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Family office consultancy lands 100th client

Family Office Metrics, a US-based consultancy that advises single-family offices on converting to multi-family offices, has signed up its 100th client.

The business, set up in 2001 by Jon Carroll, helps family offices with selecting and integrating of systems, improving operations and controls and clarifying business strategy. Its recent growth is another illustration of the growing professionalisation of single family offices (SFOs) following the financial crisis. Many are believed to have fared badly because of a preference for alternative investments and insufficient risk management and reporting capabilities and are now being forced to reassess the way they operate. This has included the appointment of external consultants to advise on investments and teaming up with other family offices, forming multi-family offices, to save costs.

The actual performance of SFOs, which are set up by wealthy individuals to manage family wealth and investments, is hard to establish because of the private nature of the organisations. Merrill Lynch/Campden research shows European single family offices had an average asset allocation to alternatives of 45 percent at the end of 2008, and these types of investments were hit hardest by the loss of liquidity in investment markets.

Carroll, who set up Family Office Metrics (FOM), was previously a senior vice president and COO at Asset Management Advisors (now GenSpring Family Offices). Family Office Metrics has clients in the US, Europe, the UK, Middle East and Latin America.

Multi-family office Fireman Capital Advisors is one of FOM's clients which was advised on the process of converting from a single family office.

"Fireman Capital Advisors is a prime example of a highly qualified and talented family office expanding its reach to support a few, select clients beyond its founding family," said Carroll.