

ECHELON PARTNERS BRINGS INVESTMENT BANKING TO WEALTHTECH FIRMS

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ECHELON Partners has been providing investment banking to wealth advisors for some 15 years. The firm announced Tuesday that it's extending its investment banking capabilities to the growing sector of wealth management technology.

Dan Seivert, the CEO of ECHELON, said the move is in response to the significant increase in private equity, venture capital and corporate investments being made in technology firms servicing the wealth management industry. Naming the sector WealthTECH, Seivert said ECHELON has already worked with several companies—including Laserfiche, FolioDynamix and Total Rebalance Expert—and is now just formalizing its offering.

"[WealthTECH companies are] undergoing an incredible amount of change," Seivert said. "They need a lot of help with strategy. There are no other firms that are addressing their needs."

There are five main areas WealthTECH companies need help with, Seivert said, including competitive strategies, product focus, mergers and acquisitions, financing, and product strategy.

M&A could become especially important as more traditional firms look to acquire technologies to improve their own digital offerings. Some of the services ECHELON will offer include valuations, analysis of transactions and offers, soliciting and managing offers, negotiating deal terms, and procuring financing.

The firm also plans to provide new research reports that will help WealthTECH executives understand industry trends and who the top players are in various spaces. ECHELON also has also developed a proprietary mapping system that organizes 1,000 companies into eight WealthTECH sectors and 42 sub-sectors.

ECHELON is also building a database of venture capital and private equity firms actively investing in the space, as well as companies looking to buy or sell.

Seivert hired three senior investment banking professionals to support the new platform. Michael Wunderli joined as the managing director, bringing 13 years of experience from Lehman Brothers and UBS, where he sourced more than \$2 billion in investment banking and private equity transactions. He also managed \$400 million for high-net-worth investors. ECHELON also added Lucas Barash-David from Fisher Investments and Adam Johnston from Goldman Sachs.

"I think it's important to understand that we read a lot of the headlines about what's going on in the technology world and that fintech is a really important part of the overall technology space," Seivert said. "But fintech is to technology as WealthTECH is to fintech. [WealthTECH is] often overlooked; it has its own dynamics. It really is one of the brightest spots of all of the technology space.

"We want to help people understand it better and appreciate the opportunities and success it's having."