

## Building and Maintaining Foreign Operations

Technology companies are experiencing rapid growth and they don't seem to be slowing down anytime soon. Foreign expansion is common and brings increased risks and exposures. Careful risk management analysis and planning is the key to protecting your business and ensuring all of your operations, abroad and at home, are successful.

### Safeguard Your Supply Chain

Suppliers and subcontractors bring with them a set of variables, any of which could mean the difference between a successful or failed end product. Raw material inventories, weather events, quality control and shipping regulations are all factors affecting your business that are mostly uncontrollable.

Perform a risk analysis for each company using as much information as you can get, including their upstream suppliers, any quality and safety records, information about the political climate in their country and anything else that could give you insight into potential risks of doing business with them.

Consider your options when it comes to suppliers. Having more than one supplier can provide stability to your supply chain if an unforeseen event happened, preventing a delay in production.

### Look Out for Your Employees

Managing and protecting employees in foreign locations is difficult. You need to address safety and human resources issues for your current employees who are moving or travelling to your new location as well as for employees who are native to your foreign location.

Radical political turmoil has occurred across the globe in recent years, highlighting the need for increased protection and risk management for foreign and travelling employees. Accounting for these unpredictable, dangerous situations will keep your company a step ahead.

### Protect Your Data

Data storage and security is a substantial issue for

---

Careful risk management analysis and planning is the key to protecting your business and ensuring all of your operations, overseas and at home, are successful.

---

technology companies of all sizes. In the event that your business runs a data centre in a country where the energy infrastructure is at all undeveloped, power supply back-ups and procedures for continuing operations are a must.

### Navigate Legal Hazards

Every country and region has different legal and regulatory environments for safety, quality, shipping and even insurance. Understanding each region's specific laws is important to success anywhere in the world. One issue of note for technology companies is regulatory requirements for storage and transmission of sensitive personal data. Make sure your operations are in compliance with regulations in all locations, preventing costly missteps.

---

Provided by Crendon Insurance Brokers Ltd

The content of this Risk Insights is of general interest and is not intended to apply to specific circumstances. It does not purport to be a comprehensive analysis of all matters relevant to its subject matter. The content should not, therefore, be regarded as constituting legal advice and not be relied upon as such. In relation to any particular problem which they may have, readers are advised to seek specific advice. Further, the law may have changed since first publication and the reader is cautioned accordingly. © 2011-2013 Zywave, Inc. All rights reserved.

# Building and Maintaining Foreign Operations

---

To fully understand the risks associated with foreign operations, consult with Crendon Insurance Brokers Ltd, as well as legal and financial professionals.