

**SUMMARY OF WORKSHOP „CROSS-ATLANTIC BUSINESS  
RELATIONS“  
HELD AT THE GGI ANNUAL CONFERENCE  
NYC, OCTOBER 28, 2006**

There were 8 participants at the workshop: Dr. Miguel Mantelli, Brigitte Jakoby, Stanka Andrakovic, Philippe Bonnefous, Michaela Thalhammer, Fabio Soldati, Wilhelm Ziegler and Sussanne Peticolas. Upon initial introduction of each participant a case to be analyzed and discussed was presented.

Case was as follows: A multinational, but New York City based, pharmaceutical company, listed on NYC stock exchange (NYC pharma) targeted a European (with several offices in 5 European countries with main operations in Germany) contract research organization (CRO) with the ultimate purpose of acquiring 100% of shares of such CRO. CRO has 5 shareholders, all individuals coming from Russia, USA, UK, Italy and Bulgaria. The CRO has 200 employees, citizens of 10 different countries working in offices across Europe. The CRO's shareholders (all of them) are interested to sell and there is an LOI signed by the NYC pharma and the shareholders of the CRO but no serious negotiations have begun yet. The NYC pharma is about to initiate due diligence process. The NYC pharma plans to keep the key personnel of the CRO, but intends to make strategic decisions from their headquarters in NYC.

Several issues were raised by the participants prior to discussing the case itself:

1. What are „Cross-Atlantic“ business relations? It was pointed out that „Cross-Atlantic“ includes the Central & South America, and not just the USA and Canada on the other side of the Atlantic. It was determined that this fact makes it more difficult to analyze the differences in doing business, since it adds a different perspective.
2. It was emphasized that there are several different possible angles to look at the topic „Cross-Atlantic“ business relations and that the one proposed and discussed was only one possible way of looking into this. Additional angles (not discussed at this specific workshop) include: how can GGI members facilitate the Cross-Atlantic business relations among themselves and the immigration issues (moving the employees across the Atlantic).

After these preliminary observations of the participant an analysis of the case was made in an attempt to determine whether doing business across the Atlantic made the transaction more difficult, challenging and complex.

The following conclusions were made:

1. The language, the time difference and the different legal systems definitively make the transaction across the Atlantic more challenging. The levels of the difficulty will vary depending on the specific countries involved (e.g. business relations USA – UK encounter less difficulties than, e.g. USA – Italy or Germany or France), on the type of

the transaction at issue and the type of services offered (i.e. lawyers will involve different level of difficulties than accountants or consultants).

2. It is important to engage local experts or consultants whenever possible, since this may significantly facilitate the transaction across the Atlantic.
3. One has to think „outside of the boxes“ and always inquire to what level the way of doing business in a specific country is actually understood and considered.
4. Communicate, communicate, communicate! This approach significantly reduces the level of difficulties.
5. It was finally suggested that next workshops could possibly entertain other aspects of „Cross-Atlantic business relations“.

In Zagreb, on this 9th day of November, 2006