Geneva-based Bank Syz plans to expand its business in Zurich, Switzerland’s largest financial hub. The plan is also a move back to the roots for the family of bankers.

When Eric Syz (pictured below) founded a bank in 1996, he was a well ahead of his peers in the way he wanted to do his business. Instead of the traditional emphasis on banking secrecy with the services provided to tax dodgers, Syz wanted to exploit his expertise in asset allocation. His promise to the clientele was a higher return on assets invested.

And his strategy proved successful. Bank Syz became an important player within the banking industry and the end of banking secrecy didn’t harm its business to any significant degree.

In the past couple of years, Syz, now 62, started the process of handing over responsibility to the next generation. Early in 2019, the transition became more tangible, when Yvan Gaillard assumed the operative leadership and Syz became CEO of the holding company.

Handover to a New Generation
The group is comprised of three businesses: Bank Syz, Syz Asset Management, which advises the institutional clientele, and Syz Capital, a private-equity business founded in 2018. In this new structure, younger son Nicolas Syz, 34, (pictured below) oversees the business of the private bank, while his brother Marc Syz, 37, is in charge of Syz Capital.

Marc Syz is very much the cosmopolitan banker. Born in New York, he grew up in Geneva, where he went to an international school, while his first professional years came to be spent in London. The Syz bankers spoke German at home, in taking with its Zurich origins and ancestry that goes back to a known textile industry family called Syz-Abegg.

**Meritocracy at Heart**

The family didn't plan to put Marc Syz on the management committee of the bank. «My father never exerted any pressure, neither on me nor on my brother,» Marc Syz said in an interview with finews.com. But, like his brother, Marc was fascinated by the financial market from early on – and the business evidently was keenly discussed by the family.
Marc Syz understood what it meant to work at the business founded by the father when he held a position at Union Bancaire Privée (UBP), which had been founded by Edgar de Picciotto and which today is led by Guy de Picciotto, his son. Syz acknowledges that it may sound cliched, but the work with the de Picciotto family helped him appreciate the role of good corporate governance. Equally, it was crucial to install meritocratic principles at a family-run business such as Syz.

Seven Years in Asia

After his spell with UBP, Syz joined ACE & Company, an investment firm active in private equity together with Syz. Many of its investments had their roots in Asia, which meant that Syz frequently traveled to Hong Kong. Eventually, he settled in the former Crown Colony together with his wife and stayed for seven years all-in-all. Last year, they returned to Switzerland with their two children and settled in Zurich.

Syz Capital isn’t a unit of the bank but an independent firm founded by the Syz family, which has kept a controlling stake in the business. Some members of the management also own a stake and others will soon follow, as Marc Syz said. Syz Capital has 11 members of staff, half of which are based in Zurich, half in Geneva with one representative in Singapore, where Syz Capital recently assumed the majority of Sinwa, a provider of shipping equipment.

Disruptive Investments

Syz Capital has a number of investments in the pipeline, for instance in logistics and in the business with royalty payments. It also has a foothold in the conference industry. Private markets are very much what Syz Capital is all about under the guidance of Marc Syz. The focus is on stakes in unlisted firms and institutions. The company is both buying firms and acquiring participations through funds or mandates. Syz says that private markets are disruptive in its character in the world of investments.

The minimum amount that clients of Syz Capital need to invest is 100,000 Swiss francs ($102,631). Since it started its business, Syz Capital has allocated 200 million francs and the family out of principle always takes a stake in the investments.

The manager is in Zurich most of the time, where he also lives. «Zurich is the most important financial center in Switzerland,» he said, and this is where the company will expand the most.

Zurich Expansions
A consideration that is in keeping with the family’s heritage. Marc Syz’ ancestor helped found and finance what much later became known as Credit Suisse and stayed as its chairman for three decades.

Marc Syz is a different type of banker though, with his cosmopolitan background, insistence on transparency, accessibility and innovative spirit.