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## NEWS RELEASE

### DEUTSCHE BANK PULLING IN SUPPORT FOR U.S. PWM GROUP

#### DEUTSCHE PWM STAFFS UP WITH AN EYE TO INTEGRATION

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Deutsche Bank is pulling in private-banking talent to support its ambition of making its U.S. Private Wealth Management (PWM) group "the leading fully integrated" private bank.

To that end the Frankfurt, Germany-based megabank has made former Bank of America private banker Mark Chiappara a managing director with PWM, where he'll focus on ultra-high-net-worth clients and "select institutions" in the U.S. Based in New York, he'll report to Patrick Campion, Deutsche's head of U.S. private banking.

More or less

Definitions of "ultra high net worth" vary. The *World Wealth Report*, an annual study of the global high-net-worth market by Capgemini and Merrill Lynch, uses the term to refer to those with financial assets worth \$30 million or more.

At Deutsche, however, the term "ultra high net worth" is used to describe private clients with more than \$5 million in investable assets, says Deutsche PWM spokeswoman Mayura Hooper. In the *World Wealth Report* lexicon clients with \$5 million to \$30 million in financial assets inhabit the "mid-tier wealth band."

Conflicting definitions aside, Deutsche sees Chiappara as "one of the leading private bankers in the country," according to Thomas Bowers, head of PWM in the U.S. Chiappara's standing is due in Bower's eyes to his "tremendous skill set and extensive banking experience, particularly relating to capital markets and structured lending."

Prior to his time at Bank of America's private bank, Chiappara was an investment banker with Lehman Brothers. Before that he was a derivatives specialist with Goldman Sachs. "We expect Mark [to] have a significant impact on our business and enhance our position as a successful integrated private bank," says Bowers.

Another two

Chiappara will be joined at PWM by two other private bankers, both former U.S. Trust staffers -- and both equipped to help Deutsche achieve the product and service integration it's striving to achieve, at least in Bowers' estimation.

Like Chiappara, Terri Sohrab, a 24-year veteran of financial-service industry, joins Deutsche as a managing director with a mandate to work with "ultra" high-net-worth individuals and families.

Prior to U.S. Trust, Sohrab was a managing director with Citigroup Private Bank. Sohrab also spent more than 10 years at JPMorgan Chase Private Bank, latterly as a senior private banker.

Like Chiappara, Sohrab will be based in New York. She will also report to Campion.

Michael Mullin, a former relationship manager with U.S. Trust, joins Deutsche as a v.p.-level private banker. Before working at U.S. Trust, a subsidiary of Charles Schwab, Mullin worked at Citigroup Private Bank.

Referring to the appointments of Sohrab and Mullion, Bowers says that "Deutsche Bank is in the process of allocating significant capital to the build out of a top-tier private banking origination force" in aid of its efforts "to become the leading fully integrated U.S. private bank."

By "integrated private bank" Deutsche means one that "brings an array of products and services to our ultra-high-net-worth clients through a single point of contact" says Hooper. "Those [services] might include risk management, lending, trust and estate planning and investments."

An outward sign of this integration is the fact that Deutsche's PWM group includes its private banking operations as well as DB Alex. Brown, the private-client consulting arm of Deutsche Bank Securities, though they remain parts of distinct business lines.

## Genuine efforts

For now, pride of place as the leading integrated private bank is an open slot, says Daniel Seivert, managing partner of 3C Financial Partners, a Los Angeles-based investment banking and consulting firm to wealth- and investment-management firms. "It's not like investment banking where everybody covets the Goldman Sachs platform and cachet," he says.

Traditionally "infighting about who *owns* the client have impeded attempts at seamless wealth management by Wall Street firms," according to Seivert. "But they've started [to put in place] 'relationship hierarchies' to [determine] who holds the pole position with regard to clients."

In other words, some of the big-name firms' efforts -- Merrill's "Total Merrill" approach and Citigroup's moves to strengthen ties between its top retail brokers and its private bankers, for example -- put teeth into their talk about "holistic" and seamless wealth-management offerings.

Advances in technology are also easing the way to integrating wealth-related products and services, says Seivert. "Better reporting is making it possible for more people at a firm to be part of a 'global relationship' with the client -- one that's actually reasonable from the client's perspective."

Whatever cultural or technological snags big-name financial-service companies may be hitting on their way to getting wealth-management products and services to well-off clients as efficiently and congenially as possible, Seivert says he's a bit surprised to see so many of them putting genuine effort into the attempt. "A few years ago it seemed as though the high-net-worth movement was just a banner change," he says. "And though that may have been the case at first, the label change has Wall Street firms trying to live up to the meaning of wealth management and trying to deliver on it." -FWR

## ABOUT ECHELON PARTNERS

ECHELON Partners (ECHELON) was formed in 2001 to offer investment banking and consulting to a subset of the financial services industry known as "investment product developers and distributors" (IPDADS). Since that time, ECHELON's professionals have helped hundreds of senior executives envision, initiate, and execute a multitude of complex business strategies and transactions. ECHELON's business is making companies more valuable through delivering advice and orchestrating transactions. Accordingly, ECHELON measures its success in the enterprise value it creates for its clients. Companies that strive to outperform their peers choose to work with ECHELON because we are as passionate about their results as they are.

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