

All signs point to RIA

5 reasons top-performing teams are breaking away

The Registered Investment Advisor (RIA) movement has reshaped the advisor landscape. Offering new opportunities, resources, and support, the independent RIA model can serve the evolving needs of advisors and their clients. In response, advisor teams are moving to independence at an inspiring rate.

1 The top of the class is leaving the building



"Multibillion-dollar teams don't view this as running away," says John Furey, founder of Advisor Growth Strategies. "They view it as the best structural and long-term decision for the team and their clients."

106%

industry-wide increase in RIAs that had \$1B+ in client assets between 2012 and 2017¹

2 The support ecosystem is robust



The industry today has a mature ecosystem of support that has attracted a record number of sophisticated teams, leading to historic growth in the RIA channel. Leading services include compliance, technology, transition support, ongoing practice management, and marketing.

GROWTH BREEDS MATURITY:

Far outperforming other models, RIA assets have grown

16.6% annually since 2007²

3 Keep more of what you earn



Some teams are seeing revenue gains, even in the short term. With more control over their money, they can reinvest, develop a brand, and realize the value of ownership.

Median 5-year annual growth rates in revenue for newly transitioned teams:³

\$500M TO \$1B AUM
21.7%

\$1B+ AUM
19.7%

4 Freedom to put clients first



"We still have so much room to grow. Why? Because most investors do not understand something as simple as fiduciary versus suitability standards."

-Tim Oden, Senior Managing Director, New Business Development, Charles Schwab

RIA teams have the ability to meet the complex needs of sophisticated investors. Without the constraint of broad-stroke policies, they are free to create a more advisor-friendly, consumer-friendly approach.

41%

of advisors are expanding services beyond investment advice or wealth management⁴

5 On track to meet shifting expectations



Financial advisors are being shaped by shifting expectations. A client-first approach is becoming the norm, and RIAs are well positioned as they strive to be trusted fiduciaries.

Advisors retain an average of

87%

of clients when they go independent⁵

The rise of the RIA and you

Want to learn more about how elite teams are redefining the RIA landscape?

Visit advisorservices.schwab.com/rise.



Own your tomorrow

1. The Cerulli Report: U.S. RIA Marketplace 2018, Exhibit 2.14.

2. The Cerulli Report: U.S. Intermediary Distribution 2018, Exhibit 2.07.

3. 2018 RIA Benchmarking Study from Charles Schwab, fielded January to March 2018. Study contains self-reported data from 1,261 firms. Participant firms represent various sizes and business models categorized into 12 peer groups—7 wealth manager groups and 5 money manager groups—by AUM size.

4. Charles Schwab Independent Advisor Outlook Study, June 2017.

5. Independent Advisor Sophomore Study from Schwab Advisor Services, Logica Research (formerly Koski Research), March 2018.

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