

Investment safeguard

Case study:

Asia ventures

The Challenge

A medium size Asia-Pacific concern wants to set-up a J/V with an Asian distributor who was never vetted but has proven efficient over the years. The work must be done within a very short period of time since negotiations already are at an advanced stage and the client wants to quickly finalize the terms of the deal. Our work must also be conducted without the proposed partner hearing anything about the due diligence being conducted.

Asia Global Risk solutions

Beside going through the necessary motion of a classical due diligence in order to verify the possible litigation background of the distributor and other such elements, other industry players are approached under different pretexts in order to collect information about the company which is of interest to our client. The said company is also directly approached under 2 widely different pretexts to test its resistance capacity to negative influence which could later prove to be the downfall of our client's investment.

The impact

The client is now enjoying the fruits of his investment decision without any doubts about his partner and its Asian operations are starting to contribute positively to its overall business.

What the client valued

Our absolute discretion, including the fact that, to this day and after the J/V having been in operations for a couple of years, the Asian company still has no inkling that we thoroughly checked its background. The client also appreciated the swiftness of our action and the pertinence of our findings. In fact, he even asked our in-house consultant lawyer to draft the final Agreement which was entered into with his Asian partner.



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RISK MANAGEMENT CONSULTANCY

Investment safeguard

Case study:

upgrading to ensure business growth

The Challenge

The client is a very large multinational company involved in various aspects of the service industry and has been trying internally to upgrade the quality of the organization and work in one of its Asian business unit so as to facilitate said unit's growth. Numerous attempts have failed to produce the expected results and the client then decides to entrust this assignment to AGR. The duration of the assignment is estimated to last between 12 and 18 months with six-monthly reviews and reassessments.

Asia Global Risk solutions

Due to the sheer size of the unit and its presence in a large number of locations over a very widespread territory, it is decided, in agreement with the client, to first start by producing an inventory of the present situation. Once this is done, a market potential growth assessment is conducted together with a comparison of our client and its competitors as far as their respective position and perception by the market is concerned. Lastly we submitted to the client a very comprehensive document which covered all recommendations to improve operations both internally and externally.

The impact

The client ultimately saved time and money by outsourcing the work and, more importantly, benefited from our non partisan experience and understanding of both its business and its goals in that particular country and thus ensuring a healthy and profitable development for the future.

What the client valued

The fact that we dedicated to this work a Project Manager with both the background and the experience in organizing large command structures but who also had been in-country for years thus allowing him to perfectly understand the specificity of the local industry and politics at regions and national levels. Also, the absolute transparency of what was done, the constant brainstorming with the client's local management which led to producing a document that will assist this business unit's development in this country for years to come.



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Case study:

Join venture fraud

The Challenge

A medium size continental company has a J/V in Asia where the partners appear to be working for their own benefit. The local partners are well connected with the local authorities and are represented by a first class lawyer similarly "connected". They manage the business directly since the foreign majority partner has never delegated one of its own representatives to work locally within the company and they are on the verge of signing a significant contract for a specific project. The client has reasons to believe that the J/V's reference (hence these of the foreign partners) have been used to procure the project but that, ultimately, said project will be managed through another company belonging to the main local player thus defrauding the J/V of revenue. The foreign partners have tried to no avail to convince the local partner to sell back his shares so as to allow the J/V to be properly managed once again. The local partner refuses. Not being present in-country and not feeling comfortable enough to fight this alone, the client calls upon AGR to assist them.

Asia Global Risk solutions

AGR immediately puts in place a multipronged action plan, keeping the client's lawyer involved in order to coordinate the investigation and the negotiations with possible legal actions to be engaged by our client against its partners. A full due diligence into the activities of the J/V is launched including approaches to the J/V's clients, especially the one with whom a major contract is being negotiated, the J/V's partner's activities within the past 1 year, whether he has direct or indirect interest in other companies involved in the same business, etc... Simultaneously, a direct approach to the partner is arranged and he is being advised that signing over his shares to the foreign partner at a reasonable price would be in everybody's best interest and would avoid any untoward activities of his to be revealed.

Contact is also established with the Police since Criminal Breach of Trust is a possible crime having been committed by the local partners.

Within 1 month, this dispute which had been going on for more than a year was resolved to the satisfaction of all parties involved. Our client then took back control over his business activities in this country.

The impact

A client cheated by his partner was able to wrest back control of his affairs and is now successfully operating in that country without having to contend with unsavoury partners.

What the client valued

The swift reaction of AGR together with our understanding of the local legislation and our capacity to quickly uncover illegal activities spearheaded by the local partners and going against our client's interest. Our strong support during the negotiations leading to the client recovering his shares.



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