FAMILY-RUN BUSINESSES IN LATIN AMERICA NEGOTIATE IN A UNIQUE WAY - GREENBERG TRAURIG

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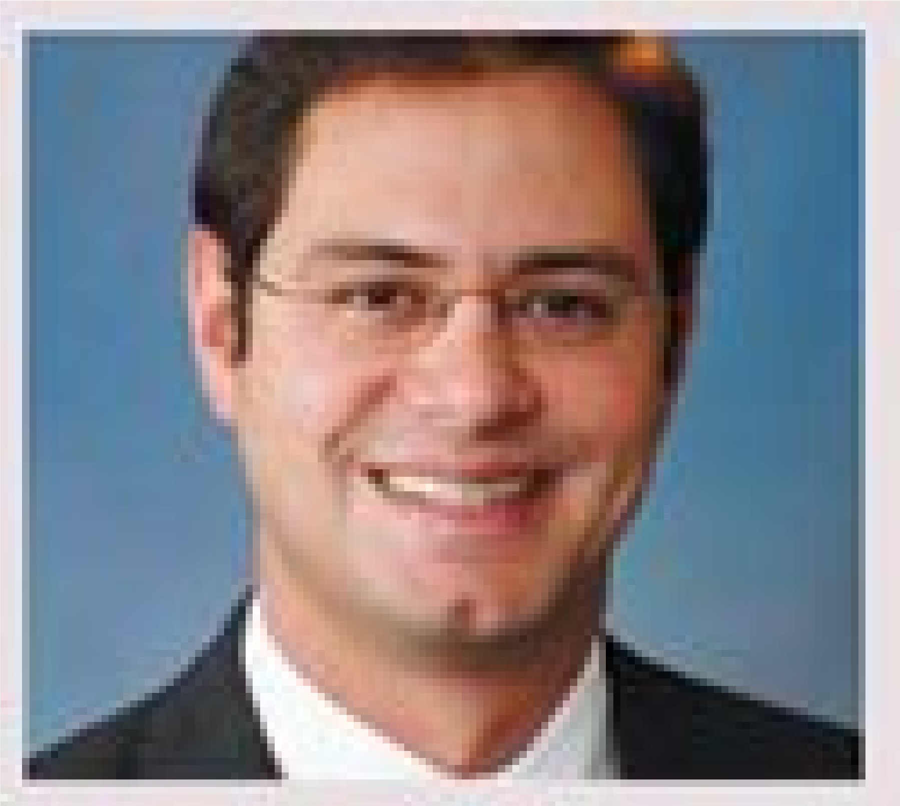

Category: Special focus: Latin America

Latin American companies are often family-run and this can have an impact on the way in which negotiations are conducted, explains Yosbel A. Ibarra, co-chair of Greenberg Traurig's Latin American and Iberian practice.

"We have a significant practice advising family offices in Latin America, and rather than negotiating with shareholders, we do so with a group of family members," he says. "This changes the way negotiation takes place, as they protect the interests of the family, but also make sure that family interests do not overshadow the business." The biggest of these Latin American family-owned businesses have expanded globally with great success, and are dubbed "multilatinas".
Ibarra says Latin America is a very disparate region. "Doing business in Nicaragua is very different to doing business in Chile, for example," he says. Ibarra adds that while Mexico still has growth potential, particularly in the wake of fiscal, energy and telecommunications reforms, Colombia and Brazil have suffered serious devaluations and complications, with business likely to switch focus from the buy-side to the sell-side.

Diplomatic relations between Latin America and the US are also evolving. “The recent resurrection of diplomatic ties between the US and Cuba, for example, will open US-Cuba ties related to trade, investment, banking, telecommunications, pharmaceuticals, agriculture and travel,” Ibarra says.
He adds: “The level of free trade now between Latin America and the US has really facilitated business south of the border, particularly for US clients, compared with 20 years when negotiating was more difficult,” Ibarra says. “People now talk the same language in terms of business, which aids transactions.”