

For RIAs, life is good: Schwab survey

By Editor Test *Mon, Jul 30, 2012*

The median RIA firm increased revenues by 12% and AUM by 3.8%, marking a second consecutive year of record highs for the industry.

Independent registered investment advisors (RIA) reported record assets under management (AUM) and revenues in 2011 as client acquisition offset flat market performance, according to the 2012 RIA Benchmarking Study from Charles Schwab.

The median RIA firm increased revenues by 12% and AUM by 3.8%, marking a second consecutive year of record highs for the industry. Median net client growth was 4.7%, flat from 2011 but up from 3.5% in 2009. The number of new clients overall grew 8.2%, with 20% of firms seeing the number of new clients up by 14.7%. RIAs saw client attrition of only 3% in 2011.

Schwab's annual RIA Benchmarking Study represents the views of over 1,000 firms. Participating firms manage more than \$425 billion, with 105 firms managing \$1 billion or more. The median participating firm has 186 clients, \$212 million in AUM and \$1.3 million in annual revenue.

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