

INTERGEST®
WORLDWIDE



THE **ART** OF
BEING LOCAL
WORLDWIDE



GLOBAL ACTION **REGIONAL TRACTION**

For more than 50 years, Germany's share of exports has been steadily on the rise. In addition to classic export sectors such as engineering or the motor industry, medium-sized enterprises are also seeking an increasing share of global markets.

Accustomed to success in their home territories, medium-sized enterprises are, however, not always as successful when doing business abroad. Indeed, it is the confidence borne of their domestic business prowess which can lead to uninformed decision making or incorrect assumptions right from the start – often with fatal consequences.

For over forty years InterGest has been accompanying businesses on their journey into foreign markets, as a guide and service provider, successfully navigating them through the intricacies of local customs and attitudes, legalities, market structure through to operations and administration. With competent partners in more than 50 countries – from Canada to New Zealand – we help you achieve success in foreign markets.

I trust you will find this brochure both inspirational and informative.

Sincerely

Prof. Peter Anterist, CEO InterGest

THE ART OF BEING LOCAL WORLDWIDE

AMERICAS

ARGENTINA / Buenos Aires
BRAZIL / São Paulo
CHILE / Santiago de Chile
CANADA/ Toronto
MEXICO / Mexico City
PARAGUAY / Asunción
USA / New York
USA / Beverly Hills
VENEZUELA / Caracas

EUROPE

AUSTRIA / Vienna
BELGIUM / Brussels
BULGARIA / Sofia
CROATIA / Zagreb
CYPRUS / Nicosia
CZECH REPUBLIC / Prague
DENMARK / Copenhagen
FINLAND / via Oslo
FRANCE/ Sarreguemines
GERMANY / Saarbrücken
GREECE / Athens
ITALY / Milan
HUNGARY / Budapest

IRELAND / Dublin
LUXEMBOURG / Luxembourg
NETHERLANDS / Amsterdam
NORWAY / Oslo
POLAND / Warsaw
PORTUGAL / Sintra
RUSSIA / Moscow
SPAIN / Barcelona
SPAIN / Madrid
SWEDEN / via Oslo
SWITZERLAND / Zug
TURKEY / Istanbul
UNITED KINGDOM / London

ASIA

BRUNEI / via Singapore
CHINA / Beijing
CHINA / Guangzhou
CHINA / Kunshan
CHINA / Shanghai
HONG KONG / Hong Kong
INDIA / Mumbai
INDONESIA / Jakarta
JAPAN / Tokyo
MALAYSIA / via Singapore
PHILIPPINES / Manila
SINGAPORE / Singapore
SOUTH KOREA/ Seoul
THAILAND / Bangkok

AFRICA

ALGERIA / Algiers
NAMIBIA / via Johannesburg
SOUTH AFRICA / Johannesburg
SOUTH AFRICA / Cape Town

MIDDLE EAST

UNITED ARAB EMIRATES / Dubai

OCEANIA

AUSTRALIA / Sydney
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AT HOME AROUND THE GLOBE FOR OVER FORTY YEARS – **THE INTERGEST STORY**



InterGest S.A.S. was established in 1972 by Prof. Dr. jur. Heinz Anterist. The name derives from the French term “gestion internationale”, meaning “international business management”.

The concept: 360-degree-solutions for businesses

Up until 1972 Professor and Doctor of Law, Heinz Anterist, was the legal officer at the logistics company Spedition Anterist & Schneider. Here he recognised that exporters require more than logistical solutions when doing business in France. They also needed a service provider to handle general business requirements for the organisation – from establishing a business entity through to bookkeeping, legal and tax advice as well as wage and salary management. Finding a service provider offering all of these competencies proved impossible. He therefore decided to establish a company which could offer these services, and the InterGest seed was sown.

Continued global expansion

In 2006 his efforts in developing this business concept and establishing the global InterGest organisation were officially recognised when he was awarded the Federal Badge of Honour by Dr. Horst Köhler, the then president of Germany. Management of the business passed to Prof Dr Heinz Anterist's son, Peter, in 2001. Peter Anterist is also a lawyer and guest professor at the CUFE University in Beijing. Over the past forty years, InterGest has continued to grow steadily, expanding its global presence to cover the world's most important industrial locations. InterGest displays a forward looking approach to

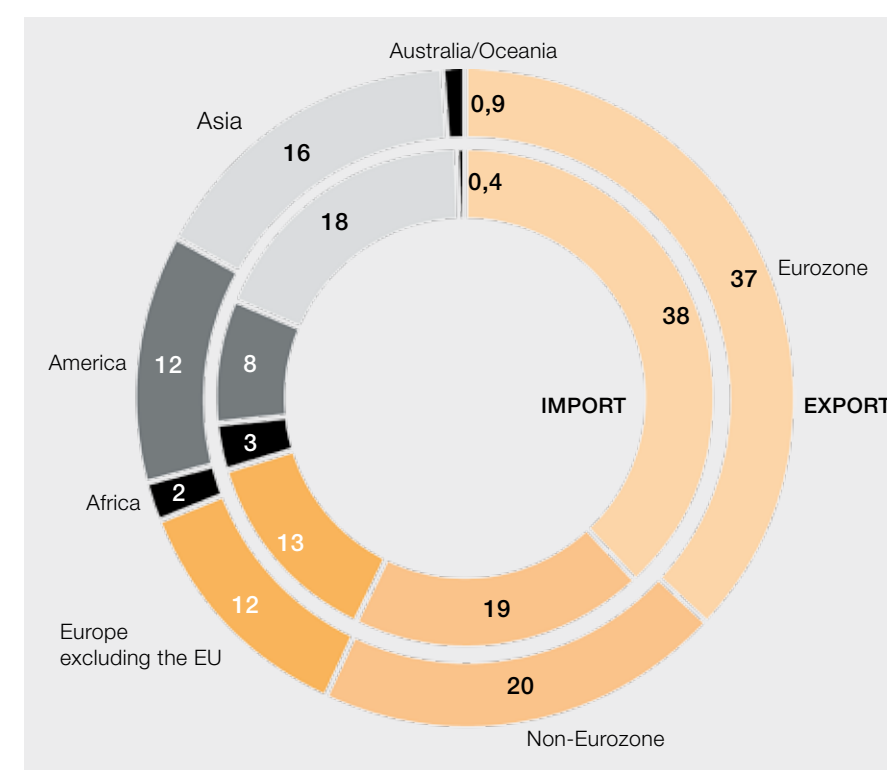
expansion, frequently focusing on establishing a presence in countries which are still on the development cusp, thus pre-empting rather than merely following trends. For example, planned partnerships in Mongolia, Uzbekistan and Panama.

INTERGEST IN 2016:

HAS **50** PARTNERS
IN OVER **50** COUNTRIES
ADMINISTERS **750** EMPLOYEES
1.700
BRANCHES OF
INTERNATIONAL COMPANIES

CONTINUOUS GROWTH – GERMANY **THE MASTER EXPORTER.** DO YOU WANT TO CLAIM YOUR SHARE OF THE MARKET TOO?

FOREIGN TRADE PARTNERS 2014, BY REGIONS IN PERCENTAGE*



About 70 percent of German export trade is conducted in Europe, in particular within the Eurozone. In recent years Asia has become a more important trade partner than America, while Africa – with the exception of South Africa – and Australia/Oceania remain relatively insignificant German export markets.

GERMANY'S MOST IMPORTANT TRADE PARTNERS 2014, IN EURO (BN)

EXPORT

France **102**
United States of America **96**
United Kingdom **84**
China **74**
Netherlands **73**
Austria **56**
Italy **54**
Poland **47**
Switzerland **46**
Belgium **42**

IMPORT:

Netherlands **88**
China **79**
France **67**
United States of America **48**
Italy **48**
United Kingdom **42**
Poland **39**
Belgium **39**
Switzerland **39**
Russia **38**

*Source: Federal Board of Statistics, Export and Import in Global Terms, Issue 2015, figures rounded up.

YEARS OF EXPERIENCE, NETWORKS THAT DELIVER AND DEEP-SEATED KNOW-HOW AVAILABLE IN MORE THAN 50 LOCATIONS AROUND THE WORLD

InterGest provides businesses with a modern, affordable and effective way to establish themselves in foreign markets. We offer a global network of services to guide and support “export-focused” companies in the launching of their own branches abroad – from forming a local company, through business strategy, planning and administration, to establishing a full sales function within the foreign subsidiary.

Well-established global competency

InterGest specialises in tailoring service offerings suited to meet the needs of the small to medium-sized enterprise, providing a modern, cost effective and flexible route to successful foreign market penetration. The broad range of services, as well as the expertise garnered through decades of experience in each target market, form the ideal basis from which to provide support to export-focused companies, either through setting up and managing foreign subsidiaries, or delivering a direct sales function “in-country”.

All-inclusive, transparent and individually tailored

With offices in more than 50 locations around the world, InterGest provides consulting and services to assist companies in developing foreign markets. This ranges from corporate formation and domiciling of a foreign business entity, through fiduciary administration of accounts, tax and legal consulting, to salary administration, controlling and reporting. Through our internationally co-ordinated network of global partners we have access to a comprehensive knowledge-pool covering all commercial and legal aspects

in the respective regions. The complexities of international trade are our daily bread and butter.

Customised export planning

Prior to venturing into foreign markets, all aspects of the decision making process should be considered. We will be your partners throughout the planning phase. How much do you need to budget for financial, administrative and personnel costs? What are the prospects for your products in the destination market? Your objective should be to present your product offering in every export market in the same way as your local competitors do. Ideally your merchandise should be perceived as being local, since clients consistently prefer purchasing domestic products whenever possible. Even major international companies have in recent years tended to add the wording “made in (distribution and production country)” to their labelling.

Every market has unique rules and regulations

The range of services offered by InterGest varies from country to country. It is precisely tailored to meet local requirements

“Business is local” – these three words are as true today as they have ever been, despite our globalised world where unrestricted transparency is de rigueur. Anyone wanting to do business in a foreign country, even in neighbouring European states, needs to adapt to the prevailing language and attitudes in order to be considered a local service provider.

(PROF. DR. JUR. HEINZ ANTERIST, FOUNDER OF INTERGEST)

France, Paris with Eiffel Tower

and conditions and covers a broad portfolio: from legal and tax requirements, through customs and transportation aspects, language and regional customs, to a deep-seated understanding of the key markets in various industries.

We will be your guide on your journey into foreign markets

InterGest's specialised local teams give you direct access to all the necessary information and services which you require to establish and administer your foreign subsidiary in order to develop the foreign market(s) in the most cost effective and efficient way. We provide a comprehensive portfolio of services, a well-established regional network, and many years of experience in doing business internationally. Whatever your objectives may be – to focus on a specific country, or to develop regional or global markets – we offer flexible, customised solutions for optimal expansion of your business in new target markets, leaving you free to focus on your core competencies and to grow your market share.

OUR CORE SERVICES

- ☐ Advice on entering the market
- ☐ Support in building up sales services
- ☐ Legal and tax consulting
- ☐ Formation and domiciling of subsidiaries
- ☐ Bookkeeping and accountancy
- ☐ Comprehensive payroll services
- ☐ Payments and invoicing, debt collection
- ☐ Consolidated reporting and year-end financials

OUR EXPERTS WILL HELP YOU OVERCOME **STUMBLING BLOCKS** WHEN DOING **BUSINESS ABROAD**

Your business is booming in your home market. Why wouldn't it do just as well abroad? After all, we live in a globalised world. Can success be replicated internationally? You say "yes"? Then read the following two stories...

**"IF YOU BELIEVE
MARKETING IS GLOBAL,
YOU'RE WRONG.
CAREFUL ANALYSIS OF
LOCAL CONDITIONS IS
ESSENTIAL."**

Are you a keen traveller?

When in a foreign country, have you ever switched on your television set for some entertainment in your room whilst brushing your teeth in the morning? Watching the colourful images flickering across the screen makes one realise that even products familiar at home are promoted quite differently in different countries.

Mr Meyer from Unna has obviously never noticed this, which means that he either doesn't watch television regularly or, if he does, that he only ever watches the satellite channel featuring news from his home country, where local television ads will obviously not be aired.

Mr Meyer, an IT service provider, makes the far-reaching decision to expand his business into a neighbouring country. Since the country in question is Austria, he believes that he will be able to use all the same promotional material and methods which he has been using in Germany. Why not?

After all, in Austria people speak German and the standard of living is very similar. No sooner said than done. Mr Meyer opens a local representative office in Vienna, sends over one of his German albeit Austrophile staff members, and really goes all out in terms of marketing. Of course, with a representative office there is no need to establish a local company in Austria, since the associated office will suffice, and all business administration and invoicing can be handled through the German firm.

Mr Meyer now focuses a lot of energy on promotion: he places advertisements, contacts trade publications and even has small stickers placed on his German flyers, to publish the Austrian office address. All the wheels are set in motion. There is just one thing that eludes him, and that is success. For some reason, no-one is prepared to entrust his firm with their business, even though it clearly carries the "Made in Germany" stamp and German quality is highly sought after the world over. What on earth is the problem with these Austrians?

The answer is actually very easy: there is no problem with the Austrians. They are behaving as they always do: and this means displaying a certain aloofness towards their larger neighbour, Germany. This realization is as simple as it is disheartening. Do everything as you do it in Germany, and you will be sure to do everything wrong. One of the biggest mistakes when expanding abroad is to believe that communication is the same the world over.

And a mistake like this becomes obvious very quickly when, as in Austria, the same language is apparently spoken. This is, in fact, definitely not the case. Of course Austrian

initially sounds like a German dialect. When reading the newspapers, one notices only marginal differences in style. And it is precisely these minutiae which one needs to be aware of in order to avoid immediately being taken for a German and thus a foreigner.

If there is one thing that Austrians are particularly sensitive about, it is their historically-seated wish not to be considered an additional state of the German Federation. So, why should an Austrian buy services from a German when he can procure them from a fellow countryman? And at the same price too!

**"PLEASE DON'T COMPILE
THE BUDGET ON THE BACK
OF AN ENVELOPE ..."**

Mr Müller is an entrepreneur to the core

He is the third-generation owner of a successful company that produces welding equipment and accessories for the ship building industry. In recent years his business has been strained due to a decline in activity in German shipyards as a result of strong competition from Asia. He needs to take preventative measures, as the market is constantly exposed to change.

Mr Müller decides to make his machinery available in markets where shipbuilding is booming now and likely will in the future, namely in South Korea, where Hyundai Heavy Industries Co., Ltd has helped establish one of the largest shipyards in the world. Of course, South Korea is not just around the corner... it is a twelve hour flight to Incheon. Flights need to be booked well in advance as there are only three flights a day from Frankfurt to South Korea and flights are quite expensive, too. Indeed, Mr Müller has heard that South Korea is not the cheapest place by a long stretch, but this doesn't put him off. First things first: go and take a look. Business Class flights at Euro 4,000, hotel (no breakfast) Euro 300, and that doesn't even take dinner into consideration yet. Mr Müller raises his eyebrows, but pays. He flies to Incheon, scrutinizes everything, and then heads on to Ulsan.

Quite taken by the idea to expand into South Korea, he forms a company with the assistance of an international service provider and rents an apartment for his German technician, who will work there as an "expat". He is an expert when it comes to welding and has a solid understanding of the commercial aspects of the business. The initial product presentations are successful and the plan becomes a reality. The technician is given a new employment contract, including a foreign allowance,

and relocates to Ulsan. The machinery is adapted to meet South Korean standards. Costs slowly reach somewhat alarming proportions in the monthly reports.

As the owner of a medium-sized enterprise, Mr Müller doesn't have a CFO, but traditionally uses his bookkeeper's financial reporting to formulate an "educated guess" about the costs he is likely to incur. He has, after all, so far only ever spent the money which he earned, has only limited bank borrowings, and he is pretty sure that his cash flow will cover expenses. It has thus far...

Within the next six months he realizes that it would have been sensible to establish more clarity on what the anticipated costs were likely to be. His technician has had to fly back to Germany eight times (Euro 35,000) to resolve problems with the machinery. The apartment in Ulsan costs Euro 2,500 and the technician's salary comprises Euro 9,000. When after six months no contract has yet materialised, he begins to doubt his decision. His bookkeeper has advised him that they will soon have to start drawing down on their reserves, as costs of around Euro 250,000 have been accrued, and there is no immediate order in sight. Mr Müller has no alternative but to approach his bank for a loan. This goes totally against the grain of his business policies, but he has no alternative.

Investing in new markets and effective market penetration costs money: often a lot of money. The further away the new market is from the home market, the more expensive a venture is likely to be. Every business person should consider this and be fully aware of the facts before setting off on this course of action. Of course it is a good thing when companies expand beyond their local horizons, especially when home markets are diminishing and new potential clients are located further afield. But, for the entrepreneur seeking to cross the Atlantic, it is advisable to fill the tank beforehand, and ensure that he can afford the journey. We recommend conservative planning and considering a "worst case scenario" which includes an exit strategy. One should also first test the concept in a relatively easy market. The business person who has successfully established a sales presence in London will at least have somewhat more of an idea about what may be expected when venturing into the Korean market.

And Mr Müller? Well, his bank was not prepared to extend him further financial assistance. The venture was too risky, lacked financial controls and had no effective business plan, to mention but a few objections.

*These excerpts are taken from the book
"Failures in Foreign Trade – Fehler in Auslandsgeschäft"
by Peter Anterist, available at www.intergest.com.*

CORNERSTONE FOR SUCCESSFUL EXPANSION: ESTABLISHING AN INTERNATIONAL PRESENCE

We handle all formalities for our clients when they wish to set up a new branch or subsidiary abroad, or to establish additional ones.

The basis for a successful export business

Many companies underestimate the effects of constant changes in the country of origin, in the export company itself or in the target country. Thus, for example, the regulations governing the OECD double taxation agreements mean that nowadays it has become extremely difficult for firms to build up a sales network without creating a permanent establishment in the target country.

Establish a branch or an independent subsidiary?

Since it requires almost just as much administrative effort to establish a branch as it does to found an independent subsidiary, we recommend the establishment of an independent company from the outset. Using an import company as a means to enter the market holds a number of risks, too. For example, the vulnerability inherent in being dependent upon one person or import company as your only client, as well as the cost factor, need to be considered. In general, commissions affect the bottom line price of the product, often rendering it unattractive in the market.

Finding the middle ground: a sales and distribution organisation

The most important reason to establish a sales operation under your own management is that you will be able to fund and operate the company independently and present it as a local establishment. We are there to help you get off to the best possible start, providing an experienced team which speaks the local language and understands regional conditions. We will handle all fiscal and financial procedures such as bookkeeping, auditing and tax consulting, as well as other services if required – be these consolidated financial reporting or assistance with recruiting qualified local staff.

10 WAYS TO FAIL IN FOREIGN MARKETS

- ☐ You fail to adapt your product to suit local requirements.
- ☐ You approach new markets casually or as a sideline activity.
- ☐ You use the same marketing material in the foreign market as in your home market.
- ☐ You compile your budget on the back of an envelope.
- ☐ Foreign market penetration is expected to succeed within a maximum one year.
- ☐ You don't pay enough attention to local language and attitudes in foreign markets.
- ☐ The sales team from your home country handles sales in foreign markets.
- ☐ An import firm handles your sales in the foreign market.
- ☐ Everyone is going to China – you're going too.
- ☐ You do not establish a foreign branch or subsidiary.



China, Downtown Shanghai

8

If you decide to expand into China, then be sure to take note of language and alphabet, but also keep a keen eye on the numbers you use, particularly if these are relevant in your corporate communication material. What many people don't know is that in Chinese culture, numerology plays an important role. Hence the number 8 is a great number to use because it stands for wealth, whereas 4 is considered taboo. The Chinese word for 4 sounds very similar to the word for "death" and thus 4 symbolises death and destruction. Needless to say, should the number 4 appear in your product or company name, a name change is highly recommended!

THE FRENCH PITFALL – “À LA FRANÇAISE”

In France it is not only recommended to communicate in French, it is in fact a legal requirement. The so-called “Toubon Law” (also ironically known as “All good Law” – a morpheme translation of “Tout bon”) obliges

companies to communicate in French, right down to their marketing slogans, such as Nike's “Just do it”. That this can in some cases result in rather absurd word constructs is of little interest to French authorities.

THE KEY TO SUCCESS: AN EFFECTIVE **SALES FUNCTION** WITHIN A CUSTOMISED **ADMINISTRATIVE FRAMEWORK**

No matter how promising a product may appear to be – without building a solid sales and administrative foundation in the foreign market, the venture is doomed to fail. InterGest provides local support with our customised solutions, tailored to suit your portfolio and the requirements of your destination markets.

Essential requirement: build a sales team

The key to success in foreign markets is finding the right team to help you build an efficient and cost-effective sales function. Our services include assistance in building up, managing and reorganising your representation or sales organisation. Furthermore, we assist in the sourcing and selection of management personnel, trade representatives, agents and general commission agents. To ensure clear lines of communication between you and your foreign entity we assist in establishing the organisational framework for your representatives or sales team, manage the commission claims of sales representatives and translate the sales reports into your mother tongue.

Efficient local administration

At InterGest our service offering includes the full range of administrative tasks required for the efficient operation of a foreign entity, subsidiary, branch or holding company, covering financial, controlling and human resources management. In the initial phase we carry out an in-depth analysis of the most suitable legal and fiscal setup for your foreign business entity. We then assist you in forming the foreign company and in establishing the organisational structure that meets your company's particular needs. In the third phase, InterGest takes on fiduciary responsibility by carrying out all administrative tasks and requirements. Our clients have access to the latest figures and processes at any time.

BUILDING THE SALES AND ADMINISTRATIVE FRAMEWORK

- ☐ Founding a foreign business entity
- ☐ Assistance in building the sales team and network
- ☐ Analysis of legal and fiscal concepts
- ☐ Founding a subsidiary, branch or holding company
- ☐ Building up the organisational structure
- ☐ Fiduciary administration
- ☐ 100% transparency by means of regular reporting



“Is it possible to penetrate seven markets simultaneously within one year and achieve success? The answer is ‘yes’, but only if you are a listed company with practically unlimited resources.” (PETER ANTERIST)

England, Westminster Bridge, London

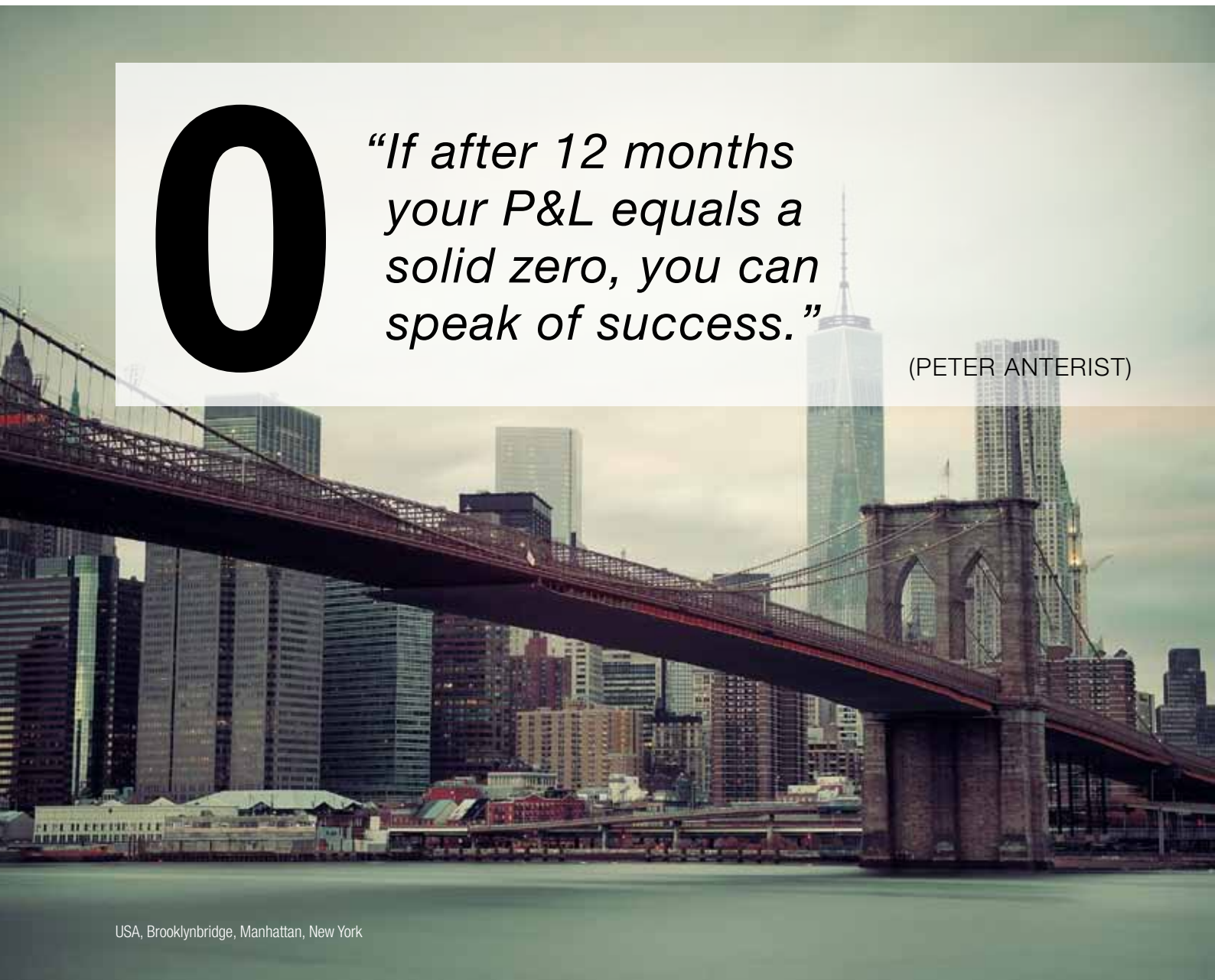
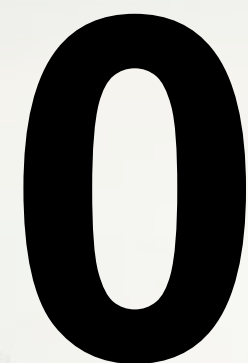
THINK LOCAL, ACT LOCAL

The ability to develop foreign markets is usually not the core competency of most companies. In addition to questions of professional expertise, the issues of local language and attitude also need to be mastered. Success in foreign markets requires not only that the products be adapted to local conditions, but that communication and marketing be brought in line too.

There is no point in opening up in a neighbouring country and yet remaining a foreign firm which also looks and sounds foreign. Imagine if a Polish or Spanish registered company were to offer you its services via a third-party service provider, whilst knowing that you are able to obtain the same service at the same price from a local company in the next town. Where would you buy? Exactly!

LET'S TALK MONEY, OR WHY **FINANCIAL MANAGEMENT** AND **CONTROLLING** ARE SO IMPORTANT IN THE EXPORT BUSINESS

Common international standards in financial and invoicing procedures remain a pipe dream. InterGest combines all relevant local requirements with transparent structures.



*“If after 12 months
your P&L equals a
solid zero, you can
speak of success.”*

(PETER ANTERIST)

Numbers for success: Financial Accounting

Despite years of striving to establish internationally accepted accounting standards, almost every country still has its own legal requirements which need to be adhered to consistently, not only when filing annual tax returns.

Generally, larger corporations tend to follow US-GAAP or IFRS procedures within their companies in order to manage the consolidation of their international businesses as smoothly as possible. InterGest is fully conversant with both requirements and will manage your bookkeeping according to your general corporate requirements as well as according to local accounting standards. Providing two annual statements, for example one according to IFRS and one according to local requirements, is par for the course for us.

Trust is good, control is better

Anyone who entrusts the management of their foreign business to someone else is justified in expecting absolute transparency when it comes to business reporting. At the InterGest head office in Sarreguemines and at many of our partner offices worldwide we use SAP as our ERP system. This makes it easy for us to provide 100% transparency, round the clock, with regard to all financial operations by means of info-user licences.

However, we also provide customised reporting for companies which do not use SAP. Whether you prefer to use your own MIS software or to receive Excel files, whether you want periodic reporting or would rather log in via a VPN link to obtain your corporate financial information directly – at InterGest we will provide you with the solution of your choice.

PaMMon: intelligent optimisation of global networks

Based in Luxembourg, the InterGest subsidiary PaMMon IT International provides specially developed software for effective accounting control within a global network. PaMMon is Java-based software which serves to manage global sales activities. As an add-on to any inventory management system, PaMMon carries out continuous business updates and is able to identify turnover and sales trends at a very early stage. It does not replace the inventory system but enhances and expands its functionality to improve sales and distribution management – in much the same way that a GPS system enhances the operation of a motor vehicle by optimising the route planning.

The advantages are clear: the software can be easily installed within a matter of days, without any cumbersome IT migration requirements. There is a one-off licence fee. Data analysis and reporting is automatic, thus lightening the workload in terms of controlling as well as external and internal sales monitoring.

INTERNATIONAL ACCOUNTING OUR CORE COMPETENCIES

- ☐ US-GAAP: United States Generally Accepted Accounting Principles. US-American accounting methods for determining the market or stock-market value of an asset
- ☐ IFRS: International Financial Reporting Standards. Since 2001 this has been the internationally recognised guideline for corporate accounting
- ☐ 100% transparency: implementing SAP as the ERP system – with real-time access via VPN if required, or periodic reporting
- ☐ Reporting: provided via MIS software or Excel files
- ☐ Periodic overview of all company accounts in each country in the local currency or any other currency, as required
- ☐ Regular regional overview of all accounts in all foreign branches in one currency throughout, according to user requirements (consolidated reporting)
- ☐ Country specific and regional budgeting as well as P&L comparisons
- ☐ Periodic cost accounting with financial statements

IT'S A MATTER OF TRUST: **HUMAN RESOURCES** AND **TALENT MANAGEMENT**

Competent, skilled personnel are the key to success – especially when doing business abroad. We offer you comprehensive assistance with human resources – from recruitment to registration.

Personnel management is a matter of trust

The HR services offered by InterGest include much more than reliable, timely completion of salary payments according to local statutory requirements. On your behalf, we will take care of drawing up local employment contracts and will assist you in employment termination proceedings according to the latest local legal requirements. We will manage expense accounts and use our local know-how when it comes to dealing with local authorities and insurance questions.

Think local, act local

Companies embarking on their first foray into foreign markets are more likely to trust their own staff members than to hire new employees in the destination country. In European countries, especially in the initial phases, this policy can be effective.

However, in locations on other continents the costs very soon get completely out of hand (see right). Following our motto “be local”, we assist companies in recruiting and hiring staff abroad, serving to reduce costs and increase local trust. This often gives rise to a few bureaucratic hurdles, ranging from national labour regulations to issues around health and accident insurance.

Our local partners are fully conversant with the labour legislation and social security issues, and also utilise the longstanding business relationships between international InterGest partners to help search for competent and experienced staff – from sales representatives to managing directors.

HUMAN RESOURCES

- ☐ Assistance with recruitment and sourcing qualified staff
- ☐ Compiling and editing employment contracts
- ☐ Managing employment termination procedures
- ☐ Managing expense accounts
- ☐ Calculating and deducting social security payments
- ☐ Managing employee registration procedures
- ☐ Managing health and accident insurance payments
- ☐ Communication with insurance companies and local authorities
- ☐ Transparent regional reporting



1

One ‘expat’ can blow the entire marketing budget of a medium-sized enterprise in just one year – especially in booming Asian markets. Here the same rule applies: use local resources and establish a regional office.

Singapore Downtown

THE “EXPAT” COST TRAP

The hidden costs hurt the most. After all, who would have made allowances for the fact that the trusted German employee would have to fly home so regularly – and often at short notice, when only the most expensive tickets were available? There is hardly anything more expensive than employing an expatriate, since they earn not only their salary but are also entitled to numerous benefits. For this reason many companies prefer not to utilise ‘expats’ and rather seek qualified local employees, who receive

training at the company’s head office. In the mid-term this is much more cost effective and no less successful. In fact, on the contrary, employing a local sales person is a big advantage. We recommend planning conservatively, and making allowances for a worst-case scenario as well as an exit strategy. One should also first test the strategy in an ‘easy’ market. Companies that have already successfully established a sales presence in London will at least have some idea of what to expect when setting up in Singapore.

WHEN DISCRETION IS CALLED FOR: **CREDIT CONTROL AND DEBT COLLECTION**

This area of the business can be fraught with problems...
We will help you to keep payments flowing smoothly.

Different countries, different customs

In general, clients in foreign markets expect to be treated differently than those in our home markets. Different countries have different payment terms, in some locations forms of payment that we would consider old-fashioned – such as bills of exchange – are accepted. Of course no-one considers it necessary to adapt their payment terms to suit those of the foreign service provider.

Debt recovery is a touchy subject

Usually companies prefer to handle credit control centrally via their head office. When using a central ERP system with inventory management, this appears at first glance to be the most effective and efficient method. And yet it

brings with it also the need for debt recovery and collection procedures. There is no other area of the business where more client sensitivity is called for than in debt recovery: in some countries reminders are sent within two weeks, while in others no written reminders are ever sent at all. Here the acceptable process is to simply call and remind tardy clients of their overdue balances.

Cash flow according to regional requirements

It is our responsibility to bring our clients' liquidity requirements in line with the payment policies of their clients abroad. There are various ways to achieve this: factoring or invoice discounting are only two possibilities of many. We will tailor the right solution for your needs.

“Breaking into foreign markets is not a core competency of most companies. And making it even more difficult is the fact that not only functional issues but also language and attitudinal barriers need to be overcome.” (PETER ANTERIST)

South Africa, Nelson Mandela Bridge, Johannesburg

ALL THIS AND MORE IS **WHAT WE HAVE TO OFFER YOU**

GOING THE EXTRA MILE

- ☐ VAT refunds
- ☐ Double Taxation Agreements
- ☐ Transfer pricing
- ☐ Corporate structure
- ☐ Export assistance
- ☐ International franchising
- ☐ Accounts receivable management
- ☐ IP protection
- ☐ Strategic marketing consulting

Over and above the “classic” portfolio of services, InterGest provides comprehensive and competent support in all aspects of international business.

May we offer you a little more?

The requirements in the export business are as varied as the global mix of cultures, languages and traditions. Often when setting up an export business, specific questions arise which cannot be resolved by following standard procedures. This is where our local experts come into their own and use their specialised knowledge and experience to help in resolving even the most complex of issues.

A holistic approach

Our primary objective is always to view the situation from a number of angles, to evaluate and then to take appropriate action. This is the only way to manage the complexities of the international business in a flexible and focused way – pre-empting problems.

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Clichés are often laughed at, but should not be underestimated in terms of their relevance. So, for example, in Namibia never call a meeting before it is set to rain. As soon as the first droplets fall, the locals drop everything to celebrate the blessings from above with dances and a family picnic. Many southern Europeans are very protective of their lunch break. In France it is taken from 12.00 to 14.00. During these two hours nothing happens, except lunch; and not a word of business is discussed then either.

Italy, Milan, Piazza del Duomo

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country flyers, regional investment
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