PHOTO BY FRITZ GEIGER

CONVINCED THAT THE FINANCIAL INDUSTRY WAS FUNDAMENTALLY CORRUPT, ELLIOT WEISSBLUTH FOUNDED HIGHTOWER IN 2007.

Now his wealth management firm, with its emphasis on transparency and freedom from conflicts of interest, has about $30 billion under management and gets bigger every year. Should the wire houses be nervous?

In a conference room high over midtown Manhattan, Elliot Weissbluth, the founder and CEO of wealth management firm Hightower, is delivering a lecture. Wielding a black Sharpie like a baton, he's standing next to an oversized pad propped on an easel, filling page after page with frenetic scrawls. He is outlining Hightower's origins, and he's passionate about the subject—this isn't so much a lecture as a jeremiad.

“What drives me,” he says, “is the challenge of creating a commercial enterprise that makes money by doing the right thing. We’re going to make a lot of money, and I’m perfectly comfortable explaining exactly how. But in the same breath, I can say that we do that without ever compromising about putting the clients’ interest first.”
When I met Elliot, I was immediately impressed by the fact that this was a visionary,” says HighTower’s Pamela Rosenau.

Elliot Weissbluth in HighTower’s lobby.

With help from investors, Weissbluth founded HighTower, which is based in his native Chicago, in 2007. The firm is his attempt to create a new paradigm for the wealth management industry. Coming from a background in law and finance, Weissbluth had grown convinced that the wire house model of broker-dealers and financial advisors making financial recommendations—while earning commissions from products that their employers either created or were paid to sell—was fundamentally corrupt. Weissbluth started HighTower in the midst of the financial crisis, wooing teams of unnerved financial advisors away from firms such as Morgan Stanley, UBS and JPMorgan. HighTower advisors are fee-for-service, and their compensation is slightly less than those of wire house advisors. But they have equity. HighTower is now about half owned by investors and half owned by its advisors, Weissbluth says. Forty-six advisor teams have left the wire houses to join HighTower, which now has some $30 billion under management. That’s a pittance compared to the wire houses, but size doesn’t matter so much as viability.

There are rumblings of an IPO in HighTower’s future. (For legal reasons, Weissbluth won’t discuss the subject.) A healthy public offering, one that seemed to endorse HighTower’s model, could reshape the world of wealth management. “If a HighTower IPO is successful,” says one non-HighTower RIA who did not want to be named, “the wire houses should be very afraid. It will mean that financial advisors will have a place where they have a stake in the company and can sleep a little bit better at night.”

In the years since he started HighTower, Weissbluth has been an apparently tireless one-man marketing machine. He appears on CNBC and Fox Business Network. He contributes to the Huffington Post and is a LinkedIn “influencer.” He speaks on panels and at conferences and this year launched HighTower Apex, a two-day affair devoted to “transformation, innovation and provocation” in the financial industry. If you speak to some of the advisors who’ve joined HighTower, you might get the impression that Weissbluth has founded a cult. “When I met Elliot, I was immediately impressed by the fact that this was a visionary,” says Pamela Rosenau, HighTower’s managing director. Since joining HighTower in 2011, Rosenau adds, she’s only grown more confident in Weissbluth. “I’ve had mentors, but I’ve never had—what would I call it—idols. And I wouldn’t have to call Elliot an idol.”

Former Morgan Stanley advisor Rob Schein, who brought his team to HighTower in 2011, says much of the same. “Elliot has the ability to make real change,” Schein says. “He is a special leader.”

He is not yet a well-known one, at least beyond the world of financial advisors. Perhaps it’s because HighTower is a young firm that came quietly into life against the drumbeat of the financial crisis. Perhaps it’s because HighTower is in Chicago, outside the New York media spotlight. Or perhaps it’s because the media finds it easier to cover disruptive innovation in tech than in wealth management, where it is more subtle than, say, a new way to hire a car. But Weissbluth sets the bar high. He wants to follow in the path of innovators such as Richard Branson, Steve Jobs and Elon Musk.

His ambition is noted in his up-bringing. Weissbluth comes from a high-achieving Jewish family; his paternal grandfather was a nuclear physicist at Stanford, and his father, Marc, is a Chicago pediatrician who pioneered research into infant sleep. The women in his family, Weissbluth says, are no shrinking violets either. “My mother is very serious, very smart,” Weissbluth says. “She’s where I get all of my toughness.”

At 47, Weissbluth is confident and charismatic. He’s 6 feet tall, with closely cropped hair and a big smile; he drives two aging Toyota Land Cruisers and recently climbed Mt. Rainier. At times, like when he hears something he doesn’t approve of, he looks like someone you would not want to cross. As a kid growing up in Chicago, however, he was “a geek,” Weissbluth says. “I didn’t go to parties, I didn’t have a girlfriend. I had my three friends who played Dungeons & Dragons.”

“Elliot Weissbluth on CNBC; bottom, Weissbluth on HuffPost Live.”

Elliot Weissbluth on CNBC; bottom, Weissbluth on HuffPost Live.

Top, Weissbluth on CNBC; bottom, Weissbluth on HuffPost Live.

Top, Weissbluth on CNBC; bottom, Weissbluth on HuffPost Live.
His parents sent him to summer camp at Interlochen, a training ground for future musicians, actors and dancers in northwest Michigan. “I loved being in an environment where everybody was passionate,” Weissbluth recalls. That intensity extended to oratory. “The single most important part of my high school career was being on the debate team—I was state champion.” Weissbluth may have also honed his skills at public speaking because he’d been diagnosed as profoundly dyslexic. Growing up, he had trouble reading his own handwriting. His class notes were illegible to him, so his parents bought him a Smith Barney file. “I learned how to read that file the way you would read a real sword,” he says. “I was a living that would be lucrative,” he says. “It was a way to make a living that would be lucrative.”

When Weissbluth attended Chicago’s John Marshall Law School, “it was a way to make a living that would be lucrative,” he says. “It was a way to make a living that would be lucrative.”

“We’re a fierce competitor.”

“We’re proving that we can do it,” says Weissbluth. “We’re considering our options and opening a new practice helping clients who had legal issues with private investments.”

Instead, he got recruited to do similar work on a larger scale at financial consulting firm Rogerscasey (now Segal Rogerscasey). The job evolved to oratory. “The single most important part of my high school career was being on the debate team—I was state champion.”

“Of course, we can’t intimidate them,” says Weissbluth. “We’re a fierce competitor.”

“We’re proving that we can do it,” says Weissbluth. “We’re considering our options and opening a new practice helping clients who had legal issues with private investments.”

“We’re proving that we can do it,” says Weissbluth. “We’re considering our options and opening a new practice helping clients who had legal issues with private investments.”

“For some reason, they think we’re a disruptor,” says Weissbluth. “We’re proving that we can do it.”

“We’re proving that we can do it,” says Weissbluth. “We’re considering our options and opening a new practice helping clients who had legal issues with private investments.”