

Registered  
**Rep.**

**THE**

**TEN TO WATCH**  
**2009**

**THE MOST INTERESTING, POWER-WIELDING PLAYERS  
IN THE FINANCIAL SERVICES BUSINESS TODAY**

**YOU COULD GO CRAZY** drawing up lists like this. For instance, we could have put Goldman Sachs, the firm, as a “Ten To Watch,” since (if you have been reading the conspiracy theories) Goldman has cruelly and cynically engineered many a financial bubble for its own profit. Now, so it is said, Goldman controls the levers of political power—call it Government Sachs.

Of course, we could have also just focused on Washington, D.C.—on legislators, regulators and their attendant lobbyists—given the ambitious plans the new administration has for remaking the financial services industry. Why not Bernanke, Congressman Barney Frank (D-Mass.), the chair of the House Financial Services Committee or SEC Chairman Mary Schapiro? Or how about Jamie Dimon, Obama's favorite financial firm CEO?

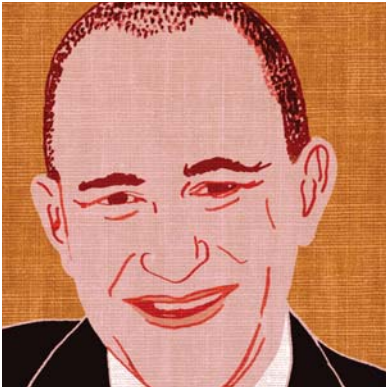
(Dimon visits D.C. regularly these days.) Truth is, we've included many of these names on past lists. But we also wanted to pick individuals who will arguably have the greatest direct impact on the financial advisory business. So our list includes a few regulatory and policy types, of course, as well as the players who are in the financial industry trenches, actually leading financial advisors on a day-to-day basis. It also includes a couple of asset managers, an ambitious RIA CEO and a financial analyst who covers the industry.

The idea of the list is to not so much to lionize any given individual, but to pick the faces who best represent the most important industry trends and individual competitive predicaments that will shape the industry in the year to come.

—David A. Geraciotti

ILLUSTRATIONS BY DAVID POHL





**AGE:** 42

**POSITION:** CEO, HighTower Advisors

**LOCATION:** Chicago

**EDUCATION:** Rice University;  
John Marshall Law School

## Elliot Weissbluth THE INNOVATOR

Elliot Weissbluth's HighTower Advisors has been open for business for less than a year but already has 17 financial advisors managing approximately \$15 billion in client assets. How, in this environment, has a start-up RIA/broker-dealer managed to poach some of Wall Street's best advisors? One of the (big) reasons: He came up with upfront money, offering 50/50 cash and equity based on an FA's profitability—not his production. It's a new model: historically, independent b/ds and RIA firms haven't tried to match wirehouse sign-on bonuses, offering equity only instead.

Financing HighTower are a handful of venture capital companies, as well as firms like Envestnet Asset Management, and individuals including former Schwab CEO David Pottruck and former Morgan Stanley CEO Philip Purcell. Private equity firms are involved but as minority partners. "When you're owned by a PE firm, one day they have to sell. Here, the employees and the FAs own 50 percent," says Weissbluth. Advisors are allotted equity in HighTower the day they join in

proportion to the assets they bring with them. And unlike some of the arrangements at other wealth management firms, the partnership and the FA split the FA profits 50/50, no exceptions.

Danny Sarch, a recruiter with Leitner Sarch Consultants, calls what Weissbluth has done a "powerful new model," noting that Lehman's Richard Saperstein brought his \$10 billion book to HighTower in May. HighTower advisors get access to a 30-person staff dedicated to operations, compliance and accounting support; they have access to multiple custodian and clearing options. All HighTower FAs are also fiduciaries.

Says Weissbluth: "Sure, an IPO is certainly an attractive exit, but we're building a partnership that generates a lot of cash. Our partners don't have the right to force an IPO." With upfront money, ownership, attractive payouts, a solid platform with support and fiduciary status, HighTower offers an intriguing option to FAs outside the wirehouse. —JC



**HIGHTOWER**  
AN UNOBSTRUCTED VIEW

525 West Monroe Street | Suite 2300 | Chicago, IL 60661 | TEL: 312.962.3800 FAX: 312.962.3899 | hightoweradvisors.com

Securities offered through HighTower Securities, LLC | Member FINRA/SIPC/MSRB | HighTower Advisors, LLC is a SEC registered investment advisor.