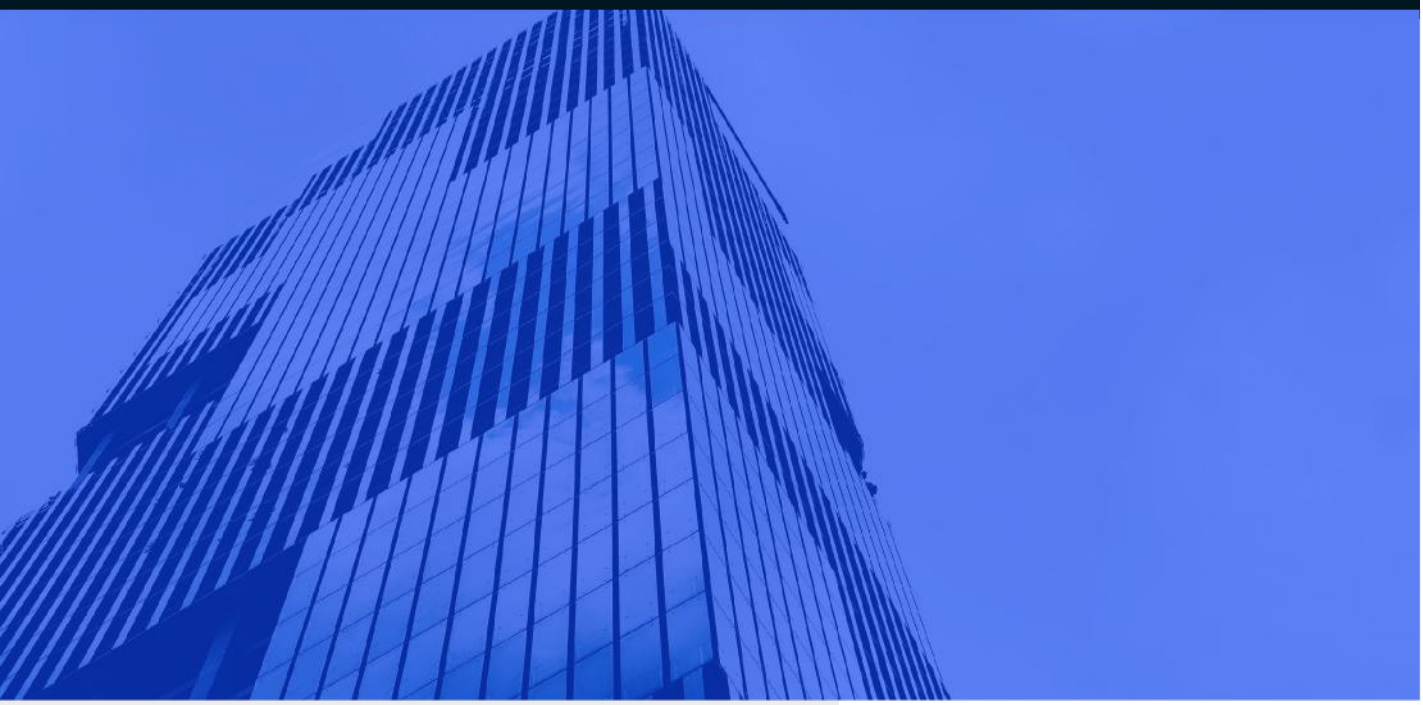
FINTRX

Family Office Wealth Origin Series:

HEALTHCARE

All data derived from the FINTRX Family Office Data Platform



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Introduction

FAMILY WEALTH ORIGIN: HEALTHCARE

The family office vertical represents a highly diversified cross-section of the private wealth landscape. Given the private nature of these wealth vehicles, family offices allocate capital with fewer restraints compared to other investment groups. One of the more prevalent patterns drawn from our research is the connection between the industry of wealth origin and the industry of investment interest. As outlined, there is a clear tendency for groups to invest in opportunities throughout familiar industries.

As a leading family office data and research provider, we continue to see individuals and organizations following many of the same principles and procedures of family offices. This narrative looks into a specific cross-section of family office entities whose wealth was created in healthcare, offering insight and data into this specific group.

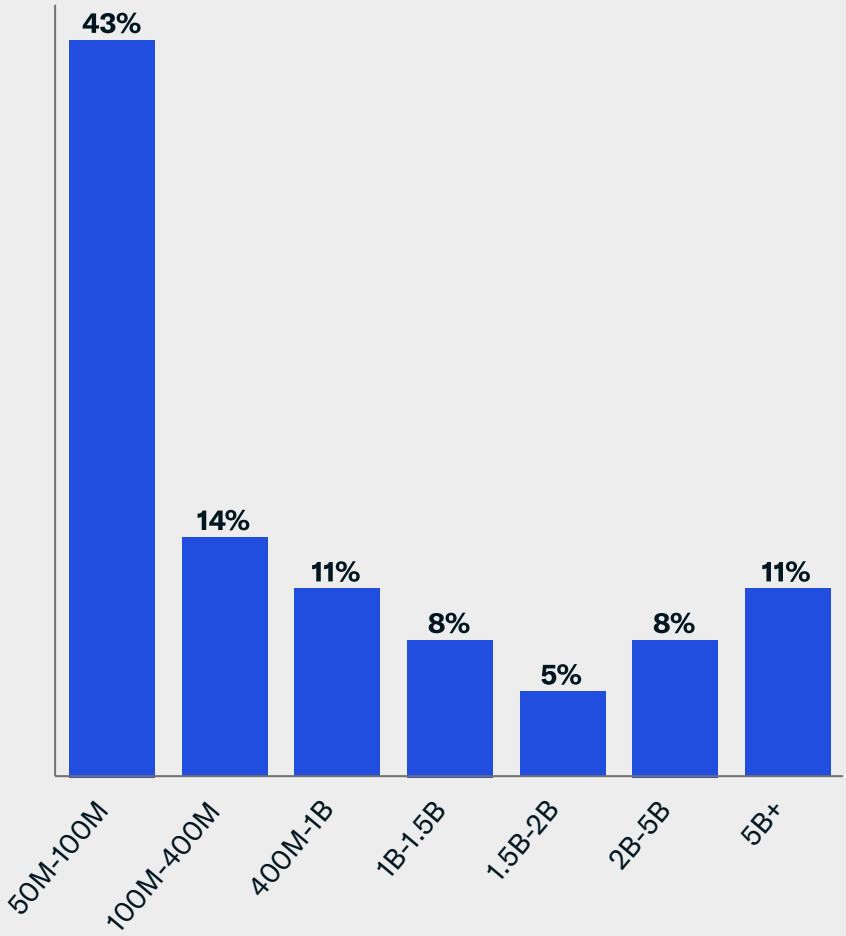


Assets Under Management Breakdown

FAMILY WEALTH ORIGIN: HEALTHCARE

Family offices allocate significant capital in meaningful ways when provided a suitable opportunity. Below, we outline the assets under management (AUM) breakdown of family offices that have created their wealth in the healthcare industry. The most prevalent are family offices with AUM between **50 million and 100 million**, at **43%**. The next largest segment is those with AUM between **100 million and 400 million**, at **14%.** Insights into the industry in which the family created its wealth can often provide a prediction for their future activities.

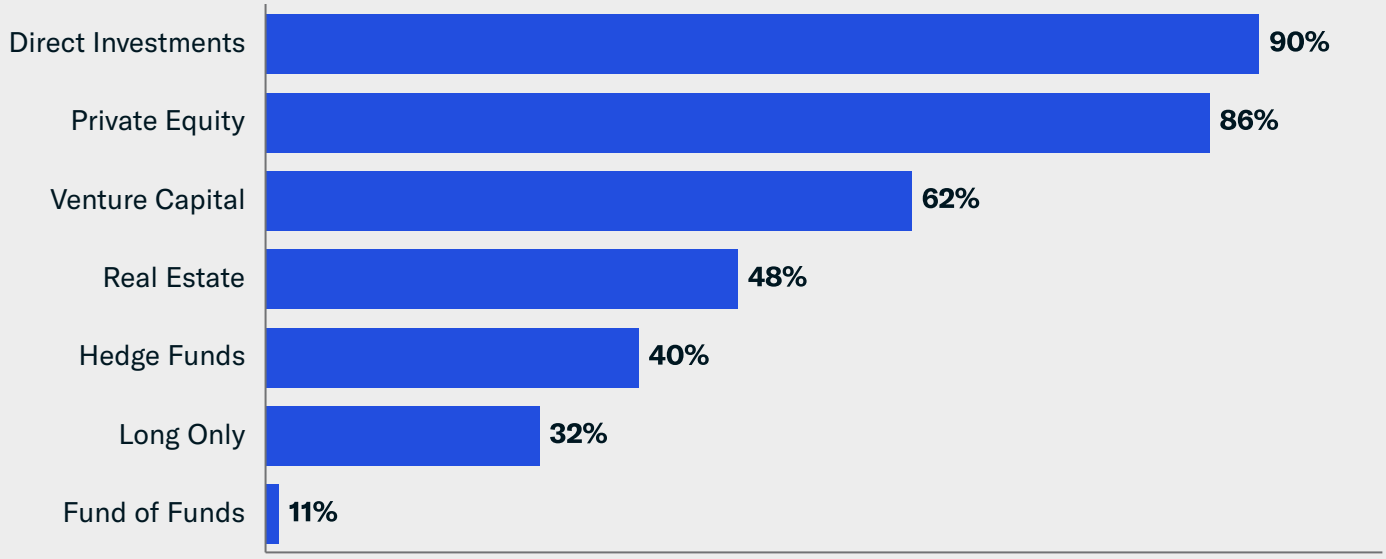




Asset Class Interest Breakdown

FAMILY WEALTH ORIGIN: HEALTHCARE

Family offices have always been a significant element of the investment landscape, offering different perspectives and time horizons compared to other investment capital sources. From an evaluation and sourcing angle, family offices often prefer investing capital in industries and verticals that they understand - often in areas they created their personal wealth. This stems from a pure understanding of the space and industry connections they possess, which will further add value to the allocation. As outlined above, the largest single group (of family offices with an origin of wealth in healthcare) is making direct investments, at **90%**. Next, is private equity and venture capital, at **86%** and **62%**, respectively.

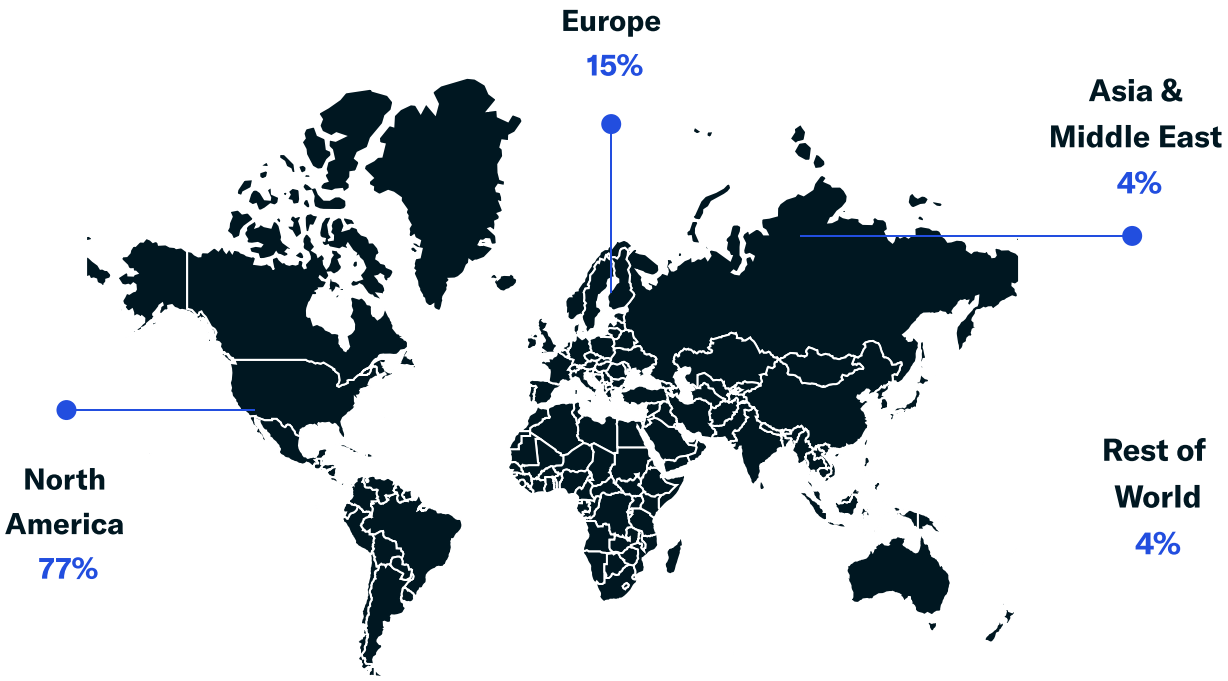


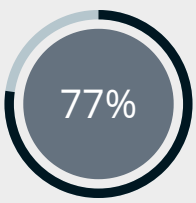


Regional Breakdown

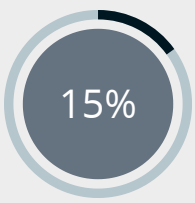
FAMILY WEALTH ORIGIN: HEALTHCARE

An increase in private wealth has continued to expand the creation of new family offices in areas that were essentially void of these groups in the past. As with industry of wealth origin, the geographic location often plays an important role in the investment preferences of family offices. Our research highlights correlations among the percentages of family offices allocating to certain sectors based on where they are domiciled. Below, you can see a majority of family offices - that have an industry wealth origin in healthcare - are based in North America, at **77%**, and Europe, at **15%**. The rest of the world makes up the remaining **8%**.

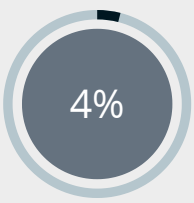




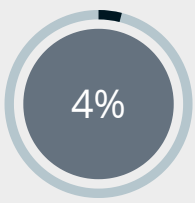
North America



Europe



Asia &
Middle East



Rest of
World

Past Transactions Based on Origin of Wealth

FAMILY WEALTH ORIGIN: HEALTHCARE

Direct investments have become increasingly common throughout the family office space, particularly within the single-family office ecosystem. We attribute this trend to several changes, none more influential than the increase in sophistication of family offices themselves. Over the past few years especially, we've seen family offices accumulate the assets and skills required to effectively allocate capital directly into the private landscape. The result is **more than half** of all family offices allocating capital directly to some degree (FINTRX).

Below, we provide a direct investment breakdown of family offices that have an industry origin of wealth in healthcare. As outlined, there is a clear tendency for family offices (with an origin of wealth in healthcare) to allocate capital to healthcare and biotech companies, at **55%**. Sectors that follow include technology, at **43%**, consumer goods, at **34%**, and business services, at **28%**.

Past Transactions Based on Origin of Wealth

55%

of family offices who made their wealth in healthcare have made direct transactions into healthcare and biotech companies.

43%

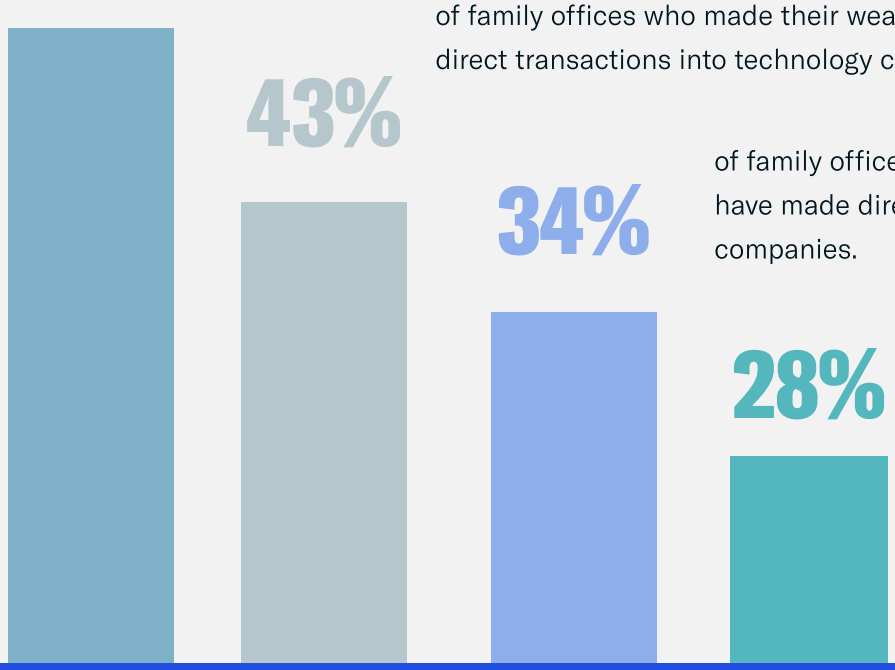
of family offices who made their wealth in healthcare have made direct transactions into technology companies.

34%

of family offices who made their wealth in healthcare have made direct transactions into consumer goods companies.

28%

of family offices who made their wealth in healthcare have made direct transactions into business services companies.



Conclusion

FAMILY WEALTH ORIGIN: HEALTHCARE

Roughly **6%** of the single-family office market comprises family offices that created their wealth in the healthcare industry. This subset of family offices represents more than **$55 billion** AUM across the globe, with the majority being domiciled in North America. Family offices that made their wealth in the healthcare industry invest progressively and directly, with over half reallocating towards the healthcare sector.

Family offices are opportunistic by nature, as their goal is to preserve and compound capital and identify suitable opportunities to put money to work. Navigating the complex nuances of this highly capitalized pool of capital takes time and patience, but the more you learn and understand, the more likely you are to peel off capital.



62%

of family offices who made their wealth in healthcare are **progressive investors** (FINTRX).

20%

of family offices who made their wealth in healthcare are **impact investors** (FINTRX).

15%

of family offices who made their wealth in healthcare allocate towards **emerging funds** (FINTRX).

About FINTRX



The FINTRX family office data and research platform combines over half a million data points on **11,000+** family office professionals and **3,000+** unique family offices globally. Built with the asset-raising professional in mind, FINTRX features state-of-the-art data exploration and visualization tools, engineered to provide the most effective means of targeting family office LPs.

The beauty of the above is that all the information our research team gathers is completely proprietary and solely offered by FINTRX. As family offices continue to diversify their investment allocations and advance the scale of their operations, the FINTRX data platform constantly strengthens alongside.

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