

Advisor case study

Neal Simon Highline Wealth Management

RIA model:
Enables advisor to pursue
ambitious growth strategy

As the registered investment advisor (RIA) Model continues to grow, both established independent advisors and brand-new RIAs are presented with an increasingly competitive marketplace and greater opportunities to further distinguish their own firms.¹

“Schwab is a really effective platform for us. It’s as open, inexpensive, and easy to access as we need it to be.”

Neal Simon
Founder and CEO
Highline Wealth Management

To stay ahead as an RIA, you need your custodian to provide more than asset protection. You need a team of dedicated professionals who understand the RIA industry and can provide a wealth of products, services, and support tailored specifically to the needs of your firm.

With Schwab Advisor Services™, you get exactly that—and more. We have built a powerful custodial offering based on more than 25 years of working with, listening to, and advocating for independent advisors like you. When it’s time to take control of your professional destiny, we’re here to help, every step of the way.

Businessman starts successful RIA firm from scratch

Neal Simon took an unusual route to becoming an independent RIA. Rather than building a book of business while working for another firm and then transitioning to independence, he started an RIA firm from scratch—with no holdover clients or assets under management (AUM) in his pocket. Friends and relatives were his first clients and helped build his reputation.

Simon, who ran three other successful businesses before starting Highline but had never been a financial advisor, says it was critical to find a custodian that could support the firm's approach to client service. "The custodial relationship is the backbone of what we do," Simon explains. "It's important for us to have a custodian that's open—so we can own almost anything for our clients—and that's flexible enough to work with us when we have unique client situations."

From day one, Simon relied on Schwab Advisor Services™ to help build the firm, which now manages the investments and financial affairs for about 180 families—for a total of \$1.3 billion in assets under management. He also says Schwab is the perfect custodian to help Highline meet its long-term objective of managing \$10 billion in assets by 2020.

Freedom to choose the right products

Simon, whose previous experience included running a management consulting company and a financial services firm focused on insurance and retirement plans, had a good idea of what he wanted when he began researching custodians.

"Because we didn't have any assets yet, it was really an academic exercise," Simon explains. "We chose Schwab for three reasons. First, we needed an open platform that allows us to access almost any investment we want. Second, our clients' custodial and trading fees needed to be affordable. And third, we needed the ability to easily access information to pull into our reporting."

Schwab's investment platform is designed around choice, which allows Highline to build customized portfolios for its clients based on their unique investment goals.

Schwab's technology platform is just as versatile. RIA firms can choose the Schwab technology platform that works best for them, including turnkey solutions or piecemeal packages designed to seamlessly integrate with leading third-party solutions.

"Highline was founded on the principles of open architecture and being able to access any investment for our clients using best-of-breed managers," Simon explains.

"Schwab really shines in these areas."

Executing a growth strategy

"I wake up every day thinking that Highline can be bigger and better," Simon says. "Part of our growth strategy is investment growth, part of it is organically bringing on new clients, and part of it is inorganic growth—finding new partners to join the business."



Firm: Highline Wealth Management

Location: Rockville, MD

AUM: \$1.3 billion

History: Founded in 2002

"Schwab has the deep bench you need to support fast-growing RIAs like Highline."

— Neal Simon

“Schwab is completely committed to this business. They’re not content just being the RIA industry leader—they continue to invest in their technology, their reporting, and every other aspect of the business.”

Simon says Schwab plays an important role in helping Highline meet these growth objectives. For example, a Schwab consultant trained 12 Highline team members on the best way to get referrals from centers of influence (COIs)—a key element of the firm’s referral strategy.

The firm’s relationship manager and business development officer (BDO) have also introduced Highline to several smaller RIA firms interested in potentially merging their books of business. “Schwab is aware of our strategy,” he says. “They know we’re interested in meeting other advisors managing \$100 million to \$500 million in assets, particularly between the Washington and New York areas.”

One such firm was a small RIA firm in the D.C. area that wanted to be more profitable but didn’t have the necessary resources to scale upward. “Our local BDO introduced us, and we ended up merging the RIA into Highline shortly afterward,” Simon says.

A deep bench of services

“We have a complicated client base,” Simon says, explaining that the firm manages an average of \$7 million in assets for each of its 180 clients. And that can lead to some complex demands for custodians. Fortunately, Schwab has consistently proven itself to be up to the task.

The Schwab relationship manager is in frequent touch with Highline’s executives and staff, making sure she has a handle on the firm’s day-to-day needs.

“We also occasionally have needs that we didn’t predict, and she’s always our first phone call,” Simon says. “If she can’t handle it, she’ll put us in touch with the people at Schwab—or in some cases even outside of Schwab—who can.”

Simon believes this versatility is one of Schwab’s biggest strengths. “Schwab employs a lot of people with a lot of different expertise,” he says. “In our experience, there’s always been somebody at Schwab who could help us.”

Why Highline Wealth Management chose to work with Schwab

- Freedom to access a broad array of investment products
- Expertise and support to manage unique client needs
- Open, customizable technology platform
- Affordable custodial and trading fees for clients
- Easily accessible information for reporting purposes
- Alignment with firm’s long-term growth strategy

Watch and learn more

The Schwab Advisors Services video library includes a feature on Neal Simon and other advisors. Go to advisorservices.schwab.com, select the Tools & Resources tab, then click through the video reel located at the top of the page.

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