), to make room for the explosive growth of elite firms. The average assets under management by the top 20 RIA firms in our survey grew 40.7% since 2016, to \$15.8 billion. Their operations are similarly expanding: The average number of offices rose from 20 to 31; the average number of advisors at each firm grew from 63 to 83; and the average number of advisory clients increased from 5,518 to 8,012. ■



[rmbcap.com](http://rmbcap.com)