

Scandia creates UK's largest fund platform

Skandia Life, Skandia MultiFunds and Selestia to be merged to create one business unit

platforms

Skandia has restructured its UK business arm which it says will create the largest fund platform in the UK - a decision which will also see staff changes within the company

Skandia Life, Skandia MultiFunds and Selestia, the company's three current fundsupermarkets, will be merged to create one single business unit, which will be headed by Brett Williams as chief executive officer, subject to FSA approval.

In a statement released by the company, the new unit, which will be known as Skandia UK Business, will form one of the UK's largest fund platforms in order to "give financial advisers a single, easy to understand market proposition".

This restructuring reflects current business trends, according to Mr Williams, who said: "This move is about ensuring that we offer a comprehensive range of practical options for advisers. Traditional with profits life companies are rushing to deliver unit-linked investment solutions and a plethora of wrap-like services. Skandia is already very well placed in this respect."

The decision to create the single platform has been described as "good news" by Keith Churchouse of Churchouse Financial Planning who said it will "give a kick to many of the fundsupermarkets to do the same thing."

"It has been argued that with time, competition has entered the market and up until now, Skandia had stood still. Therefore their move to improve their system has to be good news. This is the next phase of competition within the industry," he said.

Jason Butler of Bloomsbury Financial Planning said: "This is a move that was expected. It makes sense for advisers and people using the offering. Whether this will be an advantage for investors, we will have to wait and see. In the long run, investors need to see costs coming down as reductions are important for them."

The new UK business says the company will offer unit-linked products including pension and protection funds, bonds, as well as unit trusts and oeics from its open architecture funds supermarkets, said a Skandia spokesman. He added a new wealth management service is also planned.

On the staff changes at the company, Bill Vasileff, marketing director for Skandia MultiFunds and Selestia, is to leave Skandia once its new fundsupermarket is launched in the summer. It is expected that Bill Mackay will take on an expanded role as head of marketing for the new UK Business unit, while Graham Bentley will head its investment marketing arm.

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