

Why Wealth Managers and RIAs Are Selling to PE-Backed Insurance Brokers

One of the most common responses we hear from wealth managers about the boom in insurance broker interest in the RIA space is, "Really? You think an insurance broker is the best buyer for my business?" The answer is a resounding "Yes." In fact, insurance brokers have now become the most aggressive buyers for RIAs and wealth managers, and the trend is growing, but why?

PE-Backed Insurance Brokers Are Motivated and Ready to Buy

Insurance distribution or brokerage companies have been the darling of private equity (PE) investors for the past decade, often generating up to 3x returns on invested capital for PE investors. Most recently, a number of forward-thinking insurance broker platforms started to expand into the wealth management world by acquiring RIAs and wealth management platforms.

When one leading broker makes an acquisition, it doesn't take long for others to follow. More of the industry is ready to pursue RIAs - so much so that now nearly every major PE-backed insurance broker is aggressively seeking to acquire independent registered investment advisors.

Nothing spells opportunity like motivation backed by capital. With the gains enjoyed from their relationships with private equity firms, PE-backed insurance brokers have sizable capital coffers ready to go and will pay more for your RIA than the other subset of RIA buyers.

Want to learn more about why we think brokers are the best buyer for your business? We've played a leading role in building four of the top 10 insurance brokers in the US - and we'd love to share what we know. Connect with us and let's talk it through.

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Opportunities Abound

About Sica | Fletcher

Sica | Fletcher has been the #1 advisor to the insurance brokerage space for the past consecutive 5 years, having advised on over \$3.8 billion in brokerage deals in 2021 alone. We are a PE and M&A analytics platform that goes beyond just transaction data and are designed to optimize deal generation and business development through customized data, automation, and one-of-a-kind networking functionality.

On average, our process leads to valuations that are 30% higher than when agency principals negotiate sales on their own

Recent RIA deals Sica | Fletcher has advised on:



If you'd like to discuss your strategic options, please email or call us:

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