

# REVEALED

The 2008 Top Dogs serve some of the wealthiest clients around. Here's how they do it.

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Last July, many professional investors were waking up to a new day in which much of their world was turning upside down.

Triple-A ratings were slashed, hedge funds were imploding, and it was nearly impossible to place an accurate value on many of the newer structured securities. It was starting to dawn on wealth managers, and many of their clients, that these were not normal investing times—not a regular part of the cycle. While it will take still more time to assess the extent of the damage to investors, the markets and the economy, we do know that a wealth manager's job just became more complicated.

With all the noise that surrounds them, it is to their very great credit that wealth managers have been able to keep clients focused on the long term while ferreting out the opportunities that market uncertainty presents.

*Wealth Manager's* 2008 Top Dogs survey found that the overall amount of assets under management has continued to grow, along with the number of investment firms managing that wealth. The 478 firms that participated in the 2008 survey—our eighth annual ranking of the top wealth managers by average AUM per client—manage an impressive total of \$302 billion. Survey respondents do not include banks, broker/dealers or trust companies. Overall assets under management for the 2008 Top Dogs range from \$14.4 billion at the largest firm to \$36 million at the smallest firm, with an average total AUM of \$632.6 million and a median AUM of \$256.3 million—up 8.4 percent from \$236.5 million in 2007, and up 28.8 percent from the \$199 million reported in 2006. It's interesting to note that, of the top 10 Top Dogs by total AUM, only three make the top 10 when ranked by average AUM per client.

## THE RANKINGS

What's really exciting here are the Top Dog rankings by average AUM per client. Median AUM per client held steady from a year ago—again at \$1.4 million for 2008—and up from \$1.2 million in 2006. The average AUM per client was an impressive \$3.33 million, ranging from a high of \$66.9 million at Boston's Federal Street Advisors, to \$150,000 at number 478, The Tranel Financial Group in Libertyville, Ill.

The top 20 firms by average AUM per client include a wide distribution of average client assets from Federal Street's \$66.9 million to \$15.2 million per client at Manchester Capital Management in Manchester, Vt.; by number 100 in the ranking, The Fairman Group of Berwyn, Pa., average AUM per client came in at \$2.8 million. At number 200—Charlotte, N.C.-based Carolina Capital Consulting, Inc., average AUM per client was \$1.7 million; the number 300 firm, Pinnacle Wealth Planning Services, Inc., in Mansfield, Ohio, reported an average \$1.2 million per client. And there is an average \$767,000 per client under management at McBrearty Capital Management, Inc., in Knoxville, Tenn., the firm ranked number 400.

To give the nearly 500 wealth managers who participated this year, as well as others who chose not to, a glimpse at the inner workings of some of the most successful firms, *Wealth Manager* Managing Editor Nancy Mandell induced principals at the top five firms to reveal some of their strategy. Starting on page 42 you'll find all 478 firms and their vital statistics; on page 61, *Wealth Manager's* Top Dogs ranking methodology, and on page 59 you can see what we found By the Numbers.

# Rhona Vogel

Vogel Consulting

Brookfield, WI

Average Client: \$44,879,492

Rank: 4

According to Rhona Vogel, the Horatio Alger story is alive and well in the Midwest. Vogel bases her assertion on the very successful niche business her Brookfield, Wisc.-based firm has established over the past 15 years.

“Our niche is the family office space,” says Vogel, whose number-four firm in the rankings grew from 50 to 78 client relationships last year. And most of those client families started with a patriarch—or matriarch—who founded a closely-held business that became an empire, passed down through the family or sold on the open market.

In fact, much of the firm’s growth last year—from \$3.1 billion in total AUM to \$3.5 billion—could be called organic.

“We added a number of families to the mix, and some of our existing family clients went to multi-generations—even as many as four—some of whom want to be handled separately,” she explains.

An entrepreneur herself, Vogel started her career as one of the first women tax partners at Arthur Anderson, one of the “Big Five” accounting firms. When she found her clients—primarily closely held family businesses—asking for more personal financial planning, she proposed the idea to Anderson. Her superiors, she says, were not interested. The result was Vogel Consulting, founded in 1993, which today manages an average of close to \$44.9 million per client.

And almost 100 percent of the firm’s revenue comes from hourly fees.

“We’re one of the few in the industry whose sole compensation is hourly,” Vogel says with obvious satisfaction. “We offer new clients a choice of a fee based on a percentage of assets, an hourly fee or a retainer. When we price it out, 98 percent of clients have chosen hourly fees, which,” she believes, “are the fairest from the family’s point of view.”

“One of the keys for us is having the ability to always sit on the same side of the table as our clients,” she adds, “so any cost savings we negotiate go back to the family.”

And unlike other firms among the Top Five Dogs in the *WM* ranking this year, Vogel and her staff of 33 professionals and nine support people spend a lot of time at that table.

“We do the bill paying, the cash reconciliation, insurance matters—even some specialty things like private planes,” she says.

To facilitate the hiring of personal assistants—a service they’ve performed for many client families—the firm keeps an in-house HR person who acts as a resource and screener.

What keeps Vogel at the top?

“Everyone here,” she says, “has a personal commitment to our families. Over time, you care about all the components of having a relationship with people you like and respect.”

TOP  
DOG



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PHOTOGRAPHY BY JOHN NIENHUIS

Rank	Firm Name	City	State	Total AUM	Client Relationships	Average AUM per Client	Minimum Annual Fee per Client	Minimum AUM per Client	Number of Professionals	Number of Support Personnel
1	Federal Street Advisors	Boston	MA	\$4,950,312,768	74	\$66,896,118	\$65,000	\$20,000,000	15	8
2	Gatimore Capital Management, LLC	New York	NY	\$459,057,468	7	\$65,579,638	\$0	\$30,000,000	4	2
3	BBR Partners, LLC	New York	NY	\$3,611,220,751	60	\$60,187,013	\$0	\$20,000,000	23	25
4	Vogel Consulting	Brookfield	WI	\$3,500,600,413	78	\$44,879,492	\$0	\$0	33	9
5	Gresham Partners, LLC	Chicago	IL	\$2,780,151,425	65	\$42,771,560	\$165,000	\$25,000,000	15	10
6	Circle Wealth Management, LLC	Summit	NJ	\$204,290,872	5	\$40,858,174	\$100,000	\$10,000,000	3	1
7	Arlington Partners, LLC	Birmingham	AL	\$1,321,189,184	35	\$37,748,262	\$100,000	\$0	21	11
8	Financial Clarity, Inc.	Mountain View	CA	\$1,035,300,000	31	\$33,396,774	\$0	*A\$30,000,000	2	6
9	Silvercrest Asset Management Group LLC	New York	NY	\$10,071,780,699	323	\$31,181,984	\$0	\$5,000,000	51	38
10	Litman/Gregory Asset Management, LLC	Orinda	CA	\$6,909,279,058	242	\$28,550,740	\$25,000	\$3,000,000	28	18
11	Presidio Wealth Management LLC	San Francisco	CA	\$4,011,164,000	149	\$26,920,564	\$30,000	\$5,000,000	21	11
12	Crestone Asset Management LLC	Boulder	CO	\$1,186,713,700	47	\$25,249,228	\$300,000	\$27,500,000	23	6
13	GenSpring Family Offices* <sup>B</sup>	Palm Beach Gdns	FL	\$14,402,869,033	577	\$24,961,645	n/a	n/a	260	40
14	Hightmount Capital LLC	New York	NY	\$1,302,439,000	59	\$22,075,237	\$0	\$5,000,000	17	5
15	Tolleson Private Wealth Management	Dallas	TX	\$2,221,359,837	105	\$21,155,808	\$100,000	\$20,000,000	42	7
16	Edge Advisors, LLC	Atlanta	GA	\$437,527,000	25	\$17,501,080	\$0	\$3,000,000	6	10
17	myCIO Wealth Partners, LLC	Philadelphia	PA	\$6,715,150,000	395	\$17,000,380	\$15,000	\$2,000,000	17	8
18	Signature Financial Management, Inc.	Norfolk	VA	\$2,599,272,717	156	\$16,662,005	\$50,000	\$5,000,000	14	4
19	Beacon Pointe Advisors	Newport Beach	CA	\$4,181,161,889	266	\$15,718,654	\$0	\$1,000,000	8	13
20	Manchester Capital Management	Manchester	VT	\$1,550,231,489	102	\$15,198,348	\$25,000	\$2,500,000	16	5
21	Altair Advisors LLC	Chicago	IL	\$2,780,028,100	186	\$14,946,388	\$22,500	\$3,000,000	21	9
22	Salem Partners Wealth Management	Los Angeles	CA	\$118,074,000	8	\$14,759,250	\$20,000	\$2,000,000	6	2
23	Aspiriant	San Francisco	CA	\$5,074,000,000	352	\$14,414,773	\$42,500	\$5,000,000	37	33
24	Oxford Financial Group, Ltd.	Indianapolis	IN	\$7,836,780,000	561	\$13,969,305	\$20,000	\$0	12	99
25	The MDE Group, Inc.	Morristown	NJ	\$2,113,000,000	170	\$12,429,412	\$0	\$3,000,000	13	9
26	Green Square Capital LLC	Memphis	TN	\$809,300,000	67	\$12,079,104	\$0	\$10,000,000	12	4
27	Clarfeld Financial Advisors, Inc.	Tarrytown	NY	\$2,830,370,600	250	\$11,321,482	\$10,000	\$1,000,000	35	40
28	Trevor Stewart Burton & Jacobsen Inc.	New York	NY	\$780,551,982	78	\$10,007,077	\$20,000	\$0	6	5
29	Financial Management Partners	Clayton	MO	\$1,300,000,000	135	\$9,629,630	\$10,000	\$0	12	5
30	Trees Investment Counsel, LLC	Chicago	IL	\$306,173,142	34	\$9,005,092	\$20,000	\$2,000,000	3	1
31	CNLBank Wealth Management	Orlando	FL	\$1,345,000,000	156	\$8,621,795	\$0	\$500,000	2	4
32	Highline Wealth Management LLC	Bethesda	MD	\$543,106,922	63	\$8,620,745	\$20,000	\$2,000,000	6	1
33	Camden Capital Management, LLC	El Segundo	CA	\$300,000,000	35	\$8,571,429	\$0	\$1,000,000	3	2
34	Chess Financial Corporation	Pepper Pike	OH	\$1,000,000,000	125	\$8,000,000	\$20,000	*C\$3,000,000	20	6
35	Century Wealth Management	Memphis	TN	\$88,761,743	12	\$7,396,812	\$10,000	\$1,000,000	2	0
36	Waypoint Advisors LLC	Norfolk	VA	\$513,101,581	70	\$7,330,023	\$0	\$1,000,000	6	2
37	Relyea Zuckerberg Hanson, LLC	Stamford	CT	\$534,878,000	75	\$7,131,707	\$0	\$3,000,000	4	2
38	Zemenick & Walker, Inc.	St. Louis	MO	\$1,227,877,717	173	\$7,097,559	\$7,500	\$4,000,000	8	3
39	The Glowacki Group, LLC	Los Angeles	CA	\$302,939,714	44	\$6,884,994	\$25,000	\$3,000,000	4	4
40	Roble Belko & Company	Sewickley	PA	\$198,446,515	29	\$6,842,983	\$0	\$2,000,000	4	1
41	Fairway Wealth Management LLC	Cleveland	OH	\$540,000,000	82	\$6,585,366	\$15,000	\$2,000,000	6	3
42	Capital Financial Advisors, LLC	La Jolla	CA	\$250,000,000	40	\$6,250,000	\$10,000	\$2,000,000	2	1
43	Wescott Financial Advisory Group LLC	Philadelphia	PA	\$1,525,000,000	244	\$6,250,000	\$20,000	\$2,000,000	9	11
44	JVL Associates, LLC	Wyoming	MI	\$97,300,000	16	\$6,081,250	\$2,000	\$0	1	2