

VP Bank brings focused platform to woo intermediaries

Sylvain Gysler believes his bank's commitment to independent asset managers (IAMs) combined with its Asia-centric business model, are among the key differentiators in targeting these intermediaries in Singapore and Hong Kong.

Despite the smaller size and less advanced stage of development of the IAM market in Asia, in comparison with Europe, highlighted by the lower amount of AUM these firms manage, there is good reason for optimism.

"IAM associations, first launched in Singapore and recently in Hong Kong, clearly show how this industry is gaining momentum, as well as better organising itself," claims Sylvain Gysler, head of intermediaries, executive director at VP Bank in Singapore.

For him, it is all about achieving sustainable growth, meaning keeping the bank's intermediary clients at the centre of all its decisions. "A stable, nimble and lean organisation is part of our value proposition. Plus, we are continuously investing in our infrastructures as well as growing our headcount selectively."

As a case in point, VP Bank is expanding to a new office in Singapore, says Gysler.

CLEAR PRIORITY

As a 60-year old platform set up by external (independent) asset managers (IAMs) for IAMs, VP Bank believes that what it can offer these intermediaries is somewhat different from its competitors. Further, this segment represents the majority of the Liechtenstein-based private bank's AUM.

As a result, it is at the core of the offering across offices in Vaduz, Luxembourg, Zurich, Tortola (BVI), Hong Kong, Moscow and Singapore.

For Gysler, who joined VP Bank in January 2016, these were important in attracting him, along with the sound balance sheet and solid capital base of the overall group, reflected in its 'A-' rating by Standard & Poor's.

"For many years, VP Bank has been earning top industry awards for the quality of its advice and services," explains Gysler.



SYLVAIN GYSLER
VP Bank

At various private banks which focus on the independent firms in wealth management, there is often a debate about which business unit the interme-

diaries-focused department should in fact sit within.

For Gysler, while he views this segment as being part of a business-to-business relationship, perhaps even semi-institutional in nature, at the end of the day, both the IAM team and the private bank overall are providing services and products mainly to private clients.

“Without a doubt, our department gets access to more expertise by reporting directly to the local chief executive officer,” he explains. “This leads to a better understanding of the clients’ needs as well as flexibility.”

It is also one of the ways in which he believes VP Bank has an edge over those competitors which might try to standardise or institutionalise the intermediaries offering.

In Singapore, VP Bank has gone one step further. It has kept the reporting line within the region, therefore getting the right Asian know-how and support up to the top management.

“I see this type of organisational structure as a must,” says Gysler.

“It results in a quicker decision-making process, instead of relying on overseas headquarters, as is commonly seen within other organisations in the market. This reminds me of the Chinese proverb ‘heaven is high and the emperor is far away,’” he adds.

The technology aspect of the offering also reflects the importance that the bank places in its intermediaries business around the world.

The e-banking platform, for example, was originally developed with IAMs in

mind. More specifically, it provides access to clients’ data and stock trading functionalities on both computers and smartphones.

“This makes it unique in our industry,” explains Gysler.

“We are also able to send data on the IAM clients’ positions and transactions via a standardised interface as commonly-needed by family offices.”

KEEPING UP WITH DEMAND

Putting in place and maintaining the products and services to support IAMs is easier said than done.

These types of firms tend to be highly-professional, run by experienced industry practitioners, and are demanding in terms of their expectations.

headcount,” he adds. This is important at a time when some of his competitors have been freezing headcount in this segment or, even worse, downsizing.

“VP Bank has implemented a ‘Chinese Wall,’” he explains, “segregating the roles between our RMs who are servicing IAMs and the bankers who are servicing end-clients, in order to avoid any conflict of interests.”

Further, and perhaps more importantly, this makes sure that the right specialist covers the right segment, given that they both require different skills.

Meanwhile, the trading and portfolio capabilities of the bank represent what Gysler believes is another differentiator of its value proposition for its intermediary clients. “As some of our clients

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This requires a team of specialists to deliver on the client promise.

Gysler says that his intermediaries business is comprised of senior relationship managers (RMs) with proven track records in the industry, and, for each RM, there is an assistant.

“Where we differentiate ourselves is in the quantity, quality and stability of

trade actively, we offer direct market access to our trading rooms in Singapore and Vaduz, covering the main time zones,” he says. “Moreover, and in line with our open architecture platform, we are able to implement direct broker agreements for our clients. Last but not least, our RMs and IAMs receive trading recommendations by senior investment advisers based in Singapore and covering Asian markets.” ■