

# Advisor Group Says It's Considering New Name

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By Jeff Berman, [ThinkAdvisor](#)

## What You Need to Know

- The group of eight firms is said to be weighing its options ahead of a possible IPO.
- Advisor Group managers have discussed merging BDs, recruiter Jon Henschen says.
- The firm could also become self-clearing before going public, he says.

Advisor Group says it's still considering a consolidation to bring its affiliated brokers closer together. One way to help achieve that could be a rebranding initiative.

"While nothing has been finalized, we've made no secret of exploring" a consolidation that would bring its eight firms closer together, a company spokesman told ThinkAdvisor in an email late Thursday.

Advisor Group includes eight broker-dealers: American Portfolios, FSC Securities Corp., Infinex Financial Group, Royal Alliance, SagePoint Financial, Securities America, Triad Advisors and Woodbury Financial.

"As we noted publicly during our ConnectEd Conference last year and recently discussed with our network of advisors, we are considering options to drive greater efficiency and leverage scale to enhance the experience and growth of affiliated financial professionals," he explained.

But he added: “We will move in this direction only when we are certain this would be purely beneficial to our advisors and would not be a repapering event.”

The spokesperson was commenting on a report by [InvestmentNews](#) earlier in the day that said Advisor Group was “looking to reshape its brand in coming months to show a more unified front, with multiple sources confirming that the moniker ‘One Advisor Group’ will be the network’s likely name sooner rather than later.”

The plan is part of the private equity-owned Advisor Group’s ongoing push toward an eventual initial public offering, similar to the path that rival LPL Financial Holdings’ private backers took when that firm went public in 2010, the report said.

## **Would Self-Clearing Be the Next Move?**

The latest news wasn’t a surprise, according to Jon Henschen, president of Henschen & Associates, a firm that helps advisors find broker-dealer relationships.

“At the Advisor Group firmwide conference last November, management made it known of their intent to merge the broker-dealers together,” Henschen said in an email.

“Triad would likely maintain a separate identity because their focus is different from the other broker-dealers, focusing on hybrid and dual clearing. The fact that Advisor Group has a national conference for all the BDs combined is already a foreshadow to the broker-dealers being merged together,” he explained.

Self-clearing is another factor that Henschen says he’s “quite sure” Advisor Group is “considering and will need to consider” in order to compete against LPL and Raymond James.

“Self-clearing is a profit center that is difficult to pass up so it would make sense to see them drop Pershing and NFS and require those accounts to be moved to their own clearing,” he predicted.

“When LPL bought the Pacific Life broker-dealers, they commented at the time of that purchase, that they were committed to Pershing as part of their recruiting efforts but two years later, prior to going public, they went self-clearing,” Henschen noted.

He added: “Gauging experiences with other broker dealers going public, we expect to see aggressive recruiting, further cost cutting and enhancement of profit centers. The term ‘window dressing’ comes to mind as the broker dealers groom their firm to attract higher prices.”