



## Mercer Extends RIA Acquisition Spree with Washington State Deal

By Jake Martin for AdvisorHub

Mercer Global Advisors has acquired Hart Capital Management, a Spokane, Wash.-based RIA with a satellite office in Coeur d'Alene, Idaho, it said on Thursday. Hart serves about 400 clients, and has about \$440 million of assets under management.

Financial terms of the deal, which closed on Dec. 31, 2020, were not disclosed.

Founded in 1998 by Craig Hart, a former research analyst at brokerage firms Ragen Mackenzie, Inc. and Morgan Stanley Smith Barney, the nine-person Hart Capital joined the RIA rollup to take advantage of shared and new services.

"We had reached a level of needing to invest heavily in our business to develop the scale and infrastructure necessary to service our ever-increasing client needs," Hart said in a prepared statement. "In observing our industry, we also wanted to offer competitive differentiated in-house services like estate planning, tax return preparation and corporate trustee assistance."

Mercer, which has \$27 billion of assets under management, is one of the most active acquirers of RIAs. Since the beginning of this year, it has announced six acquisitions, one of which closed in November and five in December of 2020.

In a report released Thursday, RIA consultancy DeVoe & Co. attributed Mercer's success in building an RIA empire to the client-service capabilities it offers small wealth firms.

"Tearing pages from the playbooks of leaders like Disney, McDonald's and the Ritz Carlton, they are creating consistent, optimal client experiences across their platform of 47 offices," DeVoe's fourth-quarter 'Deal Book' report said. "The result is arguably the most scalable, repeatable and institutionalized client experience in the industry."

Mercer completed or announced 13 acquisitions in 2020, based on the DeVoe report and Thursday's announcement. That ranks it with CI Financial, Hightower Advisors and Creative Planning among the top RIA aggregators, according to the report.

Dave Welling, chief executive of Mercer, said in a prepared statement that his Denver-based firm has been investing heavily in firms looking for "family office-style care and support."

Hart Capital, which receives client referrals from Charles Schwab & Co. through its Schwab Advisor Network, will gain additional support by leveraging Mercer's existing operations in Seattle, Portland and Idaho "to create a convention of Mercer Advisors' shared support," said David Barton, head of M&A at the rollup.

John Furey, head of M&A advisory firm Advisor Growth Strategies, represented Hart Capital in the transaction.