

A fashion show runway with models in bright dresses and a large potted plant in the foreground. The scene is brightly lit, likely from large windows or skylights, creating a high-contrast, airy atmosphere. The models are in motion, with some blurred to convey a sense of speed and energy. The potted plant is a large, leafy green specimen in a white, textured pot, positioned in the lower right foreground. The background shows the structure of the runway, including railings and a balcony area.

HELPING RETAILERS TO  
EXPAND IN EUROPE

**MACKRELL**  
INTERNATIONAL

Legal services to the European retail sector



# Q&A

## WHAT IS MACKRELL INTERNATIONAL?

Mackrell International is one of the world's premier international legal networks with 90 firms present in over 60 countries and 160 cities, providing access to 4500 lawyers and 40 languages: **a truly global reach**. The network aims to provide commercial legal advice to businesses when and wherever advice is required and is renowned for its professionalism and flexibility in meeting businesses' needs.

### Q How do I know the Mackrell International network will work for my business?

A Mackrell International's retail team delivers advice across the full spectrum of legal issues faced by retailers, from strategic transactions to daily operational issues. Thanks to its well-established, local lawyers, Mackrell International is especially well placed to advise retailers on their international expansion, whatever the chosen model (acquisition, franchising, own stores...)

Mackrell International firms have helped a number of worldwide leading retailers including: **Amazon, L'Oréal-Parbel, McDonald's Corporation, G Star Raw, Ikea, Burberry, Etam, Pepe Jeans, Nike, Pizza Hut, KFC, Michael Kors, Basic Fit, Mulberry, Superdry, Lakeland, TUI Group, Reebok/Adidas.**

More recently, firms in New York and London worked together to advise Tengram Capital Partners on its acquisition of This Works, an award-winning producer of natural health and beauty products. Legal work included advising on complex investment issues, extensive due diligence and employment advice. Using Mackrell International demystified the process of a UK cross-border transaction, allowing the client to focus on the key issues and reach a successful closing.

### Q Why do international companies choose Mackrell International member firms?

- Well-established local connections and instant availability on the ground.
- Rigorously selected firms: only quality firms with a solid reputation in the market place are invited to join the network and firms must commit to the exacting standards of excellence expected of members.
- Ability to work seamlessly with like-minded, tried and trusted colleagues in different locations, languages and time zones.
- A legal adviser who lives and works in the country in which you want to operate will have the language, knowledge and skills to help you navigate that foreign environment, including an awareness of bureaucratic processes.
- Professionals, including accountants, bankers, venture capitalists and consultants value MI's extensive capabilities and global coverage.

### Q If my project involves many people from different firms, how will I know who to contact?

A A relationship lawyer and dedicated project manager will be assigned to you. Firms can assume the role of permanent adviser, act as an out-sourced legal team, or be brought in to deal with specific transactions.



## CASE STUDY - RETAIL SECTOR

Via Mackrell International, retailers can receive advice on all legal aspects of their activity, such as operations, competition rules, compliance, IP and data protection, distribution and sales, tax and employment law.

### Q What considerations and challenges might a retailer face when expanding abroad?

Challenges differ according to the size of the business concerned and its specific sector of activity. Global phenomena, such as the financial crisis and its impact on consumers' purchasing power, rising commodity prices, demographic trends, (particularly the aging population), and the drive for sustainability, all represent significant challenges for existing retail business models. Notably, EU regulation in the retail sector is affecting areas such as data privacy, competition, consumer protection and advertising, while various EU regulatory barriers also obstruct processes such as cross-border sourcing, consumer access to cross-border retail services, and even market entry by retailers themselves. Accordingly, the benefits of Mackrell International are particularly crucial in the current climate.

### Q What steps would be involved in the expansion process?

#### Step 1 - Consider:

- In which country's market do I want to establish my first business?
- Will this country be used as an expansion platform to other EU domestic markets? Where in the country would best suit my business, as well as its transportation and logistical needs?
- Is there a reliance on imports?
- Do I want an online presence as well?
- What are the regulatory constraints specific to retail businesses?
- Which government inspections and/or restrictions will my company be subject to (if any)?

#### Step 2 - Study

Study the cultural, political, legal and economic landscape of the country in which you wish to operate. This will inform your understanding of the country's history regarding taxation and asset seizure, the state of employment, inflation, consumer spending habits and marketing requirements. It will also provide some indication of the likelihood of your business being successful in this area.

#### Step 3 - Choose

The choice of the distribution structure - should I appoint an agent or a distributor? Can I use my existing e-commerce platform in this market?

- **Agents:** allow more control over the sale of the product or service, such as end price, terms of sale and method of marketing, but also mean more risk. EU Regulations have a significant influence on the nature of the relationship with an agent, particularly with regard to remuneration and contract termination.
- **Distributors:** appointing a distributor means outsourcing most of the logistical constraints but may raise concerns of sales targets, product liability and issues with promotional materials.
- The 'scope' of the appointment is critical. Obtaining advice from local members of Mackrell International will give you vital guidance when considering these factors.
- **An e-commerce platform:** needs to accommodate and adapt to the local environment of most major EU members, with specific emphasis on, among other things, data and consumer protection, marketing and invoicing.



## CASE STUDY - RETAIL SECTOR

### Step 4 - Decide

Decide which legal form to take – a choice which may be restricted or guided by the size and nature of the business, whether you intend to expand as a group or form a single European entity.

- The rules and procedure to be considered will depend on which country you decide upon. In general, the company will need to register and give public notice of incorporation.
- Register your company with the relevant tax authorities and any other government bodies, in accordance with national laws.
- Consider the licenses and insurance policies for which you should apply, depending on the type of business.

The International Finance Corporation and the World Bank offer comparisons in costs, time and number of procedures involved in forming a business in 183 countries. See:

<http://www.doingbusiness.org/data/exploretopics/starting-a-business>

### Step 5 - Implement

Start to implement your expansion plan. Despite the EU regulation framework, there will still be numerous local legal issues to consider. This is where in-depth knowledge of local markets, customs and constraints comes into its own. The choice of using foreign distributors can allow you the simpler option of selling the product to them, and in so doing, outsourcing the worry of reselling at a profit in the domestic market. In some cases, government and private sources of financing may be available for the business to make the international transition easier. The guidance of a Mackrell International lawyer with extensive local knowledge and experience is invaluable.



## WHO CAN I CONTACT?

---

For further information on how Mackrell International can help you with your retail business, please contact:

### **Your local Mackrell International member**

**Or you can contact the Mackrell International Managing Director, Clive Miéville**



**Clive Miéville**  
Managing Director  
Mackrell International

[clive.mackrell@sfr.fr](mailto:clive.mackrell@sfr.fr)  
[www.mackrell.net](http://www.mackrell.net)

---

Mackrell International is a *truly* global network which can help your business in 60 countries worldwide. In Europe, you can count on the support of 650 lawyers in 27 countries covering 50 cities.

MACKRELL  
INTERNATIONAL  
[www.mackrell.net](http://www.mackrell.net)



This document is for general information only. It does not constitute legal or other professional advice and should not be acted or relied on as being so. Legal advice should be taken before applying any information in this document on any specific problem or matter.

Mackrell International is an International group of independent law firms who are authorised to operate under the "Mackrell International", "Mackrell" and "MI" brand names. All member firms act independently in their jurisdictions. Mackrell International does not itself provide any services and its member firms are not an international partnership. Each member firm is a separate entity and neither Mackrell International, nor any member firm accepts any responsibility whatsoever for the activities, work, opinions or services of any other member firm.