

Cone Marshall expands Asian presence as the region's wealthy families go global

Asian wealth is expanding rapidly. Asian families are ever more global in the spread of their assets, businesses and family members. Legal and fiduciary services firm Cone Marshall is developing its Asian presence as part of its drive to further internationalise its services and its clientele.



Executive summary

Asia's ranks of high-net-worth (HNW) and ultra-HNW families and business owners are growing apace, while their spread of investments and businesses become more globalised, along with the dispersion of their family members across many countries. Legal and fiduciary services firm Cone Marshall (CM) is expanding its Asian presence through the opening of a new office in Hong Kong, a key strategic hire in the region, and has plans to build out across the region, as well as growth through selective acquisitions in its key markets.

Three of the firm's leaders from the firm's original base in New Zealand, Hong Kong and Switzerland met with Hubbis to share their views on the evolution of the firm's strategy, its key client segments and core markets, and to explain how the firm will tailor its services and expansion to cater to the expanding client numbers and needs amidst regulatory tightening and the globalisation of those HNW families.

CM started as a law firm in 1998 in New Zealand and is today a well-recognised independent and international legal and fiduciary services group, with offices across the globe in Auckland, Hong Kong, Geneva, London, Milan, New York, Jackson, (Wyoming), and Montevideo, (Uruguay).

The group today handles over 1300 international HNW family client relationships many of which have assets in excess of USD100 million - and collectively oversees more than USD20 billion in assets under trust structures. Although a medium-sized firm, CM boasts a global footprint and capability, being privately owned with an independent operating model that ensures its clients' interests are aligned and served over generations.

CM's areas of specialisation include assets and family mapping, family and business succession, as well as corporate and family governance. The firm offers expertise in family trusts and foundations, corporate structures, charitable trusts and foundations, as well as outsourcing and managed trust company services.

As more Asian families move wealth from the founding patriarchs and matriarchs to younger generations, there are numerous opportunities for groups like CM in meeting the wealth structuring and transitioning challenges ahead for its clientele.



CONE MARSHALL (CM) BEGAN LIFE THROUGH A MERGER AS A LAW FIRM IN 1998 IN NEW

ZEALAND and since then has also become a leading global and independent fiduciary group focused on serving the interests of high-net-worth (HNW) global families in relation to structuring, governance, asset protection and business succession.

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Comprising lawyers, trust experts, wealth planners and accountants, all dedicated to protecting and helping transition their clients' wealth, the firm today handles more than 1300 international HNW family client relationships and oversees more than USD20 billion in assets under trust.

Expanding in Asia and globally

Peter Golovsky joined CM in May this year as Global Head of Fiduciary Services and Head of Asia. In this role, Golovsky will oversee and be responsible for CM's growth across all offices and teams, spanning North and South America, Europe, and Australasia, including the establishment of the CM office in Hong Kong.

He will lead and manage several key strategic, sales and operational initiatives across the group, with a focus on deepening client relationships with key families, global private banks, single and multi-family offices, legal and



PETER GOLOVSKY
Cone Marshall Group

accounting firms and independent asset managers. Golovsky reports to Geoffrey Cone, Founder and CEO of the Group.

“Opening up the Hong Kong office as a hub for Asia is an integral part of the growth strategy for the firm as we focus on deepening our support and capabilities for Asian families,” Golovsky explains. “These very wealthy families increasingly have significant assets, investments, business operations and family members in overseas locations and require independent advice to ensure the right structures are put in place for holding these assets and

Key Priorities

Having hired Peter Golovsky as its Hong Kong-based Global Head of Fiduciary Services and Head of Asia, international law firm and fiduciary services group Cone Marshall (CM) is determinedly expanding its name and activities in Asia.

The first of Golovsky's and CM's three key priorities for the year ahead is the growth of the firm across its core markets, with a focus in Asia.

CM has always worked with several ultra-high-net-worth families across the Asia Pacific region but has never had a fully-fledged office and infrastructure. With Asia's wealthy families becoming ever more global in their reach, their businesses and investments, the time is ripe for this expansion.

The second priority will then be to build Hong Kong into what Golovsky terms a critical regional hub for the group, later opening in Singapore and expanding through acquisition in the region, to serve its global clients and meet the growing demand of Asian families and businesses as they diversify their interests across borders. Tapping into the corridor of activity between Asia and the US is one of the key strategic priorities for the group. Specific initiatives are planned for later in the year and into 2019, that address the needs of Chinese families and businesses with a nexus to the US, spanning key cities in Asia and the West and East Coasts.

The third priority is hiring the talent to help build the firm's presence in the region. "We need the skills and expertise required to deal with our high-level clients, to analyse and understand their needs and to deliver the structuring and advisory solutions required," says Geoffrey Cone, CM's Founder and CEO.

investments, as well as for helping with any succession planning and intergenerational wealth transfer.” China is on the cusp of a significant transition of wealth between first and second generations and presents significant opportunities for firms like CM in the region, explains Cone.

Golovsky was attracted to CM’s status as a fully independent business, able to provide the levels of objectivity required for such specialised services. “Advising families across multiple generations on structures, on succession and wealth transfer is both fascinating and challenging,” he observes. “To be most effective, privacy, objectivity and complete independence are needed to work with Asia’s founder patriarchs and matriarchs and then their future generations.”

Hong Kong as a strategic springboard

Golovsky notes that CM has for many years served its Asian clients, but never with a presence on the ground, hence Hong Kong is now becoming the beachhead from which to further penetrate this region. “There is great demand amongst Asian clients with aspirations to internationalise their wealth,” Cone explains. “Our typical client is the ultra-high-net-worth family with perhaps USD100 million or more of wealth. Our core business as an independent trustee is to help these families understand the best structures for holding this wealth across multiple jurisdictions, with trusts, foundation and other structures as the key vehicles.”

In addition to the wealth structuring and wealth planning

Getting Personal with Peter Golovsky

Peter Golovsky joined Cone Marshall in May this year as Managing Director, Global Head of Fiduciary Services and Head of Asia. Golovsky has 25 years of international experience across fiduciary services, private clients, asset and wealth management and insurance. His specific expertise lies in emerging markets with the last seven years spent in Asia, leading global fiduciary and operational teams.

Peter is now responsible for the leadership and growth of the CM group of businesses across all its offices and teams, spanning North and South America, Europe, and Australasia. He leads a global coverage team and will oversee key strategic, sales and operational initiatives across the group, with a focus on client relationships with key families, global private banks, family offices, legal and accounting firms and independent asset managers.

Peter will be responsible for the growth strategy of the group’s global fiduciary platform, leveraging his experience in completing several global transactions and acquisitions of trust portfolios from banks and other providers in recent years.

Peter’s specific expertise lies in advising and meeting the complex needs of Asian families, business owners and entrepreneurs in relation to pre-IPO planning, family governance, business succession and intergenerational wealth transfer and planning.

Opening the Hong Kong office and the key hub in Asia is seen as an integral part of the growth strategy for the group with a focus on supporting Asian families with their outbound reach and inter-connectedness with the Americas and Europe.

Peter joined the CM Group this year from Amicorp in Hong Kong, where he led their global institutional sales business for over six years. Prior to joining Amicorp, he spent 10 years in private banking at Macquarie Group and Westpac, and before that was with Arthur Andersen for 10 years in Australia and the US, in roles across private clients, risk management, corporate governance and audit. He is a Chartered Accountant, holds a Master of Commerce from Macquarie University, and a Bachelor of Commerce from UNSW.

Peter grew up in Sydney, Australia, is married with two teenage children and has lived in Hong Kong for the last 7 years. His love of home and family life extends to considerable time spent encouraging his son to play rugby and his daughter to enjoy hiking. He spends some of his spare time coaching juniors at Hong Kong’s Sandy Bay Rugby Club, as well as refereeing. His own love of hiking extends to having walked to the top of Mount Kilimanjaro, in excess of 6000 metres high.

offerings that CM offers, the firm works with its clients from an advisory perspective, offering succession and family governance services as well.

“Opening up the Hong Kong office as a hub for Asia is an integral part of the growth strategy for the firm as we focus on deepening our support and capabilities for Asian families.”

Golovsky cites the hypothetical example of a Chinese family with a patriarch and matriarch who created the family wealth that has since spread, along with family members, across China and across several countries. “Working with them to structure their assets into offshore structures for succession and for future planning of the family wealth and lifestyles are precisely core to our proposition.”

“The first requirement is to understand what the client needs for the future,” Cone observes. “The second requirement is the organisation of their wealth. The third is to ensure that succession and transfer of their wealth within and between generations is enabled appropriately.”

Golovsky reports that CM plans to build out from Hong Kong to Singapore to boost its regional coverage. “Some people maintain that Singapore is the private client centre for the region, and Hong Kong is perhaps more of a corporate centre,” he comments. “But I do not see it like that. I think in today’s world of regulatory rectitude and

intensive oversight, being close to your clients is what matters most, and we can achieve that across Asia, by being present in both Hong Kong and Singapore.”

Regulatory evolution accelerating wealth management needs

Cone believes the evolution of the global regulatory landscape represents a significant opportunity for CM. “The new era of transparency in terms of structuring presents a more level playing field for our type of expertise and services,” he explains. “Not only does it present new opportunities to create new and appropriate structures for clients venturing into this field, but it presents opportunities

to review and amend existing structures that clients might have in place to ensure both regulatory compliance and transparency, as well as structural sturdiness.”

Cone characterises the firm as being both highly competent in

its fields and remarkably discrete. “The management of wealth for international ultra-HNW families naturally requires discretion and a rigorous adherence to privacy. We have the ability and sensitivity to understand different families’ needs and to define the economic and legal environment they are in. They will have assets and family members spread all around the world and our role is to help them manage their wealth and their cross-border transactions and family governance.”

Different origins, divergent needs

He notes that families have different needs depending on their origins and locations. “Some, for example those in Latin America, might require greater personal security and greater wealth protection, while other families, those who perhaps live in more secure countries such as those around Asia, tend to focus more on family succession, management and ownership of family businesses, as well as moving assets on to the next generation.”

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Cone further explains that the business is all about understanding the clients first. “We listen carefully to them and endeavour to consider and then meet their actual needs, rather than imposing requirements



GEOFFREY CONE
Cone Marshall Group

or our ideas on them. This independence of thought and action mirrors our corporate independence, as clients such as those we handle like to be free from financial institutions, particularly those that might have agendas to promote this or that view or particular products.”

“The solutions and structures are never that straightforward or easy to identify or to organise.”

He also highlights the global reach of the firm. “An example might be an Asian family with members living in the US who need both assets and income,” he elucidates. “Perhaps they want to invest in property or businesses. We help them structure efficiently so that the assets can be transferred to the US in the most efficient and appropriate manner and structures.”

Succession planning is a key business area for CM. The firm might, for example, be hired to tackle the transfer of a core

Getting Personal with Geoffrey Cone

Geoffrey Cone is a leading international trust and tax planning attorney, and the founder and Senior Principal of the Cone Marshall Group. He is a respected authority in his industry and has published numerous articles in specialist legal and trust journals, including the World Trusts Survey and International Trust Disputes (both Oxford University Press), Law of Offshore Jurisdictions, International Trusts Guide, and Trident Guide to International Trusts.

He was born in South Canterbury on New Zealand’s South Island and attended the universities of Otago and Canterbury, first studying History and English and then completing post-graduate law studies.

Geoffrey began practising commercial litigation as well as tax and trust advisory work in 1980. After spells overseas, including as a litigator in the British West Indies and in the UK, he returned to New Zealand in 1998 to establish his own firm, Cone and Co., which would later be transformed through a merger to Cone Marshall in 2007.

Geoffrey has enjoyed the confidence of some of the world’s wealthiest families and some of the most prominent banks, law firms and advisers, who have hired him and the firm for complex and sensitive legal and fiduciary services assignments.

He notes that New Zealand has a very high number of trusts per citizen. “We have a history of succession planning and asset protection with many family-owned businesses and farms held by trusts”, he reports. “The first firm that I worked for was practically a family office that administered trusts for some of the old families in the area over generations. That is what initially gave me the idea of exploiting this special knowledge and these skills to provide that sort of service internationally.”

Amongst his pastimes is a love of river and lake boating, as well as of reading. Geoffrey is married with five children who span a remarkable two and a half decades, from seven months old to more than 25 years old.

family business to the next generations, some of whom want to be involved, some of whom do not. “In this case,” Cone explains, “we might establish a holding structure, such as a trust or a foundation, which will hold the business and allow for some family members to take a managerial role,

while protecting the investments of those family members who are off doing something else.”

Tailor-made solutions built upon understanding

“The solutions and structures are never that straightforward or easy to identify or to organise,” says

Cone. “We help families mapping their assets, define the circle of those they wish to pass them to, we help identify the aims, the risks and the constraints, before organising a safe transmission of their wealth to their chosen family members. Each family

and each situation is different, so their needs are always treated in a flexible and tailor-made manner.”

The international capabilities of CM are nowhere better illustrated than by reference to Catherine Motamedi, responsible for CM’s Swiss operations, driven through

two companies based in Geneva, which Catherine leads: Generations Cornerstone SA, a legal and wealth planning advisory firm, and Cone Marshall (Suisse) Trustee.

“Although compared to some of our competitors, we remain a medium-sized firm,” she says, “we

Getting Personal with Catherine Motamedi

Catherine Motamedi is CEO of CM Switzerland and Managing Partner of Generations Cornerstone & Cone Marshall (Suisse) Trustees, the Geneva-based Swiss arms of Cone Marshall. She is a Swiss lawyer who throughout her 25-year career has specialised in commercial law, sales & acquisitions, banking & financial law, and estate & succession planning.

Born in Geneva to a family of French-American-Russian origins, Motamedi attended law school in Geneva, where she also passed the bar exams. She began practising law at the tender age of 22 and became a partner by the time she was 30 years old. She began her career as a lawyer in a Geneva-based law firm in 1991, becoming a partner in 1997, then quickly progressing to managing partner and soon overseeing the firm’s merger with another law firm in 2009.

In January 2011 she joined the Edmond de Rothschild Group, the international, family-owned and independent financial group specialised in private banking, asset management, private equity, corporate finance and funds administration.

With them, she took control of the management in Switzerland of the bank’s client-dedicated family office and advisory services, and set up within and alongside the Swiss and Hong Kong banking operations of that group a full range of wealth planning advice and services, which included tax expertise, life insurance, pension planning and wealth protection and succession/transmission expertise. She was also in charge of the Swiss and Asian teams of family advisers to the UHNWI clients, covering family governance, next-generation education and philanthropy.

Seeking a new challenge, Catherine joined Cone Marshall in September 2017 to head the Swiss activities and to focus on two business lines, namely strategic advice to individuals and families for the protection and transmission of their assets to the next generation, and trustee as well as as related services for families in need of structures to ensure the safe and streamlined transmission of their wealth across generations.

She explains that having achieved her key goals practising law she had moved to Edmond Rothschild for two main reasons: she wanted to be able to reach out to a larger number of internationally implemented families, which typically would be banking with a large financial group such as Edmond de Rothschild, and she wanted to experience working for a family owned Group. "I was convinced I would learn much from working for a family that had so successfully carried its wealth and business through seven generations: Theirs is truly a remarkable story and working for the family was incredibly inspiring. I believe it gave more depth to my expertise and a better sense of the challenges that wealthy families often face."

Outside the office, Catherine’s great loves are her children, aged 15 and 12. When she has time, one of her passions is uphill skiing. "Aside from the obvious aerobic exercise benefits, there is also somewhat of a meditation element to this sport: uphill skiing involves me going in the opposite direction of the skiers crowd and reminds me that what is important or not is often a matter of perspective."



CATHERINE MOTAMEDI
Cone Marshall Group

have a very much global capability, which allows us to be extremely rapid and responsive. With offices across the globe and a 18 hour span amongst them, we are able to provide assistance to any client at any time of the day or night and it is not rare that we would provide a client whom we've seen at the very end of the day for the will or Trust deed he needed thanks to our New Zealand colleagues being able to work on it while we are asleep here."

"This means we can help the client decide whether they actually need a structure and then we can expertly organise the structure decided upon."

Catherine Motamedi and her team work closely with the international teams to build CM clients around the globe. "Asian families represent generally a more recent

wealth creation and do not usually have the history and experience of Europe in terms of multi-generational wealth, built, sustained and then transitioned to future generations. This means that the clients are naturally very open to the expertise we offer from here in Europe and from our US teams."

Catherine also highlights what she sees as somewhat unique. "Our value proposition rests in our Group being composed of law firms and trust experts," she explains. "This means we can help the client decide whether they actually need a structure and

then we can expertly organise the structure decided upon."

She believes that the trust structure remains a robust and efficient structure for keeping wealth together across generations and ensuring that it is safely and swiftly transferred to one generation to the other. "More often than not, wealth is dilapidated simply by the effect of numbers and the adage is too often verified: from shirtsleeves to shirtsleeves in 3 generations. A Trust - and the family governance that goes with it - allow the wealth to grow without being divided and distributed at each generation handover." ■

