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INTEGRITY. INTELLIGENCE. PASSION

**Summit Private Wealth: the most influential
Family Office redefining the benchmark in
Canadian Wealth Management**



A TEAM APPROACH

Why committee-based
asset allocation is a
winning strategy

WHERE TO LOOK FOR BETTER RETURNS

Global subadvisors break down
the risks and opportunities in
emerging markets

STAYING ACTIVE

Recent volatility has put
active management
back into the spotlight

COVER STORY: OUTSTANDING TEAMS

SUMMIT PRIVATE WEALTH MANDEVILLE PRIVATE CLIENT



Montreal, QC

Established: 2004

Number of employees: 10

Target clients: High-net-worth and ultra-high-net-worth individuals

AUM: \$250 million

The rise of Summit Private Wealth has had a certain symmetry. The team was formed 12 years ago under the Berkshire-TWC Financial umbrella; when that company was bought out by Manulife in 2007, Summit came as part of the package. Last year, the team decided to return to its roots – specifically, Michael Lee-Chin’s latest operation, Mandeville Holdings.

For Summit’s founder and president, Gene Kim, it was an easy move to make for a number of reasons. “It was really an alignment of values,” he says. “We feel that standing for something is important, and Mandeville is one of the few firms I felt had a distinct philosophy that very much mirrored our own.”

That shared perspective when it comes

to wealth management means the team has enjoyed an impressive 2016. “We have a value-oriented approach,” Kim says. “Despite the negative markets in 2015, our group preserved capital, and we had net positive results. It was a transition year for us last year, but now we are back to growing our practice at a 20% per annum rate.”

The difference in the markets between 2015 and 2016 is stark, but Summit has found staying the course to be a winning strategy. “We didn’t feel a compelling reason to change our position,” Kim says. “A lot of the bounce-back in the Canadian market is due to energy, but we were never really heavily concentrated in energy. We made good returns despite the fact we weren’t correlated to energy stocks.”

With oil & gas largely out of the mix, Summit has been able to build its AUM by looking outside the markets when necessary. “One of the things Mandeville does really well is adding unique access to private equity,” Kim says. “If you look at the Forbes list, most high-net-worth individuals have created their wealth by investing in private companies. Why would we be any different with retail clients?”

Now that it has navigated the transition from Manulife to Mandeville and emerged even stronger, Summit has grand plans to expand its presence in the wealth management business. Such growth will require good people, however, which is something Kim and his partner at Summit, Jonathan Showers, have emphasized.

“We have been garnering a lot of attention from advisors looking for another home,” he says. “They see us as a practice of the future, and that interest is coming not only from independent channels, but also many bank advisors as they grow discontented with payouts, older technology and a lack of differentiation.”

WP: Holding private assets is a key part of your investment philosophy – are there certain industries you tend to look at when seeking opportunities?

Gene Kim: We are agnostic to industries; we just want to buy good companies. A balance sheet is a balance sheet at the end of the day. I think that a lot of the less sensitive stocks have now been bought up as quasi-bonds. Due to the lower rates, there has been a migration of risk undertaking – moving away from bonds to so-called dividend-yielding defensive stock positions.

WP: Is that an approach your team at Summit has taken?

GK: I feel that migration has meant a high valuation for stocks, and I find that many of these sectors are overvalued. We like dividends, but we like dividend growers, not just payers. So we look to companies in areas the herd has not already gone to.