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FRC ANNOUNCEMENT

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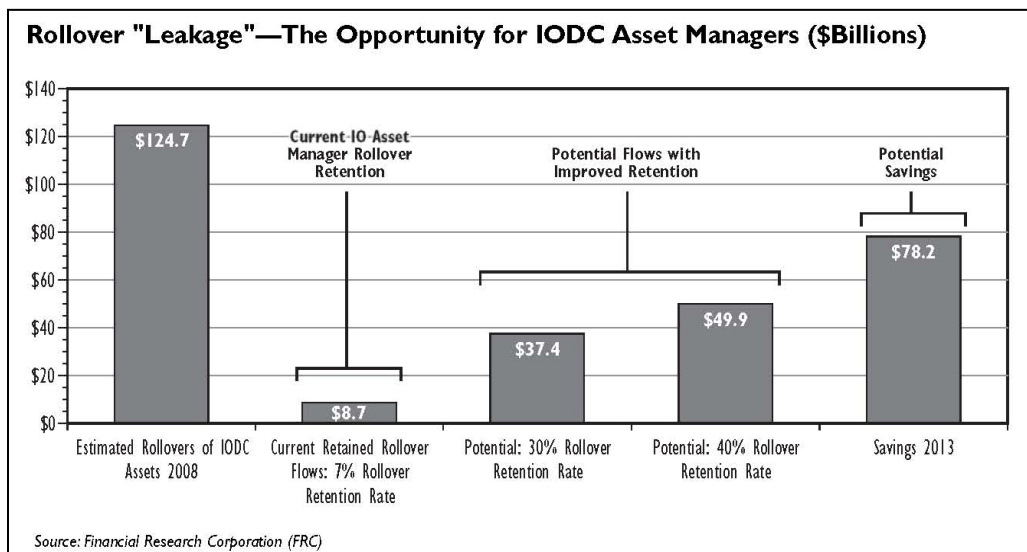
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**Rollovers to Reach Half-Trillion Dollars by 2013 Presenting Tremendous Retention Opportunities for Proprietary & Investment-Only DC Managers**  
*FRC's Latest IRA Research Study*

**August 18, 2008, Boston, MA** – Rollovers are expected to steadily increase from \$260 billion in 2007 to nearly \$500 billion by 2013 presenting proprietary and investment-only DC managers with significant retention opportunities, according to FRC’s latest research study *IRA Rollover Dynamics 2008—Market Sizing, Benchmarks, & Best Practices*.

“Asset managers whose companies are not planning to own or offer 401(k) programs should not ignore the rollover opportunity,” stated Luis Fleites, Vice President of Retirement Markets at FRC. “Visionary asset managers should consider joining the sparse ranks of their peers that are actively focusing on influencing the rollover decisions that their distributors control—both retaining DC asset and attracting new ones—because at least \$40 billion per year in assets is on the line for retention, and potentially much more for acquisition. Developing measurement capabilities will be key to success.”



In this latest study, FRC evaluates existing distribution platforms and assesses the involvement and impact of asset managers in capturing and retaining rollover assets. A detailed examination of current and future market size projections offers a unique analysis behind the trends shaping these projections. This study also focuses on the changing recordkeeper landscape, highlighting the distribution of defined contribution assets, impact of regulatory changes, and approaches to tackle the rollover opportunity. FRC also provides insights into advisor preference for value-added programs that will assist in better positioning and targeting these programs with relation to retirement and rollovers.

Findings are derived from a combination of FRC’s repository of IRA research, proprietary and third-party quantitative data including the *FRC Rollover 2008 Recordkeeper Survey* and *FRC’s Rollover 2008 Asset Manager Survey*. Additionally, findings are based on responses gathered from numerous interviews with executives at leading financial services firms.

**Sample key study findings:**

**Best Practices Firms**—FRC found an elite group of asset managers that understand the rollover process; they are using their expertise to build loyalty among their distributors, and retain their IODC assets, albeit reincarnated as rollover assets. “We found only two firms that we believe truly stand out as best practices for an asset manager participating in the rollover space,” said Fleites. “Interestingly, the two best practices firms are quite different from each other. One is a larger asset manager that offers a 401(k) option to advisors and is part of a large diversified firm. The other is a smaller asset manager that does not offer recordkeeping of any kind, even through partnerships with third-parties.”

**Advisor Value-Added Program (VAP) Topic Preference**—Based on FRC’s *ADVISOR INSIGHT Marketing Effectiveness* study, the VAP topic—“Capturing IRA Rollovers” was ranked third by advisors followed by “Retirement Income” topic in fourth place. This IRA study also delves into the demographics of advisors who selected both topics as their first preference for future VAP rollouts.

**About Financial Research Corporation**

Financial Research Corporation (FRC) provides the knowledge to build stronger relationships through product development and management, distribution solutions, and marketing strategies. For more than 20 years, our insightful research and consulting services have been assisting marketing, product development, and strategic planning professionals in the creation of innovative products and services. Based in Boston, FRC is at the forefront of assisting its clients to comprehend and respond to the rapid changes occurring in the manufacture and distribution of investment products. Our more than 200 clients include the world's leading asset managers and distributors. For more information, visit the FRC Website at [www.frcnet.com](http://www.frcnet.com).

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