Managing Risk, Not Avoiding It: Strategies for Risk Mitigation

Initial Steps & Basic Strategies, with a China Focus

September 17, 2013
Raleigh, NC

Louise Kern
Managing Director, GLOBIS
What does GloBIS do?

Fortune 500 quality at SME prices in standard American English

Global Business Information

- Business Credit Reports
- Due Diligence Everywhere
- Site Visits
- Background Checks
- Import/Export Data
- Market Research

info@glo-bis.com • 1.877.GLO-BIS8 • www.glo-bis.com
Warning signs of a Chinese Email scam

- The Chinese company contacted you off the Web.
- They have “Import/Export” or “Trade” in their name.
- They want to conduct a very large volume of trade.
- They insist your senior executive travel to China immediately to sign the contract with them in person.
- They request money prior to the trip to pay for a reception in your honor, and/or, once in China, they request money or goods to grease the wheels with local officials.
- They have been in business for less than one year.
- They can provide no verifiable references.
Recognizing Email scams worldwide

- Is the email personalized to you and your industry?
- Does it sound too good to be true?
- Google the company name and “scam” or “fraud” or “cheat”
- Do the same with their fax number
- Do a “whois” of their Web domain (their www site)
How do you know you can trust your international business partners?

- Check them out!
- **Always** order a report on the company.
  - “Freshly investigated” is best.
  - One-offs and custom questions like Glo-BIS.com.

- **Standard credit reports include:**
  - registration and ownership details, what type of company, litigation record, last 3 years financials, references, recommended credit, trademarks/patents, etc.
Vetting Personnel

- Resume inflation is wide-spread
  - Make it clear from the beginning of the hiring process you will be vetting the candidates’ CVs.
  - Confirm the educational institution/degree.
  - Confirm the past positions/duties.
  - Check the references.
  - Candidate’s signed authorization is often required.
Protect your brand even in markets you think you’re not yet in – Domain Name

- Register your domain name extension in any country you’re thinking about doing business in, and in China, even if you never plan on manufacturing or selling there.

- For China, also register a domain name of your name in Chinese characters, including any nickname your brand has in China.

- If somebody contacts you to sell you your domain extension in China, don’t respond!
What’s important to remember regarding your trademarks in China

- Pirates can sue you, the genuine owner of a trademark.
- To buy back your trademark generally costs between US$15k - $1.5m.
- If they haven’t used your trademark for 3 years, you can file to get it canceled.
- Register your trademark yourself to avoid the above!
IPR resources


- STOPFakes.gov
  - http://www.stopfakes.gov/events/china_webinar_series.asp
  - “SME IP Training Tutorial” on STOPFakes.gov
  - STOP HOTLINE: 1-866-999-HALT
  - StopFakes.gov has IPR toolkits on 20 countries!


Contact Information

Louise Kern
Managing Director
Louise@glo-bis.com