

## How to build a wealth business: A spotlight on nine firms

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We speak to nine wealth managers about some of the secrets behind a successful wealth business.



Mark Williams, Investment Manager, Charteris Treasury Portfolio Managers, London

To quote the late economist & Nobel laureate Dr Milton Friedman, 'in a private enterprise system, we operate in a profit and loss system where the "loss" part is more crucial than the "profit" part because that is what gets rid of poorly managed companies'. The wealth management industry is no different to any other industry in this aspect. Granted, that no two wealth management businesses are the same despite, ultimately attempting to achieve the same goal(s) – i.e. positive return to clients.

It is difficult to do that if you are operating consistent losses. Different companies have different idioms and different revenue streams in play, i.e. big discretionary private client base or substantial sizes to their institutional collective investment schemes. In my opinion, it would be difficult to achieve sustainability as a wealth management business for anything less than circa £80 million when it comes to assets under management unless the business has a very low cost base.