

Case Study: Brazilian Consumer Credit

Client: Emerging Markets Hedge Fund,
San Francisco, USA

Client Opportunity: Fund exploring a range of investments to take a position in the Brazilian consumer credit sector.

Questions from Client: Scouting potential portfolio investments in the sector. What is the track record of major consumer credit providers thus far? What new strategies are they introducing given results from pilot programs? What government regulations impact the sector and how do they impact the strategy of existing players? How are consumers reacting to new credit options?

Products Provided to Client: Analytical memo; follow-up "Watchlist" bullets with weekly developments; direct client-expert email conversations via ExpertConnect.

Experts Engaged: Multiple experts in Sao Paulo, Brazil.

Turnaround Time: Two weeks, follow-up within days of subsequent client requests.

Summary Answers: Existing providers are restructuring their offerings, including offering access to an array of insurance options along with credit. Due to government regulations, firms are creating their own banks instead of solely partnering with existing banks. A lack of consumer credit options is driving demand in branded retail credit offerings, with a strong interest in long payback periods.

Outcome: Foglamp information incorporated into fund strategy.



Case Study: Chinese Medical Equipment Manufacturing

Client: Emerging Markets Hedge Fund,
Arlington, Virginia, USA

Client Opportunity: Fund exploring investment
in Chinese medical equipment manufacturer
serving the domestic Chinese market.

Questions from Client: How is medical
equipment procured in the Chinese
healthcare system? What role do hospital
administrators play? What is the role of corruption and kickbacks?

Products Provided to Client: Analytical memo, with Q&A follow-up.

Experts Engaged: Lead expert in Guangzhou; peer reviewers in Shanghai.

Turnaround Time: Three days.

Summary Answers: Sales and distribution are handled by domestic agencies and agents who have personal relationships with hospital administrators. Kickbacks are common in hospital equipment procurement; administrators prefer high-quality equipment but kickbacks are also expected. Recent kickback scandals have been reported in the media but are considered to be just the tip of the iceberg; no broad regulatory action has been taken. Foreign firms that have established their own sales networks independent of local agents have failed.

Outcome: Foglamp information incorporated into fund strategy.



Case Study: Ethiopian Oil Services Investment

Client: Emerging Markets Private Equity Fund,
Washington, DC, USA

Client Opportunity: Fund exploring taking an equity position in a Chinese-run oil field services firm in a conflict-prone region of Ethiopia.

Questions from Client: What is the background of the conflict in the region where the firm operates? What are the dynamics on the ground? Are regional political actors engaged in the national political system? What is the reputation of the partner who brought us the deal?

Products Provided to Client: Analytical memo addressing client questions; follow-up Q&A with in-country experts based on the memo.

Experts Engaged: Multiple experts in Addis Ababa.

Turnaround Time: One week; follow-up Q&A in two days.

Summary Answers: The regional group generating unrest is marginal, and the mainstream players in the region are engaged with the national political process. The company has a good reputation with multinational clients, and has approached operations in Ethiopia with caution. The local partner is known to be an above-board player.

Outcome: Foglamp information incorporated directly into presentation to client's investment committee.

