

Alter Domus EMEA Centre of Excellence

Significant industry expansion and increasingly multi-jurisdictional structures are key drivers behind fund administrators assessing their operational models, says Alter Domus Ireland's Head of Operations, THOMAS BLAISE.

Having established in Dublin in 2011 providing Corporate Services, we launched Fund Services locally in 2016, followed by the opening of our second Irish office in Cork in early 2017. We took a unique approach to our presence in Cork and, rather than it becoming a satellite office, we tailored it for a specific purpose; it is our European operational hub for cross-border asset managers, also known as our EMEA Centre of Excellence (“CoE”).

What it is

The Centre of Excellence in Cork opened with the objective of serving as a centralised European Hub for providing Fund Administration services to clients both directly and through supporting our colleagues in other offices. The success in scaling this hub has subsequently enabled other services to be supported from Cork such as Debt Capital Markets and Loan Servicing, which are now a key part of our global service solutions to our clients. Clients are typically UK, European and US managers whose investment structures often span across multiple jurisdictions. The needs of large fund managers are inevitably more complex than those within single jurisdictions, and it is critical for fund administrators to be acutely aware of their specific requirements. The CoE has allowed us to further develop our best practices internally and has strengthened our coordination and collaboration between offices, fostering increased efficiency and quality of service delivery. By allowing us to step back and assess the needs of these cross-border structures, this service model enables us, and by consequence our clients, to become more agile and scalable as an organisation.

Staying true to our values

When embarking on the establishment of a Centre of Excellence model, there were naturally a range of factors to consider. We knew our ultimate goal was to support growth by helping streamline our cross-border clients' service delivery through consolidation of their entire value chain into specialist teams based in one location. Of course the local footprint of funds must still be present in their domiciled jurisdiction and this is done through strong communication between the CoE and the “Home Country” office of the fund, including an ongoing oversight programme

in place between offices.

This effective integration has been made possible due in large part to our:

- Group wide robust and standardised processes covered by ISAE 3202/SSAE 16 certification and global technology platform;
- Commitment to maintaining a local footprint in key areas, while enhancing communication practices between the CoE and home countries, with ongoing oversight programmes in place between offices; and
- Relocation of key staff between other European jurisdictions and the CoE



Thomas Blaise

Why Ireland?

Our clients, who predominantly invest in private equity, real estate, private debt and infrastructure, require specialist support in handling their investment structures. It was essential to us that our Centre of Excellence model preserves and further enhances the solutions we deliver. The reputation and talent available was therefore of crucial importance. Ireland, undoubtedly, is a highly advantageous jurisdiction for the establishment of alternative investment funds. Asset managers from the United States, in particular, have increasingly turned their attention to what many consider an ideal entry point into the European market. Traditional European private equity hubs, such as Luxembourg and the Channel Islands, have seen enormous growth in new business in the last number of years and this is set to continue. Consequently those countries are seeing an increasing challenge matching internal resource capacity with the needs of these new cross-border clients. And against the backdrop of Brexit, many are seeking greater stability. Being a globally successful fund domicile in its own right, Ireland provides an experienced local resource talent pool and indeed is globally attractive to industry specialists willing to re-locate. Likewise, Cork offers a truly compelling case – it's a vibrant city with good connectivity, and well educated and experienced talent. Today, our Centre of Excellence allows

clients to meet with a single team dedicated to all of their structures, whether they be in Ireland, the United Kingdom, the Channel Islands, Luxembourg, Spain and/or Cayman Islands.

What's next? Our CoE model has allowed us to build a multi-disciplinary specialist team in Ireland and is now projected to grow to over 100 people this year. Our expectation is that the much-anticipated updates to Ireland's Private Equity offering will further facilitate the development of that sector here. In particular, the key updates include:

- Completion of the new Investment Limited Partnership legislation
- Amendments to the Central Bank's AIF Rulebook to better facilitate “Real Asset” investing
- Update to the 1907 Limited Partnership Act

Once these updates begin to take shape, we expect alternative investment fund managers to continue their inflows into Ireland in even greater numbers. Our operating model leaves us well positioned to support accelerated local business growth in tandem with our global growth projections.

People at the centre of our excellence

The Private Equity, Real Estate, Debt and Infrastructure sectors involve largely bespoke servicing which is people focused and involves a large portion of time devoted to client and investor facing. Consequently we see an environment of rewarding work where strong ‘all-rounders’ are required. It is important not to forget we're only as good as our staff, which is why continuous mentoring, training, and support to develop technical knowledge and practical skills is critical. Having established our Centre of Excellence in March 2017 with the announcement of 60 jobs in Cork, we were delighted to reach that milestone on target by the end of 2018. Today, that number has climbed to 70 and we expect to create a further 60 jobs over the coming year. The Centre of Excellence model was created out of a passion for going a step beyond expectations. We sought to remedy a common pain point for cross-border European asset managers whilst better facilitating our own growth as a group. In doing so, we continue to identify new and insightful ways to provide our clients with a higher value service.