



## MIDDLE EAST RETAIL PRACTICE

The retail sector in the Middle East is being driven by increased growth in consumer spending attracting a mix of developers, international and local retailers, fashion brands, investors and financiers. DLA Piper is focused on providing advice based on in-depth sector knowledge, local experience and international best practice.

The value of the DLA Piper Retail Sector Group comes from offering commercially sound advice across the full range of legal issues affecting those participating in the Middle East retail market.



## OVERVIEW

Businesses in the retail sector face a range of legal issues in the Middle East. The DLA Piper Retail Sector Group delivers commercial advice on legal issues, an in-depth knowledge of the retail industry and relevant local regulation. The firm's global reach means that our advice also reflects international best practice.

DLA Piper advises companies involved in all aspects of the retail sector, including:

- International retailers operating or considering operating in the Middle East
- Local retail organisations
- Owners/developers of retail property
- Investors/funders of retail organisations/developments
- Distributors/agents
- Manufacturers

The DLA Piper Retail Sector Group understands the business processes required to operate in the retail industry and this enables them to provide cost effective solutions to the commercial challenges faced by companies operating this space.

Our retail sector lawyers advise on all areas of business law, including:

1. Corporate establishment, joint ventures, structuring and licensing including the use of freezones
2. Mergers, acquisitions and disposals
3. Franchising/distribution/agency arrangements
4. Development and leasing of retail outlets
5. Brand and intellectual property protection, advertising
6. Employment
7. Regulation including consumer protection product safety/compensation

## THE TEAM

The Retail Sector Group has representatives from each of the traditional sections of business law. This includes

- Real Estate lawyers, who have worked on acquisition, development and disposal of shopping centres including running high volume leasing programmes;
- Corporate lawyers who have advised dozens of companies regarding the appropriate legal structure to operate in the region;
- Intellectual Property lawyers on protection of brands;
- Employment lawyers who advise on the hiring of senior management through to employees rights in each jurisdiction.

## REGIONAL PRESENCE



We think clients like to be able to instruct the same law firm across each of the markets they operate in. We have offices in each of the main retail markets in the Middle East.

Businesses in the Middle East face complex local regulation which varies between each jurisdiction. Not only is our Retail team truly international, we also operate throughout the region and regularly advise clients on issues in multi-jurisdictions simultaneously.

## EXPERTISE

The Retail Sector Group has worked on a large number of retail related transactions in the region.

## A SNAPSHOT OF OUR EXPERIENCE

### 1. Corporate establishment, joint ventures, structuring and licensing including the use of freezones

- Advising a **French couture house** in relation to its corporate expansion and joint venture in the GCC
- Advising an **Italian couture house** in relation to its corporate restructuring in the GCC
- Counsel to a **French couture house** in relation to expansion plans in Qatar
- Advising **Samsonite** in relation to joint venture arrangements in South East Asia and the Middle East
- Assisting a **major US bottled water company** with respect to structuring of their joint venture with a well-established local group for production and distribution of bottled water and district cooling matters
- Advising a **major regional real estate developer** on possible corporate structures for their expansion in Qatar

## 2. Mergers, acquisitions and disposals

- Advised **Christian Dior Couture, S.A.** in relation to its corporate expansion and joint venture in the UAE, Kingdom of Saudi Arabia and Qatar. This involved drafting and negotiating shareholders' agreements, intellectual property agreements, management and lease agreements
- Advising a **luxury brand** in relation to its joint venture with a Qatari family and its acquisition of interests in the brand's distributorship in the ME region
- Advising a **luxury brand** in relation to its joint venture with Engie Etoile Group Ready Made Garments LLC (UAE company) and the proposed distribution arrangements for the Middle East
- Advising a **leading GCC retail group** on a \$137 million debt and equity restructuring exercise including the introduction of a strategic investor
- Advising the **Abu Dhabi National Exhibition Centre (ADNEC)** on its acquisitions of exhibition houses and concepts including sale of exhibitions
- Advising **Dubai International Capital**, the international investment arm of Dubai Holding, on their acquisition of a significant equity stake in Rivoli Group, the GCC's leading luxury retail group with over 200 retail outlets across the UAE, Bahrain, Kuwait, Oman and Qatar
- Counsel to a **Saudi Arabian public joint stock company** in its acquisition of two leading Saudi retail chains
- Assisting in the US\$4.75 billion financial restructuring of **one of the world's largest mass merchandise retailers** in one of the largest refinancing in Wall Street history
- Acting for a **mezzanine financier** in a \$37 million subordinated debt facility for a mixed-use commercial, residential and retail development on State owned land
- Advising **Al Futtaim Group** in connection with their US\$1.6 billion joint venture with Qatar based Qatar Islamic Bank and Aqar to establish a development company for the development of a large mixed use project in Doha

## 3. Franchising/distribution/agency arrangements

- Advising **Allianz Real Estate GmbH**, and acting on behalf of various Allianz insurance companies of the Allianz Group, in the acquisition of the "Porta di Roma" shopping centre, the largest Italian shopping centre, located in Rome, "La Bufalotta"
- Advising the **UAE's largest telecommunications provider** on the outsourcing of its retail function, including front of house customer experience and back end distribution and delivery

- Acting for **Modern International Electronics**, owned by the Saudi Arabian Al Faisalia Group, in respect of the distribution of audio tapes/home video throughout the GCC
- Advising the **Dubai Metals and Commodities Centre** on the launch of a special Dubai diamond cut
- Advising on franchise agreements and arrangements for **THE One, Tower Records, Aujan Industries and White Stores**
- Providing multi-jurisdictional advice across the Middle East for a **range of major US-based international franchisors** in the F&B and home wares sectors on the franchise and retailing of their systems and licensing of their intellectual property assets
- Advising **Reckitt Benckiser** with respect to their operations throughout the Middle East and on agency restructuring and consolidation

## 4. Development and Leasing

Our lawyers have worked on the acquisition, disposal and/or leasing of the following **local and international retail schemes**:

- The Galleria, Sowwah Square, Abu Dhabi
- The Souk, Central Market, Abu Dhabi
- Capital Centre, Abu Dhabi
- Festival City, Cairo
- Dubai Festival City, Dubai
- Festival City, Doha
- The Boulevard, Jumeirah Emirates Towers, Dubai
- Madinat Jumeirah, Dubai
- The Waterfront, Dubai
- Tiara Resort & Residences, Dubai
- Jumeirah Zabeel Saray Hotel, Dubai
- Taj Exotica, Dubai
- Jumeirah Golf Estates, Dubai
- Dubai Investment Park
- Bawadi, Dubai
- Meeras, Jumeirah Garden City, Dubai
- The Lagoons, Dubai
- Southgate, Bath
- Diagonal Centre, Barcelona
- White City, London
- Pacific Place, Hong Kong

- Brooks Brothers, Madison Avenue, New York
- Advising **Zaya** in relation to leasing and operating agreement for Café Del Mar
- Advising **The Light Group** in relation to the establishment of a range of outlets in partnership with Zabeel
- Advising on the Building Management Statement and Commercial/Retail JOPD for a mixed-use hotel, retail and commercial project in **Downtown Burj Khalifa**
- Acting for a **Dubai master developer** in relation to a proposed master planned mixed-use community comprising residential, commercial, retail and hotel components and golf course facilities
- Advising in respect of the real estate aspects of the acquisition by a joint **venture vehicle formed between Mubadala and Gulf Related** to acquire a land interest for the development, sub-letting and operation of “The Galleria at Sowwah Square” a 33,000 sq metre retail and dining concept in Sowwah Square, Abu Dhabi

#### 5. Brand and intellectual property protection, advertising

- Advising international fashion brands **Limited Brands, Polo Ralph Lauren and Roberto Cavalli S.p.A** and their worldwide rights holders in respect of their retailer agreements, including identifying areas of potential issues related to the agreements in the six countries of the GCC and advised the parties on relevant local laws, regulations and practices that need to be complied with in this region

#### 6. Employment

- Providing ad hoc general employment advice to **THE One and Gap**
- Drafting an employment contract for the general manager of **JD Sports**, provided advice in respect of the immigration issues to consider and the working arrangements generally
- Providing **Christie’s** with advice in respect of the transfer of employees from one DIFC entity to another; reviewed and amended their DIFC employment contract and reviewed and amended independent consultant agreements and advised on the implications of the UK Bribery Act in respect of the consultants dealings in the UAE

#### 7. Regulation including consumer protection product safety/compensation

- Advising **Reckitt Benckiser** on regulatory aspects of promotions, product infringements
- Advising a **number of multinational pharmaceutical companies** on the regulatory and licensing requirements for advertising, promotion and retail sales of pharmaceutical products in the UAE and in Saudi Arabia
- Advising **banks and credit card companies** on regulatory issues in connection with the launch of e-payment systems and e-wallets
- Advising a **baby food producer** on product safety and advertising regulation across different jurisdictions in the Gulf region including UAE, Saudi and Yemen

## MIDDLE EAST RETAIL PRACTICE KEY CONTACTS



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