# The Bucket

By Editorial Staff *Thu, Jul 2, 2015*

*Brief or late-breaking items from Cerulli, Broadridge, Cogent Research, Transamerica, Willis Towers Watson, and Prudential Annuities.*

## Passive funds continue to dominate flows: Cerulli

ETF assets have grown for four consecutive months, ending May with more than $2.1 trillion, according to the June 2015 issue of The Cerulli Edge – U.S. Monthly Product Trends Edition.

At $13 billion, flows into the vehicle were positive but down slightly from April.

Mutual fund asset growth slowed to 0.2% during May after increasing more than 1% in April. Flows for the month were at $20.8 billion, with passive funds accounting for 64%.

## New data tool lets asset managers track advisors

Broadridge Financial Solutions and Cogent Research, have introduced Advisor Intelligence, a tool that combines Broadridge’s fund and ETF data with Cogent’s advisor segmentation data to generate profiles of more than 250,000 advisors nationwide, the companies announced this week.

The tool “links three critical types of information not commonly available through a single source: product data, firm profiles, and attitudinal preferences—giving asset managers the ability to pinpoint their marketing and sales activities to support advisors,” according to a press release.

Advisor Intelligence enables “asset managers to understand what trades are occurring, where and how their products are being sold, and the communication preferences of advisors who are selling them,” the release said.

“Until now, approaches to advisor segmentation have tended to be quite broad in nature,” said John Meunier, managing director, Cogent Reports, a unit of Market Strategies International. “This partnership combines trading information in our behavior models to improve the predictability of key segments, to more efficiently build the bridge between asset managers and advisors.”

According to Broadridge and Cogent Reports data:

- The RIA channel is the strongest user of ETFs, while the independent broker-dealer channel is the largest user of actively managed mutual funds.
- 76% of advisors are using ETFs, up from 68% two years ago.
- Overall, ETF assets under management are up $167 billion year-to-date as of May 31.
- New products such as “smart beta” ETFs are increasingly attractive to advisors, especially in the retail channels driven by advisors.
- Advisors are increasingly brokering mutual fund sales for small and medium defined contribution plan business.

# Transamerica in distribution partnership with Edward Jones

Transamerica has entered a partnership with Edward Jones to distribute corporate retirement plans to companies throughout the U.S., the San Francisco-based financial services company said this week.

Transamerica Retirement Solutions Corporation serves more than three million participants, and Edward Jones has nearly 14,000 financial advisors serving nearly seven million clients nationwide.

## Introducing a new firm: Willis Towers Watson

In an $18 billion deal that signals the further consolidation of the pension consulting business, Towers Watson will merge with rival Willis to form a consultancy with 40,000 employees, the companies announced this week. Current Willis shareholders will own 50.1% of the new company—Willis Towers Watson—and Towers Watson 49.9%.

Towers Watson was formed in 2010 when Towers Perrin merged with Watson Wyatt.

Willis and Towers Watson plan to combine their current risk advisory and insurance-brokering services but also to eliminate redundancies and cut costs.

Towers Watson shareholders will receive 2.64 Willis shares in exchange for their stake, with an additional one-off dividend payment of $4.87 pre-closing. A similar deal will also be offered to Willis stakeholders. The final agreement will then see one share in Willis Towers Watson for each Towers Watson share.

John J. Haley, the Towers Watson chairman and CEO since 1999, will become chief executive of the new company. Willis chief executive Dominic Casserley will be named president and deputy chief executive. The deal should close by the end of 2015, subject to shareholder and regulatory approval.

## New marketing chief at Prudential Annuities

Rodney Branch has been named senior vice president and Chief Marketing Officer for Prudential Annuities, the domestic annuity business for Prudential Financial, Inc. He will be responsible for Prudential Annuities' marketing strategy and growth initiatives in the retirement income marketplace.

Prior to joining Prudential, Branch was vice president and lead for Nationwide Financial's Annuity, Innovation and Competitive Intelligence Team, leading the variable and fixed annuity businesses. Earlier at Nationwide, he was vice president, Channel Marketing, with responsibility for marketing and sales support for all of Nationwide's distribution channels from 2010 through 2012. He has also held marketing positions with Frito-Lay, Diageo and Branchout, L.P.

Branch holds an MBA in marketing from the University of North Carolina and a BBA in marketing from the University of Texas. Branch reports to Robert O'Donnell and is based in Shelton, Ct.