

## INSITE 2014 UNVEILS WIRED BODY ARMOR FOR THE ADVISOR OF THE FUTURE AS IT ROLLS OUT A SLEW OF NETX360 UPGRADES

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Mark Tibergien delivered a personal challenge to advisors at the overflowing South Florida Pershing confab as INSITE announces plans to shift ground in '15.

Brooke's Note: I see that Tim Welsh diplomatically put his foot down in this article not only about Pershing's odd choice to do all Hollywood, Fla., all the time for INSITE but also the Jersey City-based custodian's idea of an improvement — Orlando, Fla. Glass half full, the current venue is an issue because so many advisors chose to come to the event — a good sign that Mark Tibergien and Pershing are crushing it.

If you want see what the future of advisor technology looks like, spend an hour with Ram Nagappan, chief Information officer and a managing director for Pershing LLC.

"The goal is to make your digital life simplified," explained Nagappan who, with his team, had staked out an area of the exhibit hall at last week's annual Pershing INSITE conference, showing off tech gadgets still in development to advisors and anyone else who wandered into their exhibit.

This demonstration of future technologies was a running theme at INSITE conference this year, as 2,300 advisors, broker-dealer executives, trust companies and a large swath of international wealth management folks crowded (and I do mean crowded — more on that later) into the Hollywood Westin resort, just north of Miami Beach.

There, Pershing rolled out updated features across all of its technology platforms that are anchored by NetX360, including its advisor workstation, investor-facing portal and managed account platform.

### **Google Glass to Pebble watch**

"We are taking all of these emerging technologies and then finding the use-case that can make them applicable to the advisor-client relationship," said Nagappan. "With the Internet of all things, there is a convergence of pervasive computing, meaning that everything has a computer inside it, so the goal is to find simple ways to send data that is contextual in nature."

As an example, Nagappan and his team demonstrated how Google Glass could capture a new account form, use voice technology to complete it and then submit to Pershing for processing. From there, an alert goes to the client's Pebble watch, and with the push of a button, the client agrees to the account and the process is complete.

"We call it wearable workflow," said Nagappan with a smile.

The working prototype won't be available for two or three years, he says, as they are waiting for such technology to mature and become more widely adopted.

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The latest updates to the NetX360 advisor workstation platform were centered around a new user interface designed to enable advisors to customize their inflow of information and better collaborate within their firm and Pershing.

Upgraded mobile apps that can work on all devices and operating systems, including Windows 8 tablets, definitely provided the tech buzz at the conference in muggy Hollywood, Fla.

### **Trending: ETFs and succession**

Kicking off the conference was Pershing's chief executive, Ron DeCicco, who provided a data-driven keynote on the latest stats at Pershing and industry trends. "With over \$1.43 trillion in global assets, we can see where the money is going, with definitely a pronounced shift to ETFs."

DeCicco also pointed out the benefits to an investor who works with an advisor, citing a study that showed individuals that worked with an advisor accumulated 173% more assets than those who didn't.

Despite the upbeat news of advisor success, DeCicco sounded a familiar warning bell for the future of the industry.

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"There are roughly 12,000 to 16,000 advisors retiring every year, thus the industry needs to bring in 237,000 more new advisors to meet anticipated demand. Where are those advisors going to come from?"

### **Getting With the social media program**

Practice management was also a key theme at the conference with multiple sessions and breakouts available for the attendees to learn the latest. On the technology front, tech guru Joel Bruckenstein provided his direct feedback to advisors on their progress with social media.

"People today looking for an advisor will first go to your LinkedIn page and then maybe to your website. Unfortunately, for many advisors, they don't even have a presence on LinkedIn and thus are missing out on new business."

Bruckenstein also admonished advisors for their slow adoption of technology in general. "Consumers are way ahead in terms of technology use, which is not a good place to be. You are moving too slowly," he said.

To which an advisor in the audience wryly countered, “Consumers are ahead in technology use because consumers don’t have compliance departments.”

## Ask the M&A Experts

Mergers and acquisitions continue to be a key topic in the RIA industry. **Dan Seivert**, CEO of **ECHELON Partners** and Greg Friedman, CEO of Private Ocean and **Junxure** presented their views on the latest in M&A trends and opportunities.

**Seivert** commented on the importance of advisors using the M&A process to fill in gaps in their firms’ expertise. “We’ve seen cases where, due to the differing sizes and multiples of firms, that the acquirer was able to gain millions in arbitrage value, simply because they knew what the selling firm would add to their overall business value and the other firm didn’t.”

Friedman added a warning note: “One of the unforeseen things that happened was that referrals completely stopped until clients were comfortable with the new firm, so you need to anticipate and plan for this.”

## The Tibergien challenge

Due to Pershing’s size and scale, INSITE attracted some of the many high profile keynote speakers who have recently populated other custodian-conference agendas, including former Secretary of State Condeleezza Rice, former New York Yankees’ manager Joe Torre, academic and marketing professor Jonah Berger and X Prize Foundation founder Peter Diamondis.

Despite this star power, however, the most passionate and heartfelt keynote was provided by Pershing Advisor Solutions’ chief executive, Mark Tibergien.

Tibergien made the case that investor financial literacy is the missing link in the chain of events that caused the financial scandals of recent years and the declining reputation and perception of the financial services industry. He is making it a personal mission to try and bridge this gap.

“Do you think that any of these scandals and product failures would have had as big an impact if consumers were educated as to even the most basics of personal financial planning?” Tibergien asked the crowd.

“We can all take an incremental step and go back to adopt our elementary and high schools to make a difference by funding a program, providing materials, and identifying opportunities to help,” Tibergien said. To that end, he has created a hash tag on Twitter to help jumpstart what he hopes will be a viral process: #FutureofFinServ. Be sure to check it out.

## Oh no – Orlando!

One downside of conference is a result of INSITE’s outgrowing its legacy location, the fabulous beachfront Westin Diplomat, one of the more popular venues on the conference circuit. As a result, the exhibit hall was very crowded with narrow aisles, leaving vendors cramped together as they simultaneously clamored for advisor mindshare.

The good news/bad news is that INSITE will be moving to Orlando, Fla. next year to accommodate its growing numbers, however industry participants don't want to spend any more time in Orlando than we have to!

## Home team disadvantage

With a conference as large as INSITE there are multiple social and networking opportunities to take advantage of, including receptions, dinners and parties scattered along the Hollywood, Florida beach scene.

Ryan Shanks, chief executive of Join a Firm and [Finetooth Consulting](#) held his annual Beach Bash and [Advent Software](#) held court at a massive sports bar for food, drink and a watch party for the first game of the NBA championships featuring local favorite, the Miami Heat take on the San Antonio Spurs. However, in a harbinger of what might define the series, the air conditioner went out in San Antonio, LeBron James fell to heat cramps, and the Spurs triumphed — silencing the raucous crowds.

To learn more about what went on at Pershing's INSITE, check out the many tweets under the #INSITE2014 hash tag on Twitter.

## 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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