

# DOW JONES **PROOF** JUNE 2010 **Smart Money** THE WALL STREET JOURNAL MAGAZINE

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## ANNUAL BROKER SURVEY 2010

### Full-Service Brokers

**1. Edward Jones**  
WWW.EDWARDJONES.COM  
NUMBER OF BROKERS: 12,600  
NUMBER OF BRANCHES: 11,200  
HIGH MARKS: STOCK PICKING  
LOW MARKS: WEB SITE

■ Across-the-board strength vaults Edward Jones into first place, switching spots with Raymond James. The St. Louis-based firm ranks first in three survey categories this year: stock picking, brokerage statements and customer satisfaction. But Corporate Insight finds the firm's Web site hard to navigate. The company recently added more research and market commentary to the site. "We want to give more information to clients," says Jim Weddle, the firm's managing partner. It also has more brokers to provide it: up by more than 500 since last year.

**2. Raymond James**  
WWW.RAYMONDJAMES.COM  
NUMBER OF BROKERS: 5,400  
NUMBER OF BRANCHES: 2,500  
HIGH MARKS: CUSTOMER SATISFACTION  
LOW MARKS: STOCK PICKING

■ The St. Petersburg, Fla.-based firm has taken advantage of the exodus of brokers from Wall Street, adding 400 brokers last year. "We had the best recruiting year ever," says Chet Helck, chief operating officer of the 48-year-old firm. Since last year Raymond James has lowered maintenance fees while revamping its brokerage statements and Web site. But the firm gets low marks in stock picking from Zacks Investment Research. The firm says the annual list that it compiles of its best picks has consistently beaten the broader market.

**3. UBS**  
WWW.UBS.COM  
NUMBER OF BROKERS: 10,300  
NUMBER OF BRANCHES: 700  
HIGH MARKS: CUSTOMER SATISFACTION  
LOW MARKS: WEB SITE

■ Thousands of brokers left UBS in the past year, thanks to a combination of layoffs, attrition and the sale of 56 U.S. branches to Stifel Nicolaus. Still, the brokerage earns a solid rating in customer satisfaction, and its account statements get high marks for putting the firm's buy and sell recommendations beneath each security in the stock holdings section. At the same time, Corporate Insight finds the Web site difficult to navigate. A spokesperson says the firm is always looking for ways to create a more user-friendly site.

**4. Morgan Stanley Smith Barney**  
WWW.MSSB.COM  
NUMBER OF BROKERS: 18,100  
NUMBER OF BRANCHES: 920  
HIGH MARKS: STOCK PICKING  
LOW MARKS: TRUST

■ Morgan Stanley acquired the Smith Barney brokerage unit from Citigroup last summer, merging the No. 4 and No. 7 brokerages from last year's survey. The combined firm has 3,500 fewer brokers than the two companies had a year ago. Although the firm gets top marks for stock picking, it ranks last in trust, according to Forrester Research. Craig Pfeiffer, head of marketing for Morgan Stanley Smith Barney, says it's an industry-wide problem, given all the turmoil in the brokerage business and the markets.

**5. Wells Fargo Advisors**  
WWW.WELLSFARGOADVISORS.COM  
NUMBER OF BROKERS: 15,000  
NUMBER OF BRANCHES: 5,400  
HIGH MARKS: STOCK PICKING  
LOW MARKS: BROKERAGE STATEMENTS

■ The full-service brokerage arms of Wells Fargo and Wachovia merged last year, after Wells Fargo bought out Wachovia. The combined firm—now called Wells Fargo Advisors—receives high marks for stock picking from Zacks. Dalbar rates the brokerage statements of both firms as poor. The firm says it plans to send clients newly revised statements early next year. The merger has allowed Wachovia to greatly increase the number of brokerage locations in its banks.

**6. Merrill Lynch**  
WWW.ML.COM  
NUMBER OF BROKERS: 15,000  
NUMBER OF BRANCHES: 950  
HIGH MARKS: WEB SITE  
LOW MARKS: TRUST

■ Hundreds of brokers have wandered off from Merrill Lynch's "thundering herd" since Bank of America acquired the firm in early 2009. The turmoil hasn't helped Merrill's ranking in our survey. The broker ranks last in both stock picking and customer satisfaction. Lyle LaMothe, Merrill's head of U.S. wealth management, says client satisfaction is "always going to be linked with overall returns, and the past couple of years have been very difficult." He says the firm's internal polls show that customers are happy with their own individual brokers.

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