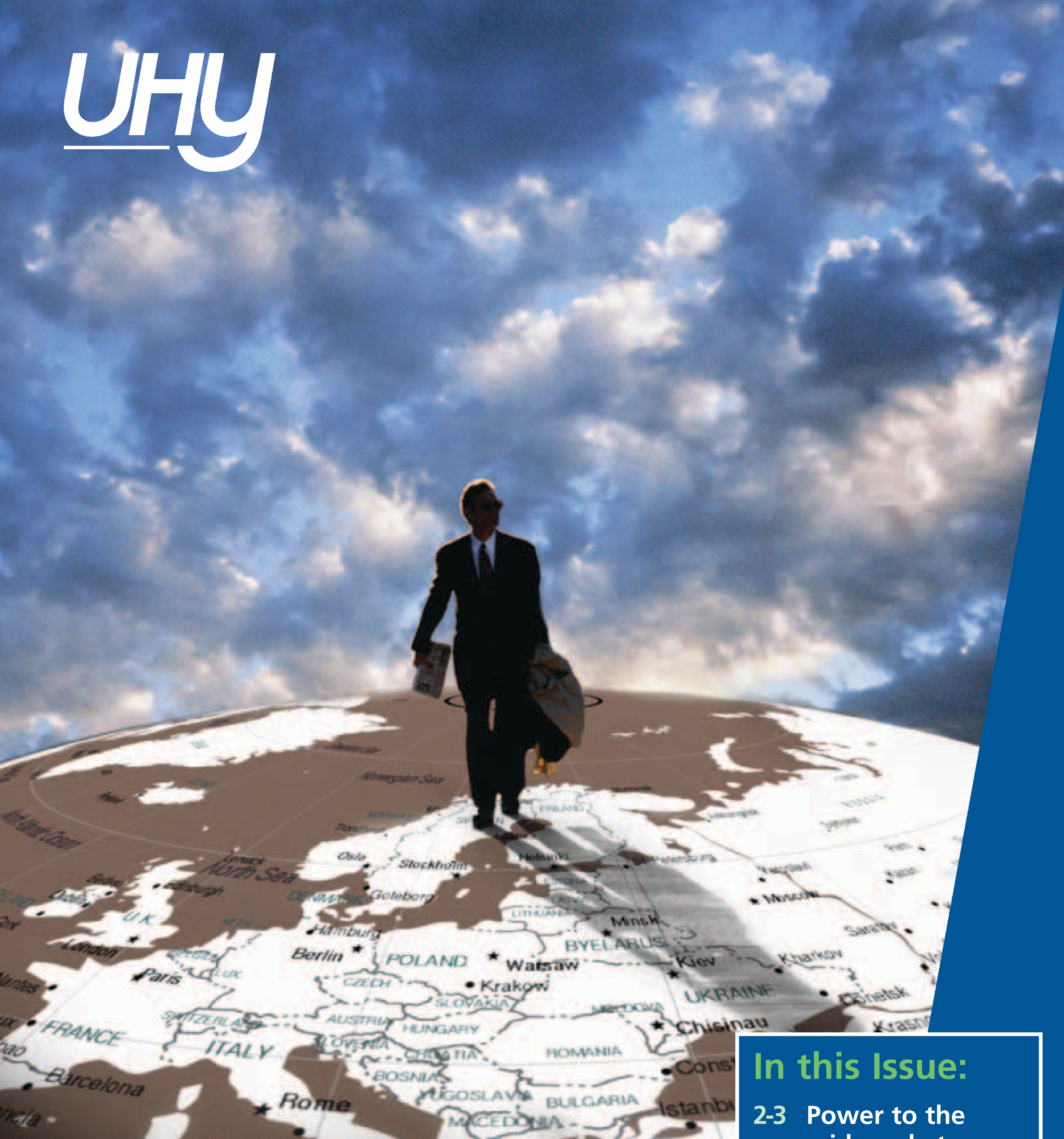


Issue 24

International Business

The network for doing business

In this Issue:

Power to the mid-market

It would have passed you by – a small survey in the energy sector conducted in one of the more remote parts of the UK.

Obscure it may be, but *The Aberdeen City and Shire Export Survey 2010* is a microcosm highlighting the potential for small to medium-sized companies (SMEs) to develop specialist skills that are now prized internationally.

The survey encompassed 236 companies, operating primarily in the oil and gas sector, with a base in the north-east of Scotland. Of the total responses, 157 were from SMEs in the sector. Offering a range of support services, they're far from major players in the energy sector. However, their services have a huge impact on helping operators worldwide make profits and conform with health and safety and quality standards.

As a result of living and breathing the oil industry on their doorstep in the globally minor and declining oilfields of the North Sea for several decades (15-24 billion barrels of oil equivalent remains recoverable in the North Sea), they have developed expertise and knowledge that others internationally want to buy.

So much so, in fact, that the goods and services they exported in the past year were worth GBP 600 million (USD 957m) – that's GBP 3.5m (USD 5.58m) each. The largest proportion of respondents stated that their approximate value of international business was in the region of GBP 250,000 a year; 15% of companies stated that their turnover from international sales equates to between GBP 2m (USD 3.1m) and GBP 5m (USD 7.75m).

Over the next two years, 52% of these businesses expect exports to increase by up to 20%; and 28% expect exports to increase by over 20%.

Key export markets for Aberdeen SMEs are in the barchart below. The potential is still greater, says Tom Faichnie, energy partner at UHY's member firm in Scotland, Campbell Dallas. "Companies do not do enough market research, forecasting, or preparation of personnel – expansion is still very much opportunity-driven. Companies need bespoke, practical, reliable, cost-effective services and guidance. Our aim is to offer a comprehensive portfolio of services."

Yet, says Tom: "The skills developed in the North Sea have provided our companies with market leading credentials and a knowledge base which will increasingly be in global demand. The industry excels in finding solutions to complex problems, developing existing technology, an ability to quickly design and innovate along with adhering to high quality technical, health and safety and environmental standards.

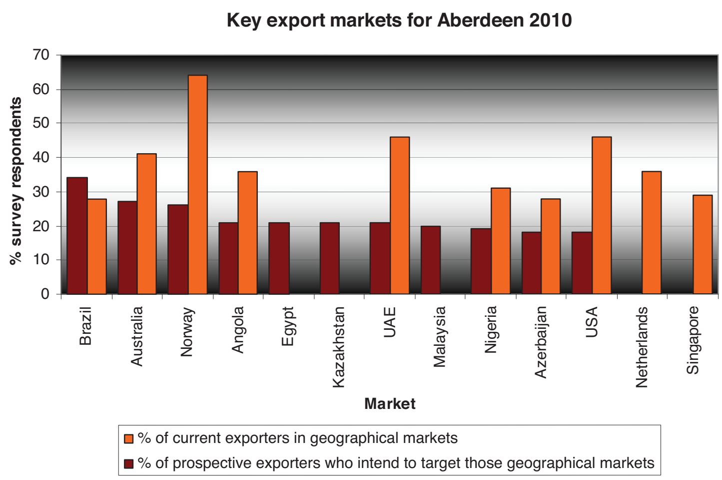
"The era of 'easy oil' is over, and significant new discoveries are likely to be in deeper water and 'unconventional sources' where technology must continually advance to develop the reserves in a cost-effective manner. This expertise places our local businesses in a strong position to capitalise on this trend."

One of Campbell Dallas' clients is an Aberdeen company which was offered a new contract in Brazil by one of its largest customers (the company already operated in Brazil). "Whilst adding significant revenue to the group, the high tax regime and issues of remitting cash to the UK meant that it was better for the company to reject the contract," says Tom. "We worked with Scottish Development International to find ways to efficiently remit cash to the UK to enable the company to accept the contract and therefore increase its operations in Brazil."

Meanwhile, across the Atlantic, UHY's energy specialists in the US, headquartered at Houston, are lending their expertise to support for Scottish SMEs. The Houston team works with some of the world's major oil and gas players, such as ATP Oil & Gas Corporation, which operates in both the North Sea and the Gulf of Mexico, acquiring and developing fields with proven undeveloped reserves that are economically attractive.

Other UHY US clients include Geokinetics, which specialises in working in extreme environments - from arid deserts of the Middle East and the jungles of South America, to the environmentally sensitive Alaskan Foothills, and the mountains of the Andes.

With its headquarters in Houston, Geokinetics is one of the largest independent, international land and shallow water geophysical service companies offering specialised geophysical solutions to the petroleum and mining industries worldwide. Its presence spans the globe with offices in 29 major countries, and a workforce covering 60 nationalities.



UHY in the US also works with various drilling companies such as Vantage POB and BassDrill Ltd. The US firm's largest oilfield drilling client is Champion Technologies, which has a significant presence in Aberdeen and around the world.

A client of the US firm's Enterprise Risk Advisory Services is ATP Oil & Gas Corporation, which works in both the North Sea and the Gulf of Mexico, acquiring and developing fields with proven undeveloped reserves that are economically attractive.

"Our energy practice is committed to building meaningful relationships with our energy industry clients in the upstream, mid-stream, power and oilfield services market segments," says UHY LLP audit partner, Conrad Johnson.

"Our Houston office features more than 450 professionals of which over 200 serve companies in the energy sector. We serve more than 150 companies with operations in all segments of the energy industry. As a result, we have local and international resources dedicated to providing energy industry technical accounting to effectively and efficiently address the many difficult issues in today's complex business environment.

"The integration of our services and resources into a single, industry-focused practice delivers superior service and value to our clients. Tangible benefits to our clients include our ability to:

- **Share the latest research and points of view on emerging energy trends**
- **Locate individual experts on each issue, wherever they are based**
- **Collaborate on accounting and tax issues unique to energy enterprises**
- **Develop industry specific benchmarks, based on leading practices."**

Services offered by UHY Advisors in the US include: tax services; enterprise risk advisory services; forensic, litigation and valuation services; business process outsourcing and flexible staffing; and assurance and business advisory services.

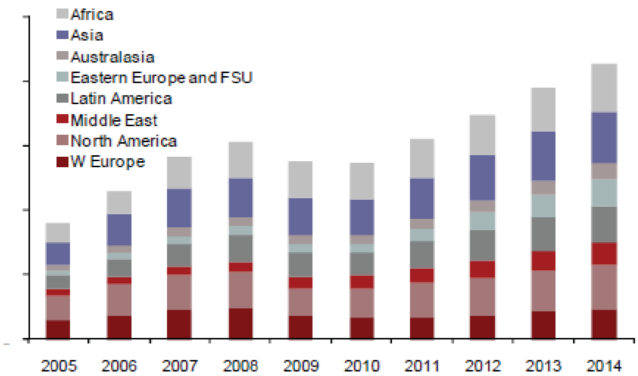
UHY member firms' services to the energy sector are now so significant that the network has created an energy special interest group bringing together all elements of the global network involved in the sector into one unified entity to provide services to energy clients globally still more effectively.

As a result, the Aberdeen firm is working closely with colleagues in Houston and representatives from the UHY network in London, Nigeria, Singapore, Norway, Mexico, Brazil, Australia, Kazakstan and UAE (Dubai).

"If one of our clients needs something quickly from Nigeria, for instance," says Tom Faichnie, "we know that our contacts in the office there not only have a thorough understanding of the energy industry, but will deliver for our clients immediately."

Globally, spend in the energy sector is growing, reaching a new high of USD 490 billion in 2011, according to Barclays Capital. The global market will see an increase in offshore exploration and drilling; an increase in deepwater exploration (USD 231 billion in 2011 alone); and new fields internationally leading the way over the traditional fields of North America.

Expenditure on oil and gas in the world's regions since 2005, with projections up to 2014, is shown here *(source: EnergyFiles, a forecasting service)*:



Although overall spending globally is set to increase, it will be dominated by Latin America, the Middle East/North Africa, and Southeast Asia – reflecting the upsurge of consumption among emerging markets *(Source: Barclays E & P Spending survey).*

Over the next decade, the prime focus for exports will switch from the more traditional routes into the US, Norway and West Africa towards exploiting huge potential in markets such as Brazil and Australia, according to researchers Maxwell Drummond, whose survey of industry respondents shows the majority believe global exploration and production will be focused in Latin America and Australasia.

Also high on the radar for SMEs, says Tom, are export markets such as Iraq, Equatorial Guinea and Vietnam where exporters have shown far stronger interest since the last Aberdeen energy export survey in 2008.

The Aberdeen survey shows that the top markets in which energy sector exporters are currently active are: Norway, the US, Australia, United Arab Emirates and Angola. Current energy sector exporters list their current future target markets (in terms of turnover) as: Brazil, Australia, Norway, Angola, Egypt and Kazakhstan.

"But the step into new international markets for SMEs is not without many challenges," says Tom. "Finding the right partner to facilitate internationalisation is a critical step. It's all about who you know – and the locals have the power. You need to stand out. Showcase your skills and industry experience, understand the differing business culture you find yourselves in and establish personal relationships. Be there, make an effort. It's essential to build a friendship. Visits may be time-consuming, but costs will undoubtedly be outweighed by business benefits.".

Contact: Tom Faichnie
Email: tom.faichnie@campbelldallas.co.uk

Contact: Conrad Johnson
Email: conradjohnson@uhy-us.com

Exports drive China's superpower status

Gone are the days when foreign companies operating from China predominated in its export market. Now, home-bred Chinese firms are taking the upper hand.

Gone are the days, too, when China was reliant on Western markets for its exported products. Now, Chinese-built markets in emerging markets of the developing world are taking the lead in China's export trade.

So much so, that competition from this superpower-in-the-making will look very different in the coming decade.

Ten years from now, Chinese brands will be commonplace in the global commercial landscape, particularly in the world's increasingly important emerging markets where business opportunities for growth will be the most prevalent.

Already, non-OECD (Organisation for Economic Cooperation and Development) countries account for 36% of the world's imports (2010 figures) — a share that has risen from 25% in 2001. Capital goods, rather than consumer goods, are leading the way.

In the past, competition from China in low-end exports, such as toys and games, helped to produce a disinflationary effect on importing countries. Now that China's higher-end exports are seeing success in emerging markets, Chinese companies are able to produce such goods relatively cheaply as well. In turn, competitive prices from China force rival global manufacturers to look constantly for ways to add value and stay ahead of the curve.

Some economic analysts say that, despite rapid progress on the technology front, Chinese companies have 'gone to ground' before catching up with the West: under the veneer of a seemingly unstoppable Chinese manufacturing machine, it is suggested, lies a frail foundation.

However, the influential Economist Intelligence Unit forecasts that, as Chinese wages rise and technology progresses, Chinese exporters will move up the value chain and increasingly compete in the core product markets of developed countries.

Chinese manufacturers of heavy equipment, notably in the construction machinery sector, are likely to take the lead. China is also expected to overtake Germany and Japan in construction machinery exports by the end of 2011 — to become the world's second-largest exporter of such goods, after the US.

The Economist Intelligence Unit admits Chinese penetration of OECD markets in high-end manufacturing is likely to be limited, but China will see rapid increases in market share in non-OECD markets where Western companies have in recent years lost significant export market share.

Export recovery & growth

After a painful economic downturn, but nowhere near as painful as in the West, China's export growth has already recovered to levels seen just before the downturn started to bite. Since 2001, China has steadily increased its share of global manufactured exports, by around 1 percentage point per year. In 2010, the country's share of global manufactured exports reached 13.7%, up from 12.1% in 2009. This trend in growth is likely to persist in the coming decade.

Some economic analysts say that China will reach a point where mounting labour costs trigger declining shares in low-end exports, off-setting gains in the mid- and high-end value segments. To date, however, China's export market share in low-end goods is still increasing.

The Export Similarity Index (ESI) — a measure of the extent to which two countries export the same products — shows how far China's exports are beginning to overlap those of its wealthier trading partners.

Theory behind the ESI suggests advanced countries, with more capital and superior technology, are expected to export more-sophisticated goods such as electronic machinery. Less-developed countries, with less capital and inferior technology, are expected to export less-sophisticated goods, such as apparel. Until now, China was classed in the 'less-developed' category.

But ESI rankings show times are changing. Although levels are still low, indicating that China is still predominantly a labour-intensive, low-end export power, excelling in production of commodities such as clothing, textiles, footwear and toys, over the last decade trade between China and Japan, the European Union and the US clearly shows that China is moving upstream in the value added stakes.

Assimilating technology

China's growing global empowerment through export growth hasn't just happened by chance. While Western powers have been focussing on domestic economic upheaval, the Chinese government has promoted education reform, stimulating far more organic technological progress. According to the Economist Intelligence Unit, China is producing more engineering graduates each year than any other country in the world — even though, currently, nearly 80% of its population does not finish secondary school.

In green industries, where the Chinese government aspires to be a global leader, massive subsidies have kick-started production of everything from wind turbines to light-emitting diodes (LEDs), even though some installations currently sit idle because of lack of technical expertise.

By adopting numerical targets for patent grants, for instance, the Chinese government is forcing the pace of innovation. China has seen a tenfold increase in patent grants over the last decade, even if comparability with US patents in terms of content and quality is still low.

While Western counterparts suffer under ingrained economic pressures, Chinese companies are demonstrating a remarkable ability to assimilate technology, adapt products and processes, and to do so quickly and cheaply.

Effects on developed economies

So to what extent should developed economies be worried about China's rising manufacturing sophistication? Past experience suggests that when China ramps up in a sector, backed by economies of scale and substantial investment, the global impact can be considerable. This was the case in the steelmaking industry in the mid-2000s.

The Economist Intelligence Unit has plotted the past developments over the past three years in sectors in OECD member countries currently experiencing Chinese export competition: a total of 217 commodity export markets with a global export value of at least USD 10 billon. The Unit categorises 'hot zone' sectors where OECD economies held a dominant market share, and into which Chinese exporters have made significant inroads over the past three years.

Selected "hot zone" sectors and global export market share (%)

	2010 global export value (USD bn)	China		OECD countries	
		2007	2010	2007	2010
Cruise ships, cargo ships, barges	124.0	14.4	28.4	76.7	65.1
Electrical switching apparatus (<1,000 volt)	75.5	8.4	11.4	70.8	71.7
Centrifuges, filtering/purifying machinery	44.9	3.5	7.1	82.7	80.9
Transmission shafts/cranks, gears	42.5	5.1	8.4	87.6	83.0
Refrigerators, freezers, etc	35.5	12.9	16.2	72.5	69.2
Heating/cooling equip for plant/lab use	31.0	3.8	7.5	85.8	84.6
Ball or roller bearings	29.0	8.0	11.0	76.4	73.4
Lifting/handling/loading machinery	18.9	6.8	12.2	86.2	80.2
Motorcycles, side-cars	16.7	18.6	26.3	72.1	60.6
Electrical ignition/starting equip	15.2	4.8	7.5	84.9	82.6
Harvesting/threshing machinery	15.2	4.0	7.6	89.3	84.7
Chemicals in wafer form (mainly silicon)	14.8	7.0	17.5	78.2	65.6
Tube or pipe fittings, of iron or steel	14.6	15.2	18.1	70.6	68.0
Derricks; cranes; trucks with cranes	11.9	16.9	22.4	74.2	69.5

Sources: International Trade Centre (ITC); Economist Intelligence Unit calculations.

A total of 37 sectors are in the 'hot zone', representing a global export market value of USD 927 billion. OECD countries' share of these export markets has fallen from 79% in 2007 to 74.7% in 2010. Meanwhile, China's share has increased, from 8.5% to 14%.

So the effect is limited, but growing. Most of the sectors involve capital equipment and related parts, reflecting improvements in precision levels of metal-cutting/shaping facilities and in metallurgical processes.

Many components which were previously hard to produce, in particular those that required a certain level of strength, durability and precision, are now being mass produced by start-ups that have successfully reverse-engineered imported products.

The sensitive nature of these 'hot zone' sectors is also reflected in the use of government trade defence measures. Developed countries in particular have begun to diversify the range of measures used to shield their domestic industries. The EU and US in particular have stepped up their use of anti-subsidy.

For all the acrimony over the 'hot zone' sectors (see table above), these segments still represent a relatively small portion of world trade. China has yet to make any notable impact on the USD 553 billion car export market, the USD 310 billion packaged pharmaceuticals market, or the USD 85 billon aircraft market.

So, although Western governments may not as yet be experiencing significant competition in their home markets, they are facing a formidable challenge in overseas markets that prospectively offer one of the world's biggest prospects for growth. In 2008, for example, 71.5% of all machinery imports in the BRIC countries (excluding China) and South Africa came from OECD countries. This share fell to 63% by 2010. China's share increased from 17.5% to 21.8% over the same period.

Chinese exports are coming.

UHY has a strong presence in China through its member firm, Zhong Hua CPAs, Shanghai.

Contact: Wilson Lu
Email: youyi_lu@zhonghuacpa.com

In addition, UHY has established member firms in all the BRIC countries and South Africa. For a full list:

Contact: Dominique Maeremans
Email: d.maeremans@uhy.com

A matter of trust

UHY member firms are known worldwide for their core accountancy services. But member firms are expanding their service provisions into allied services specifically to meet the varying needs of their clients. As a result, clients have developed a longstanding trust of UHY and retained those services over many years, often over successive generations of family businesses.

The phone rings again – and yet another 'cold caller' tries his hand at impressing you with his professional business services. Usually, you don't want to be interrupted; you'd rather they sent you an email (which you could choose to ignore); and, in any case, you just haven't got the time to spare. After all, you've had good, reliable service from current suppliers for several years now and you don't have any reason to make a change.

In fact, if only you could put all your outsourcing, of all your requirements, to the few trusted suppliers who know your business inside out, and who you've known for years, that would work well. You would feel more comfortable. The trouble is, usually, business services offered by your suppliers are standalone services, limited to resource in one particular speciality or region.

That is, until now.

Increasingly, professional service suppliers have branched out into a broad range of expertise across related, but identifiably separate, service areas – and, as a result, are able to meet a range of client needs with the same level of trust, commitment and knowledge that you've experienced with single-function suppliers of the past.

Any risk of multi-tasking business suppliers 'watering down' expertise as a result of offering multiple services is readily discounted by suppliers appointing talented experts in their specialities while sustaining one point of personal contact with a key over-arching figure (usually senior and long-standing) to ensure consistency of service values and continuing goodwill.

"Once you have established yourself as the 'trusted advisor' with a client, it is important to be able to provide as many of the services they require as possible," says Joseph Fay, of **UHY Fay & Co, Spain.** "By coordinating numerous services through one point of contact the value of using your firm increases dramatically. And client retention is hugely enhanced.

"In the last decade or so, the way businesses go about using professional services has changed dramatically," says Joseph. "Customers and clients no longer simply expect firms to offer a standard suite of services but instead expect firms to cater for all their professional service needs.

"Traditionally, a business would engage several independent service providers to cater for their different needs: lawyers, accountants, labour consultants, tax consultants, corporate finance consultants, and so on.

> *'In the last decade, the way businesses go about using professional services has changed dramatically. Clients expect firms to cater for all their professional service needs.'*

"For each of these services, the client would have a contact person, normally a partner. Of all these professionals, perhaps one would be a 'more' trusted advisor who would occasionally be consulted on matters outside his or her area of expertise.

"As a result 'trusted' advisors were often in a position to recommend other professionals to the client as well as advising them on different courses of action.

"This was a reasonably fair state of affairs, but it had one major drawback. The client had to coordinate the efforts of all the independent advisors, which could be an immensely time-consuming task. In addition, conflicting advice from advisors could often lead to a feeling of significant dissatisfaction on the part of the client.

"The first change we noticed came as a consequence of consolidation and of larger firms, including the Big Four, starting to offer a broader range of services. Clients soon became accustomed to not having to coordinate the different professionals as they were all now under one roof. This saved the client time and energy which he or she could dedicate to more value added core business, thus resulting in a more efficient business environment and shorter business cycles.

"Unsurprisingly, the 'trusted advisor' figure permeated through this new way of engaging professional services and indeed this role became much more important. The 'trusted advisor', normally a partner, took responsibility for coordinating the different professionals within the firm and had authority to make matters progress at the required pace. This is where the figure of the 'trusted advisor' comes into play as very much a new service in its own right."

Legal services

UHY Fay & Co has put its proposition into practice by, for example, launching a legal division alongside its more traditional accountancy related services. The firm has a team of 26 lawyers based in Barcelona, Spain.

One of the team's areas of expertise is anti-money laundering, a service it launched in 2008. The move stemmed from 2005 European Union legislation applied to professionals including lawyers, auditors and notaries (apart from traditional recipients of this type of regulation), as well as financial entities and insurers.

Following EU Directive 2005/60/CE, the law also now applies to any other type of economic operator conceivably susceptible to money laundering activity.

All such operations are required to put into action internal policies designed to identify and know their clients, reject those suspected of money laundering, and communicate suspicious operations to the authorities.

The firm holds seminars for clients and prospects on preventing money-laundering for financial entities such as banks, investment companies, insurance companies, casinos, real estate companies, commercial jewellery organisations, and money exchange companies – all organisations that are legally bound to comply.

Human resources

Elsewhere in UHY, our member firm in **Uruguay, UHY Gubba & Asociados,** has a human resources department, responsible for the recruitment of professionals on behalf of clients.

“We offer to manage human resources, creating a new product that is very well received by existing and new clients," says Ximena Zampedri, who runs the operation.

The operation not only offers selection and recruitment but also a wide range of other services, including organisational diagnostics, drafting of position manuals, career plans, training, and performance evaluations.

From a client’s perspective, outsourcing this type of service requirement is often far more cost-effective than providing it in-house – especially as HR regulations and policy, often provided by experienced/qualified individuals, is needed.

Bookkeeping

Bookkeeping may be more traditionally associated with an accountancy network, but one of UHY’s member firms has specialised in it. "We like to do things other people do not like to do," says Peter Van Rooy, of member firm, **Handson & Partners, Belgium.**

Clients in Belgium, he says, often prefer to outsource non-core business to a specialist supplier, rather than contract their own staff, because a service level agreement for outsourced work stipulates deliverables, deadlines, quality and flexible use of people.

Use of technology – including access to a secure, dedicated client portal via a website – is at the heart of the firm's outsourcing success; while the firm's investment in young people has given accountants a ‘new image’.

Risk advisory services

Meanwhile, **UHY Advisors' Enterprise Risk Advisory Services (ERAS), US**, has a significant reputation for helping companies establish and enhance compliance programmes to reduce the risk of fraud, including bribery.

In one case, an international drilling company wanted to implement a global anti-bribery programme covering key elements of the US Foreign Corrupt Practices Act, the UK Bribery Act and other international standards.

ERAS conducted a global anti-bribery risk assessment covering the company’s operations in the US, UK, Asia and Middle East. The risk assessment results drove the amount of effort that was appropriate for the company and served as a starting point for implementing a risk-based third party due diligence programme.

> *‘Clients soon become accustomed to not having to coordinate different professionals as they are all now under one roof. This saves the client time and energy which he or she can dedicate to more value added core business.’*

The team worked with management to develop and implement a series of policies including anti-bribery, business ethics, travel and entertainment and gifts and hospitality. Additionally, ERAS advised the client on selection of a web-based training programme and assisted with the roll-out efforts.

Now that the company has rolled-out policies, established due diligence procedures and conducted training, ERAS is helping the company measure compliance through internal audits. They include determining the awareness of policies, compliance with procedures, third party contract and due diligence review, and forensic examination of payments.

By retaining ERAS to assist in preventing bribery and fraud, “the company has made significant strides in establishing an effective compliance programme and optimising efforts to isolate itself from a rogue employee who may be tempted to commit an unethical act such as bribery”, says Christopher Lozier, principal, ERAS.

Trust, between client and supplier, resulting from the longevity of a business relationship is all-important when managing sensitive issues such as those handled by ERAS.

Migration for business

Some professional business service lines are particularly relevant to their regions and environments. For example, a team at **UHY's Australian firm, UHY Haines Norton**, is helping business migrants settle into Australia.

"All business migrants need to fulfil certain conditions, both before and after arrival in Oz [Australia], and there are different business visas depending on age and other factors," says Richard Swarbreck, consultant to the Perth office.

Conditions usually include employing a certain number of people, meeting a level of turnover, having and bringing funds to Australia and investing a minimum amount in the business.

"To a new migrant this presents a stressful challenge and our aim is to help them achieve success with minimum stress," says Richard.

The firm's main sources of business migrants are from South Africa, the UK, Malaysia, Singapore and China. But the firm has also had clients from most of the Asian countries, France, Italy and Lithuania.

Migration services offered by UHY firms are a natural progression for clients who are increasingly looking to expand internationally and move key staff to positions in foreign branches or subsidiaries.

Real estate valuations

A niche market – providing valuations for fixed asset reassessments – has been developed by one of UHY's firms in Chile, in a joint venture with an engineering company.

The move follows a new law in Chile in 2006 which sets new criteria and standards for determining the taxable value of fixed assets, while allowing taxpayers to submit to the tax authorities legitimate and sound supported reclamations.

For the past six years, **UHY CE&A, Consultores y Auditores de Empresas, Chile,** has had a strategic alliance with the engineering firm, Urban Consultores Ltda, to provide real estate valuations in support of fixed asset reassessments.

As a result, the firm is able to offer non-audit clients a multidisciplinary package of tax, legal and real estate valuation services when reassessing taxable value.

"Our work is done in two stages," says partner Ronny Frederick. "The first stage provides the client with a cost-free diagnosis of the likelihood of success in the application for a reassessment of the fixed assets tax assessment in force.

"We estimate the chances and the amount of the potential rebate from the assessment in force. Subject to both being material, we go ahead jointly with the client."

The firm's experience over six years is that, in cases where the diagnosis shows it is worthwhile pursuing (80% of those studied), 99% are successful.

When and if the application is accepted and approved, the taxpayer has been entitled to an average rebate on the tax assessment of the assets in the range of 20-25%. In some instances, the rebate has proved to be more significant.

Consequently, the corresponding tax on the client's property tax assessment is reduced by the same resulting proportion, on future payment flows, provided new legislation does not become enacted that changes the assessments criteria and standards.

The service includes a search of the client's files and administration of the fixed assets. It also includes matching information with building drawings filed at government public offices.

Clients looking to support their investments and acquisitions with tax-efficient vehicles rely on business service suppliers, such as members of the UHY network, who with the benefit of an in-depth knowledge of their client affairs, are able to provide robust and productive services.

Business processes

Back in the US, Frank Fenello's goal is that for every dollar a client pays in fees, the client gets five dollars back in efficiencies.

Managing director Frank Fenello set up the managing consulting group at **UHY Advisors' Atlanta office**. He has also launched Enterprise Optimization, a methodology that defines and provides sustained value for companies by eliminating inefficiencies in business processes.

The firm identifies and assesses waste in a client's business then creates a solution.

Clients benefit from processes and training aimed at improving the efficiency of the client's workforce, which create a culture of continuous improvement and systematic elimination of waste, thus improving the client's bottom line.

"The result is straightforward: improved company performance," says Frank. "The key to making it work is to make processes more predictable and reliable. This raises productivity levels and ultimately results in increased profits."

UHY Advisors engages a cross-functional team of the client's employees to ensure all departments are working as effectively as possible, both individually and as a whole. By taking a look at the supply chain, accounts payable and field operations altogether, for example, UHY Advisors can see how many steps a process has, and then try to consolidate and reduce that number.

Typically, UHY Advisors implements improvements within three to six months and clients start to see results immediately.

One client, Cox Communications, Inc., expects to save 52,000 man hours and USD 3.9 million annually as a result of the programme. Cox is the US' third largest cable company and has six million customers, 20,000 employees and a turnover of USD 8.7 billion. The client has already realised a 5:1 return on its investment.

"Very few companies are doing this," says Frank. "But those that do are experiencing more streamlined processes, increased productivity and higher profits. In addition, running more efficiently means fewer headaches and bumps in the road, happier employees, satisfied clients and customers. What's not to love about that?"

If you have a particular professional business service you need to outsource:

Contact: Dominique Maeremans
Email: d.maeremans@uhy.com

Other UHY personnel referred to in this article can be contacted as follows:

Joseph Fay
jfay@uhy-fay.com

Ximena Zampedri
xzampedri@hugogubba.com.uy

Peter Van Rooy
p.vanrooy@handsonpartners.be

Christopher Lozier
clozier@uhy-us.com

Richard Swarbreck
rswarbreck@uhyhn.com.au

Ronny Frederick
r.frederick@uhy-ceya.cl

Frank Fenello
ffenello@uhy-us.com