

Research Findings Report

Industry: Wealth Management

2009

Geographic Region: Pacific Northwest/Hawaii

Goldline Research recently completed its annual evaluation of independent wealth management professionals of the Pacific Northwest and Hawaii. Our research study was conducted from March 2009 through mid-April 2009.

During the last five years, we have found that wealth management professionals in the Pacific Northwest and Hawaii are generally more pessimistic than the professionals in most regions of the country. Not surprisingly, in 2009, given the market and economic malaise, professionals in the region seemed to be even more gloomy about the current economic environment than at any point prior. In addition, and in sharp contrast to other regions that we have recently evaluated, professionals in this region have generally not experienced (and did not indicate that they expect to experience) the client flight from the large brokerage houses to independent wealth management firms. Ironically, the demographics of the region are among the strongest of any region that we evaluate. In fact, more than 20% of the households in the region earn at least \$100,000 per year, which is a benchmark that we find helpful in assessing the market penetration of wealth management services in a given region. However, in spite of these strong regional demographics, the penetration of wealth management services in the region is lower than any other region that we evaluate.

Key Research Findings¹

Median Years of Experience: **28 years**

Median AUM: **\$200 million**

Median Number of Investment Advisors: **3.5**

Median Number of Support Staff: **4**

Median Number of Clients: **200**

Median Client: Advisor Ratio: **50:1**

Median Client Retention Rate: **98.5%**

Median Assets Managed/Client: **\$1.3 million**

¹Source: Goldline Research

Regional Demographics

States: **Alaska, Hawaii, Oregon, Washington**

Estimated Population¹: **12,000,000**

Estimated Number of Households²: **4,500,000**

Estimated Number of Households With³:

\$100K+ Annual Income: **910,000**

RIA's⁴: **675+**

Certified Financial Planners (CFP®)⁵: **2,200+**

^{1,2,3}Source: U.S. Census Bureau

⁴Source: Securities and Exchange Commission

⁵Source: Certified Financial Planner Board of Standards

During the course of our research, we identified more than 675 Securities and Exchange Commission (SEC) registered investment advisors (RIA's) and more than 2,200 individuals holding the Certified Financial Planner (CFP®) designation in the region during our research process. This equates to approximately 1 CFP® for every 5,500 people and 1 CFP® for every 415 households earning at least \$100,000 per year in the region. The median years of experience in the region is 28 years and the median firm employs 3.5 investment advisors and 4 support staff, while managing approximately \$200.0 million in assets. The median client-to-advisor ratio in the region is approximately 50:1, with the median number of clients for each firm being 200.

For more information about Goldline Research or this research findings report, please visit our website at www.goldlinersearch.com.