

ABOUT GLOBAL ALLIANCE

Asia's First Venture Investment Bank

Since formation in 1994, Global Alliance Ltd. has been providing first-class global financial and strategic services to international clients seizing opportunities to grow and change their destinies and industries in fundamental ways.

As dedicated Venture Investment Bankers, Global Alliance specializes in achieving financial and strategic goals of both large and emerging companies through a hands-on approach of developing and implementing the most important and comprehensive of client objectives. To this end, specialty practices have been developed in the areas of M&A, valuation, equity and debt financing, partnership negotiation and venture formation across the majority of industries.

Global Alliance distinguishes itself by observing the principles of exceptional integrity and the goals of superior knowledge, innovation and effort in all we do. Your interests are our only interest. *Your priorities are our only priority.*

ADVISORY & FINANCIAL SERVICES

Asia's First Venture Investment Bank

Financial Analysis & Valuation

Business and operating unit share valuation; appraisal of investment proposals; business viability; due diligence review; asset, brand, trademark and intellectual property assessment; business plan preparation for new ventures, market entry, expansions and financings; and financial modeling of cash flows and projections.

Strategic Advisory

Operating, partnership, financial and exit opportunity identification, assessment, advice and planning; new venture structuring; incorporation and incubation; strategy and partnership negotiations; business plan supervision and implementation; and joint ventures, license agreements, restructuring and other forms of financial alliances and strategic repositioning.

Corporate Finance

Private placement of seed, mezzanine, working capital, expansion, acquisition and replacement debt, equity, convertible instruments and derivatives; analysis of working capital, cash-flow and funding alternatives; preparation of offering memoranda and documentation; and locating, qualifying, soliciting, negotiating and securing funding from private, public, institutional, alliance and other strategic sources.

Acquisition, Disposition and Agency

Purchase, sale and representation of operating and strategic assets; transfer of operating and technology rights, licenses, brands, business operations, divisions and corporate entities; separation, liquidation and disposal of non-strategic ventures, liabilities and assets; and placement of partnership interests.

Mergers, Joint-Ventures and Alliances

Partnership strategies execution; information memorandum preparation for potential buyers; location of suitable counter-parties; assessment and augmentation viability; structuring and negotiation of terms and conditions for new entity, pooling of interests and exchange of stock; and management and monitoring of documentation, transaction and transition processes.

IPOs and Public Offerings

Planning of listing, private issuance, buyback, secondary market activity, and delisting of public securities; shareholder communication and negotiation; compliance and disclosure system promotion and review; and structure and valuation of management and employee incentives.

Restructurings and Reorganizations

Restructuring of affiliated core, affiliated and subsidiary companies; creation of internal compliance procedures; right sizing, outplacement, hiring and evaluation system planning and procurement; holding company implementation; and resource, scenario and goal assessment and allocation.

*Global Alliance Ltd. and its subsidiaries provide the above advisory services globally without restraint to our clients, except where prohibited.

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TEAM PROFILE

Asia's First Venture Investment Bank

C.J. WILSON, Group Managing Director



Since 1980, CJ has been a banker and venture finance specialist. Prior to founding Global Alliance Ltd., in 1994 he was a Director of Techno-Alliance K.K., a Japan-based venture capital group. Previously he was co-head of international M&A for Asahi Bank in Japan, Vice President of Investment Banking for Merrill Lynch Capital Markets in Tokyo and New York, Assistant Vice President of Investment Banking of JP Morgan in New York and with the Federal Reserve Board of Governors in Washington DC. He has a Bachelors Degree in Economics from University of Wisconsin and a Masters Degree from Harvard University School of Business Administration.

ATSUHIKO TATEUCHI, Managing Director (President - Global Alliance Partners Ltd.)

Founded Global Alliance Partners in 2002. Previously, founder and CEO of Drake Beam Morin-Japan. (1982-2002), Japan's largest HR firm, listing on JASDAQ in 1997. He was Representative Director of Home Products Japan and with Chesebrough Ponds Japan and USA. He was Liquidation Advisor for Vendo Japan. He began his career with Ketchum McLeod & Grove Advertising in San Francisco and New York. He is currently a Board Member of Care Japan and the Asian Art Museum of San Francisco and is President of the Tateuchi Foundation of Washington, USA. He graduated with a Bachelor of Arts, Law Faculty of Keio University, and received a Masters Degree, Advertising & Marketing, University of Washington.



DR. ROGER W. MILLS, Executive Managing Director



Roger is the Professor of Accounting and Finance at Henley Management College. He previously maintained an independent consultancy for 15 years, the last 10 in the area of Strategic Value Analysis. He has written numerous books and articles on accounting and finance, including Strategic Value Analysis and The Dynamics of Shareholder Value. He has completed assignments in 18 countries spanning Asia, North and South America, and Europe. He holds a Bachelors Degree in Psychology, Sociology and Economics, a Masters Degree in Management Studies and a Ph.D. in Finance from Brunel University.

TOMO HIRANO, Director

Prior to joining Global Alliance in 2001, Tomo worked in Sales and Marketing in both the United States and Japan for Daewoo Motors America and Soltec Co. He is a Microsoft Windows Systems Engineer and is fluent in English and Japanese. He has a 5-year Degree in Mechanical Engineering from Kurume National College of Technology in Fukuoka, Japan. He attended California State University. Tomo has Bachelor of Science degree in Mechanical Engineering and a Master of Arts degree in Financial Management from Parkwood University of UK.



MARCO X. DELGADO, Director



Marco was founder and President of a luxury goods retail company for which he was awarded membership in the Young Entrepreneur's Organization. Concurrently he was a director of Transnational Diversified Group, a multinational shipping company. Previously he was with the Subic Bay Metropolitan Authority in the Philippines and with NYK Lines in Japan. He holds a Bachelors Degree in Arts from McGill University in Canada and a Master of Business Administration from INSEAD in France.

THERESA YUAN, Director

Before joining Global Alliance in America, Theresa was Associate Director of Nomura Securities International HK Ltd. from 1994 to 1998 providing credit and fixed income analyst for the Asia Pacific Region. She founded Hong Kong Webgrlrs in 1997. Previously she was a credit analyst with BancOne. She is currently an executive officer of Flavor Software Inc. in New York. Theresa holds a Bachelor of Arts Degree from Stanford University in Economics and Humanities Honors and an M.B.A. from Columbia Business School. Theresa is currently engaged by Flavor Software of New York.



STEPHEN ROMAINE, Board of Directors



Steve joined the Board of Global Alliance in December 1999, and assists the company with investment banking advice and human capital issues. He is Managing Director of Glocap Search LLC. Steve previously was the President of Korn/Ferry International's Asia/Pacific Region, part of the world's largest retained search firm. He previously was Managing Director of international finance and investment banking at Merrill Lynch and with the Bank of Boston, specializing in cross-border corporate finance and merger advisory. His experience includes assignments in New York, London, Frankfurt, Hong Kong and Tokyo. Steve has spent much of the past 25 years in Japan, and is fluent in Japanese.

BURT ALIMANSKY, Board of Directors

Burt is managing director of Alimansky Capital Group Inc. based in New York City. He is also chairman and founder of New York Business Forums Inc., parent of New York Venture Group, New York Capital Roundtable, and MasterClass Forums. In addition to numerous board of director positions, Burt was president of the Harvard Business School Club of New York, and co-founder/chair of New York City's annual Venture Capital Conference. He was also awarded Entrepreneur of the Year by Ernst & Young, Merrill Lynch, and Inc. Magazine. He is a Bachelor of Arts honors graduate of Dartmouth College and has a Masters Degree from Harvard University School of Business Administration.



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GLOBAL ALLIANCE PARTNERS

Asia's First Venture Investment Bank

VENTURE CREATION & REORGANIZATION

Initiation and On-going Support of Truly Unique Ventures and Restructuring Opportunities

Corporate Offices

NXB Aoyama 7/F, Minami Aoyama 2-26-37, Minato-ku, Tokyo 107-0062, Japan	Vanterpool Plaza, 2/F Wicksham Cay I, British Virgin Islands	2-6 Granville Road, Suite 1508, Tsimshatsui, Kowloon, Hong Kong
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[Contact: A.Tateuchi](#)

Representative Assignments

Benihana Pacific Rim Ltd.
Benihana Restaurants Asia
Operations
[Contact Benihana](#)

Shu Medical Services K.K
Importer of Ophthalmological
Equipment
[Contact Shu Medical](#)

Global Online K.K.
Japan's Third Internet
Service Provider
[Contact GOL](#)

Altru Entertainment Inc.
Las Vegas Creator and Producer
of International Dance Revues
for Asia and Other Markets
[Contact Altru](#)

OFFICE LOCATIONS

Asia's First Venture Investment Bank

Since formation in 1994 Global Alliance has been providing first-class global financial and strategic services to international clients seizing opportunities to grow and to change their destinies and industries in fundamental ways.

GLOBAL ALLIANCE K.K.

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☎ 81-3-5411-3992

CJ Wilson Group Managing Director
Established: 1994



GLOBAL ALLIANCE INC.

45 Rockefeller Plaza, Suite 2000
New York, NY 10111
USA

☎ 1-917-699-2419
☎ 1-212-332-5079

Marco Delgado Director
Established: 1996



GLOBAL ALLIANCE LTD.

2-6 Granville Road, Suite 1508
Tsimshatsui, Kowloon,
Hong Kong
Established: 1994



GLOBAL ALLIANCE INTERNATIONAL LTD.

P.O. Box 4509, Henley-on-Thames
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United Kingdom

☎ 44-7071-888-888
☎ 44-1491-414-367

Prof. Roger W. Mills Executive Director
Established: 1998

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5th Avenue Madison Avenue



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Nathan Road

Carnarvon Road

Granville Road

**Albion
Plaza**

Hau Food Street

Cameron Road

Tsim Sha Tshui Station

Humphrey's Avenue

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Hong Kong
☎ 852-2724-1223

[TOMBSTONES](#) | [NOTABLE TRANSACTIONS](#)

TOMBSTONES

 <p>Joint Venture Formation and Private Equity Financing</p> <p>Benihana Philippines Ltd. Philippines Licensed Subsidiary</p> <p>Initiated and Arranged by</p>  <p>GLOBAL ALLIANCE www.galliance.com</p>	 <p>Pre-IPO Private Equity Financing</p> <p>NetPartners Internet Solutions Inc.</p> <p>Arranged by</p>  <p>GLOBAL ALLIANCE www.galliance.com</p>
 <p>Private Equity Financing and Joint Venture Formation</p> <p>Wit Capital Group</p> <p>Initiated and Advised by</p>  <p>GLOBAL ALLIANCE www.galliance.com</p>	 <p>Second Round Private Equity Financing and Joint Venture Formation</p> <p>College Enterprises Inc.</p> <p>Exclusive Adviser</p>  <p>GLOBAL ALLIANCE www.galliance.com</p>
 <p>Second Round Private Equity Financing</p> <p>Tri -Wall K.K.</p> <p>Initiated and Advised by</p>  <p>GLOBAL ALLIANCE www.galliance.com</p>	 <p>Private Equity Financing</p> <p>LINC Media, Inc.</p> <p>Initiated and Advised by</p>  <p>GLOBAL ALLIANCE www.galliance.com</p>



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Global
OnLine
Japan

First Round Private Equity Financing

Global Online Japan K.K.

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Creative Link

Second Round Private Equity Financing

Creative Link Corporation

Advised by



GLOBAL ALLIANCE

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LINC

LINC Computer Inc.

Acquired by

EDS Corporation

Advisor to Seller



GLOBAL ALLIANCE

www.galliance.com

CTC

Itochu Techno-Science K.K.

Acquisition of Minority
Interest

MobileWare Corporation

Advisor to Buyer



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RM12,000,000 Private Placement of Equity
and Redeemable Cumulative Convertible
Preference Shares

Articulate Corporation Sdn Bhd

Arranged by



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Private Equity Financing
& Strategic Partnership

GlobalSight Corp.

Arranged by



GLOBAL ALLIANCE
www.galliance.com



Licensing, formation, funding and launch.

Benugo Japan K.K.

Advised by



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NORTABLE TRANSACTIONS (FOUR YEAR PERIOD)

Internet Access Provider (New Venture in Japan)	Developed and produced business plan, privately placed venture financing with 11 strategic investors and assisted in recruitment of Japanese president. Subsequently appointed member of Board of Directors, retained strategic advisor.
Power Utility (Australian Provincial Government)	Valued ownership of rights of way of large-scale power grid operator undergoing privatization and auction. Company subsequently sold for a \$2.7 billion to US buyer.
Investment Trust Manager (Private Offshore Company)	Advised offshore fund management company focusing on pre-IPO high-technology direct investment. Initiated and completed equity and convertible investment in six US startups.
Computer Networking Manufacturer (Public Taiwanese Company)	Advised, structured and represented leading Taiwan company in valuation, negotiation and acquisition of 80% of networking division of public US competitor for approx. \$40mm and subsequent separation of target into two independent companies.
Corrugated Container Co. (Consortium of International Shareholders)	Produced business, expansion and financing plan for pan-Asia owner of branded containers company undergoing complete restructuring. Raised US\$25 million of equity with UK, Australia and offshore investors.
Television Content Producer (Private Malaysian Company)	Produced offering memorandum and privately placed RM12,000,000 of equity and convertible preference shares of multimedia entertainment development and production company with US and Japanese venture capital firms.
Diversified Holding Co. (Private Japanese Company)	Created operating model and financing plan for creation of second domestic airline carrier, the first using international partnerships.
Retail Services Provider (Public French Company)	Evaluated industry regulations, market factors and competitive position of Japanese acquisition targets. Assisted negotiations.
Electric Power Distributor (Private Philippines Company)	Reviewed and extended in valuation of Philippines utility for IPO filing.
Private Investors (Japanese and	Devised and implemented pre- and post-IPO strategy for sale of shares of four seed investors in US maker of network

Taiwanese Individuals)	hardware. Arranged tax-free transfer of shares and tax-neutral liquidation.
Educational Publishing Co. (Private and Non - Profit Japanese Consortium)	Advised Japanese company in re-organizing non-profit associated company and establishment of an operating subsidiary.
Investment Trust Manager (Private Offshore Company)	Researched industry, initiated negotiations, and completed investment in US gigabyte networking products company on behalf of Asian direct investment fund.
Corrugated Container Co. (Private Asian Consortium)	Assisted valuation and negotiation of acquisition bid for large scale container factory in San Jose area for sale by US owner.
Computer Peripherals Maker (Private Offshore Company)	Established in California plastic model production company. Supervised hiring of personnel and negotiation of licenses from international computer makers.
Pre-School Operator (Private Japanese Company)	Valued license and assisted negotiations with famous US entertainment company for cartoon characters for use in advertising and textbooks.
Database Marketing Company (Japanese Start Up)	Provide strategic and financial advice to startup software designer and producer of specialized relational software for financial services industry.
System Integrator (Subsidiary of Public Japanese Company)	Negotiated and structured early-stage direct investment in US branded educational multimedia content creation and production company with design and manufacturing operations in Vietnam.
Financial Services (Private Japanese Company)	Initiated discussions, assisted in production of business plan and advised mutual fund rating agency in license and investment negotiation with world-wide industry leader.
Education Review Committee (Australian Government)	Reviewed and evaluated at the request of independent senior government panel the effect of globalization and technology advancement on higher education. Subsequently re-hired for second level further analysis.
Game Software Producer (Private Japanese Company)	Valued equity investments, negotiated share purchase and managed creation of offshore investment trust for investment in three US multimedia ventures and one Japanese software company. Valued and advised against multiple other US venture investments
Overseas Chinese Consortium (Public and Private Companies)	Researched alternatives, interviewed competitors, evaluated feasibility and constructed strategy for creating, acquiring and assembling pan-Asian financial news service and financial instruments.
Game Software Producer (Private Japanese Company)	Surveyed market' initiated negotiations and completed partnership with US distributors of animated game software.
Parking Developer / Operator (Private Thailand Company)	Structured sale - leaseback financing, prepared offering memorandum, and solicited international bank guarantor and investor for privately operated Bangkok urban parking garage development.
Restaurant Chain (NASDAQ Listed)	Structured partnership plan and solicited licensees to establish multiple independent joint ventures throughout Southeast Asia. Appointed director of Asia holding company
Retailer / Direct Marketer (Private Japanese Company)	Valued and assisted negotiation of acquisition bid for Japan master license of US retailer of business management tools company.

Trading Company
(Public Japanese
Company)

Provided investment evaluation and negotiation services for technology transfer from, license of, share acquisition in Japan subsidiary of a leading US B2B and B2C product and services marketing firm.

**Employment Services
Co.**
(Licensee of US
Company)

Valued on-going Japan operations and US licensor's offer to repurchase Japan license. Negotiated with licensor and provided operating strategy subsequently leading to IPO in Japan.

**Technology Licensing
Co.**
(Private Japanese
Company)

Structured license purchase agreement and establishment of jointly owned Japan-based distribution company for intranet security system and smart card manufacturer.

System Integrator
(Private Japanese
Company)

Reviewed financial and legal documents of unsolicited acquisition bid by large US competitor. Valued offer, provided negotiation assistance and arranged structure securing shareholder and management interests.

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MEDIA COVERAGE

Asia's First Venture Investment Bank

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[ACQUISITION EXPERT SAYS SMALL FIRMS RIPE FOR THE PICKING](#) - IHT, 9-10 March 2002
[GAIJIN GRAVEDANCERS](#) - Forbes Global, 18 February 2002
[MARKET VERDICT - ASIA'S REITS](#)- Forbes Global, 10 December 2001
[INTERVIEW WITH CJ WILSON](#) - ACCJ Journal, October 2001
[SPEECH AT EMIRATES INTERNATIONAL FORUM](#) - Dubai, UAE, 1 March 2000
[MORNINGSTAR MAY OFFER SERVICES IN JAPAN](#) - WSJ, 23 October 1997
[ATLUS AIMS STICKER-PHOTO BOOTHS AT U.S.](#) - Asian WSJ, 1 October 1997
[TRADING FIRMS GET MAKEOVER, WINNING FANS](#) - WSJ, 25 April 1997
[SETTING UP SHOP](#) - WSJ, 8 November 1996
[SPEECH AT EUROMONEY: ADVANCED STRATEGIES FOR COMPANY VALUATION](#) - London, UK, 11 September 1996

SUMITOMO MAKES CASH BID FOR AOZORA

International Herald Tribune, 26 March 2003

Cerberus Partners weighs rival offer for 49% stake held by Softbank, By Brett Cole (Bloomberg News)

TOKYO: Sumitomo Mitsui Financial Group Inc., Japan's second-biggest bank, has offered ¥101.1 billion (\$838 million) in cash for Softbank Corp.'s 49 percent stake in Aozora Bank Ltd., according to bankers involved in the transaction.

Sumitomo Mitsui offered Softbank ¥73 a share for the stake, the bankers said. The bid, which can be matched by Cerberus Partners LP, an Aozora shareholder, values the lender at about \$1.7 billion. The purchase, which requires regulatory approval, would trigger a general offer for all Aozora shares....

"Sumitomo Mitsui wants this deal," said C.J. Wilson, managing director at investment advisers Global Alliance Ltd. in Tokyo. Aozora shareholders "will look at the price offered by Sumitomo Mitsui to Softbank and will want to sell."

Masayoshi Son, the Softbank chief executive, said he accepted the Sumitomo Mitsui offer, without disclosing the terms. Sumitomo Mitsui said in January it wanted a controlling stake in Aozora....

Under Japanese law, companies wishing to buy 33.3 percent or more of a company outside the market must tender an offer to all shareholders. If there is a general offer, shareholders in Aozora may sell their stakes to Sumitomo Mitsui, which may end up holding more than 50.1 percent in the bank....

Cerberus Partners LP, an \$8 billion investment fund that has an 11.5 percent stake in Aozora, is considering its own bid for Softbank's stake, William Richter, a Cerberus co-founder, said this month. Other Aozora shareholders include Tokio Marine Fire Insurance Co., Japan's largest casualty insurer, Orix Corp., Japan's biggest non-bank financial company, California-based Silicon Valley Bank and Japanese regional lenders.

EXECUTIVE, ACADEMIC TO HEAD REVIVAL BODY

Japan Times, 1 March 2003

By Tomoko Otake and Mayumi Negishi, Staff writers

The Cabinet decided Friday to appoint a former Nomura Securities Co. executive and a high-profile academic to lead a proposed government-backed entity tasked with restructuring indebted firms and revitalizing industries.

Atsushi Saito, a former vice president at the nation's biggest brokerage, will assume the presidency of the industrial revival body when it begins operations around May, and Shinjiro Takagi, a professor of law at Dokkyo University who is also known as a leading corporate

rehabilitation expert, will head a panel of experts that will judge whether debt-laden firms are salvageable....

In announcing the appointments, industrial revival minister Sadakazu Tanigaki stressed that the two candidates are "blessed with the most appropriate experience and capabilities."...

"Saito who?" asked Kenji Ueda, executive director of U.S. investment fund Ripplewood Japan Inc. "I'm glad they found somebody, though. I know I wouldn't want to have his job."....

While Takagi is better known for his involvement in the rehabilitation of ailing supermarket chain Daiei Inc., his appointment is expected to raise concerns over his impartiality in choosing companies to rehabilitate.

"Mr. Takagi's reputation is revered among executives, so this is a coup," said C.J. Wilson, managing director of Global Alliance LTD, an investment advisory firm. "But the filtering of who to help and how could be a quagmire of favoritism and conflicts."

As president, Saito's biggest job will be to find sponsors for companies that are put under management revitalization, Tanigaki said. Sponsors will eventually buy their resuscitating companies.

Takagi, meanwhile, will oversee the experts' committee, tasked with determining whether companies are salvageable and, if so, how much to pay banks for their problem loans.....

JAPAN REAL ESTATE, LONG DEPRESSED, HINTS AT A REVIVAL

Wall Street Journal, 3 May 2002

By Jaon Singer

TOKYO - Last year, Curtis Freez, the manager of a Japanese mutual fund, saw some numbers that shocked him....

...In 2002, Japan legalized real-estate investment trusts - which the U.S. had done in the early 1960s. REITs are companies listed on a stock market that invest solely in real estate, giving land sellers another vehicle for bypassing the sclerotic banks.

Gradually, the changes pushed through by Japan to revive its financial system made it possible for land owners to find new buyers where before there hadn't been any, and for buyers to raise money when banks had been saying no. **"Japan's financial-products market is moving beyond adolescence at last," says C.J. Wilson, managing director of boutique investment bank Global Alliance.**

Foreign investors such as Goldman Sachs began buying in bulk, because they saw the universe of potential buyers expand - which in turn raised the potential value of prime properties. What's more, they saw new uses for idle spaces....

SPEECH AT EXIT STRATEGIES FOR SMALL BUSINESS IN JAPAN

Australia & New Zealand Chamber of Commerce in Japan

Australian Business Centre, 3 April 2002

The subject of exit strategies will be explored in depth in this open-discussion format. This discussion will be led by **C.J. Wilson, President of Global Alliance, one of Tokyo's best known and most experienced private equity and M&A advisory firms.** Mr. Wilson will set up the discussion by outlining issues of exit strategies for three hypothetical business.

*Actual copy texts of speech are available par request. Please contact Global Alliance to request.

ACQUISITION EXPERT SAYS SMALL FIRMS RIPE FOR THE PICKING

International Herald Tribune, 9, 10 March 2002

Biz Beat, By Paul Murphy, Asahi Shimbun News Service

Marketwise, C.J. Wilson is a contrarian.

At a time when foreign investors are increasingly nervous about Japan, the managing director of mergers and acquisitions adviser Global Alliance believes that "if you look beyond the financial crisis and the leadership crisis," the current period represents "a good opportunity for anyone who wants to come to Japan or Asia."

The 44-years old American particularly smells opportunity in roll-ups, a strategy of buying up and grouping companies under the same brand and management system to enable economies of scale and other advantages.

"Is the time right now in Japan to do roll-ups? The answer is, 'You bet'" he said.

Global Alliance, a Tokyo-based seven-person operation with offices in the United States and Europe, is advising clients about purchase and roll-up a number of Japanese firms.

Stationary stores, dry cleaners, gas stations and property management companies, as well as financial planning and accounting firms, are among those ripe for roll-up.

Typical targets are solid, mid-size firms with less than 2 billion yen in sales, but which "are not benefiting from new information technology or management systems and financial strategies, such as issuing bonds that are possible for a larger fast-growing firm," according to Wilson.

The overriding economic benefit is in new management.

"Nissan is not a roll-up but we all agree that changing the head allowed everyone else the freedom to change," he said.

Wilson believe Japan is suffering from "a management crisis, which is proven by the exceptions."

"The skills that got managers where they are now-go along, get along, spend your time building empires that are politically protected as long as you keep hiring people - where built for a different economy 30 years ago," he said.

Wilson acknowledges that the uniformity which roll-ups bring may erode retail Japan's "mom and pop" face.

But he argues many would not survive anyway.

"When you have firms such as (office supplies mail-order vendor) Askul Corp. selling almost exclusively online and by fax and delivering product the same way, you realize the world has changed," he said.

GAIJIN GRAVEDANCERS

Forbes Global, 18 February 2002

Japan's economy is getting worse. That's good news for Western investors buying Japanese companies. By Justin Doebele

In January the Carlyle Group paid \$27 million for Asahi Security Systems, sold by the troubled Japanese retailer Daiei. It was the U.S. investor group's first acquisition in Japan - but it surely won't be the last.

Carlyle expects to do an additional 15 or so deals in Japan in the next four years. "Buyouts are a totally new business in Japan," says Kensuke Shizunaga, who is the co head of Carlyle's buyout team in Tokyo. "The market here is embryonic."

Just six years ago, fewer than 60 companies a year were bought by or merged with Western concerns. Last year the figure was 160.

"It's game over for Japan Inc.," says Brad Smith, who left his job of running Bear Stearns' Tokyo office 18 months ago to head his own company, Kahala Capital, which advises on mergers and acquisitions (M&A) of Japanese companies. "I have more work than I can handle."

With economic recovery nowhere in sight (see page 22), the dismantling of corporate Japan

will get broader and deeper. Consider: The value of M&A in the U.S. is equivalent to about 8% of its \$10 trillion GDP; Japanese M&A accounts for only about 1% of its \$5 trillion GDP, so there is plenty of room for growth....

....The fraction of shares held in cross-shareholdings has fallen to 37%, from 52% in 1991, according to Goldman Sachs. **"Japanese banks and others are unwinding their cross - shareholding of keiretsu groups at a savage pace," says C.J. Wilson, the head of Global Alliance, an M&A advisory firm in Tokyo.**

Foreigners in the meantime have raised their ownership to 19% by value of all listed shares, giving them greater leverage for takeovers. For legal control of a Japanese company, an acquirer generally needs to have at least a 34% stake (note that when Renault took over Nissan, it had a 37% stake, and when DaimlerChrysler got Mitsubishi Motors, it had 34%).

Japanese are generally completely naked [to takeovers] without cross - shareholdings," says Arthur Mitchell, a senior partner of Coudert Brothers, a law firm in New York, who has long focused on Japan. Coudert and Lazard Frères developed Japan's first poison-pill defense and Mitchell sees a bright future in helping Japanese companies fashion Western-style defenses against takeover bids. But, he says, most companies ignore the growing danger: No companies have planted these poison pills (there are 2,500 in the U.S.)...

MARKET VERDICT

Forbes Global, 10 December 2001

Asia's real estate tycoons are hoping that REITs will flourish in the region. Investors are skeptical. By Justin Doebele

...Not all REITs are created equal. "The U.S. REIT market had more than ten years to mature and to experience plenty of failures in every form before settling down to separate classes of property with the right investors," says C.J. Wilson, who manages Global Alliance, a private investment firm in Tokyo. The same process will likely take place in Asia. Investors need to ask hard questions about whether the properties underlining the REITs can deliver promised returns in growth, rents and capital appreciation.

INTERVIEW WITH CJ WILSON

America Chamber of Commerce in Japan, October 2001

Q: In the World Competitiveness Survey from the Institute for Management Development of Lausanne, America retained the number-one spot, with Singapore a strong second. Japan, however, managed to slip to 26th in 2000, from 24th. Even Chile and Estonia were judged more competitive. Are cumbersome government regulations proving a drag on energizing new businesses to kick-start an economic recovery?

A: I don't believe a competitive ranking is going to be easy to construe as saying that Japan has got to "catch up." I believe it's already taking steps. Does that mean a foreign company can come into Japan and help a local firm transition, to upgrade to become more of a global player? Absolutely. The willingness is there as never before, and it's not simply about "outsourcing." It certainly takes longer to understand Japan; therefore, if you don't understand it yet, it is best to get someone to help you.

Doing business in Japan requires being very careful, very structured and very determined. We don't think it's about finding money; we don't think it's about being first to market — lots of people have been rich and first, and have failed. What we're very sure about is having the right partners.

The myth is that it takes a long time to do business in Japan; it doesn't. Is it possible to be successful? Can I get the people and critical resources I need, get customers? Can I get them quickly? Yes, to all of those. Can I get them as quickly as Hong Kong? No, but Japan dwarfs many markets.

Another myth is that it will be more difficult to enjoy long-term the benefits of having created new business opportunities, to prevent a competitor or copycat from moving in. And my answer to that is; that's global; that is just today. It's not any worse here than anywhere else.

Q: Japanese companies seem unusually cautious about taking a chance on entrepreneurs, while Japanese [employees] continue to be wary about leaving the corporate nest.

A: The markets are changing fast globally and very fast in Japan. As an entrepreneur, you'd better have a really good idea and be ready for people to demand that you prove it to them, rather than simply give you money and trust you to do it. With the bubble bursting here, obviously recruiters are having a tougher time getting people out of their old jobs. People are less willing to take a risk and jump into a start-up now. The current state of the global markets justifies walking away from that risk and staying where they are right now if they are uncertain!

If you are a foreign firm and [have] a good [business] plan, the right resources, and you're going to let the local entrepreneur help run things — it's possible to draw people out. But if you're asking somebody with a steady job to bet their life on yours, that's hard right now. Yet there are still plenty of individuals out there who are bilingual, international, informed and risk takers. I think we're starting to see the age of the truly international Japanese manager. Part of that can be seen in the foreign-born or trained managers that come back to Japan.

Do I expect unemployment to increase in Japan? You bet. Was it good for Korea? You bet. Will it take longer here than there? Yes. We're not going to hit the same bottom; Japan won't be as tough-minded in letting large corporations fail. Being out of work is frightening, yet unemployment often is the key to energizing the creation of new businesses and ideas.

Q: Since American high-tech stocks started to slide lower and lower, venture funding from abroad has gotten very tight. Do you see that situation changing in the near future?

A: A lot of foreign VC's have significantly pulled back. This situation is helping Japan create its own venture market — which we never really had before. It is creating a completely new venture-capital industry and, with it, significant skill sets will in time lead to returns for those venture funds. Those returns will attract the other players into this market. Leveraged buyout funds and private equity funds are still here and will continue to have great opportunity to reposition large companies.

But the foreign equity investor is going to have to bring something more to the table than just money. It's all about alliances; as much as we hear the VC or institutional investor will help you, they're going to have to prove it. With a mix of cultures, regional and global opportunities and conflicts, it's extremely important that people be very aligned in their interests. I don't think we are anywhere near close to predicting who's going to be successful in each market yet, but the amount of money we are going to need to reinvent companies is huge. Markets have never been better for this in Japan.

Q: Are good Japanese companies being created?

A: The foreign capital firms are not finding the good companies easily, but we still get enough. Companies being created by foreigners, by Japanese or a combined team — all three have the same opportunities, though we've seen the Japanese firms able to take advantage of them faster and stay off the radar screen longer. Industry by industry, though, we can see significant advantages for more foreign-influenced firms — finance, on-line trading and telecoms are obvious examples. More "mixed" companies are succeeding with a combination of shareholders and resources, simply because businesses everywhere are globalizing. JVs [joint ventures] are a hot topic — is Nissan [and Renault] a success? Oh, yes. Mazda [and Ford]? Not yet. Given the current environment, it is very easy to have a conversation with any firm that you would like to align yourself with, through a minority or majority stake.

SPEECH AT EMIRATES INTERNATIONAL FORUM

"Surviving the Challenges. Strategic Partnership and Joint-working Coalitions: Their Complexities & Pitfalls".

**New Wave Mergers & Alliances: Strategies for the 21st Century Enterprising
Dubai, UAE, 28 February–1 March 2000**

Speakers attending the event included: Ambassador Diana L. Dougan, International Communications Studies, CSIS, Washington; Matthias Kleinert, Daimler Chrysler, Germany; Dr. Peter Spalti, Winterthur Insurance, Switzerland; Dr. David Faulkner, Oxford University, UK; Dr. Ibrahim Shihata, World Bank; **C.J. Wilson, Global Alliances, Japan**; Dr. Eckart Stor, Siemens, Germany; Stephen Barret, KPMG Corporate Finance; Prof. Jean-Pierre Jeannet, W.F. Glavin Center for Global Leadership, US; Pier Carlo Flaotti, Oracle Corporation, Switzerland; Thomas L. Doorley III, Deloitte Consulting/Braxton Associates; Jean Calude Delcroix, European Internet Industry Association, Belgium; Craig Balance, Electronic Commerce, Canada and Dr. Abdul Hameed Hallab, Special Adviser to H.H. The

Ruler of Sharjah for Higher Education, Sharjah.

The summit was inaugurated by H.H. General Shaikh Moammed bin Rashid Al Maktoum, the Crown Prince of Dubai and the UAE Defence Minister in the presence of many prominent personalities. H.E. Nelson Mandela, Nobel Laureate and Former President of South Africa; H.E. Ahmed Al Tayer, UAE Minister of Communications, Forum's Deputy Honorary Chairman; Sulaiman Al Mazroui, Coordinator General of the Forum delivered the keynote speeches. The occasion was also graced with a message to the Forum from H.E. Bill Clinton, President of the United States, which was delivered by the US Ambassador, H.E. Theodore Khattouf.

*Actual copy texts of speech are available par request. Please contact Global Alliance to request.

MORNINGSTAR MAY OFFER SERVICES IN JAPAN

Wall Street Journal, 23 October 1997

By Steve Glain, Staff Reporter

TOKYO - Morningstar Inc., the Chicago-based mutual-funds rating agency, is close to an agreement with a Japanese company to offer its services in Tokyo, said people close to the negotiations.

Such an agreement would create the first independent mutual-funds rating agency in Japan, where financial deregulation has attracted the world's top asset-management companies.

Morningstar's chairman, Joe Monsueto, acknowledged that he is talking to several companies in Japan to jointly set up a ratings agency, but he wouldn't identify them. "We're very excited about the changes going on in Japan," he said. "When you consider how much money is being held in low-yielding postal accounts, the prospects for selling better-performing mutual funds are very good."

Only 2.6% of Japan's household savings were held in mutual funds last year, while 53%, or about 645 trillion yen (\$5.336 trillion), were invested in low-yield bank deposits. But many Japanese and Western money managers expect a mutual-fund boom here as Japanese seek better returns.

Terms of the Morningstar agreement have yet to be worked out, said the people close to the negotiations but Morningstar is expected to take a large stake in a joint venture. Other investors in the venture, they said, are expected to include IFIS Ltd., a small mutual-funds rating agency; Reuters Japan Ltd., the local subsidiary of the international news service; a division of Mitsui Co., the trading giant, and **Global Alliance Ltd., an Asia-based investment bank.**

IFIS, launched in January 1996 by two former fund managers, first approached Morningstar in August, said a source involved in the negotiations.

Over the past several years, Tokyo has adopted a series of reforms that have made it easier for foreign investment-trust companies to sell funds listed in Japan and overseas. In addition to IFIS, Japan has three fund - rating agencies that are affiliated with securities firms, and one operated by a subsidiary of the Nihon Keizai Shimbun Inc., a financial newspaper.

ATLUS AIMS STICKER-PHOTO BOOTHS AT U.S.

Asian Wall Street Journal, 1 October 1997

TOKYO – Picture this: Japanese teenagers are thronging instant-photo booths to get their pictures printed on stickers, and the Tokyo franchise behind the fad is focusing next on the U.S. market.

Naoya Harano, founder of closely held Atlus Co. of Japan, started placing his Print Club photo booths in urban gathering spots for youth in 1996. Now the industry is estimated to be valued at billions of dollars and the booths are poised to challenge the Tamagotchi - the key - chain "virtual pet" - as the distraction of choice among Japan's youth.

Now, the first U.S. Print Clubs are set to be snapping mugs after a debut in Europe. Mr. Harano is so confident Print Club will win over Americans that he plans to list Atlus on the Tokyo Stock Exchange on Oct. 7.

Accessibility Is Key

Success is far from guaranteed, says C.J. Wilson, managing director of Global Alliance Ltd., an Asia-based investment bank and venture-capital company. "Atlus will need to make the Print Clubs accessible, and that means placing them in 7 - Elevens as well as amusement parks," he says. "Retailers will need to know what you are going to put in place of this box when the fad fades, and they'll worry that a personal computer will do it all next year anyway."

In Japan, at least, Print Club has established itself firmly. Print Club booths on the urban streets and alleyways of Japan are routinely crowded with teens, usually girls, lined up to have their pictures taken. The machines print out tiny photos on adhesive strips that can be stuck on name cards, diaries or greeting cards. Users can choose a computer graphic - cartoon characters, star entertainers or gag backdrops - in the photo frames. For 350 yen (\$2.89), a consumer can have his mug shot taken alongside Mount Fuji, Tweetie Bird or pop singer Mariah Carey. Japanese teenagers swap the photographs with friends and keep thick albums filled with the photo stickers.

Atlus, a midsize Japanese company that specializes in video - game software, controls two - thirds of the photo - booth market in Japan. Print Club sales provided 70% of the company's 36.5 billion yen (\$301.8 million) in revenue last year.

Later this month, it hopes to announce a tie-up with such companies as Eastman Kodak Co. and International Business Machines Corp. to help distribute Print Clubs in the U.S., according to an IBM official in Tokyo. Mr. Harano has obtained the rights to feature images of singers Mariah Carey and Celine Dion in Atlus's U.S. machines, in addition to cartoon characters and entertainers affiliated with a major U.S. multimedia company, he says. (Disclosure laws relating to the stock-market listing prevent him from naming the company, Mr. Harano says. Atlus has rights to use images of characters and entertainers from Time Warner Inc. and Walt Disney Co. in its Japanese Print Clubs.)

The first wave of U.S. Print Clubs will land in Los Angeles and Honolulu, where sample kiosks already have been well-received, Mr. Harano says. The machines will be placed primarily at convenience stores and video-game parlors, and at events like stock - car races, and will target teenagers. The U.S. Print Clubs will feature American sports heroes, entertainers and cartoon characters, many of whom are already used in the Japanese machines, although some changes have been made. "We substituted Mount Fuji with the Statue of Liberty," Mr. Harano says.

Mr. Harano has a knack for spotting fads. He started Atlus in 1988 with a handful of people who worked with him at a small amusement-game software company, just when the video - game craze was gaining steam. He borrowed 20 million yen from friends, and soon the company was writing software for Sega and Japan's other video-game giant, Nintendo Co.

Dominant Grip

His obsession with photo booths began two years ago when a staff worker approached him with a tiny photograph of her and two friends, which was printed on an adhesive strip, albeit without any graphic images. "She thought it was a lot of fun," says Mr. Harano. "So I took a long walk outside the office and noticed schoolgirls were lining up in front of these things."

Atlus has managed to keep its dominant grip with a superior sales and service network that has reduced the average response time to reported breakdowns to about an hour, compared with an average of several hours to a day, says Jim Miller, chief executive officer and president of ImageWare Software Inc. (The San Diego - based ImageWare pioneered the electronic photo booth and has licensed one of its patents to Atlus.)

"He's been very thoughtful about this," Mr. Miller says. "He didn't just put out a thousand machines and figure out how to service them later, which is a mistake a lot of companies make. I salute him for his discipline."

TRADING FIRMS GET MAKEOVER, WINNING FANS

Wall Street Journal (all editions), 25 April 1997, Page 13

By Steve Glain, Staff Reporter

TOKYO – Some analysts are urging stock pickers looking for long-term value in Japan to consider one of the oldest and most venerable sectors of the economy: the trading houses.... Bankers and analysts say the trading companies are using their vast networks and contacts overseas to identify and introduce the new technologies Japan needs to overhaul its lagging communications and multimedia industries.

Focus on Profitability

"The trading companies have the greatest chance to make a difference ... by nurturing or capturing new ventures," says Clifton J. Wilson, the chairman and founder of

Global Alliance, a Tokyo-based venture-capital company. "They know the dangers of not changing with the times."

...Only a few years ago, the trading companies were reeling from a series of ill - fated investments that helped fuel asset inflation in Japan's "bubble" economy. But analysts say most of Japan's nine major trading houses are writing down their bad debt and now seem more concerned with profitability than holding showcase assets like golf courses and movie studios. Analysts also stress that the new businesses like multimedia and telecommunications still account for a small portion of the trading companies' total portfolios, a reflection of the attendant risks....

SETTING UP SHOP

Wall Street Journal (all editions), 8 November 1996, Page 1

Foreign Entrepreneurs find fertile ground for start-ups in Japan, By Steve Glain, Staff Reporter

TOKYO – the Japanese marketplace may look like a jungle from the outside, but some pioneering foreign entrepreneurs see it as the New Frontier.

For instance, when Yuji Suzuki desperately needed a capital infusion this year for his company, a corrugated - box maker named Tri - Wall KK, he turned to Clifton Wilson, President of Global Alliance Japan Inc. Mr. Wilson founded the venture - capital firm last year after spending six years with Merrill Lynch & Co. and a Japanese bank. Mr. Suzuki, president and majority shareholder of Tri-Wall, had just lost a major shareholder, which left the company undercapitalized.

Finding Funds

Mr. Wilson raised \$25 million in three months from some Asian paper companies that had bought rights to use Tri - Wall's logo but had dissolved earlier equity links to the company. Renamed New Tri - Wall KK in February, the company expects sales of about \$40 million this year. Mr. Suzuki says he didn't even bother asking Japanese investment banks for help. "There isn't a Japanese firm that could have pulled it off," he says.

According to Yasumasa Ishizaka, managing director of investment-adviser China Capital Holdings Inc.: "Most Japanese venture capitalists are on salary, so there's a disincentive to take risks. If you make a decision that goes wrong, it's trouble. If you make one that goes right, there's no upside."

One of Mr. Wilson's secrets: "We've gone local." He formed a board from a circle of Japanese businessmen he knew from previous deals. He found cheap office space by subleasing from a director, and he found secretaries largely through referrals from friends and contacts.

SPEECH AT ADVANCED STRATEGIES FOR COMPANY VALUATION

EUROMONEY CONFERENCE, "Valuing in Emerging Markets"

London, UK, 10 & 11 September 1996

*Actual copy texts of speech are available par request. Please contact Global Alliance to request.

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