

BY TONY SIRIANNI

## Marc Cohen Executive Vice President, LPL Financial

One-on-one with a thought leader.



AdvisorHub's Publisher & CEO, Tony Sirianni asked executives from top firms their thoughts on the wealth management industry. Here is how Marc Cohen, Executive Vice President at LPL Financial, responded:

**T.S.** LPL is well known as the number one independent broker-dealer,<sup>1</sup> so why are you here in a custodian capacity?

**M.C.** We're certainly proud of our standing as an independent broker-dealer, and our heritage is rooted in putting advisors at the center of everything we do. That's driven us to develop the solutions they need to run their practice and serve their investors' best interests. And, as the needs of advisors have evolved over the years, so have we. So, we're also an RIA custodian. We launched our RIA custody business in 2008, and today we serve over \$450 billion in RIA assets, which I think makes us the #3 custodian in terms of assets under custody.<sup>2</sup>

**T.S.** If you're the #3 custodian, why does no one know that? Is it because you mostly service hybrids?

**M.C.** We do serve hybrid RIAs, and we also serve fee-only RIAs. According to recent Cerulli data, 77% of all RIA firms in the country are hybrid firms. We were an early entrant in serving the needs of hybrids and our platform, including a single integrated client statement, really resonates with them to this day. But, we also service fee-only RIAs with the same rigor and have seen a meaningful increase in fee-only RIA clients in the last year.

**T.S.** So what does that rigor look like, and how does that stack up against Schwab, TD, and Fidelity?

**M.C.** Historically, the most important partner for independent RIAs has been their custodian – supporting them in not only managing their clients' accounts but in running their business. Unfortunately, the value RIAs receive from other custodi-

ans has largely been marginalized in recent years. In contrast, we show up as a growth partner. That includes a dedicated service team, growth consulting, relationship management, and choice of integrated technology for every RIA, regardless of size. Our industry doesn't need more custodians. We need more partners who help business leaders run successful small businesses.

**T.S.** Let's talk about technology for a minute. How does yours compare?

**M.C.** Our technology competes in an environment where advisors value choice. Other firms are relying exclusively on third-party systems, where advisors go out and spend significant dollars on

a subscription. We give them a fully integrated platform – ClientWorks – that is effectively free. It includes tools to meet many of their needs, like CRM, proposal generation, performance reporting and a white-labeled client portal. And, recognizing the importance of choice, we've invested heavily in deep integrations with leading third-party application providers.

**T.S.** Okay, this is Meet the Custodian. Give me your pitch.

**M.C.** We're the only leading custodian that's 100% advisor-focused.<sup>2</sup> We don't compete with RIAs for clients. Ever. And regardless of the size of the business or the scope of its vision, we support RIAs through a partnership that's as extensive as it is personal. Through resources, technology, and a dedicated service team to call that understands their business, we lean in to help them run the most suc-

cessful small businesses in the industry. Others say they support advisors. We actually deliver. **AH**

<sup>1</sup>As reported by Financial Planning magazine, June 1996-2020, based on total revenue.

<sup>2</sup>Cerulli Associates, 2019 U.S. RIA Marketplace Report.

Marc Cohen is an Executive Vice President with LPL Financial, a registered investment advisor. Member FINRA/SIPC.

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Custody with LPL, and we will never compete with your RIA for clients. Ever. Can your current custodian say the same?

Find out how LPL—the only top 3 custodian that's 100% advisor-focused\*—can be your true partner in growth. [go.lpl.com/MyRIA](https://go.lpl.com/MyRIA)

\* Cerulli Associates, 2019 U.S. RIA Marketplace Report

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