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A man in a dark blue suit and white shirt is smiling and looking towards the camera. He is holding a wooden baseball bat over his right shoulder. The background is a blurred indoor setting, possibly a stadium or a gym.

SWINGING FOR THE FENCES

ADAM BIRENBAUM'S \$100BN PLAN FOR BUCKINGHAM WEALTH

COVER STAR

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WELCOME TO THE BIG LEAGUES

A DECADE AFTER BECOMING CEO, ADAM BIRENBAUM IS STILL FINDING NEW WAYS TO GROW BUCKINGHAM

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Adam Birenbaum is a collector.

You could probably figure that out with one glance at his basement, which is lined with autographs and game-used memorabilia from athletes like Ken Griffey Jr. and Tony Gwynn.

But the Buckingham Wealth Partners chief executive has also spent the last few years transforming his firm into one of the biggest repositories of RIA talent in the country through acquisitions and recruiting.

'A lot of this is about being that recognized destination for like-minded folks and just meeting advisors where they are,' Birenbaum says. 'We have built out all of these capabilities because we have to be able to serve advisors and clients in critically important ways.'

St. Louis, Missouri-based Buckingham Wealth Partners, as it stands now, is a \$50.5bn RIA behemoth. Around \$18.5bn of that is managed by Buckingham Strategic Wealth, its in-house RIA. The remaining \$32bn is managed by

Buckingham Strategic Partners, a turnkey asset management program (Tamp) provider, which itself is the product of a 2018 merger between Buckingham and Loring Ward. Focus Financial Partners, Buckingham's financial backer, arranged the \$235m transaction.

The deal with Loring Ward – which managed roughly \$17bn – was a transformative moment for Buckingham, Birenbaum says, since it gave the firm access to advisors who were philosophically aligned but didn't necessarily want to become employees.

'The Loring Ward transaction itself was so important to us because we simply want to be a destination for advisors who practice like us, who think like us and have the standard of excellence of client care that we want to have as well,' he says. 'The Loring Ward transaction was our commitment to meeting advisors where they are and having a solution that allowed us to be that destination.'

The deal also allowed Birenbaum to put his own personal stamp on the company, roughly 15 years after his arrival.

EMPLOYEES
CURRENTLY: 475
BEGINNING OF 2019: 448
BEGINNING OF 2018: 294

INTERN NO. 1

Birenbaum first joined Buckingham in 2003 while studying at Saint Louis University's law school. With no idea of what he wanted to do during his first year at school, he went to Bert Schweizer III, Buckingham's co-founder, and asked for an opportunity, any opportunity.

'I said: "Bert, I will literally do anything,"' Birenbaum says.

Buckingham didn't have a formal internship program, but the company made a position for Birenbaum. He spent the summer of 2003 doing paperwork, nose-deep in filing cabinets.

'I used that opportunity to not just do the action of filing paperwork, but to understand how it fit into the overall context of the business. What did it mean? Who were our clients? What was this paperwork for? All of that kind of stuff,' Birenbaum recalls. 'I learned the advisory agreement. I learned about our Form ADV. I learned about our investment policy statements. I learned about all of the things that go into prospecting, onboarding and then serving a client. It was an incredibly valuable foundational immersion.'

Birenbaum, a self-described 'information sponge,' went back to Buckingham every summer throughout law school, then joined the firm full-time when he graduated in 2005. He slowly rose through the ranks at Buckingham, going from compliance

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manager to chief compliance officer and then to general counsel.

'I had every operational role and responsibility you could imagine,' he says. 'I always say I've had every job in the place except for being a wealth advisor.'

In 2010, Schweizer was ready to step aside as chief executive. Birenbaum, then just 32 years old, was his handpicked successor.

'I'm not sure that age was such a significant issue,' Birenbaum reflects. 'We were all entering a new opportunity, a new phase, a new page for our industry.'

Shortly after his appointment as chief executive, Birenbaum told *RIABiz* that he aimed to turn Buckingham into a firm with \$100bn in assets under management. Looking back on that proclamation a decade later, Birenbaum tells *Citywire* it's not a question of 'if' Buckingham will surpass \$100bn. It's a matter of 'when.'

'If we continue to add great value to clients' lives, and help advisors design, build and protect those lives, we won't be \$100bn, we'll be many multiples of that. I think it's just a question of when we achieve that particular number.'

NUMBER OF OFFICE LOCATIONS **40**

THE SUPERCHARGER

How Buckingham gets there might be a little different than what Birenbaum had expected when he first took the CEO job. Buckingham is now one of the crown jewels of Focus Financial Partners' RIA network. It first accepted an investment from the RIA financier in 2007 and has since become a prolific acquirer of other businesses.

'Focus is an indispensable strategic partner for all of our M&A efforts. They are the ones who truly got us into the growth through M&A business,' Birenbaum says. 'They support us with diligence, they support us with capital, they support us with deal structure expertise. I give Focus a tremendous amount of credit for supercharging

CURRENT ASSETS

\$18.5 BILLION
BUCKINGHAM STRATEGIC WEALTH

\$32 BILLION
BUCKINGHAM STRATEGIC PARTNERS

\$50.5 BILLION
TOTAL ACROSS BUCKINGHAM WEALTH PARTNERS

Buckingham's M&A efforts. Period.'

Buckingham's in-house RIA assets were at \$1bn when Focus first bought in, Birenbaum says. Now the RIA arm is pushing \$20bn.

Birenbaum estimates that Buckingham has pulled off 40 transactions during his tenure as CEO, with Loring Ward as the biggest. Just a day before this magazine went to press, Buckingham revealed that it had purchased another two RIAs: \$155m Baldwin & Associates in Indian Harbour Beach, Florida, and \$189m GreenCourse Financial Advisors in neighboring Chesterfield, Missouri.

'We like to say that roughly 50% of our growth is organic and the other 50% is inorganic. It's actually on the verge of shifting at this point to be even more inorganic,' Birenbaum says.

Buckingham was somewhat akin to a boutique when Birenbaum first came aboard, but that model may be getting unsustainable as the RIA industry grows.

'I think we have been in the golden age of RIA growth and expansion, and I believe that there is a "crisis of differentiation" coming,' he says, using a phrase from Michael Kitces, the firm's new head of planning strategy. 'Firms will be required to add more and more services, solutions, expertise at the same cost. A lot of people are worried about fee compression. I believe that there will be a value stack expansion. I believe that if RIAs are not investing in that value stack... then the reality is there are larger

firms that will emerge that will deliver that in very, very quality ways to clients.'

Buckingham, as it stands now, may be a firm capable of doing a little bit of everything. Its Tamp arm works with several hundred independent RIAs, while its in-house operation works with nonprofits and retirement plans in addition to its core client base of multi-generational families with between \$1m and \$10m in assets.

'The reality is that Buckingham has moved from a practice to an enterprise,' Birenbaum says. 'We have specialized roles. We have resources and bench strength. We have capabilities and support like never before.'

STAR RECRUITS

That transformation may be typified by the recent hires of Kitces and his blogging partner Jeff Levine, who draw hundreds of thousands of readers per month to Kitces.com and have committed to attaching their enterprise to Buckingham's. If it works out the way Birenbaum envisions, Kitces and Levine may be able to create a fresh pipeline of clients – and advisors.

'It is our hope that their audience, that their reach, all of those things, is as vast as we think it is,' Birenbaum says. 'Because we want more people to understand that this is what you get if you align with Buckingham.' ♦

ADAM BIRENBAUM

2003
JOINED BUCKINGHAM AS AN INTERN

2010
APPOINTED CEO

PRESENT
CHAIRMAN AND CEO,
BUCKINGHAM WEALTH PARTNERS

EDUCATION:

2000
VANDERBILT UNIVERSITY
BA, HISTORY

2005
SAINT LOUIS UNIVERSITY SCHOOL OF LAW
JD