

A FIDUCIARY ADVISOR THAT SITS ON THE CLIENT'S SIDE OF THE TABLE – WE FAMILY OFFICES

Tom Burroughes of *Family Wealth Report* talks to Michael Zeuner, Managing Partner, WE Family Offices, about its success and plans for the future.

What do you think is the main reason you have reached this award-winning stage? What sort of challenges did you have to take on?

It's an honor for WE Family Offices to win this year's Multi-Family Office from \$5 billion-\$15 billion award. As a team, we have been building a family office company unlike most others. From our inception in 2013, we set out to build a different kind of firm. Our key differences:

We have no products to sell and we are a fiduciary advisor. This aligns our interests with our clients' interests and puts us on the buy-side of the table.

Our fee structure is based on a transparent, flat retainer. This is different than most firms that charge a fee based on assets under management.

WE stands for wealth enterprise. Over the years we've seen that families who manage their wealth like a business are more likely to overcome the many challenges associated with multi-generational wealth sustainability. They essentially create wealth enterprises. We help families establish and manage their own unique wealth enterprises.

The key challenge we have faced in building our business model has been communicating those differences to the marketplace. Most multi-family offices are built as discretionary, open architecture asset management firms that charge fees for asset management services. We believe these business models can add value to families, but they are not family offices. They are asset managers. Our role as a family office is to sit next to the family, understand them deeply, represent their interests, and help them assemble the optimal ecosystem of providers - including asset managers - based on the unique circumstances in their wealth enterprise. Communicating this role has been a challenge - it is why we call ourselves a family office and not a multi-family office.

What can you tell us about how your colleagues contributed to this success?

Collectively we have hundreds of years' experience on our team, and multiple credentials including MBAs, CPAs, CFAs, CFPs and CAIAs. Everyone at WE shares a common culture of serving families - not selling to them. Everyone - from the receptionists in our office, to our operations team that produces a simple, intelligible, monthly aggregated

statement, to our investment team that sources and diligences high quality investment solutions, to our various advisors and partners - shares that passion to serve and help WE clients feel confident, in control and successful in the management of their family wealth enterprises.

From whom do you take inspiration, either in terms of people or other organizations, inside or outside the North American wealth sector?

WE is a founding member of the Institute of the Fiduciary Standard. This is an organization of individuals in the wealth industry who have pledged to put client interests ahead of their firms' interests, for the benefit of their clients. The Institute has assembled a collection of thought leaders and practitioners in the fiduciary space all of whom are fierce advocates for fiduciary principals and investor rights. It has created and published **Real Fiduciary Best Practices** - to which WE affirms adherence.

What sets you apart from your peers this year?

We founded WE with the idea that our whole mission and purpose is to support financially successful families to be able to sustain their success - both their human capital and financial capital. In order to do this, we've created a culture of service woven into every part of the company. For everyone we touch, including our clients, employees and industry peers, and everything we do day to day - it's all about making the world a better place and improving the lives of those we serve.

From day-one, we've thought about how to balance "for profit" with purpose. As we considered all the policies and practices we have put in place throughout our business practice, we had a desire to institutionalize what is, for WE, at the core of what we do. To that end, WE officially became certified as a B-Corp.

Instead of focusing solely on profit, factors like social and environmental performance, public transparency and legal accountability are all considered. Becoming a B-Corporation means we have external validation that we balance meeting the needs of our stakeholders (the families we serve; the talent we hire; the communities we live in) with the needs of our shareholders; balancing the need to do good and do well. Here is how we do that:

First, as fiduciary advisors, we put our clients' interests above our own. We are paid

only by our clients, with a simple, transparent advisory fee that removes any actual or potential conflicts of interest that arise from sales-based compensations.

We also seek to attract and develop employees who share our commitment and thrive in our independent environment, free from any financial services firm, bank or broker. We focus on helping families sustain wealth through generations, often with investments that are a direct reflection of who they are and what they do as a family.

What will you do to keep to the standard of an award-winner and push ahead in the future?

WE continues to invest in our talent and learn from client families. Our best ideas come from our clients; staying open, listening and solving for their challenges is how we learn and improve.

What do you hope will be the main consequence of achieving this accolade?

Again, we are honored to receive this award as recognition from our peers in the industry. We hope that it will help the marketplace understand that:

1, There is a different kind of business model out there to serve UHNW families, the role of an advisor is distinct and unique from the role of provider and that families need both. However, in hiring an advisor, it's important they hire a firm that is aligned with their interests and not the interest of selling a financial product or service.

2, Family offices play a critically important role in the lives of UHNW families - helping them stay in control and on top of the management of their wealth enterprises.

How will you use the award to raise your profile in the industry and among clients?

We proudly display our award in our office for all of our team and visitors to see and include the recognition in our website and other firm marketing materials. ■





WE IS THE FAMILY OFFICE COMPANY

WE serves as a resource for families and existing family offices, as an extension of their family office, or by managing special mandates and projects for families as needed. As Fiduciary Advisors, our clients' interests come first, and our service offering is tailored to meet the specific needs of every family with whom we work.

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