



Philequity Corner (December 3, 2018)

By Wilson Sy

In good hands

Last November 23, Dr. George S.K. Ty passed away at the age of 86. He was one of the country's leading business taipans and a widely recognized philanthropist. In light of his recent passing, we honor Dr. Ty's legacy by commemorating his notable achievements in the fields of business and philanthropy.

Annual gatherings for clients and friends

Dr. Ty showed his loyalty, appreciation and gratitude by hosting annual parties at his own residence for many of his friends, business partners, clients and investors. From attending these parties, I saw that Dr. Ty was a highly-respected and well-loved man who reached out to different sectors of the society. Despite his immense wealth and stature in the business community, he never forgets to invite his friends, clients and associates to the annual gatherings. Traditionally, Dr. Ty hosted these get-togethers at his residence but the recent gatherings were held at his new hotel, the Grand Hyatt Manila.

Spirit of the ant

George Ty often quipped that he had the spirit of an ant. He admired the innate ability of ants to work hard and work together. By doing this, he said that ants are able to move mountains and overcome insurmountable challenges. A young George Ty embodied this mindset when he persisted against the odds to open Metrobank in the early 1960s.

A bank for mid-sized businesses

George Ty started his career in Wellington Flour, a business owned by his father. The company needed financing in order to finish the construction of a flour factory. As he scoured for funding, George realized how hard it is for business owners to obtain loans. This experience fueled his resolve to establish a bank that will cater to mid-sized businesses. Though the young George Ty did not have prior banking experience, his sheer determination paid off when he received a banking license from the central bank in 1961. The next year, George, along with other businessmen, established Metrobank which opened its first branch in Plaza Calderon, Binondo.

Earning the trust of clients

Metrobank grew its roots by servicing Filipino-Chinese businessmen in Binondo and catering to businesses that were not given attention by the more established banks. Back then, Metrobank was a new and small player which competed against older and bigger banks. Knowing this, George Ty stressed the importance of earning the trust of clients and taking care of their money.

From ant to banking giant

Initially an industry outsider, George Ty started out as an ant in the banking business. Despite this handicap, Metrobank found a way to supplement organic growth with mergers and acquisitions. These include the acquisition of Phil Savings Bank (1981), Phil Banking Corp (1999), Asian Banking Corp (1999), Solid Bank (1999) and Global Business Bank (2002). Metrobank also formed joint ventures with foreign partners which led to the creation of Toyota Motors Phil and Phil AXA Life Insurance Corp. Currently,

Metrobank is the 2nd biggest bank in the country in terms of assets and loans. As of 3Q18, Metrobank had assets of P2.1t, loans of P1.3t and a distribution network of over 950 branches.

Birth of a conglomerate

GT Capital Holdings (GTCAP) was incorporated on July 26, 2007 as the holding company for George Ty's various business interests. Metrobank's ownership stakes in non-banking businesses were later consolidated into GTCAP to promote cooperation among the Ty group of companies. Today, GTCAP is one of the country's top conglomerates with interests in banking (Metrobank), automotives (Toyota Motors Phil), property (Federal Land and Property Company of Friends), insurance (Phil AXA Life Insurance Corp), infrastructure and utilities (Metro Pacific Investments Corp).

George Ty's listed companies

Three companies controlled by the Ty family are listed in the stock market. At its recent high, Metrobank (MBT) had a market capitalization of P418b while GTCAP and Phil Savings Bank (PSB) reached P279b and P22b. At their peaks, George Ty's listed companies had a combined market capitalization of P719b.

A devoted philanthropist

The Metrobank Foundation was created on January 8, 1979. The foundation established a recognition program to honor outstanding teachers, soldiers, policemen, artists, journalists and paralympic athletes. It has a scholarship program which bestows educational grants to underprivileged but deserving students. The group supports healthcare programs while also participating in relief and rehabilitation efforts during calamities. The foundation's goals are geared towards inspiring Filipinos to aspire for excellence while supporting the needs of our less fortunate countrymen.

Succession in place

Crafting and implementing a succession plan is one of the requisites in sustaining a taipan's legacy. George Ty achieved this by assigning his children to manage different areas of the family business. Today, his sons Arthur and Alfred oversee the group's banking and property businesses. The two sons also serve as Chairman and Vice Chairman of GTCAP. Both are highly qualified individuals who are suited to succeed their father. They are intelligent, hardworking and grounded. They have a deep knowledge of the family's businesses. Moreover, Arthur and Alfred received the proper training and mentorship to prepare them for their respective roles.

A lasting legacy

In his lifetime, George Ty established a business empire which spans different sectors while serving various segments of the society. On top of his business accolades, Dr. Ty and the Metrobank Foundation have been widely recognized as models for philanthropy and corporate social responsibility. Though he has passed away, the institutions built by George Ty are designed to forward his vision in business while also giving back through philanthropy.

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