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# Financial Planning

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## 2012's Biggest Independent Broker-Dealers

### **GROW BIG OR GET OUT**

For many B-Ds, survival means M&A. p. 59

### **A NEW PARTNER IN 7 DAYS**

How one firm sealed a fast deal. p. 62

### **PATH TO INDEPENDENCE**

Why one RIA charted a new course. p. 66

### **FINANCES OF THE FP50**

The numbers and trends driving the industry's future. p. 72

| COMPANY                                 | TOTAL REVENUE  |          | COMMISSION REVENUE |               | FEE REVENUE |          | OTHER REVENUE |          |
|---|----------------|----------|--------------------|---------------|-------------|----------|---------------|----------|
|   | \$000s         | % CHANGE | \$000s             | % CHANGE      | \$000s      | % CHANGE | \$000s        | % CHANGE |
| Investors Capital                       | 80,876         | (3.1)    | 65,165             | (5.5)         | 14,509      | 19.9     | 1,202         | (49.5)   |
| Sigma Financial                         | 76,345         | 17.9     | 49,849             | 14.2          | 26,496      | 25.7     |               |          |
| Summit Brokerage Services               | 70,000         | 12.0     | 52,100             | 7.4           | 13,100      | 19.1     | 4,800         | 60.0     |
| Questar Capital                         | 69,955         | 10.0     | 61,325             | 9.8           | 6,380       | 39.0     | 2,250         | (29.3)   |
| Investacorp                             | 68,320         | 36.1     | 55,292             | 10.1          | 13,028      |          |               |          |
| KMS Financial Services                  | 67,447         | 12.9     | 38,649             | 6.3           | 26,967      | 24.3     | 1,832         | 7.3      |
| United Planners                         | 65,764         | 1.7      | 45,851             | 23.8          | 19,914      | 9.7      |               |          |
| J.P. Turner                             | 65,732         | (1.2)    | 49,852             | (25.0)        | 10,040      |          | 5,841         |          |
| WFG Investments                         | 62,713         | 21.1     | 38,213             | 28.2          | 17,100      | 22.1     | 7,400         | (7.5)    |
| Independent Financial Group             | 62,475         | 37.2     | 42,543             | 37.8          | 15,049      | 44.8     | 4,883         | 14.7     |
| O.N. Equity Sales                       | 49,468         | 7.3      | 46,481             | 4.7           | 2,439       | 56.5     | 547           | 355.8    |
| Tower Square Securities                 | 48,926         | 7.4      | 37,830             | (2.6)         | 7,687       | 14.1     | 3,409         |          |
| Berthel Fisher & Co. Financial Services | 48,864         | (1.0)    | 40,773             | 8.6           | 8,091       | 10.3     |               |          |
| J.W. Cole Financial                     | 46,865         | 16.4     | 38,365             | 19.2          | 8,500       | 5.4      |               |          |
| Sterne Agee Financial Services          | 42,526         | 14.4     | 37,043             | 12.6          | 5,483       | 27.5     |               |          |
| WRP Investments                         | 40,914         | 19.7     | 34,586             | 18.1          | 6,328       | 29.4     |               |          |
| Kovack Securities                       | 37,405         | 19.5     | 25,027             | 20.4          | 12,378      | 17.9     |               |          |
| Crown Capital Securities                | 33,753         | 11.6     | 24,822             | 12.3          | 7,798       | 63.1     | 1,133         | (66.3)   |
| LaSalle St. Securities                  | 31,836         | 4.9      | 27,074             | 3.4           | 4,762       | 13.9     |               |          |
| Harbour Investments                     | 27,770         | 0.1      | 23,370             | (2.3)         | 4,400       | 15.8     |               |          |
| Honor Townsend & Kent                   | 27,736         | (24.9)   | 27,736             | 11.5          |             |          |               |          |
| Prospera Financial Services             | 25,593         | 65.2     | 17,886             | 15.4          | 7,707       |          |               |          |
| First Midwest Securities                | 17,848         |          | 14,742             |               | 717         |          | 2,389         |          |
| Broker Dealer Financial Services        | 17,204         |          | 13,784             |               | 1,995       |          | 1,425         |          |
| Founders Financial Securities           | 13,545         | 10.1     | 10,195             | (1.4)         | 3,350       | 69.9     |               |          |
| Larson Financial Securities             | 7,077          | 354.1    | 7,077              | 354.1         |             |          |               |          |
| COMPANY                                 | PRODUCING REPS |          | TOTAL REPS         | PAYOUT \$000s | AVG. PAYOUT |          | PRODUCTION \$ | QUOTA    |
|   | TOTAL          | % CHANGE |                    |               | TOTAL       | % CHANGE | AVG. TOP 20%  |          |
| Investors Capital                       | 480            | (8.7)    | 552                | 65,980        | 137,457     | 10.3     | 407,000       | 100,000  |
| Sigma Financial                         | 620            | (1.1)    | 666                | 66,525        | 107,298     | 17.3     | 296,174       | 50,000   |
| Summit Brokerage Services               | 315            | (3.1)    | 360                | 54,000        | 171,429     | 7.1      | 714,000       | 150,000  |
| Questar Capital                         | 520            | (8.3)    | 578                | 56,667        | 108,975     | 14.8     | 297,000       | 25,000   |
| Investacorp                             | 403            | (16.9)   | 443                | 56,000        | 138,958     | 34.8     | 472,000       | 75,000   |
| KMS Financial Services                  | 325            | 1.6      | 395                | 59,198        | 182,148     | 12.4     | 604,613       | 45,000   |
| United Planners                         | 325            | 14.4     | 388                | 50,529        | 155,474     | (14.2)   | 400,000       | 75,000   |
| J.P. Turner                             | 480            | 0.2      | 545                | 61,000        | 106,250     | 1.0      | 335,882       | 10,000   |
| WFG Investments                         | 240            | 0.0      | 245                | 57,500        | 239,583     | 19.8     | 675,000       | 200,000  |
| Independent Financial Group             | 440            | 18.9     | 475                | 62,349        | 118,975     | 16.8     | 422,600       | 100,000  |
| O.N. Equity Sales                       | 726            | 1.8      | 922                | 41,760        | 57,520      | 4.0      | 171,175       | 10,000   |
| Tower Square Securities                 | 306            | (23.5)   | 330                | 42,308        | 138,262     | 34.3     | 357,247       | 0.00     |
| Berthel Fisher & Co. Financial Services | 332            | (6.2)    | 353                | 40,553        | 122,147     | 18.1     | 422,000       | 50,000   |
| J.W. Cole Financial                     | 275            | 5.8      | 328                | 44,835        | 163,038     | 5.7      | 598,650       | 100,000  |
| Sterne Agee Financial Services          | 270            | 10.2     | 285                | 39,555        | 146,501     | (3.5)    | 350,000       | 100,000  |
| WRP Investments                         | 374            | (0.3)    | 374                | 43,158        | 115,397     | 26.4     | 260,681       | 50,000   |
| Kovack Securities                       | 287            | (1.7)    | 315                | 32,144        | 112,000     | 11.2     | 315,000       | 50,000   |
| Crown Capital Securities                | 301            | 4.9      | 320                | 32,620        | 108,373     | 10.5     | 310,221       | 50,000   |
| LaSalle St. Securities                  | 255            | (9.9)    | 302                | 27,491        | 107,810     | 2.7      | 255,000       | 100,000  |
| Harbour Investments                     | 191            | 0.0      | 222                | 27,850        | 145,812     | 0.5      | 395,000       | 45,000   |
| Honor Townsend & Kent                   | 865            | 0.0      | 984                | 44,385        | 51,313      | 11.9     |               | 25,000   |
| Prospera Financial Services             | 112            | 5.7      | 112                | 30,766        | 274,694     | 36.8     | 542,810       | 250,000  |
| First Midwest Securities                | 103            | (37.6)   | 103                | 17,800        | 172,816     | 40.7     | 600,000       | 100,000  |
| Broker Dealer Fin. Services             | 241            |          | 295                | 11,537        | 47,873      |          |               | 25,000   |
| Founders Financial Securities           | 63             | 14.5     | 92                 | 10,306        | 163,594     | (27.2)   | 526,437       | 100,000  |
| Larson Financial Securities             | 21             | 75.0     | 36                 | 3,278         | 156,086     | 152.0    | 519,410       |          |

**KOVACK SECURITIES**

6451 N. Federal Highway  
Suite 1201  
Ft. Lauderdale, Fla. 33308  
Phone (866) 564-6574  
Website [joints.com](http://joints.com)  
Year founded 1997  
CEO/chairman Ronald J. Kovack  
Recruiting executive  
Carlo A. Bidone  
Clearing firm National Financial,  
Pershing

**LARSON FINANCIAL  
SECURITIES**

1015 Corporate Square Drive  
Suite 300  
St. Louis, Mo. 63132  
Phone (314) 787-7436  
Website [larsonfinancial.com](http://larsonfinancial.com)  
Year founded 2010  
CEO/president Paul D. Larson  
Recruiting executive Ashlie Pinson  
Parent co.  
Larson Financial Holdings

**LASALLE ST. SECURITIES**

940 N. Industrial Drive  
Einhurst, Ill. 60126  
Phone (630) 600-0500  
Website [joinlasalle.com](http://joinlasalle.com)  
Year founded 1974  
CEO Jack McDermott  
Recruiting executive Todd Morgan  
Clearing firm National Financial

**LPL FINANCIAL**

One Beacon St., 22nd Floor  
Boston, Mass. 02108  
Phone (888) 250-2420  
Website [joinipl.com](http://joinipl.com)  
Year founded 1968  
CEO/chairman Mark Casady  
Recruiting executive  
William Morrissey  
Clearing firm LPL Financial

Parent co. LPL Holdings

**METLIFE SECURITIES**

1095 Ave. of the Americas  
New York, N.Y. 10036  
Phone (888) 883-4684  
Website [metlife.com](http://metlife.com)  
Year founded 1983  
CEO/chairman John J. Brett  
Clearing firm Pershing  
Parent co. MetLife

**M HOLDINGS SECURITIES**

1125 NW Couch St., Suite 900  
Portland, Ore. 97209  
Phone (888) 520-6784  
Website [mfin.com](http://mfin.com)  
Year founded 2000  
CEO/president Kenneth R. Ehinger  
Recruiting executive  
Connie Morrison  
Clearing firm Pershing  
Parent co. M Financial Group

**MML INVESTORS  
SERVICES**

1295 State St.  
Springfield, Mass. 01111  
Phone (800) 542-6767  
Website [mmlinvestors.com](http://mmlinvestors.com)  
Year founded 1981  
CEO/president John A. Vaccaro  
Recruiting executive Ed Pelis  
Parent co. Massachusetts Mutual  
Life Insurance

**MULTI-FINANCIAL  
SECURITIES**

4600 Syracuse St., Suite 600  
Denver, Colo. 80237  
Phone (800) 929-3485  
Website [multifinancial.com](http://multifinancial.com)  
Year founded 1981  
CEO/president Brett Harrison  
Recruiting executive Jay Vinson  
Clearing firm Pershing

Parent co. Cetera Financial Group

**NATIONAL PLANNING**

401 Wilshire Blvd., Suite 1100  
Santa Monica, Calif. 90401  
Phone (800) 881-7174  
Website [natplan.com](http://natplan.com)  
Year founded 1998  
CEO Lynn R. Niedermeier  
Recruiting executive  
John C. Johnson  
Clearing firm Pershing  
Parent co.  
National Planning Holdings

**NEW ENGLAND SECURITIES**

1095 Ave. of the Americas  
New York, N.Y. 10036  
Phone (888) 883-4684  
Website [nef.com](http://nef.com)  
Year founded 1968  
CEO John J. Brett  
Clearing firm Pershing  
Parent co. MetLife

**NEXT FINANCIAL GROUP**

2500 Wilcrest Drive, Suite 620  
Houston, Texas 77042  
Phone (877) 876-6398  
Website [nextfinancial.com](http://nextfinancial.com)  
Year founded 1999  
CEO/president Barry Knight  
Recruiting executive Brian Grise  
Clearing firm Pershing  
Parent co. NEXT Financial Holdings

**NFP ADVISOR SERVICES  
GROUP (AND AFFILIATES)**

1250 S. Capital of Texas Highway  
Building 2, Suite 125  
Austin, Texas 78746  
Phone (512) 697-6000  
Website [nfp.com](http://nfp.com)  
Year founded 1996  
CEO/president James Poer  
Recruiting executive