

## TRAVELOGUE

## A once and future bank

*The Metzler family celebrates their bank's 333rd anniversary.*

BY BENNETT VOYLES

**M**OST FAMILY BUSINESSES consider themselves fairly successful if they've lasted a third of a century. But that's just a rounding error for the Metzlers, a German banking family that is celebrating its first third of a millennium.

Now in its 11th generation, B. Metzler seel. Sohn & Co. KGaA recently celebrated its 333rd year in private banking. Not even the Rothschilds, another banking family with Frankfurt origins, can match the Metzlers for antiquity or longevity: The Rothschilds didn't rise to prominence until the late 18th century—and even then, they lasted as a single business for less than a hundred years.

What's the Metzlers' secret? Friedrich von Metzler, 64, one of the company's current leaders, points to a strong set of core practices and values. Together, these ideas have helped the family overcome three centuries of economic and personal crises (von Metzler's 11-year-old son, Jakob, was kidnapped and murdered in 2002), revolutions and war, and build the firm into a modern, global enterprise with 700 employees that manages \$50 billion in assets.

One key tactical idea is the family motto: "*Festina lente*"—Latin for "Hurry slowly," the motto of another empire builder, Augustus Caesar.

"This apparently odd saying means that plans should be drawn up and decisions made with calm consideration and after carefully weighing up all factors before they are resolutely implemented," von Metzler explains. "Today one talks of sustainability."

Over the years, the Metzlers seem to have followed their motto well. Whether that meant opening their

first international branch in 1734 or launching one of Germany's first mutual funds in 1971, von Metzler says the bank has often shown great foresight. It has always tried to "move forward proactively rather than be forced to take action," he says.

The Metzlers' longtime practice of requiring family members to begin their career at other banks may have

**'Hurry slowly': Friedrich von Metzler**

helped keep them up with changes outside the company. Before signing on with the family business in 1969, Friedrich von Metzler, for instance, had already enjoyed a career inside banks in Hamburg, Dusseldorf, London, New York and Paris.

Principles have also mattered to the Metzlers, particularly the desire to remain independent. "Independence means freedom," von Metzler explains, "the freedom to form independent opinions, shape services and provide advice. Using that freedom responsibly enhances our credibility with our customers. That is what fosters long-term business relationships and secures our success."

Even in this age of huge global banks, von Metzler doesn't see his family bank's independence as an anachronism. "In the light of growing awareness among investors and the financial community of the problems associated with conflicts of interest, demand for advice from independent investment banks like Metzler is becoming even more highly sought-after," he says.

Concern about employees is another reason for the Metzlers' success, in von Metzler's view. "They are the force that drives change and safeguards the success of our business," he says. The Metzlers have tried to foster an organization "where discussion is more important than hierarchical structures, an environment that values team spirit, creativity and the initiative of every individual member of the staff."

The Metzlers have also tried to be good to people who don't happen to work for them. "My father always used to quote Henry Ford II: 'A business that makes nothing but money is a poor business,'" von Metzler recalls. "Metzler adopted this motto. We want to give back a part of our success to society."

Ultimately, it may be this sense of stewardship that characterizes the Metzler approach most. Even personally, Friedrich von Metzler sees his role within a much larger context—in his responsibility not only to the company's current 700 employees, but also to the bank's past and future. "I always consider myself a link in a chain, of those I followed and those that will be following me," he says. FF

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