



Market Entry

A “turn-key” solution to achieve quick and efficient market entry for your funds in multiple jurisdictions simultaneously. A fully project managed market entry solution utilising the expert local knowledge of our integrated global network, all deeply experienced in cross-border fund distribution.

Challenges

After determining the target jurisdictions, your funds need to gain market entry as quickly and efficiently as possible. The local target investors and the distribution channels selected will, country-by-country, determine the entry process to enable distribution. Market entry may involve distribution via private placement to access institutional investors or full public distribution.

Local distribution often involves a prior “notification” or “registration” with each local regulator, unless “private placement” is available and effective. Obtaining authorisation for distribution in numerous host markets simultaneously is, for the most part, a complex and time consuming process that can involve the use of significant resources. Robust organisation and experience is essential to achieving efficient market entry.

In today’s competitive search for investors a key challenge is to ensure your market entry process is efficient and effective so as to minimise time to market and the use of your internal resources. Single firm, effectively delivered expert local knowledge of current regulatory and administrative market entry practices will result in efficient multi-market access whilst reducing your internal resources.

PwC Solutions

GFD **Market Entry** is your single firm “turn-key” solution for rapid multi-market entry. The **Market Entry** module ensures that your funds quickly gain effective entry in the various target markets selected, according to the investors and distribution methods chosen. Our **Market Entry** module operates so that your internal resources are minimised whilst all entry requirements are satisfied.

Being a “turn-key” solution, the **Market Entry** module includes all aspects of accessing a local market. Moreover, the entire market entry process is fully project managed through a single contact within the central GFD team. Your central team contact will prepare a comprehensive “entry-plan” for each market chosen.

Each plan details each step in the market entry process, including the documents and information required, the approximate time to complete and the likely costs. The plan allocates various responsibilities.

The entry requirements and processes are different in each jurisdiction. Therefore, our market entry plans are tailored both to each respective target market and, importantly, to your specific work processes, available resources and requirements.

Each specific “entry-plan” would generally include:

- Current local regulatory and administrative practices for market entry;
- Required type and format of fund documentation to be submitted;
- Language translations required and/or best market practices;
- Local marketing documents to be prepared, e.g. local addendum to the prospectus or marketing plan;
- Local entities to be engaged and their role;
- Details of any specific local issues regarding the authorisation process;
- Fees to be paid to the local regulatory authority;
- Realistic timetable for achieving each step of the entry process, based on the structure of your fund platform and the most recent authorisations we have performed.

The key to quick and efficient market entry for cross-border funds is deep local market knowledge and experience, especially as many local regulators constantly change and modify the requirements for local distribution.

In each jurisdiction, our expert local regulatory and/or legal team will prepare the application for local authorisation based on their extensive knowledge of the regulatory framework, the administrative practices currently operating in each jurisdiction, and their strong ongoing relationship with the local regulatory authority.

The extent of work by our local team to gain market entry will depend on the characteristics of your fund, the proposed local distribution strategy and specific regulations and practices. However, their work will often include the preparation of a local addendum to the prospectus, a local marketing plan or a description of the planned marketing arrangements of your fund.

Our team will liaise with the local regulator to ensure the application file submitted is complete, including any additional information required or questions and then confirm when authorisation granted. We will then formally advise you when authorisation is achieved to commence marketing of the fund.

As the market entry process for all jurisdictions will be fully coordinated by our central GFD team, including all processes by each local GFD team, the central team will directly liaise with you, (and your other service providers if you so wish), to ensure that you have a single contact for all aspects of the market entry process across all jurisdictions.

Business case

The issue

A well known fund promoter, based outside of Europe, wished to launch a global distribution strategy initially encompassing seven EU jurisdictions, Switzerland and Chile. Additional jurisdictions would be added in a second stage. The promoter had very good performance with their domestic fund range and they wished to replicate this in a cross-border UCITS strategy. A number of institutional and high net worth investors in several target jurisdictions were keen to place money in the fund and thus speed to market was absolutely critical. A key issue was whether to target EU countries first or Switzerland or all at the same time. The promoter had a European subsidiary office with limited resources and required maximum assistance.

Our approach

To determine the optimal approach, the central GFD team conducted initial client meetings, (product development, legal, fund accounting and reporting, marketing), to precisely understand their short and medium term objectives and overall strategy priorities and constraints. Further discussions focused on where potential investors were located, selected local distribution partners and the objectives of the clients in-house sales team. We then developed a tailored service offering based on our Market Entry module, specific to their requirements and key objectives. We also provided the Market Reporting and Market Publication modules for a complete solution.

The solution

The market entry process commenced in Switzerland, (due to specific regulatory constraints). At the same time the UCITS was privately placed in three EU jurisdictions to capture the existing target investors. After the Swiss registration part was completed, full market entry in the remaining jurisdictions commenced. Market entries were achieved within the original tight deadline. The entire market entry process was project managed by the GFD central team, with some local team experts joining weekly client meetings on an ad-hoc basis as required. The client was able to follow the market entry process on-line through the "Registration Dashboard". This on-line feature of our Market Entry module was of great benefit to the client, especially the product development and sales team and those based outside Europe.

For further information, please contact:

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