



UBP duo democratise family office selection with new service

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‘If you can’t beat ‘em, join ‘em’... or so the saying goes. But when the subject refers to family offices in a market saturated such as it is, joining the hordes would be nothing short of “dumb”. Instead, why not do one better and improve the market from its core?

That’s exactly what Jan van Bueren and Thomas Ming aim to do with FOSS Family Office Services Switzerland, a consultancy service held under Union Bancaire Privée’s (UBP) new Switzerland-based family office services team. By combining a database of existing firms with in-depth client knowledge, FOSS seeks to simplify and democratise the process of selecting a family office.

“Most family offices are convinced that they provide the best service,” Mr van Bueren explained to *thewealthnet* on a trip to London from his base in Zurich. “We do not believe that there is any one best family office but we do believe there is a best one for a specific family’s needs.”

The advisory service sees Mr van Bueren and Mr Ming identify, through an in-depth meeting, a client’s specific requirements of a multi-family office and then objectively match them to the most suitable within FOSS’s proprietary database of existing firms. Algorithms determine a shortlist of four firms which the family will then meet in person, including one ‘joker’: a firm which may compensate for one shortcoming with an additional service.

The idea was borne out of client demand for advice noted by Mr van Bueren and Mr Ming in their roles as wealth planners at UBP. It was felt that if the confusion and need for guidance was present amongst UBP clients it would be felt by other external wealthy families too.

“‘Multi-family office’ has become a trend word for both families and advisers. Families are increasingly deciding they need one and more and more firms are jumping on the band wagon to provide family office services. We didn’t need to add to the confusion by building one ourselves but we wanted to help families make the right decision,” said Mr Van Bueren.

“We help to sift through all the options and make the process much more transparent,” continued Mr Ming. “When you buy a new car, you do all the necessary research but often when looking for a family office people just rely on recommendations from friends and advisers. It’s important that people go through a proper evaluation process and find the right fit because selecting a family office is a big step.

“It’s really an educational process for families and often their wish lists are long and out of sync with their cost expectations.”

A two-person team, Mr van Bueren and Mr Ming are engaged in each stage of a client’s selection process and are present at the final meeting stage – dubbed the ‘Beauty Contest’ and enacted over two days – to ensure the important questions are answered by prospective firms. Typically the selection process may run over the course of six months, with the duo each investing approximately sixty hours per client on top of their ongoing responsibilities as wealth planners.

Mr van Bueren and Mr Ming do not participate in the final selection of a family office or in the negotiation of terms, nor do they charge for the service. Instead they request that a certain percent of client assets are booked under UBP as a custodian bank.

"It’s really win-win for all parties. The client gets exactly the type of service they were looking for, the family office gets a client they never otherwise would have had, and UBP gets a booking as a custodian", Mr Ming said.

As an independent platform held under UBP, the service is available to both existing UBP clients and also non-clients. Accordingly, Mr van Bueren made the assurance that clients’ names would not be distributed amongst the rest of the bank.

“If a client is looking for a family office it would be dumb for us to try and persuade them to join the bank instead. Clearly they have opted for a family office for a reason.”

“We’re lucky that UBP is the type of entrepreneurial bank that allows you to set up a new offering and also gives you the credit for it. It would be difficult to find that in many banks but as a family owned business it encourages that kind of entrepreneurial spirit.

FOSS currently contains data on more than 400 Swiss-based family offices compiled over five years, ranging from those firms that profess to offer a holistic family office offering to those law, accountancy, investment firms that provide some form of family office service. This list is being continuously expanded upon to incorporate the new firms in Switzerland that pop up “almost each week”, with the long term plan being for the service to be

extended to other financial centres across Europe as well as Hong Kong and Singapore.

The service is currently available in English, Danish, French, Spanish, Italian, Dutch, Russian and Portuguese, with three further languages soon to be added.

UBP is a Swiss private bank and investment manager with approximately CHF 110 billion of client assets under management.

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