

STANDING OUT FROM THE HERD

Finding recordkeepers with which to work

Advisers generally have their favorite recordkeeping providers, choosing to work with a select handful of them. Between keeping up with what providers—whether major recordkeeping firms or third-party administrators (TPAs)—are still playing in which market(s), and who is offering what services, keeping it all straight can be a full-time job.

Retirement plan advisers play an integral role in many providers' delivery systems but, while some providers do both adviser-sold and direct-sold business, others do no business through intermediaries. To help advisers get a better sense of this distribution landscape, as part of sister publication *PLANSPONSOR*'s 12th annual Recordkeeping Survey, retirement plan recordkeepers were asked about their business delivery model. *PLANSPONSOR* received 79 complete responses this year from the nation's leading recordkeepers. From that total, 56 respondents answered questions about doing business with or through intermediaries, and those recordkeepers have been included in the chart on the following pages.

PLANSPONSOR's annual Recordkeeping Survey shows most advisers have a variety of provider options to bring to clients. Only a handful of recordkeepers say they work solely with their own advisers, while the rest of the respondents were split evenly between those that work solely with independent advisers (defined in the survey as those outside the recordkeeping firm) and those that work with both groups.

Recordkeepers also offer advisers a wide array of resources and support services. Of the 52 recordkeepers that reported what types of support services they offer to advisers, the most common offerings were education and enrollment support and legislative updates (92% each), followed by investment performance or benchmarking reports (88%).

Additionally, advisers can receive help with plan design from 87% of recordkeepers. Sixty-five percent of recordkeepers provide advisers with DC plan benchmarking, but only 37% have provider search resources or tools. When working with investments, advisers can get help with investment policy statements from 83% of recordkeepers and in the area of investment-monitoring products from about three-fourths of recordkeepers.

Advisers looking for help building their business or expertise have options as well. Although 87% of recordkeepers said they offer training specific to defined contribution (DC) plans and 58% host conferences, only 29% sponsor designations specific to DC plans. Additionally, 60% said they can provide DC plan lead generation.

When it comes to the all-important issue of compensation, a majority of recordkeepers said they offer RIA fees/hard-dollar fees and ongoing trails or commissions. Upfront commissions (a front-end load) and finders fees were the least popular adviser compensation options, cited by approximately half of companies. —PA

METHODOLOGY: The data taken here are from *PLANADVISER*'s sister publication *PLANSPONSOR*'s 12th annual Defined Contribution Recordkeeping Survey. The survey questionnaire was distributed to providers of full service and unbundled recordkeeping for defined contribution plans, and *PLANSPONSOR* received 79 complete responses this year. The questionnaire, which asked for approximately 322 different data points, was available for providers to complete online between March and late April 2010. All data are as of 12/31/2009. The table here provides only a snapshot of selected information from each provider. To purchase an Excel spreadsheet containing the full data set of responses from all 79 providers, including historical information, please contact Michelle Judkins at mjudkins@assetinternational.com.

	DC Assets (\$millions)	% Plan Assets Sold Via			Work w/Advisers?	Fee Structures					Support Services							
		Independent advisers	Wirehouse advisers	TPAs		Upfront commission	Finders fee	Ongoing trail	Hard-dollar fee	Levelized commissions	Sponsor designations	Host conferences	Access to ERISA counsel	DC plan benchmarking	Lead generation	Provider search tools	Investment advice tools	Inv. benchmarking report
ACS, A Xerox Company	\$63,813				B						✓	✓	✓	✓	✓		✓	T
ADP Retirement Services	\$30,073	16	24	0	I		✓	✓	✓	✓		✓		✓	✓		✓	
Alliance Benefit Group	\$9,868				B		✓	✓	✓								✓	T
American Funds Distributors, Inc.	\$29,059	100			I		✓	✓	✓	✓		✓	✓	✓			✓	
American United Life Insurance*	\$9,857		2.2		B	✓	✓	✓	✓	✓		✓		✓			✓	T
Ascensus	\$25,974	56	36	7	I		✓	✓	✓	✓		✓	✓					T
Associated Trust Company, N.A.	\$2,237				O													
Bank of America Merrill Lynch	\$80,588				O						✓	✓	✓	✓			✓	P
Benefit Consultants Group	\$1,523		60		B	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	B
BPAS	\$4,382	70	25	5	I		✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	T
Correll Co.	\$1,450	60	15		B	✓	✓	✓	✓	✓		✓					✓	T
CPI Qualified Plan Consultants, Inc.	\$5,250		97	0	I	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	T
DailyAccess Corporation	\$6,200	70	15	15	I	✓	✓	✓	✓	✓	✓	✓	✓				✓	T
Diversified Investment Advisors	\$38,000	20	35	0	I	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	T
EPIC Advisors, Inc.	\$4,849				I							✓		✓			✓	T
ExpertPlan, Inc.	\$4,700											✓		✓			✓	T
Federated Retirement Plan Services	\$2,300				I		✓	✓		✓			✓	✓			✓	T
Fidelity Investments	\$838,176				I	✓	✓	✓	✓				✓				✓	
First Mercantile	\$4,146				I		✓	✓	✓	✓		✓	✓				✓	P

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* a OneAmerica company

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Great-West Retirement Services	\$122,774	46			I	✓		✓	✓			✓	✓	✓	✓	✓	✓	B
GuideStone Financial Resources	\$6,736				O						✓						✓	B
Hartford, The	\$47,600	55	45	0	I		✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	B
HPnorthwest	\$1,278				B				✓								✓	B
J.P. Morgan Retirement Plan Services	\$109,853	14			I				✓			✓	✓	✓	✓	✓	✓	P
John Hancock Retirement Plan Svcs	\$54,488				B	✓	✓	✓	✓	✓		✓		✓	✓	✓	✓	
Lincoln Financial Group	\$35,300				B	✓	✓	✓	✓	✓								
M&I Institutional Trust Services	\$19,608	25	0	0	I			✓	✓	✓		✓		✓	✓		✓	
MassMutual Financial Group	\$32,395				B	✓	✓	✓	✓	✓		✓	✓	✓	✓			T
MBM Advisors, Inc.	\$1,156	2	0	0	B	✓	✓	✓	✓	✓			✓	✓			✓	
McCready and Keene, Inc.	\$3,486	869	31	0	I	✓	✓	✓	✓		✓	✓	✓	✓	✓		✓	B
Mercer	\$57,685	10	0	0	I		✓		✓	✓			✓	✓			✓	T
MetLife	\$14,250				B	✓		✓		✓			✓		✓	✓		
Milliman, Inc.	\$16,445	8	0	0	I				✓				✓	✓			✓	
Nationwide Financial	\$75,792	31	7		B	✓	✓	✓	✓	✓	✓	✓		✓			✓	B
New York Life Retirement Plan Services	\$24,615	80	20	0	B	✓	✓	✓	✓			✓	✓	✓			✓	B
Newport Group, The	\$21,148	55	25	20	I	✓	✓	✓	✓	✓		✓	✓	✓		✓	✓	B
OppenheimerFunds	\$3,939	100			I		✓	✓	✓				✓	✓			✓	B
Paychex, Inc.	\$10,700				I			✓	✓	✓			✓	✓	✓			
Principal Financial Group	\$103,391	96	6	8	B	✓		✓		✓	✓	✓	✓	✓	✓	✓	✓	B
Prudential Retirement	\$128,131	86	8		B	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	B
Putnam Investments	\$14,936	45	44	0	I			✓		✓	✓	✓	✓	✓	✓	✓	✓	T
RSM McGladrey, Inc.	\$2,374		0	0	B	✓	✓	✓	✓					✓	✓	✓	✓	T
Securian Financial Group	\$8,414	35			B	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	B
Security Benefit	\$4,555	95		5	I		✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	B
Sentinel Benefits & Financial Group	\$1,893	25			B	✓		✓	✓	✓							✓	
Standard, The	\$13,581				I	✓	✓	✓	✓	✓	✓	✓	✓				✓	P
SunGard Benefits Administration	\$20,956	0.24	0	99.76	B						✓	✓	✓	✓		✓	✓	B
SunTrust Bank, Inc.	\$4,425				O													
T. Rowe Price	\$97,779				I				✓			✓						B
TIAA-CREF	\$319,977				B		✓		✓						✓			
Transamerica Retirement Services	\$11,433	50	20	30	B	✓	✓	✓	✓	✓		✓	✓	✓	✓		✓	B
UNIFI Retirement Plans	\$5,012				B	✓		✓		✓		✓		✓			✓	T
USI Consulting Group	\$3,111				B	✓	✓	✓	✓	✓		✓	✓		✓		✓	T
VALIC	\$58,648				B	✓		✓	✓					✓				T
Wells Fargo & Co.	\$135,354				B	✓	✓	✓	✓	✓			✓	✓	✓		✓	T

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