

Beyond the Wirehouse:

A NEW PERSPECTIVE ON SERVING ULTRA HIGH
NET WORTH CLIENTS

By Josh Gully



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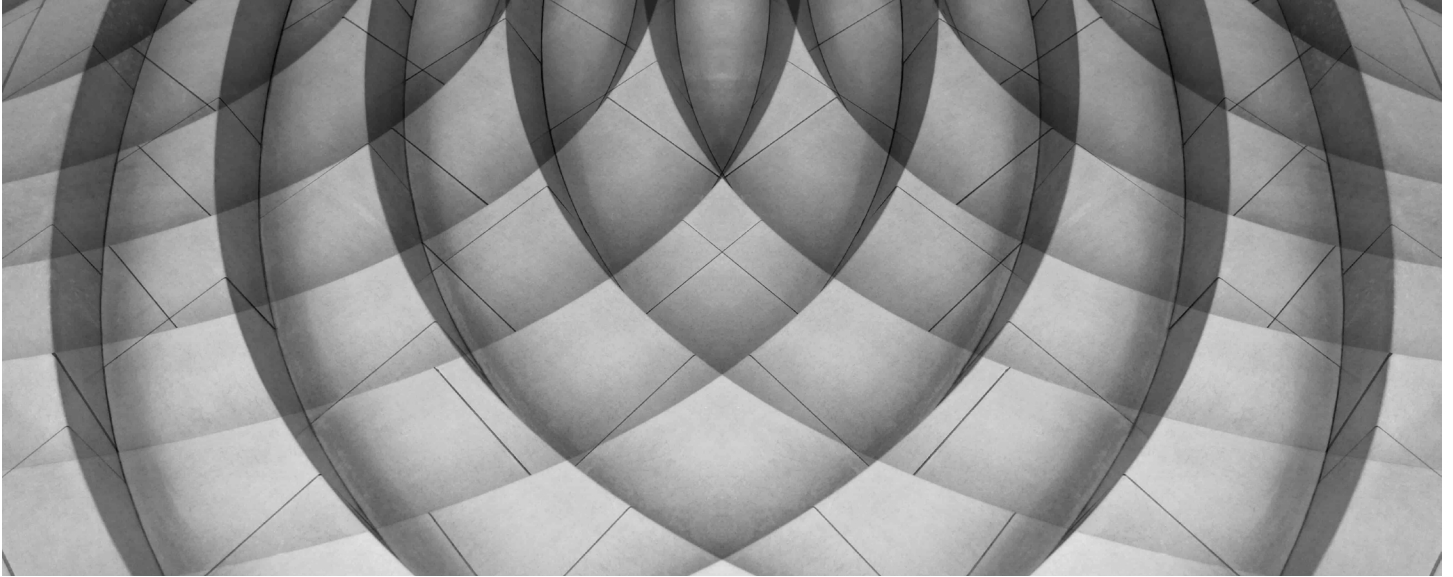
#9 on Barron's Top 100 Private Wealth Management Practices. \$4.8 billion in assets under management. And over 30 years of advising. But something was still missing.

It's safe to say that after spending three decades at one of Wall Street's largest wealth management firms, I've gained a deep understanding of what it means to serve ultra high net worth clients. Our average client entrusted us with \$60 million in investable assets, and I had the privilege of serving as a personal financial advisor to several members of the firm's operating committee. But over time, the size and complexity of the firm grew through multiple acquisitions and I couldn't help but feel like my clients deserved more.

That realization led me to NewEdge Capital Group, a \$75 billion+ Registered Investment Advisor, in the spring of 2023. I saw firsthand how the wealth management landscape was evolving and knew that a smaller independent firm could offer the agility and customization that ultra high net worth clients truly need. Now, having experienced both worlds, I want to share my observations and highlight the key differences that can make a significant impact.

The Wirehouse Paradox: When Scale Becomes a Limitation

During my tenure at one of Wall Street's premier wealth management firms, I witnessed firsthand how size can become a double-edged sword. The scale and infrastructure that was originally designed to be a competitive advantage actually became a significant constraint and liability for most of our ultra high net worth (UHNW) and family office clients.



The Reality Behind the Big Bank / Wirehouse Model

Large banks / wirehouses operate much like ocean liners — impressive in scale but slow to change course. As a senior advisor within this structure, I experienced how:

- **Corporate mandates increasingly restricted customization.** Year after year, our ability to craft truly bespoke solutions diminished as standardization took precedence for efficiency and risk management. Wirehouses tend to prioritize products that generate fees and eliminate those that don't, regardless of their value to the client.
- **Investment opportunities faced multiple layers of approval.** Opportunities that were not scalable across the firm's massive client base were often rejected, regardless of their value and benefit to a clients' investment portfolio.
- **Client interests took a back seat to shareholder demands.** Quarterly earnings expectations created pressure to drive revenue through proprietary products and approved platforms rather than prioritizing the optimal solution for the client.
- **Technology investment decisions prioritize cost over the client experience.** Large institutions often choose to build proprietary systems to reduce the cost of technology, but this approach consistently lags behind industry innovation. It limits flexibility, hinders real-time adjustments, and ultimately fails to keep pace with evolving client needs.
- **Innovation moved at a snail's pace.** Implementing new ideas or initiating technology enhancements meant navigating extensive committees and approval processes, often taking years rather than months. I found myself spending more time navigating internal bureaucracy and less time focusing on what mattered most — my clients.

At NewEdge, our philosophy is to partner with the best technology providers in the industry. Our philosophy is to 'rent' our technology – not buy it – which allows us to maintain complete flexibility to pivot if needed to deliver the very best solutions to our clients.

The Wealth Strategy Disconnect

Perhaps the most significant limitation I observed was how wealth planning and investment management operated as separate functions within the wirehouse structure.

At my previous firm, we had excellent tax, trust and estate professionals. However, planning teams and investment teams operated in silos, with different reporting measures and competing priorities.

- **The typical advisor-to-wealth strategist ratio was an astonishing 100:1** — limiting access to meaningful guidance at a consistent cadence.
- **Plans were event-driven** meaning they were typically created at the start of the relationship and only revisited after major life events.
- **Implementation gaps emerged** as plans moved from strategy to execution, often stalling across departmental boundaries.
- **Wealth Strategists rarely collaborated with Financial Advisors in real-time**, making holistic wealth management difficult to achieve.

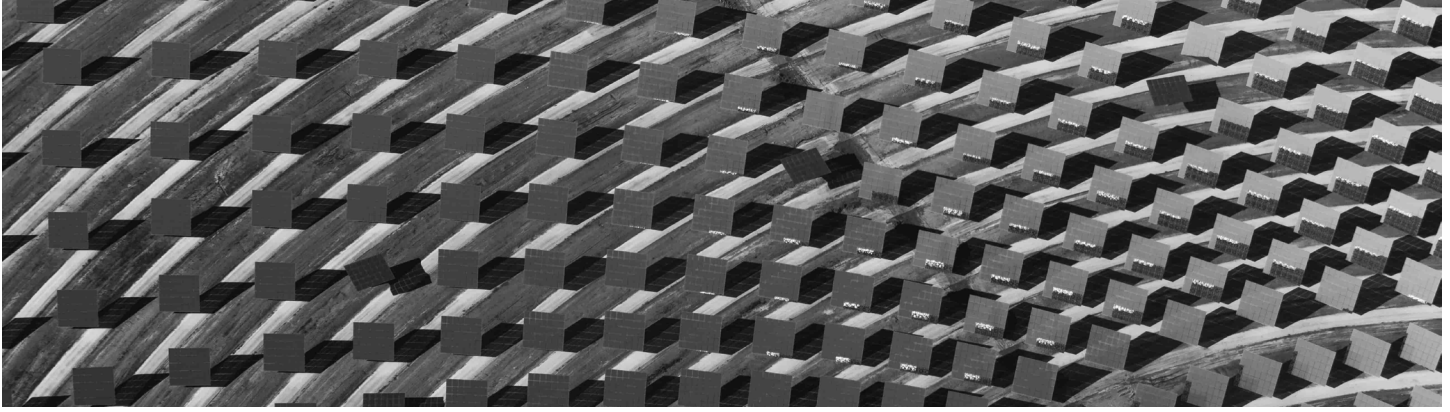
At NewEdge, that ratio of Financial Advisors to Wealth Strategists is just 6:1, allowing for deeper and continuous collaboration, as well as truly integrated advice, which results in enhanced after-tax performance and a better overall client experience.

Pay to Play vs. Conflict Free Advice

What is pay to play? Asset managers pay millions of dollars annually to the wirehouse platforms to buy the “shelf space” for their investment products. Importantly, these products do not need to be good, they just need to pay their way onto the wirehouse platform. Additionally, these same asset managers also agree to conduct all of their banking and trading activity through these very same banks. Again, generating additional revenue for the wirehouse platforms. So, it may come as no surprise that these platforms are loaded with mediocre investment products that are looking for investors.

At NewEdge, we prefer to be on “the same side of the table” as our clients. As such, we have never taken a placement fee or kickback or engaged in any aspect of “pay to play”. We select our investments purely on merit. We win when our clients win. Our conflict-free advice is a central tenet at NewEdge and clearly sets us apart within the industry.





The NewEdge Difference: What's Possible Outside the Wirehouse

Upon joining NewEdge Wealth, I discovered that many of the limitations I accepted as industry norms were actually specific to the wirehouse / bank model. The differences became apparent immediately:

Truly Integrated Tax, Trust and Estate Planning / Wealth Strategy

At NewEdge, wealth strategy isn't a department or a product — it's the foundation of everything we do:

- **Wealth Strategy discussions inform investment decisions in real-time**
- **Market shifts trigger immediate strategic reassessments**
- **Tax considerations are woven into investment execution, not addressed separately**
- **Estate planning integrates seamlessly with portfolio construction**
- **Client objectives drive all decisions, not institutional priorities**

This integration simply wasn't possible within the wirehouse structure, where departmental boundaries and standardized processes took precedence over true continuous collaboration.

Investment Agility

What surprised me most was how much more effectively we could pursue investment opportunities that were clearly in the best interests of our clients. NewEdge offers:

- **Access to a broader universe of asset managers.** We are a true client of the street – which means we have access to all the products offered by the big banks and best asset managers, both large and small. All seamlessly delivered to the custodian of your choosing.
- **True open architecture.** Without the constraints of approved product lists, we can evaluate opportunities based solely on merit. We are free to select the best investment solutions regardless of provider, with no pressure to favor proprietary offerings.
- **Rapid assessment.** Manager selection decisions that took months or quarters at a wirehouse can now happen in a matter of days.

Expansive Alternative Investment Platform

Through our conflict-free open architecture platform, we offer access to all the major private offerings you would expect from a large institution **plus** a curated selection of niche, high impact opportunities that are typically unavailable on large platforms. This allows us to deliver differentiated outcomes for our clients.

Further, it's the speed and precision with which we can act. At a wirehouse, it could take 15-18 months to onboard an alternative investment, often missing the window of opportunity entirely. At NewEdge, our dedicated Alternatives Team can evaluate and execute in a matter of weeks.

Below I have briefly outlined four examples of unique offerings currently available at NewEdge.

- 1. Passive Tax-Loss Harvesting:** Perhaps you have an investment in Parametric or Aperio that is no longer providing tax benefits that you desire. We have identified a manager that can reignite the "tax alpha" and start generating annual losses within your portfolio. These losses can create 3.5% to 5% of annual outperformance compared to traditional long-only tax loss harvesting strategies.
 - **Key Takeaway:** The big banks lack the technology to support this type of investment.
- 2. Litigation Finance** is an asset class that is completely uncorrelated to stock and bond markets thus offering significant diversification benefits to client portfolios. We have identified a manager that uses proprietary technology to deliver 25%+ net returns in each of their last three funds. They are currently raising capital for Fund IV.
 - **Key Takeaway:** This opportunity would be considered too small and not scalable at a wirehouse.
- 3. Private Equity:** We have identified an opportunity with a private equity firm that focuses on sub \$100 million transactions with a 25 year track record. Now investing their sixth fund, they focus on investment opportunities in the Qualified Small Business (QSB) space, providing almost exclusively tax-free returns.
 - **Key Takeaway:** This opportunity would be considered too small and not scalable at a wirehouse.
- 4. Venture Investments:** We believe that top performing venture investments can be highly beneficial to client portfolios. However, we also believe it is prudent to add this type of exposure in a diversified way. To achieve this, we offer clients access to a no fee feeder fund. We create these feeder funds at no cost to our clients because we believe it is the right thing to do.
 - **Key Takeaway:** Wirehouses avoid this attractive asset class because they don't want to take the time to manage the risks associated with venture investing.





Collaboration has replaced competition. Our open architecture platform is matched by a culture that encourages advisor teamwork.

Client Experience Transformation

Perhaps what I'm most proud of at NewEdge is how my relationships with clients have fundamentally transformed for the better. My three key observations are:

- **Innovation has replaced standardization.** We're able to adopt best-in-class tools and ideas based solely on their merit — not on whether they can scale across thousands of advisors. From streamlined reporting (think 3 pages, not 300) to early access to cutting-edge technologies, our platform is built to simplify complexity and deliver peace of mind.
- **Transparency has replaced opacity.** Without corporate mandates restricting what can be shared, we can be completely forthright about every aspect of our strategy and the reasoning behind it.
- **Collaboration has replaced competition.** Our open architecture platform is matched by a culture that encourages advisor teamwork — not internal turf wars. That means better thinking, better outcomes and a more seamless experience for you.

Explosive Growth: NewEdge's Remarkable Journey

When I joined NewEdge Wealth in 2023, I knew I had the opportunity to tap into resources that were unmatched in the Registered Investment Advisor (RIA) space. What I couldn't have anticipated was the extraordinary growth trajectory the firm would experience in such a short time.

Since I came aboard, NewEdge Capital Group, which is NewEdge Wealth's parent company, has doubled in size, growing from \$32 billion in client assets serviced to over \$75 billion today. The industry has taken notice of this remarkable expansion. NewEdge Capital Group has climbed to #3 on Barron's Top 100 RIA Firms and #8 on Forbes' Top RIA list. Our Chief Investment Officer, Cameron Dawson, was named CIO of the Year by Institutional Investor — a testament to the caliber of talent we continue to attract.



Part of a Broader Industry Evolution

While NewEdge's growth is impressive, it is important to recognize that this reflects a larger transformation occurring across the wealth management landscape. The wirehouse model continues to lose talent at an accelerating rate across all areas of wealth management. Conversely, the independent RIA model is experiencing tremendous momentum as more advisors and their clients recognize the inherent advantages of sophisticated wealth management and conflict-free advice.

What's driving this evolution? The same factors that influenced my own decision:

- **Client-centric models** that prioritize doing what's best for the client over product sales
- **Technological advantages** that give independent firms equal or superior capabilities
- **Flexibility in service** without corporate constraints
- **Entrepreneurial culture** that allows for greater autonomy

This industry-wide shift validates what many of us who have made the transition already understand—that for sophisticated clients, the independent model often provides superior service capabilities compared to traditional wirehouses. NewEdge's extraordinary growth isn't happening in isolation; it's at the leading edge of a broader industry transformation.

A Personal Reflection

Having served as a trusted advisor to many senior executives and ultra high net worth families throughout my career, I've always prioritized putting clients' interests first. Despite institutional constraints at my former wirehouse, I worked diligently to align our team's capabilities with our clients' needs.

But over time, I realized something deeper: I was sitting on the wrong side of the table. Too often, I found myself justifying firm-wide decisions instead of delivering client-first solutions. That's ultimately what drove my transition to NewEdge.

At NewEdge, the shift has been transformational. Without the friction of corporate red tape, a fundamentally different kind of relationship is possible — one where our interests are truly aligned with our clients', where customization is limited only by creativity, and where innovation isn't just recognized, it's adopted. Many firms talk about technology — we've actually integrated it into how we operate. That difference is felt in every client interaction.

We also have the flexibility to act as consultants, not just asset managers. Clients can benefit from our insights and access without being required to move their assets — a level of objectivity and flexibility that simply doesn't exist in the wirehouse world.

It's also worth noting that while NewEdge offers the agility and intimacy of a boutique firm, we're backed by the significant resources of EdgeCo Holdings. With a 40-year track record, nearly 1,000 employees, and over \$715 billion in client assets, EdgeCo provides the scale and stability that gives our clients — and our team — confidence for the long term.

My time at NewEdge has only reinforced what I believed when I made the move: in wealth management, smaller doesn't mean less—it can mean more. More alignment. More flexibility. More impact. And as NewEdge's remarkable growth has shown, more and more clients are coming to the same conclusion.

About NewEdge Wealth

NewEdge Wealth is designed to meet the needs of ultra high net worth, family office and institutional clients. The division seeks to provide a select group of clients with a personalized level of service and attention designed to help organize and simplify their lives, while also providing access to an expansive menu of institutional caliber products and services — all wrapped in technology that serves as the connective tissue between the client and their advisor to create a stronger, more personal relationship.

Investment advisory services are offered through NewEdge Wealth, LLC, a registered investment adviser. Securities are offered through NewEdge Securities, LLC, Member FINRA/SIPC. For more information, visit newedgewealth.com.



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Important Disclosures

Barron's rankings awarded in September 2025 based on prior 12 month data. Forbes/Shook rankings awarded in October 2025 based on data from 3/31/24-3/31/25. Barron's Top 100 Financial Advisors in America ranking awarded in April 2020 based on prior 12-month data. Neither NewEdge Wealth or its employees pay a fee in exchange for these rankings.

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