

The three Cs of merchant banking

FINANCIAL SOLUTIONS PROVIDER

City Capital Corporation (3C) is an international boutique merchant bank based in London that offers a comprehensive range of services to high net worth families and their businesses.

"We are a financial solutions provider who offer asset management, corporate finance and wealth management services," says Scott Beattie, a partner. "But we also have a securities arm that buys and sells shares in stock markets around the world, and a property arm that focuses on commercial real estate in Central and Eastern Europe."

FAMILY FRIENDLY

3C was launched in 2002 and its first deal involved working with the Fleming family. The company helped to float Highland Gold Mining Ltd, the Fleming's Russian mining asset which is now a billion dollar company. "It was a tremendous pleasure to work with the family," says Beattie.

Since then, 3C has worked with a number of other families. "Our whole business is built on developing long-standing client relationships," says Max Schmid, the firm's MD. "We have no external investors in the business so we are able to work with companies, both public and private, who have a view of the longer term."

INNOVATION AS STANDARD

The firm comprises a core advisory team that specialises in specific sec-

BULGE BRACKET EXPERIENCE

tors or geographical locations. All have come from large investment banks, but with 3C have flexibility to provide bespoke solutions that are not driven by transaction targets.

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"We can help to come up with new and innovative ideas," says Beattie. "Our staff have many years of experience so we can provide pretty much anything the client requires." 3C's core product offering includes: equity capital markets (IPOs, capital raising, etc); advisory (M&As, joint ventures); private equity; asset management (hedge funds); and alternative assets (property).

VALUE-ADDED SERVICE

"You get a reliable value-added service from us," continues Beattie. "And the manner in which we can deliver our range of services means we can help families to do something that larger investment banks are either not willing or not capable of doing. We want to be the people a client calls when there is a problem to be solved."

BESPOKE INTERNATIONAL SERVICE

As an example, 3C successfully raised the pre-IPO funding for Peter Hambro's timber venture in Russia. "We took on a project in Russia that none of the larger banks would have looked at and, hopefully, the company will come to market later this year," said Beattie.

SMALL- TO MID-CAP

3C focuses on the small- to mid-cap market – defined as anything up to €1 billion – which it sees as a niche where the most exciting companies are and is where their expertise lies. Their vast range of contacts mean they are able to raise capital on both an equity and a debt basis. "There is certainly no shortage of capital," assures Beattie.

A GLOBAL PRESENCE

An important aspect that sets them apart is an ability to work on an international scale – although headquartered in London, 3C has offices in Geneva, a joint venture in Buenos Aires, plus operations in China and the Nordic region. It also sources a lot of business from Russia. By way of example, the firm recently purchased the Vodafone building in Bucharest.

"We aim to increase our presence globally and expand the company into other niche areas as and when the opportunities arise," concludes Schmid. "The important thing from our point of view is to retain our boutique flavour and add it to our bulge bracket experience." ●



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