SPECIAL REPORT

Across the country, great financial advisors are finding new ways to help investors. Who they are, what they're saying

The Top 1,000

by Suzanne McGee Extraordinary times call for extraordinary people. Like Dan Pinkerton. A financial advisor in Coeur d'Alene, Idaho—and one of *Barron's* top 1,000 in America—Pinkerton likes to open client meetings with a violin solo. And not just any violin solo: He drives the fans wild when he makes his fiddle sound like Scottish bagpipes and plays *Amazing Grace*. It's partly to ease investors' stress, partly to keep his own creative juices

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Advisor Scoreboard

For the second year running, Merrill Lynch placed the most advisors in the Top 1,000...

Merrill Lynch	317	**Credit Suisse**	22
Morgan Stanley	231	**Deutsche Bank**	22
UBS	141	**Raymond James**	20
Wells Fargo	100	**Ameriprise**	16
LPL	30	**J.P. Morgan**	9

...And it also has the most advisors with the No. 1 ranking in their state.

Merrill Lynch	20	**UBS**	5
Morgan Stanley	7	**LPL**	4
Wells Fargo	6		

flowing. That is "essential to running a financial-advisory firm."

In today's topsy-turvy markets—a historic crash one year, a monster rally the next—the leading financial advisors across the country are pulling out all the stops, and then some, to get an edge for their clients and themselves. And by at least one important measure, they are succeeding: Their client-retention rate clocked in at 97% last year. Doctors and contractors should be so lucky.

The high retention level is one of the most striking findings from *Barron's* annual state-by-state roundup of the top 1,000 financial advisers. Profiles of the 51 leaders—the No. 1 for each state and the District of Columbia—begin on page 8, followed by complete listings of all 1,000. This is the largest of four advisor rankings we publish each year.

To make this list, advisors need to be leaders in their states in assets under advisement—and some have billions. They also must generate ample revenue for their firms, and run provably high-quality practices. And of course, they can't have bad marks on their regulatory records. Investment performance isn't an explicit criterion, because most financial advisors don't have audited performance records; but advisors who meet our requirements tend to get strong investment results.

The 1,000 advisors have a number of other things in common, too. Most hail from big brokerage houses and banks, with a striking number—317—coming from Merrill Lynch alone. Merrill advisors nabbed the No. 1 spot in no fewer than 20 states. Morgan Stanley Smith Barney and Wells Fargo have the next-largest representations (see the table nearby).

The advisors are thoroughly seasoned: On average, they are 51 years old, and have been in the business for some 25 years. The advisors are remarkably loyal to their employers, putting in an average of 19 years at their current firms.

This data—and more—came from an extensive survey filled out by more than 4,000 nominees, 25% more than last year. After reviewing the information and talking with advisors and their firms, we had the final list.

What the group absolutely does *not* have is a unified outlook for the markets. Yes, they tend to like emerging markets and dividend-paying blue chips. But overall, we found more diversity of opinion than at any other time since we began tracking financial advisors six years ago. The advisors are quite literally all over the map.

Alabama's Robert Runkle, a Merrill Lynch advisor, favors stocks; Hawaii's Mike Strada, a Morgan Stanley Smith Barney advisor, has been recommending that clients take some of their stock-market gains and plow them into corporate bonds. Tom Hill, who helps Morgan Stanley clients with their portfolios from his office in Maryland, likes master limited partnerships, like those structured to deliver a flow of income from gas pipelines to investors. Georgia-based Rod Westmoreland preaches the virtues of hedge funds and other alternative-investment vehicles to his Merrill Lynch clientele, while fellow Merrill man Robert Stulberg of Michigan thinks the world of a sturdy and reliable municipal bond issued by a well-run town, or a good old-fashioned sewer bond.

The divergence isn't entirely surprising, given the tumult of the past two years. People everywhere are still trying to get their bearings.

But that doesn't mean the advisors can afford to get it wrong.

"They really caught a break last year," says Simon Johnson, an economist at the MIT Sloan School of Management. "Everyone was so relieved by the recovery that they weren't going to worry as much if their broker didn't do as well as he or she might have done. Going forward, clients will be more demanding; the job gets harder."

Still, the top advisors will have the benefit of that bedrock, investors' trust.

Just how strong is that? The son in a clan advised by Well Fargo's Theresa Chacopulos told her about his marriage engagement before telling a single family member. It's enough to make someone break out his violin. ■

RANK 2010	'09	Name	Firm	City	CUSTOMERS Individuals (Up to $1mil)	High Net Worth ($1-10 mil)	Ultra-High Net Worth ($10 mil+)	Found-ations	Endow-ments	Institu-tional	Total Assets ($mil)	Typical Account ($mil)	Typical Net Worth ($mil)
9.	27.	**Stephen Todd Walker**	Morgan Stanley Smith Barney	Philadelphia		•	•	•	•	•	2,600	10	50