

WSJ | Tech Entrepreneurs Have to Make Big Decisions About Their Money



From left: Brian Olmo, Peter V. Arbogast, Hilary Giles, and Michael Breen of Arbogast Breen Giles Olmo Group, Merrill Private Wealth Management. (Photograph by Christie Hemm Klok)

Markets in April have been called an “investor’s nightmare,” a “roller-coaster ride,” and just bad. For many of the ultrahigh-net-worth clients of Arbogast Breen Giles Olmo Group, a Merrill team in San Francisco, the volatility can mean opportunity—after the panic subsides. “It can be a fortuitous time for philanthropic giving or passing down generational wealth,” observes Mike Breen, a group partner.

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Breen and colleagues Peter Arbogast, Hilary Giles, and Brian Olmo lead the 13-member team, which oversees \$25.2 billion in client assets. Arbogast, a co-founder, is on the

team's retirement program and remains an active partner, but is transitioning out. Speaking with *Barron's*, Breen, Giles, and Olmo talk about capitalizing on extreme market volatility, art and alternative assets, and how they engage children of clients.

***Barron's*: Who are your typical clients?**

Brian Olmo: We mainly serve technology entrepreneurs who have investible assets from \$10 million to \$1 to \$2 billion, with an average of investible wealth in the \$25 million to \$50 million range.

Hilary Giles: Their origins are in Silicon Valley, but many have moved to other states for lifestyle or tax purposes.

You have a blog about professional athletes and entertainers—are they a target?

Mike Breen: We have sports team owners and a few professional athletes, but we're really focused on technology entrepreneurs. I've been in the industry 28 years. My first day on the job, I was cold-calling and reached the head of an internet networking company. He became a client and remains an important one.

What sets you apart from other firms targeting the ultrawealthy?

Breen: A growth mind-set has been critical for our success over time. It inspires us to continually strive for improvement, both as individuals and as a cohesive team. Personally, I aim to become 1% better every day, and I encourage this philosophy. I'm an avid big-wave surfer and endurance athlete who recently competed in the Hawaii Ironman and in the Boston Marathon. These achievements are just personal milestones, but they embody the collective ethos of our team.

How do you work with clients during periods of market volatility?

Giles: April 2025 was volatile, and involved both equity markets and fixed-income markets. But we have been through a number of volatile periods: the flash crash of 2010, the U.S. debt downgrade in 2013, Covid-19 in 2020, the regional banking crisis in 2023. We now have a patch of volatility across the market. This is pretty unavoidable, and will always happen in some sort of cycle. When this type of shock hits, clients look to us for guidance, and oftentimes this is when we can have the most impact on a client's life. So, our investment team quickly mobilizes so we can be really proactive and opportunistic.

When you see trouble, what do you do?

Olmo: Typically, we get to clients first. We want to tell them what's going on, remove the complexity of the situation, and explain it to them prior to them coming to us.

We're also opportunistic. We look to potentially rebalance client portfolios to realign with our long-term targets. And periods of volatility may present an opportunity to potentially shift to tactical ideas based on our views or the views of the [Merrill] chief investment office.

Bond markets and interest rates are something we watch very closely. We were in a period of interest rates in the 1% to 2% range for several years, and with the current volatility, yields are now generally in the 3% to 4% range. So, that can represent an attractive opportunity for clients who are thinking long term, especially through tax-efficient bond investments.

How do you keep clients from panicking?

Olmo: Most important is helping our clients to not make emotional or rash decisions. We remind them that our planning and our approach is long term. We are diversified, and we have ready access to their short- and intermediate-term cash needs via our liquidity reserves. Typically, focusing on the long term will yield better results, [as will] avoiding any sort of major decision-making during periods of significant volatility. During periods like this, clients require frequent communication and adaptability from the team—but that's what our high-touch service model really affords.

Are there any advantages to periods of volatility like we've seen?

Breen: During market dislocations, when clients transfer wealth to their heirs, the transferred wealth can then appreciate. We saw this during Covid. Clients who had built significant fortunes thoughtfully passed along wealth.

What particular alternative investments are of interest now?

Olmo: Alternative investments are a main interest of our clients, and especially so in today's environment. We typically have a meaningful allocation to alternative investment strategies, and this would include private equity, hedge funds, private credit, commodities, infrastructure, and real estate. They tend to be less correlated to traditional asset classes [stocks and bonds], and they tend to lead to better risk-adjusted returns while serving as a hedge against inflation.

We're able to access high-conviction strategies at low minimums and get exposure that isn't easily replicated in public equity and bond markets. Alternative assets aren't for all clients; they're mainly for the clients we work with who are OK with the longer hold time. The Merrill alternative investment group has over 170 investment professionals performing rigorous due diligence on thousands of strategies before they arrive on our

platform. We also perform our own due diligence before selecting the strategies that make it into a client's portfolio.

Your website suggests that the art market may improve this year.

Olmo: Our clients hold significant art portfolios, and there are other services that we help them with on the art front. Our clients will typically look at art as a great way to gain access to cash or liquidity. We provide bespoke lending against portfolios of art or art holdings.

Breen: We also help with purchasing and selling art, purchasing aircraft, and assisting with sports team ownership.

How do you advise on passing on all that wealth to the next generation?

Olmo: How to talk about wealth, and what specifically to disclose to family members, are main areas of concern for our clients. Without a plan, they typically avoid the conversation entirely or share more than they need. We help our clients navigate these complexities.

How do you bring children into the conversation?

Olmo: This is mostly done through our Rising Generation Financial Boot Camps. These are three-day educational symposiums developed by Merrill and delivered in partnership with leading universities like Wharton, Yale, and UCLA. They are available to our clients that are ages 21 to 40. Each program is curated to address a number of topics, from investing basics, financial market fundamentals, behavioral finance, family wealth, and governance topics. Sometimes we include current events that resonate with younger generations, like artificial intelligence and cryptocurrency. We invite [members from] five to 10 families, or about six to 12 people, every year.

What ties it all together are the client meetings. We facilitate meetings between the parents, or the wealth creators, and their children or other family members. There are usually two meetings. One is a values meeting, where parents are looking to define core shared family values with their children to help guide their decision-making around their wealth. There is also often a communication meeting, where the client is looking to start sharing relevant wealth information with the next generation so they can start discussing expectations around the use of this wealth. This really leads to better outcomes when the next generation ultimately becomes decision makers and stewards of the family's wealth.

Thanks Brian, Hilary, and Mike.

Investing involves risk.

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