



# A NEW NORMAL IN THE REGULATORY LANDSCAPE FOR FDI

And how investors can  
successfully solve that Rubik's Cube

SEPTEMBER 2018



## Preface

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In autumn of 2017 we wrote a report on the emerging regulatory landscape for investment control. Today - not yet a year later - our forecasts did not just come true, but they have been exceeded.

The social, political and regulatory environment for foreign investments has become much tougher - and sometimes seems like an almost impossible Rubik's Cube.

In the US, CFIUS is being given much more power, while discussions are ongoing at the European level about introducing a framework to allow scrutiny of FDIs across the EU. In the UK, the government is looking to dramatically expand its involvement in screening investments. In France, public authorities' prerogatives are about to be significantly strengthened, and violations severely punished. The German government intervened to prohibit a transaction for the first time and plans to lower the threshold for intervention. And China? Is it really becoming more open?

Attitudes towards foreign investments have changed from fundamentally positive to fundamentally negative in the Western Hemisphere. We call this the "New Normal". It is no longer sufficient to place trust in the financial sense of a transaction for it to succeed, as the socio-political context plays an increasingly central - and un-neglectable - role.

Despite these developments, our experts in Washington, Brussels, Berlin, Paris, London and Beijing still see good chances of leading a transaction to success - if the broader environment is taken into account and addressed accordingly.

We look forward to exchanging thoughts with you on how to solve the Rubik's Cube.

## PROTECTIONISM IN TIMES OF GLOBALISATION – A MISMATCHED PAIR

The anxieties resulting from the speed of technological change coupled with an almost incomprehensible web of globally flowing goods and capital has led to globalization fatigue. Especially industrialized Western nations have increasingly found themselves tempted to flirt with the attractiveness of demonstrative action inspired by protectionism and nationalism.

At the centre of the public debate are seemingly uncontrollable multinationals that are deemed to roam the world wielding great power and “bending the rules in their favour”. As a reaction, politicians are overcompensating for these negative sentiments by introducing measures that miss the balance between entrepreneurial freedom on the one hand, and rights of intervention on the other.

### **I. Seeking control over foreign direct investments becomes a weapon for economic border protection**

The waning belief in borderless global capitalism has led to counter-reactions that remind of political and economic nationalism. While customs duties and border walls are obvious measures, political involvement in investment controls has become a very popular instrument to attempt to regain lost control and signal (government) determination. It promises simple and graspable solutions (“stopping the sell-off of the domestic economy”) for complex causalities, such as the shift of power dynamics through global capital flows. Investment control is intended to address one of the core concerns of protectionism – namely to cement the economic status quo – by stopping questionable capital inflow at the border. The current rules-based and open investment regime is being pushed right to the limit.

### **II. Investment control as an “instrument of war”**

Albeit an exaggeration, the validity of this thesis becomes all the clearer the more the motive behind investment control moves away from establishing reciprocity in trade relations, to legitimising unilateral economic policy. President Trump justified the tightening of CFIUS, the US instrument for investment control, by citing the need to take action against “predatory” investments intended to “threaten” US leadership in technology, national security and future prosperity.

In a global “everyone against everyone” playing field, governments seem engaged in a retaliatory zero-sum game of introducing national intervention mechanisms. They are attempting to seek influence over mergers and acquisitions by foreign companies that threaten perceived or actual national interests. Investment control procedures – for decades only used in very exceptional cases – have become the regular instrument du jour in global political disputes.

### **III. Everything is software, everything is critical**

Another development adds a layer of precariousness to inbound investments: Economic goods are increasingly intangible due to the global and unimpeded flow of data – and this trend is sure to grow in the future. Take for example a steel plant in Germany’s

Ruhr area – the former heart of the European heavy industry – back in 2001: it had to be dismantled, placed into 4,000 freight containers, and shipped overseas only to be reassembled abroad. Nowadays, benefitting from embedded technologies and gaining access to the “heart” of another country’s economy is just a mouse click away.

Of course, the trend of digitalisation has not escaped the attention of political actors and has been cleverly leveraged in investment control stipulations. Indeed, some jurisdictions have defined software and cloud solutions as critical national infrastructure worth protecting against foreign investments. Does such a provision tee up a precedent that justifies banning almost all transactions? After all, what is not software nowadays?

### **A “New Normal” requires a “New Deal for Investors”**

Given the above trends, investors are faced with complexities and completely changed environments in formerly predictable jurisdictions. There is a reversed burden of proof that we call the “New Normal”: the onus is on investors to justify the purpose and added value of their investments, as capital injections are increasingly accompanied by a dose of scepticism from external stakeholders.

### **New Deal**

The political winds have changed in the countries that have traditionally propagated the benefits of free trade, and governments have assumed a role in transactions that goes beyond the formalized processes of the past. The pivotal element of the debate is China, which in turn is in the process of credibly opening up to foreign trade, equal treatment of foreign companies and loosening its own very rigid FDI legislations.

In light of the “New Normal”, investors in the West have to revise their approach if they want to avoid heightened political scrutiny. Not only is FDI perceived with more scepticism, but investors must also anticipate scenarios where an investment can be torpedoed. It will become increasingly difficult for foreign investors to invest in companies – let alone taking them over completely – that are deemed to be of critical interest. This will hold even more true if the exclusive rationale behind a transaction does not go beyond creating shareholder value. In China on the contrary, investing in sectors that are deemed growth and development areas will encounter less scrutiny than it used to.

When planning a cross-border transaction, it is therefore indispensable that investors take the following aspects into consideration:

1. Bid farewell to the notion that the general political attitude is overwhelmingly favourable towards any inbound FDI. Investors all over the globe will have to persuade with arguments that go beyond the strategic rationale and industrial logic, by for instance highlighting the social value of a transaction for the respective country they invest into.
2. Prepare for politicization of transactions even beyond the buyers’ control – vulnerabilities might be exposed, sensationalized and scandalized.
3. Expect prolonged scrutiny processes in the financial structure of your deal from the very beginning when investing in Europe or the United States.



**THE NEW  
NORMAL  
REQUIRES  
A NEW DEAL  
FOR  
INVESTORS**

## EU

### Key developments

The openness of European markets coupled with the attractiveness of its firms have led to the EU being the number one destination of FDI in the world. However, as the EU cautiously closes the door on a decade of economic distress, systemic underinvestment, and government programs to offload state assets, new challenges are emerging that could test the EU's free market principles.

In recent years, the inflow of investments has been accompanied by a surge in acquisitions of European companies operating in sensitive sectors, including robotics, energy and telecoms, led prominently by opaque and deep-pocketed Chinese companies that enjoy strong links to Beijing. The "Belt and Road Initiative" and the "Made in China 2025" strategic plan have triggered additional fears that China is trying to gain influence in Europe in ways that go beyond traditional industrial means.

Hence, the European Parliament's push for even stricter rules than laid out in the Commission's first draft proposal on screening FDI is an indication that the elected representatives at EU level feel the pressure to better protect European technological know-how and industrial jewels. In light of the US' blockade mentality towards investments from China, even more Chinese capital is likely to flow into the EU.

### Foreign direct involvement?

Only about a dozen EU countries currently have review mechanisms in place, and the EU is the only major economy that does not have FDI screening procedures in its armory. While demands for European action are grounded on sincere concerns, they are consistent with an increasing zest for adding political weight to business considerations.

For instance, the EU wants to strengthen WTO rules on industrial subsidies and state-owned enterprises, and increasingly calls on third countries to grant European companies better market access, and accord them the competitive conditions home companies enjoy in Europe. Indeed, major European member states have recently all demonstrated a willingness to politicize transactions – cited the lack of reciprocity between China and the EU as an argument for the need for EU-level screenings and could use it as an instrument to fight for trade reciprocity.

The relatively modest ambitions of the Commission's proposal highlight the dynamics within the Union. The Commission – in its role as the bloc's executive – is called upon to ensure Union Interests are protected, but at the same time, Member States are unwilling to relinquish decision-making powers or make concessions that veer even remotely close to affecting national competences or interests. Materially therefore, whatever outcome is agreed on the proposal, any substantive changes and effects will be felt primarily at national level.

## THE EUROPEAN COMMISSION'S PROPOSAL

- Establishing basic substantive, timing, and procedural frameworks that enhance cooperation and coordination that allow Member States and the Commission to vet foreign takeovers on grounds of security and public order.
- Non-binding comments may be issued on transactions that cover an expansive range of strategic sectors: 1) critical infrastructure, 2) critical technologies, 3) the security of supply of critical inputs, 4) access to and control over sensitive information.
- Inter alia, Member States may consider screening an investment if an investor is controlled by a third country government and ask investors to make available information on the ultimate controlling power behind the foreign investor, as well as funding sources.
- Member States will neither be required to adopt FDI screening mechanisms, nor be stripped of having the final say over transactions.
- Individual investors will have the possibility to seek judicial redress.

## FRANCE

### Key developments

Following the standoff between France and GE for the acquisition of Alstom in 2014, then Minister of Productive Recovery Arnaud Montebourg strengthened existing legislation to allow for blocking investments (Montebourg decree). However, the responsible Ministry of Economy (dubbed "Bercy") has still officially never used this text to block an investment. Against the backdrop of a wave of buyouts and cases like Dailymotion, Club Med, PSA and Yoplait, Prime Minister Édouard Philippe has asked Minister of the Economy Bruno Le Maire to further protect key economic sectors and extend the scope of application of the Montebourg decree.

Extending the existing decree to digital businesses, AI, and space will take place in the wake of the parliamentary works on the PACTE bill. The PACTE bill has been under examination by the National Assembly since September and aims to increase the role of the government in scrutinizing FDI. The efforts seek to significantly strengthen public authorities' prerogatives. The monitoring of investors' commitments will be reinforced with the implementation of a regular external audit and potential sanctions (that can comprise a financial penalty amounting to twice the amount of the irregular investment, or even be prison sentence of up to 5 years) will be imposed in the event of non-compliance. The government also plans to expand the tools at its disposal by introducing a "golden share".

According to the new rules under examination, the Ministry of Economy will have the power to interfere with the negotiations depending on whether the "preservation of national interests" can be obtained, or when a foreign investment targets a strategic sector. Bercy will then assess whether there is a takeover or if the threshold of 33.3% of the capital (blocking minority) is exceeded.

### Political drivers

In 2005, in the aftermath of rumors that PepsiCo was interested in making an offer for French agri-food flagship Danone, Dominique de Villepin, then Prime Minister, introduced the concept of "economic patriotism" into the political toolkit. A decree quickly followed attempting to protect strategic sectors such as defense, private security and ICT security. The concept of economic patriotism has underpinned FDI activities ever since. For the government, the challenge is to preserve French technology from foreign appetites. Although foreign investors are more than welcome, they must now obey certain rules much to the chagrin of French digital businesses, which remain opposed to the extension of the 2014 Montebourg decree.

### What does it mean for investors?

As a result, the discussed regime leads to a case by case assessment and discretionary scrutiny. In practice, it is above all a question of interpretation of the texts on the activities concerned and the notion of strategic or national interest. This surely causes a problem of transparency for investors and legal uncertainty for their project. Yet, the government wants to ensure the decree is not intended to reduce foreign investment, but to give the State a scrutiny right over investment, redemption and M&A.



## GERMANY

### Key developments

Germany, traditionally one of the most vocal proponents of free trade, has welcomed foreign investments unreservedly for decades. Accordingly, the Außenwirtschaftsgesetz (AWG), Germany's FDI control regime, had been more of theoretical than practical relevance for foreign investors outside the defence sector. That fundamentally changed with a reform of the law in 2017, which widened both the scope and time-frame of investigations. Said amendment was another step in a remarkable shift in FDI policy over the last few years. Today, whether a transaction goes through or not is no longer a procedural question, but increasingly a political one. A notion mirrored in the case of Leifeld, where the AWG showed its teeth: In August, for the first time, the Federal Government authorized a prohibition decision against the intended acquisition of *Leifeld Metal Spinning* by *Yantai Taihai*.

In addition, the government has taken creative steps to avoid investments that raise their concerns: In July, the state-owned bank KfW stepped in to prevent *China State Grid* from acquiring a 20% stake in the high-voltage grid operator *50 Hertz*.

However, evidence of the willingness to politicize FDI goes beyond unprecedented measures in individual cases but can be materially seen in legislative action. The Ministry of Economy has presented a draft for another amendment to the AWG that lowers the threshold for reviewing an acquisition from 25% to 15%. Even a fund is being considered that could step in as a white knight investor in the event of political opposition to a transaction.

### Political drivers

This change in approach is not driven by electoral politics but is the result of a more fundamental policy shift due to a more realistic approach to international economic relations. German policymakers have realized that domestic businesses face a pivotal competitive challenge given the uneven nature of the international economic playing field and the strategic policies pursued by other countries. This trend is fuelled by digitization and industry transformation. Hence, the Federal Government specifically aims to hinder investments supported directly or indirectly by foreign governments – inexplicitly pointing at China.

While advocating for a rules-based international trading order remains a key policy objective, Berlin attempts to adopt a more strategic policy to safeguard its interests. In the words of the former State Secretary in charge of foreign economic policy, “while we remain open, we mustn't be naïve.”

### What does it mean for investors?

Foremost, investors should be aware that every takeover has the potential to be politicized – especially if the investor is state-backed. The sector is almost irrelevant, especially given the – intentionally – open definition of what constitutes national security and public order. Additionally, in the era of digitalization, everything is software-based and thus potentially critical. Hence, FDI control has to be prepared no less diligently than, for instance, the antitrust stream.

**“WHILE WE  
REMAIN OPEN,  
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BE NAÏVE.”**

## UK

### Key developments

After a two-year gestation, the UK Government published in July 2018 the National Security and Investment White Paper, proposing to dramatically expand Ministerial involvement in screening investments – and introducing significant uncertainty and no little complexity for investors.

In attempting to balance maintaining the openness of the UK economy to investments with addressing national security risks, the UK is for the first time introducing a screening regime

- that relies on voluntary notification; provides Ministers with wide-ranging intervention powers across virtually the entire economy
- introduces an investment screening regime that does not entirely dovetail with the (competition-based) merger control regime
- that draws not only international and EU acquirers but also potentially, even UK acquirers, within remit.

Ministers envisage an investment screening process that covers not only merger situations, but also where changes in control take place outside of a merger (i.e. increase in shareholding or assumption of a board seat). The proposals do attempt to provide some certainty for investors through an ambitious timetable for screening notifications (15–30 working day initial "stage 1" review with additional 30–75 working day "stage 2" review if required) and attempt through a Statutory Statement of Policy Intent to provide clarity with outline guidance on where notification is likely to be required.

### Political drivers

A reform of the UK investment screening regime has been in progress since the Hinkley Point C episode in 2016 but there are deeper underlying trends that have driven this move:

- Sharpened Sino-scepticism since Theresa May became Prime Minister, having previously been the longest-serving Home Secretary in a century (with all the exposure to the security and intelligence services that role entailed)
- Economic nationalism driven from the right by populists seeking to "take back control" through Brexit and from the left by a radical Labour Party adopting the most interventionist economic platform seen in many decades
- Response to foreign investment screening tightening across G7 economies

**What does it mean for investors?**

While the White Paper proposals will require parliamentary scrutiny and are unlikely to be operating until 2020, sectors identified in the Statutory Statement of Policy Intent as representing a risk under this envisaged future regime, have laid bare the current sensitivities of Ministers that are likely to initiate interest under the existing Enterprise Act 2002 provisions. It is reasonable to assume that sectors such as communications, transportation and energy infrastructure will receive Ministerial scrutiny under the existing regime if notifiable mergers, but also emerging technologies such as artificial intelligence and machine learning, autonomous robotic systems, cryptographic technology and nano-technologies.

Should the proposals for reform be approved, there will be very significant onus on investors to engage in early dialogue with the UK Government at multiple levels, to ascertain not only the likely need to notify, but to provide clear explanations as to their intentions, and given the ambitious timetable for completion of the screening review, begin quickly to consider whether remedies might be necessary.

## US

### Key developments

Over the course of the last year, the Department of Treasury's Committee on Foreign Investment in the U.S. (CFIUS) was guided by a more expansive view of national security in evaluating a number of transactions. CFIUS reviews under Trump administration evidenced a more expansive view of national security, including the blocking of *Lattice Semiconductor* acquisition and preemptive order prohibiting *Broadcom's* hostile takeover of *Qualcomm*.

Additional concerns were provoked when the Department of Defense issued a report highlighting China's strategic goals in building its technology sector and stating that Chinese investment in American startups has been the product of direct prodding by government authorities.

While the CFIUS process became more restrictive in practice, new legislation was passed that will ensure that the U.S. will be less welcoming to foreign investment in sensitive technologies across a range of industries for the foreseeable future. The Foreign Investment Risk Review Modernization Act (FIRRMA) signed into law this summer constitutes the most significant reform to the operations of CFIUS in the last decade.

FIRRMA widely expands CFIUS's authority to review a wide range of transactions, including foreign entities' minority-position investments through venture-capital funds; real-estate transactions (including purchases, leases and concessions) near sensitive U.S. facilities, including airports and seaports; and transactions that involve critical technology or infrastructure.

The negotiations over the final text of FIRRMA pitted those with national security concerns against those seeking to preserve an open investment environment, while the latter camp ultimately backed down on many points in deference to the President and Vice President, who expressed public and private support for a more empowered CFIUS.

### Where are we headed?

Following FIRRMA, widely considered the most significant changes to the CFIUS regime in over a decade, the bar is unlikely to change significantly in the short- to medium-term. CFIUS has an expanded remit and therefore more transactions fall under its purview. CFIUS now has strengthened authorities; Congress will be watching to ensure that they are used. The Executive Branch will now begin to promulgate regulations that will further define the scope of FIRRMA's reforms to the CFIUS process.

### What does it mean for investors?

- **Tread carefully.** FIRRMA will significantly alter the operations of CFIUS, but the full scope of the process changes will not be clarified until subsequent regulations are issued. In the interim, prospective foreign investors in the U.S. should proceed with caution.
- **Consider the impact of a transaction on U.S. critical infrastructure and critical technology.** Certain foreign JV partners and a wider range of fields previously considered to be outside CFIUS' jurisdiction will create heightened political risk. The broad definition of national security, critical infrastructure and sensitive technology arms competitors with ample rhetorical firepower to frame the transaction negatively.
- **Plan for longer reviews.** CFIUS currently undertakes an initial 30-day review, with the option to undertake an additional 45-day investigation. FIRRMA extends the review period to 45 days; retains the optional 45-day investigation; and authorizes CFIUS to extend an investigation for one 15-day period under "exceptional circumstances." This extends the maximum length of a CFIUS review process from 75 to 105 days.
- **Establish identity and brand early – and consider the "New Normal" for foreign investors in the U.S.** Build a credible narrative that anticipates and counters protectionist sentiment, security skeptics and/or outright public hostility. Identify the government officials, opinion leaders and media outlets that will shape the dialogue and engage as directly and as openly as possible.

#### FIRRMA IN A NUTSHELL

For the first time, CFIUS will be granted the ability to review investments of any size in sensitive U.S. businesses even though they may not result in control by a foreign person. The new review threshold includes any investment that allows a foreign person access to any material non-public technical information in the possession of the U.S. business; board membership or observer rights; or any involvement in substantive decision making (other than voting shares) regarding critical infrastructure, critical technologies or sensitive personal data of U.S. citizens.

Further, FIRRMA defines "U.S. business" very broadly to mean "a person engaged in interstate commerce in the United States" thus giving CFIUS the ability to review an acquisition of any business anywhere in the world if that business provides goods or services into the United States.

While FIRRMA does not create a "black list" or explicitly target investment from specific countries, it does mandate the drafting of a comprehensive report on Chinese investment. Conversely, while FIRRMA also does not create a "white list," it provides a pathway for short-form declarations that may allow low-risk transactions to be cleared within 30 days.

FIRRMA establishes statutory guidance for determining which foreign investments are truly passive and not subject CFIUS jurisdiction, particularly where ambiguity previously existed regarding a limited partner's participation in a fund through a committee or advisory board. Passive investments managed exclusively by a general partner that is not a foreign person and does not grant control over decision-making or access to material nonpublic technical information to a foreign person are exempted from CFIUS review.



**“WE ARE WILLING TO  
USE PRACTICAL  
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(...)”**

## CHINA

### Key developments

Since in 1978 then-leader Deng Xiaoping initiated China's era of "reform and opening up", China continues to declare it is gradually opening-up to foreign companies and investment. However, reality shows that China's intention to reform is a long process. As for the present moment, increased nationalism on the global scale mixed with China's own ambitions have shifted the process into a period of policy-driven growing pains.

The intention for China's opening-up 40 years ago was to foster development of domestic enterprises by giving them the opportunity to learn international best practice and acquire advanced technology.

Today, foreign firms often criticize that the playing field with Chinese competitors is uneven. In response to complaints that conducting business in China today usually includes slow processes and hurdles at various levels of bureaucracy the Foreign Chambers in China have put together strong policy notes and themed working groups to address operational challenges. With mixed success.

At the same time the US and China have engaged in a power struggle resulting in unprecedented tariffs and European economies have tightened legislation to counter Chinese FDI.

In the current complex state of affairs, President Xi Jinping has made a series of strong statements to underline his country is on the track in the process of opening up, starting with Davos 2017 and very recently in conversations with U.N. Secretary-General António Guterres in September 2018:

**"We are willing to use practical actions to drive all parties to jointly adhere to trade liberalization and facilitation and build an open world economy."**

Underscoring the announcements, Beijing updated its so called-negative list for nationwide foreign investment and cut the number of items to 48 from 63. It detailed opening-up measures in several sectors, e.g. finance, transportation, manufacturing.



### Where are we headed?

**From the repeated political statements towards opening, we interpret that Beijing will continue the reform road map – but expect Beijing to remain in the drivers' seat about its reforms.** This can be seen in the fact that the specific FDI reforms or their pacing may not match Western expectations. Plus, Beijing will have to strike a balance between a stable monetary and fiscal policy, deleveraging and implementing long-term structural reform and curing uncertain economic trajectory and the trade war with the US.

**There is no change in the fundamental ideological difference between China and many of the Western economies.** China would not shy back when it comes to its own interests. Industry policy campaigns might not be communicated as loudly anymore – but the show will go on. The government will continue to support industry players to foster the domestic innovation. In the future, we will see even more push for technology sharing, rigorous industry policies and enforced competition between MNCs and local industries in strategically important and innovative sectors, such as artificial intelligence, blockchain, new energy vehicles, advanced manufacturing, medical devices, and information technology. Outbound FDI can play a role, where it helps reducing dependence on foreign technology to the benefit of the local.

### What does it mean for investors?

The Chinese government will appreciate corporates who demonstrate concrete China ambitions. Corporates are increasingly advised to invest in strategic and proactive government affairs. This will not only reduce the administrative hurdles, but also generate many other tangible and intangible benefits. To this point, foreign investors' narrative and corporate positioning to align with China's plans has become more important than ever. This applies to new investors and established MNCs alike.

#### EXEMPLARY RESULTS OF THE NEW LEGISLATION

One concrete result of the newly released legislation was the joint venture rule in the manufacturing industry which removed the 1990s requirement that operations in the country had to be at least 50% Chinese-owned. However, many firms and especially the large OEMs have stated they will stick to the previous set-up as relationships are strongly intertwined and well-established; simply, these ventures will not be dissolved short-term.

A second example comes from the financial sector, which eased off the cap on foreign ownership of local banks and asset management companies. This change allowed foreign banks more flexibility in managing their China businesses and gave them more access to a broader range of products and services. Several large western banks, insurance companies, asset managers and rating agencies have sought to take advantage of this development and have been exploring ways to expand their businesses and relationships in China as a result.

Before a deal, foreign investors are well advised to do a “communications’ due diligence” and meticulously check what is out there about them. When it comes to communicating successfully in China it is not only about financial success and business scale, but also about integration into and expertise of the China market. A narrative linked to how FDIs may positively impact the domestic industry, capitalize international opportunities or develop sustainable solutions for China will resonate well with the local audience.

#### KEY CHANGES OF THE NEWLY INTRODUCED PROCESS

In 2017, China has released and updated its foreign investment regime and unified earlier legislation. Key changes are as follows:

- Foreign and domestic M&A are treated under the same processes
- The new “Catalogue for the Guidance of Foreign Investment Industries” defines two categories of industries: encouraged FDI (which does not need further approval) and a negative list, which defines restricted and prohibited categories, e.g. satellite broadcasting, radio and video on demand services and internet-based news and information services
- M&A of domestic companies and strategic investments in listed companies by foreign investors are subject to a record-filing process. It can be done online and has been cut to three days, compared to 20 days formerly.
- The application process has been simplified and the number of materials needed has been reduced.
- M&A between affiliates has been explicitly excluded from the regulation and is still subject to approval from Ministry of Commerce.

## ABOUT THE GLOBAL PARTNERSHIP

**Hering Schuppener Consulting, Finsbury** and **The Glover Park Group (GPG)** have formed a strategic partnership. With 16 offices and more than 500 consultants, these three market leaders have created one of the very few global platforms for integrated strategic communications advice, providing clients with sophisticated counsel and seamless execution, regardless of geography. The firms have advised on nearly 1,500 transactions with a total value of more than US\$ 2 trillion in the last 10 years alone. With a total of 74 accompanied mergers and acquisitions with an overall volume of around USD 293 billion, the experts for the first half year of 2018 hold the top positions in the global, European and German M&A rankings.

In February and April 2018, **Image Sept** and **Fogel & Partners**, the leading independent communications advisory firms in France as well as in the Nordic region, have joined the Global Partnership of Finsbury, Glover Park Group (GPG) and Hering Schuppener as Associate Partners.

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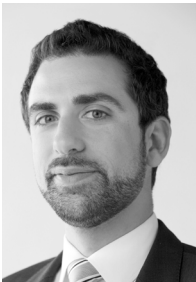
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