

Global firms seize top spots from the locals in Singapore

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One massive deal saw three global firms oust local rivals from the top of the Singapore M&A tables for deals announced in the first half of the year. Malaysia International Shipping Corporation's (MISC) \$1.1bn (£672.8m) takeover of American Eagle Tankers put Norton Rose, which led the deal for MISC, in joint first place with Dewey Ballantine and Paul Weiss Rifkind Wharton & Garrison. Ironically, Dewey closed its Asian practice, which was based in Hong Kong, at the beginning of the year.

By contrast, the same period in 2002 saw the top two places go to Allen & Gledhill and the Wong Partnership respectively.

This year, Slaughter and May, which has just a one-partner Singapore office, and New Zealand firm Simpson Grierson Butler White, which has no offices in Asia, both made it into the top 10 for their involvement in the BIL acquisition of Thistle Hotels.

However, in terms of number of deals, local firms stayed at the top. Allen & Gledhill held on to first place, while Rajah & Tann moved up to second place from fourteenth place in the first half of 2002.

Noticeable for its absence from the table was local firm Stamford Law Corporation, despite having a role on the MISC deal.

Overall, the total value of deals was up on the previous year by 30 per cent, largely due to MISC. The total deal number was roughly static, but despite this, the international firms felt they had been hard-hit by both the outbreak of Sars and the war in Iraq.

"Our practice just stopped dead for two months," said the managing partner in the Singapore office of one international firm.

"I think the first six months were the worst since my time in Asia, and I've been here since 1991," said David Simpson, managing partner of Freshfields Bruckhaus Deringer's Singapore office, which fell from seventh position in the first half of last year to twelfth this year.

Local firms could at least enjoy a greater level of activity in domestic M&A than their global counterparts, who are much less involved in these transactions.

"Domestic M&A transactions within local places such as Singapore, Malaysia and Indonesia have been quite busy, but the cross-border international deals have certainly been thin on the ground," confirmed Philip Rapp, Clifford Chance Singapore managing partner.

Stamford's senior director Lee Suet Fern said the firm had recorded one of its best six months for M&A work, advising on not only MISC but also acting for both parties on the Comfort-DelGro merger.

Despite the malaise of the larger international firms, which has seen both Simpson Thacher & Bartlett and Orrick Herrington & Sutcliffe close their doors in the region this year, most lawyers seem to be positive about the second half. "I think there's an air of confidence that has started to come back," said Simpson.

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