

## MARINER NEARS \$10 BILLION WITH LATEST ADDITION

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*Mariner Wealth Advisors, the fast-expanding RIA, has inked a new deal that brings it to nearly \$10 billion in assets and strengthens its Northeast footprint.*

The Leawood, Kan.-based firm has acquired a majority interest in Jersey Shore firm Housen Financial Group. The deal follows Mariner's acquisition of majority stakes in Madison, N.J., firm Brinton Eaton in 2012 and New York's RR Advisory Group late last year.

"It gives us a nice triangle in the region," says Mariner chief executive Marty Bicknell. "The three companies have very similar models with a heavy planning orientation. There's a lot of synergies between them."

### GROWTH TRAJECTORY

Since leaving A.G. Edwards less than 10 years ago -- and opening a single office with eight employees in Leawood in 2006 -- Bicknell has maintained an impressive growth trajectory.

Mariner now has 11 offices in seven states, with \$9.5 billion in assets. Firms typically retain their local brand name, and owners become minority equity stakeholders in Mariner.

Bicknell has stayed busy with side projects, too: Last year Mariner launched FirstPoint Financial, an online mass-market offering with no investment minimums for clients, and Mariner Trust, aimed at wealthy clients with multi-generational planning needs. Meanwhile, Bicknell's money management operation, Montage Investments, has over \$20 billion in assets.

And the Mariner juggernaut shows no signs of slowing, say industry experts.

The Housen deal came as "no surprise," says John Furey, principal of the RIA consulting firm Advisor Growth Strategies. "Mariner is a well-organized and well-capitalized growth company. What impresses me is they are building for scale and are very selective with the advisors that come on board. The pace of growth is best in class and I expect it to continue."

### ELITE \$5 BILLION CLUB

**Dan Seivert**, chief executive and founder of investment banking and financial services consulting firm **Echelon Partners**, agrees. "There are approximately 45 independent wealth managers with more than \$5 billion in AUM, and only 15 with more than \$10 billion," says Seivert, whose firm is hosting the Deals and Deal Makers Summit in New York on May 1. "Mariner continues to climb these ranks not just because of their strong organic growth, but because of their success in adding meaningfully sized acquisitions -- meaning firms with more than \$500 million in assets."

Housen has \$817 million in AUM and a staff of 13 professionals.

Many of the industry's largest firms target larger clients and employ a multifamily office strategy, Seivert notes. "While this may be true of Mariner as well, they have differentiated themselves by launching First Point," he says. "Much like Edelman Financial, Mariner targets clients of all sizes and will accommodate investors with much smaller average balances."

Bicknell says he sees a two- to three-year window for regional RIAs like Mariner to piece together a national footprint. "There are many good, quality firms figuring out their growth and succession strategies," he says. "It's still a good opportunity."

While the Housen deal gives Bicknell a strong position in the New York metro area, he argues that the geographic location of potential acquisitions is actually less important than cultural fit. "We started out putting pins on a map but that didn't work," he says. "Cultural fit is the biggest strategic challenge. In the last two years we've acquired six firms, but we visited close to 200 to get to those six."

## PLENTY OF SUITORS

While Housen Financial Group wasn't looking for a partner, the firm had plenty of suitors, says Christopher Housen, president of the firm. "Nobody was able to check off all the boxes." Housen says.

But after being introduced to Bicknell through RR Advisory in New York and Fidelity, Housen's concerns about his clients and partners, as well as compliance, human resources and back office needs were allayed.

"All the boxes did get checked off," Housen says. "I wanted to make sure my top advisors became equity partners and that my end clients would have the same service. Not every firm had that solution."

Housen plans to open a Florida office and add two to three more advisors in the next 18 months. The firm will also begin working with RR and Briton Eaton to take advantage of each firm's "different strengths," says Housen.

Housen says he also likes knowing who his partners will be for the long haul. "I was not looking to cash out," he says. "I just turned 49 and Marty is 45 and loves this stuff. Mariner is in a perpetual family trust and is going to be around a long time. That's what works for us."

## ABOUT ECHELON PARTNERS

ECHELON Partners (ECHELON) was formed in 2001 to offer investment banking and consulting to a subset of the financial services industry known as "investment product developers and distributors" (IPDADs). Since that time, ECHELON's professionals have helped hundreds of senior executives envision, initiate, and execute a multitude of complex business strategies and transactions. ECHELON's business is making companies more valuable through delivering advice and orchestrating transactions. Accordingly, ECHELON measures its success in the enterprise value it creates for its clients. Companies that strive to outperform their peers choose to work with ECHELON because we are as passionate about their results as they are.

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