

BY ANTHONY EFFINGER



## THE RICHEST FAMILY OFFICES

CV ADVISORS OF MIAMI IS THE FASTEST-GROWING FIRM IN A YEAR WHEN THE NUMBER OF VERY RICH IN THE WORLD GREW BY 15.6 PERCENT.

> Elliot Dornbusch runs a family office in Miami for a select group of clients—and he wants to keep it small. That’s gotten harder in the past two years. Dornbusch, 40, is chief executive officer of CV Advisors LLC. CV beat the behemoth family offices for a second year in a row to become the fastest-growing firm in the *Bloomberg Markets* ranking of richest family offices. The firm saw assets under advisement grow 40 percent in the year ended on March 31, to \$3.5 billion. In the prior year, its assets had doubled.

Dornbusch says the firm does no marketing and gets all its clients by word of mouth. This year, CV Advisors added nine wealthy clans, for a total of 50. “Our families tend to recommend their friends,” Dornbusch says.

In terms of total assets, CV is No. 48 in the *Bloomberg Markets* ranking, which was compiled through a survey of more than 1,000 firms worldwide. The No. 1 firm, HSBC Private Wealth Solutions, has \$143.5 billion under advisement. It grew 3 percent, as did No. 2 Northern Trust Corp.

The next three, Citigroup Inc.’s Citi Private Bank, Bessemer Trust Co. and Bank of New York Mellon Corp.’s BNY Mellon Wealth Management, each grew 8 percent or more, as the world’s rich got richer. They were helped by rising financial markets in the 12 months ended on March 31.

Worldwide, the number of people with \$30 million or more to invest—the kind of folks who would hire a family office like CV or HSBC—rose 15.6 percent to 128,300 in 2013, according to an annual report compiled by Capgemini and RBC Wealth

ILLUSTRATION BY ALEX NABAUM

Management. Their fortunes accounted for 34.6 percent of assets held by all millionaires, or \$18.2 trillion.

Many of CV's clients are from Latin America. Dornbusch was born in Colombia and raised in Venezuela, where he met co-founder Alex Mann, 40. Partner Matthew Storm, 41, is from Connecticut. Their firm topped the growth chart even though the region was a laggard in 2013. Fortunes held by the \$30 million-or-more crowd in Latin America rose just 1.7 percent. By comparison, assets held by the ultrarich in North America rose 19.4 percent. CV's growth matches that trend. Its new families were mostly from the U.S.

The second-fastest-growing firm is in the U.S. heartland, a region being rejuvenated by the shale energy boom and new manufacturing. Commerce Family Office, a unit of Commerce Trust Co. in St. Louis, saw assets jump 31 percent to \$11.2 billion for the year ended on March 31. "There's a lot of good entrepreneurial spirit in the Midwest," says David Krauss, the family office's managing director.

CV's Dornbusch says he beat the big firms by promising a personal touch. Clients always talk to a principal: himself or one of his partners. The wealthy these days are almost always entrepreneurs, or descended from one, and they like to do business with people who share the same spirit, he says. "I don't know how any family would go anywhere and not deal with the owner," Dornbusch says.

Once a real estate developer in Venezuela, Dornbusch has been managing money since 2002. He started CV Advisors—CV stands for *Clear View*—in 2009. His clients are most interested in preserving capital, not making tons more of it. With that in mind, CV aims to return 6 percent to 9 percent a year.

Lately, CV has been buying investment-grade bonds to get there, sticking with fixed income while other managers warn that inflation will return and destroy performance.

CV is also winning clients because so many are concerned about computer

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	FIRM NAME > MAIN OFFICE LOCATION(S)	AUA, IN BILLIONS <sup>1</sup>	YOY % CHANGE	NUMBER OF FAMILIES
1	<b>HSBC Private Wealth Solutions</b> > HONG KONG	\$143.5	3	334
2	<b>Northern Trust</b> > CHICAGO	116.4	3	4,340
3	<b>Citi Private Bank</b> > NEW YORK	100.5	8	NA
4	<b>Bessemer Trust</b> > NEW YORK	96.6	10	>2,200 <sup>2</sup>
5	<b>BNY Mellon Wealth Management</b> > NEW YORK	81.2	8	424
6	<b>UBS Global Family Office</b> > ZURICH, LONDON, SINGAPORE, HONG KONG, NEW YORK	67.6	29 <sup>3</sup>	NA
7	<b>Pictet</b> > GENEVA	55.0	-4	>150
8	<b>CTC   myCFO (BMO Financial Group)</b> > CHICAGO	40.4	11	335
9	<b>Abbot Downing (Wells Fargo)</b> > MINNEAPOLIS	37.4	9	617
10	<b>U.S. Trust Family Office (Bank of America)</b> > NEW YORK	36.2	9	191
11	<b>Hawthorn (PNC Financial)</b> > PHILADELPHIA	28.2	13	682
12	<b>Wilmington Trust (M&amp;T Bank)</b> > WILMINGTON, DELAWARE	26.0	-7	440
13	<b>Glenmede</b> > PHILADELPHIA	24.4	9	240
14	<b>Atlantic Trust (CIBC)</b> > ATLANTA	23.6	16	2,121
15	<b>Rockefeller &amp; Co.</b> > NEW YORK	18.5	13	258
16	<b>Fiduciary Trust (Franklin Templeton)</b> > NEW YORK	16.5	13	1,623
17	<b>GenSpring Family Offices (affiliate of SunTrust Banks)</b> > JUPITER, FLORIDA	13.7	-13	357
18	<b>Veritable</b> > NEWTOWN SQUARE, PENNSYLVANIA	13.1	6	206
19	<b>Oxford Financial Group</b> > INDIANAPOLIS	13.0	25	314
◇	<b>Silvercrest Asset Management Group</b> > NEW YORK	13.0	21	420
21	<b>Commerce Family Office (Commerce Trust Co.)</b> > ST. LOUIS	11.2	31	94
22	<b>Whittier Trust</b> > SOUTH PASADENA, CALIFORNIA	10.0	12	314
23	<b>ATAG Private &amp; Corporate Services</b> > BASEL, SWITZERLAND	8.4	5	52
◇	<b>TAG Associates</b> > NEW YORK	8.4	19	110
25	<b>Tiedemann Wealth Management</b> > NEW YORK	8.3	4	116
26	<b>Bedrock</b> > GENEVA	8.0	14	82
27	<b>Spudy &amp; Co. Family Office</b> > HAMBURG	7.9	19	95
28	<b>Fleming Family &amp; Partners</b> > LONDON	6.9	22	60

**KEY** ■ FIRMS WITH GREATEST YEAR-OVER-YEAR GROWTH  
 ◆ RANK ACCORDING TO YOY GROWTH

<sup>1</sup>Assets under advisement as of March 31 or most recent available.  
<sup>2</sup>The majority of family relationships are multigenerational.  
<sup>3</sup>Includes transfers from within the bank.  
 NA = not available.  
 Source: Bloomberg

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security, Dornbusch says. JPMorgan Chase & Co. disclosed in October that hackers had gained access to the contact information for 76 million households. CV has built its own financial-reporting software in-house, including an iPhone application that shows stock and bond positions.

At Chicago-based Northern Trust, many clients won't allow money transfers without a multistep process, says David Blowers, president of wealth management for the company's eastern region. For example, a client will send an e-mail or fax or make a phone call requesting a transaction. Then Northern Trust must call back and run through a series of security questions before any money moves.

With more and more families seeking the guidance of a family office, attracting clients by catering to their every whim is a growth industry. Thom Melcher, head of No. 11 Hawthorn, part of Pittsburgh-based PNC Financial Services Group Inc., has added 90 employees in 3½ years, for a total of 186. "The families are highly sophisticated and discerning," Melcher says. "There's no margin for error."

Dornbusch is hiring too. Yet he and his co-founders will always handle direct communication with clients, he says, and that limits future growth. He has already had to turn some prospects away. There are worse problems to have.

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29	Ascent Private Capital Management (U.S. Bancorp) > SAN FRANCISCO	\$6.4	24	80	5
30	Baker Street Advisors > SAN FRANCISCO	6.2	16	50	
31	FS Finance Suisse > ZURICH	5.8	21	11	8
32	1875 Finance > GENEVA	5.5	6	12	
33	Bollard Group > BOSTON	5.0	0	8	
◇	Constellation Wealth Advisors > NEW YORK	5.0	9	165	
◇	Laird Norton Wealth Management > SEATTLE	5.0	3	431	
36	Gresham Partners > CHICAGO	4.6	18	71	
37	Synovus Family Asset Management > COLUMBUS, GEORGIA	4.5	8	44	
38	Clarfeld Financial Advisors > TARRYTOWN, NEW YORK	4.4	7	230	
◇	Presidio Group > SAN FRANCISCO	4.4	13	128	
40	Athena Capital Advisors > LINCOLN, MASSACHUSETTS	4.3	0	28	
◇	Federal Street Advisors > BOSTON	4.3	9	23	
42	Aspiriant > LOS ANGELES	4.2	13	88	
◇	Tolleson Wealth Management > DALLAS	4.2	14	133	
44	St. Louis Trust > ST. LOUIS	4.1	18	42	
45	Monitor Capital Partners > ANTWERP, BELGIUM	4.0	7	79	
46	Seven Post Investment Office > SAN FRANCISCO	3.8	19	35	10
47	Ballentine Partners > WALTHAM, MASSACHUSETTS	3.7	23	74	6
48	CV Advisors > MIAMI	3.5	40	50	1
49	Signature. > NORFOLK, VIRGINIA	3.3	14	67	
50	Marcuard Family Office > ZURICH	3.2	-1	44	

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<sup>1</sup>Assets under advisement as of March 31 or most recent available.  
 Source: Bloomberg

HOW WE CRUNCHED THE NUMBERS

Our ranking is based on data compiled by Bloomberg from information self-reported by multifamily offices. The list was assembled through research by the Bloomberg Rankings team via a survey of more than 1,000 firms worldwide, using a database of contacts obtained from Portland, Oregon-based FamilyOffices.com. We received responses from 97 firms.

We requested data as of the end

of the first quarter of 2014; some data is for year-end 2013. Change in year-over-year assets under advisement was calculated using the data supplied by the firms.

Single-family offices are excluded. Family offices that are part of private banks are included if the bank has a unit that offers direct and comprehensive investment and noninvestment services to high-net-worth families.

Figures for AUA include only assets managed by the family-office unit of the bank. For nonbank family offices, AUA includes wealth directly managed by the offices and funds outsourced to money-management firms. Money managed for private foundations is included. Money managed for pension funds is excluded. Insurance policies and trusts on which advice is provided are included.

The ranked firms provide both investment and noninvestment services. The latter may include family meetings, financial education, art consulting, estate planning, family governance, foundation management, business consulting, property management, travel arrangement and shopping assistance.

Bloomberg Rankings  
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