



Cunning as a fox - Fuchs & Associés Finance uses SWIFT's Alliance Lite2 to ease communication with its custodian

Jean Fuchs created Fuchs & Associés Finance in 2000, having been a fervent proponent of the Luxembourg financial marketplace for more than 20 years. Today, the company has around 100 experts based in Luxembourg, Brussels and Geneva.

Innovation, tradition and an international outlook reflect the group on a daily basis. The employees supporting the management team combine skill and expertise in both client relations and investment solutions.

With a view to meeting its clients' needs and adapting to changes in their environment, Fuchs & Associés Finance has gradually expanded its range of expertise and now has five distinct business lines:

- Wealth Management
- Insurance Brokerage
- Trading Desk
- Family Office
- Management Company for Funds (Super ManCo)



Timothé Fuchs & Jean Fuchs

The symbol of the Group Fuchs & Associés is the fox – and perhaps some of its famous craftiness has rubbed off too, when choosing SWIFT to automate its financial communication flows with its major custodian.

Business background

Jean Fuchs, Founder and Managing Director of Fuchs & Associés Finance, faces many of the same challenges as other investment management firms today. The avalanche of new regulation following the financial crisis is raising the bar for compliance and risk management while putting pressure on investment managers' margins. Improving processing efficiency to reduce costs is therefore a top priority – and this requires investment managers to automate the many communications they have with multiple counterparties, including custodians and brokers, as part of their middle and back office operations.

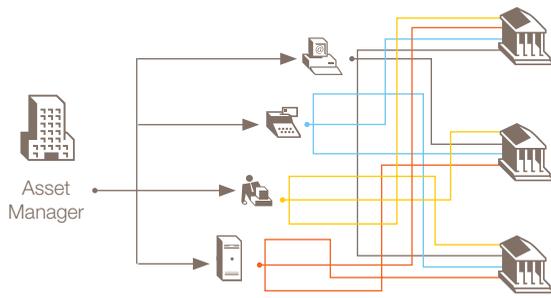
Some global firms have already gone a long way to improve their straight through processing (STP) and automate their systems using a single, integrated platform. However, many firms still rely on manual processing or fax to communicate. The ever-present focus

on costs and the competitive pressure to increase the speed of doing business means that institutions like the Group Fuchs & Associés that do not have streamlined systems in place must carry out a cost-benefit analysis to determine whether to upgrade their current systems or choose a new cost-effective solution.

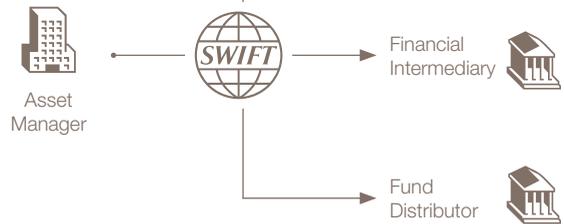
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“By implementing Alliance Lite2 we were able to improve our communications with our key partners – simply and cost-effectively. The solution also helped us significantly improve our customer service process.”

Jean Fuchs, Founder and Managing Director of Fuchs & Associés Finance
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From multiple channels ...



... to a single standardised gateway

Solution overview

With these challenges in mind, Fuchs, in close collaboration with SWIFT, initiated a pilot project with a few of its main custodian banks to improve operational efficiency. The custodians' objectives were to respond to increasing demand from their wealth management clients by pursuing automation and standardisation of different operational flows.

A key element of this strategy was to increase STP by implementing an electronic link with its major clients via SWIFT.

By implementing Alliance Lite2 in combination with their portfolio management system, Fuchs & Associés Finance were able to communicate with all their counterparties in a simple way, reduce the risks of errors linked to manual intervention and have a better control of their operations.

Once a SWIFT connection has been established, investment management firms stand to gain many benefits from standardisation and automation, such as improving settlement, reconciliation and corporate actions communication flows with custodian banks. Alliance Lite2 is just one of a broad range of SWIFT solutions that investment managers can take advantage of - including business intelligence, training and consulting services - providing insight into the evolution of the capital markets, as you prepare for the next raft of industry changes.

On top of wealth management, this implementation will also help Fuchs & Associés Finance in all their third party fund activities in terms of supervision and distribution activities, as well as in terms of consolidation for their clients.

Benefits of using SWIFT Alliance Lite2:

- Increased automation and straight-through processing of financial flows
- All SWIFT messages, file types and Browse services
- Light footprint – no infrastructure to maintain
- Minimal upfront investment, usage-based monthly fee
- Worry free – SWIFT services to help at every step

For more information, please contact your SWIFT account manager or visit www.swift.com/investmentmanagers

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“Transaction volumes can vary significantly from one day to the next. However, the effort involved in generating our SWIFT based settlement instructions sent to our custodian is very low, given the high levels of automation we have achieved in this area”

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 Timothé Fuchs, Director at Fuchs & Associés Finance
