



Q&A on ten years in Hong Kong's offshore legal market

Insights - 20/06/2017

It is a decade since Nicholas Plowman established Ogier's Hong Kong office - the team has grown to a 27-strong practice, and Nick has continued to carve himself a reputation as one of Hong Kong's top PE, hedge and venture capital lawyers. In this Q&A, Nick talks about the experience of establishing the office, the growth strategy over the first ten years, current trends and future plans.

What are some of the biggest achievements/milestones for Ogier's Hong Kong office since you started it a decade ago?

Our Hong Kong office began with myself and one other partner in a (very) small office in Central. Today, we have 27 lawyers, including seven partners leading a variety of partner-led service lines. After establishing the Hong Kong office, the key for us quickly became diversifying our service lines and building out those teams. We have achieved this across our banking and finance, corporate, asset management, dispute resolution and private wealth service lines. By way of example, we now have a two partner dispute resolution team focused on BVI and Cayman laws, providing real time advice from Hong Kong. I am particularly proud of the bench strength of our Hong Kong partners and the lawyers we now have in the Hong Kong office. We recently had two of our Hong Kong partners named in ALB's top ten offshore lawyers in Asia (the last two years running), we have the most senior Mandarin-speaking BVI litigator in Asia, Ray Ng and Kate Hodson, one of ALB's top 40 lawyers in Asia under the age of 40. Oliver Payne joined us from the Cayman Islands in 2015 as a Cayman qualified litigation partner and Nathan Powell has established a really strong corporate and capital markets practice. Several years ago we intentionally pivoted our growth strategy towards North Asia with a focus on China and Japan, being the two biggest economies in the region. We were the first offshore law firm to establish an office in China and until recently we were the only offshore law firm with an office in Tokyo. The success of both of these offices has vindicated our decision not to follow the herd into other less profitable Asian cities, but rather stick to the markets we felt offered real and sustainable growth in the region.

Where did you see the biggest growth for Ogier Hong Kong in the past decade? What has been driving that growth?

Over the last ten years we have worked enormously hard to develop our reputation for asset management work, and that has been, and remains, a significant part of our offering, focusing primarily on BVI and Cayman laws. Our reputation in the hedge fund, private equity and venture capital space is now particularly strong in Asia. We then built off that and grew out our corporate, banking and finance, dispute resolution and private wealth offerings - all working in tandem with our teams in BVI, Cayman, Guernsey, Jersey and Luxembourg to provide a 24 hour solution across timezones for our Asian clients. The driver for the growth in these service lines has been the continued evolution of the Asian markets, particularly Hong Kong, China and Japan. The sheer weight of capital and the need for these economies to continue to grow has driven the growth for us out of Hong Kong. I am excited to see what we can do in the next ten years now.

What were some of the biggest challenges for Ogier Hong Kong and how did the firm overcome them?

The biggest challenge for us in Hong Kong was getting the business to a critical mass, in order to get our combined Asian operations to turn the corner financially. We needed to combine that objective with ensuring we invested smartly, controlled our costs and didn't over capitalise in what I call "vanity projects" or flag planting exercises. We now feel we have struck the right balance in Asia. The challenge for us going forward is how we push on from here. That's exciting for all of our Hong Kong partners and as a collective we now feel we have a really strong road map of where we want to go and how we want to get there.

What are your thoughts on the current Hong Kong legal market for offshore firms like Ogier? What are some of the trends you're keeping an eye on?

We've seen some new players come into Singapore and Hong Kong recently in the offshore legal space so the competition continues to grow. In saying that, the established players also continue to evolve making it harder for these new entrants to compete. For me, the quality of our lawyers, our advice and our general service levels will ultimately determine whether we can start to really dominate longer term. At Ogier, we've made a conscious effort to hire the very best lawyers in this market and I think our clients have recognised that whilst we are not the biggest offshore law firm in Hong Kong, our legal advice ranks alongside any of our competitors. Our Asian clients are constantly looking to us to develop innovative solutions to meet their specific needs, such as our advice on the Vanhau fund launch earlier this year (one of the first Asian hedge funds to use the new Cayman LLC structure) or our head of banking and finance Anthony Oakes advising on the first non-sovereign USD Sukuk out of Indonesia, in an award-winning piece of work for Garuda Indonesia.

You recently said in a Q&A that dispute resolution in the offshore legal space has been rapidly

expanding in Asia for some time now. What has been driving this growth? You also said that the firm has noticed a steadily increasing demand for offshore disputes advice in Hong Kong, largely coming out of mainland China. What is driving this increase in demand, and how have Ogier adapted to this demand?

We began offering dispute resolution services in Hong Kong in September 2014 when Ray Ng relocated here from our BVI office to become our Head of Asian Dispute Resolution. Ray was latterly joined by our second Asian-based disputes partner, Oliver Payne from our Cayman office in 2015. Oliver had lived and practiced in Cayman for over seven years, so it was fantastic for our Asian clients to gain a deeper understanding of how the Cayman courts operated with respect to their Asian dispute resolution matters. As I see it, the primary drivers for the growth in the offshore dispute resolution space in Asia are the disputes we are seeing coming out of several key areas, namely contentious private client work via offshore trust structures, shareholder disputes arising out of both publically listed and privately owned offshore vehicles and contentious restructuring and insolvency work involving offshore structures. I expect China will continue to drive a lot of this work as one of the key markets for the offshore law firms in Asia in the years ahead.

What's next for Ogier's Hong Kong office in the next ten years? What are you most excited/optimistic about?

We will continue to grow and evolve. We were not the first offshore law firm to set up in Asia, but I would expect us to fulfil our ambitions in the next ten years in terms of the optimum size of our footprint in Asia, the diversity of our offering, the profitability of the Asian business and the longer term cultural fit for each of our Asian offices. At the moment, the trend that give us most cause for optimism are the sustained appetite for the use of offshore vehicles across all of our service lines for pragmatic and sound commercial and legal reasons. Asia's asset management space continues to grow at a phenomenal pace and we expect that to continue, particularly out of China and Japan. Public and private M&A and general capital markets work also present enormous growth potential for us throughout Asia.

What do you expect the Hong Kong legal market to be like for offshore firms like Ogier in the next ten years? What will be the biggest opportunities and challenges?

I think the offshore law firms will continue to evolve and grow in Hong Kong, however they will need to remain focussed on the increasingly rapid pace of change in regulation and how that impacts their businesses. With the likes of BEPS, AIFMD, FATCA and CRS, now more than ever, the offshore jurisdictions will need to work closely with their onshore counterparts to ensure the industry remains compliant and above reproach. I am confident that certainly our own jurisdictions at Ogier are doing that and will continue to do so. For Ogier in Hong Kong, size is not the end game for us vis-a-vis our competitors. We want to be diversified, sustainable, profitable and an enjoyable place to work. The landscape will remain competitive in Hong Kong, but

I couldn't think of a better market to be headquartered in at this stage of our evolution in Asia.

This Q&A first appeared in Asian Legal Business

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Meet the Author



[Nicholas Plowman](#) 包乐文

Partner 合伙人

[Hong Kong](#)

E: nicholas.plowman@ogier.com

T: [+852 3656 6014](tel:+85236566014)

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