



Opalesque Exclusive: Launching Chartered Family Office Certification sees family offices an increasing presence in Asia

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From Kirsten Bischoff, Opalesque New York: Family offices have long been great supporters of the hedge fund industry. A 2010 survey by Rothstein Kass determined that 70% of polled hedge funds (large and small) expected to raise new assets from family office investors during the year of asset recovery. The family office space itself is also undergoing what may be significant changes.

Asia sees growth in family offices

In Asia, the family office space is seeing unexpected growth and will quickly become an important target for hedge fund asset-raising in the coming months. Asia family office growth has been significant enough that in late 2010, Credit Suisse established a family office hub in Singapore in order to advise this group of investors.

“The concept of the family office in Asia is growing right now. It used to be that the focus in money management was private banking, however because the growth rate of the wealth in those countries the concept of family offices is catching on and growing,” Rainford Knight, Ph.D, Co-founder of the Florida Institute of Finance told Opalesque.

This family office growth in Asia is so strong that when The Family Office Institute (FOI), announces this week that it has established a Chartered Family Office Specialist (CFOS) designation that credentials family office professionals in multiple aspects of traditional and alternative investments, it will also announce that it has simultaneously launched the designation in Asia (where FOI already has 20+ family office members).

“The maintenance and the continuation of generational wealth through education is the driving principle behind the CFOS designation. The focus is on the key family asset: its human capital,” according to Joel Diccico, Ph.D, CPA, PFS and Co-Founder of the Family Office Institute. The designation in Asia will be administered by the Stamford Privee Family office, which is affiliated with the online organization the Stamford Wealth Academy.

“While conceptually the idea of the family office is gaining increasing legitimacy in Asia, it will be the global drive towards compliance and best practices at all corporate governance levels that will bring to light the need for the CFOS designation in Asia even so as Wealth Management evolves and matures,” says William Chan, Director at the Stamford Privee Family Office.

US regulation will for the first time target family offices

With the Dodd Frank Act, family offices in the US may no longer be exempt from the



private advisor exemption act that was formerly in place (family offices with more than \$100m in assets will need to register).

“The designation grew from helping investors and asset managers with due diligence,” says Knight. “The main focus of the CFOS is on due diligence and establishing and identifying the level of expertise of professionals in the space. Family offices are definitely in the crosshairs of regulation and the CFOS designation is also a way to move the industry towards self regulation ahead of any additional regulation that government agencies may or may not impose in the future.”