

# Eyes Set on the Pearl of the Orient

*UK expert Charles Russell Speechlys seals tie-up with Hong Kong lawyer as first part of Asia expansion plan to offer HNW expert advice with further expansion to follow, and, according to Richard Grasby, China wealth is high on the agenda*



RICHARD GRASBY  
Charles Russell Speechlys

**I**F YOU HAPPEN TO FOLLOW FOOTBALL CLOSELY, then it's child's play to introduce Charles Russell Speechlys. They are the firm that was the lead adviser to Nike when its sponsorship deal with Manchester United expired and more recently they helped Arsenal midfielder Alex Oxlade-Chamberlain on his 35-million-pound move to Liverpool.

But that's not all that Charles Russell Speechlys is good at. The firm, formed from a merger between Charles Russell and Speechlys Bircham, is one among a few law firms that provides personalised advice to organisations, as well as to individuals and their families.

Charles Russell Speechlys owes its origins to high net worth practices in England and has now set up in Hong Kong in part on of the back that English legacy.

In terms of the choice between Hong Kong and Singapore, whilst Singapore is an important hub, the family law connections are stronger between Hong Kong and London than there are between Singapore and London, explains Richard Grasby, partner at Charles Russell Speechlys LLP.

## COMMON HERITAGE

The laws basically follow each other and the jurisprudence follows each other: for example, the law on prenups and the yardstick of equality as a starting point for division of assets, Grasby says, adding that Singapore whilst obviously is still based on English Common Law it hasn't actually gone as far in that sort of synergy.

But then Hong Kong also is likely to bear more fruit to Charles Russell Speechlys in terms of the new opportuni-

ties in the private wealth sector. Grasby specialises in advising individuals, trustees and related entities on cross border private client issues. He has particular experience with offshore structures having worked previously for leading Cayman Islands/BVI law firms. Also, he has been based in Hong Kong since 2009.

Hong Kong and Singapore are expected to attract more offshore wealth than Switzerland, according to a Boston Consulting report. Offshore assets in these two Asian cities would increase at a CAGR of as much as 8 percent through 2021. That is quicker than Switzerland's projected 3 percent, according to the report.

"In addition to the local market, we will be focussed on Hong Kong's position as the gateway to China," Grasby says. "That said we're obviously very interested in South-east Asia and we see opportunities in Singapore, Malaysia, Thailand, Indonesia, etc., and we are covering that from here."

For Charles Russell Speechlys, Hong Kong is not all about Mainland China. What it does point to is the fact that a lot of wealth spread across the region is very much Chinese wealth.

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"So if you look at the wealthiest families in Thailand, Malaysia, Singapore, Philippines, there is a lot of Chinese wealth so we need the language skills, we need the cultural sensitivities, we need the knowledge of the market. In addition there's a lot of European families branching out to Singapore and Hong Kong and so they need the expertise for which we're known particularly in Europe," Grasby points out.

#### **FIRST TIME WEALTHY**

Hong Kong as the first Asian stop for Charles Russell

**WE WANT TO BE ABLE TO ACT FOR THE BUSINESSES AND THEIR FOUNDERS RIGHT ACROSS THE GLOBE IN TERMS OF THEIR STRUCTURES, THEIR BUSINESSES AND THE DEALS THAT THEY MAKE BUT ALSO ASSISTING WITH THEIR PERSONAL CIRCUMSTANCES AND ASSETS.**

Speechlys also represents an attractive proposition in terms of tapping the potential of a new crop of wealthy people.

Asia-Pacific, which already has the highest population of high net worth individuals, leads the world with the largest number of HNWI wealth, according to a 2016 report by consulting and outsourcing services provider Capgemini.

"You got to look at the new entrepreneurs, the new wealthy tend to be coming from the emerging markets, the biggest of which are in this region," says Grasby. "You have to look at some of the reports and see that there are more wealthy families in Asia than there are for the first time in the US," he adds.

In terms of where many of these families are in the cycle of their development, they're still in the wealth making phase, according to Grasby. That allows the firm to look at how their businesses are structured, how their acquisitions are structured and look at the succession planning in respect of the business.

"We want to be able to act for the businesses and their founders right across the globe in terms of their structures, their businesses and the deals that they make but also assisting with their personal circumstances and assets," says Grasby.

It's not just in sport or retail that Charles Russell Speechlys has a strong reputation. The firm has a leading divorce practice, a top ranked immigration practice, disputes practice, M&A practice, trust and tax and a real estate practice -- both commercial and residential.

#### **BIGGER PICTURE**

While the firm can do the traditional private client work like a will or a trust, it doesn't stop there. "You need to actually see the bigger picture. The bigger

picture for the family is using that money, ideally making more money via successful transactions in the present not just planning for personal issues which may not happen for many years,” Grasby says, summing up the firm’s motto.

Charles Russell Speechlys is partnering with Jonathan Mok Legal a newly created Hong Kong law practice, as part of a regulatory requirement that mandates an association with a local firm for three years before becoming a full Hong Kong law firm.

“Jonathan is a leading family lawyer in Hong Kong, he is from Hong Kong, speaks Cantonese and has been acting for the leading families in their private matters for over 20 years,” according to Grasby.

After three years, Charles Russell Speechlys looks forward to a potential merger with Jonathan Mok Legal, and becoming a Hong Kong law firm. Grasby is also keen to point out that the partnership is more about more than satisfying operational criteria, but providing the best service to clients. The partnership will allow Charles Russell Speechlys to offer the breadth of the firms experience in international private wealth matters with Jonathan’s unrivalled local expertise. But that path isn’t without its own set of challenges. Grasby is ready to acknowledge them and take them head on.

The wealthy Asian families will generally deploy their wealth across a multitude of jurisdictions and we will be able to coordinate that structuring by knowing which service providers to deal with, what questions to ask, how to make sure that they stick to plan, how to coordinate advice across various scenarios such as investments in various jurisdictions, beneficiaries resident in one or more places and holding companies and trusts in others.

“We can also deal with some of the personal issues that affect a family, be it divorce, be it their immigration, be it their tax position,” says Grasby. “The linguistic challenges will vary across families, the cultural differences will vary across families and we will be able to adapt to those because we have a mixture of international lawyers, local lawyers, Chinese speakers and an in-depth team of experts.” ■

