

Expanding Reach and New Global Markets

An Interview with Fredrick Fuest,
President, International Division



Rick Fuest

EDITORS' NOTE *Fredrick Fuest joined Active in 1995 as Executive Vice President-International, responsible for Active's global business. He became COO of Active in 1998 and was made President-International Division in 2005. Before Active, "Rick" spent 23 years at Hoffmann-La Roche in various roles including VP, Roche USA and CEO of two subsidiary companies. He holds a B.A. in Physics from Drew University and a M.S. in Environmental Science from Rutgers University.*

In which markets have you seen the most opportunities?

We have expanded in a couple of important regions. During the year we increased our presence in Europe: in addition to our long-standing offices in Germany, France, and England, we have now opened an office in Spain and added representatives in Italy and Scandinavia.

In terms of growth, the U.K. continues to outpace our other European markets, with business more than doubling over the past couple of years. Our business and our team are particularly strong in this market, which has clearly embraced the corporate trade industry like no other.

Another primary focus for expansion has been in Asia where we have opened offices in China and Korea, and restructured our business in Japan. While Asia presents its own special challenges in terms of business practices and culture, the market potential is huge and the outlook for growth is almost unlimited.

We see China as the gateway to all of Asia, so we are investing significant resources into establishing a strong foundation for our business in this market. In addition to the business opportunity, as the first corporate trading company to be licensed in China, we are excited to be breaking new ground for the industry. As our business in China develops, we will look to use that as a base for entry into surrounding countries within the region.

In North America, Active is also seeing accelerated growth in Canada and Mexico due to increased collaboration and cross-border transactions with our U.S. colleagues.

How do you educate the new markets you enter on all that Active offers?

If corporate trading has not been available in a market previously, a substantial amount of basic education can be required. We have generally done this through meetings with business associations, key media providers, and appropriate regulatory authorities. It requires educating business people and media people about the substantial benefit they can receive by considering an alternative solution.

How close is the coordination market to market and with the corporate office?

Over the past several years, we have worked hard to develop the "Active Brand." That brand embodies every aspect of how we do business, how we relate to our customers, and how we treat our employees. By insisting that our employees – no matter where in the world they are located – understand and practice all of the elements of our brand, we assure that the Active experience represents the very best that there is in our industry, wherever we are present.

On an operational basis, we encourage a high level of regional collaboration. Key team members from our offices in Europe and North America meet regularly to discuss client relationships, new opportunities, and future strategies for the region. As a result, today we generally view multinational prospects and clients from a regional or global perspective rather than on a market by market basis.

In addition to our regional activities, we annually bring together key management from every country to share best practices, new opportunities, evolving business models, and creative ideas. This not only fosters a spirit of global collaboration but also helps us to develop the products and strategies that assure that Active will continue to be the best company in our industry.

We have also used technology to bring our employees together and to enhance collaboration. Every Active employee has instant video teleconferencing available on his or her own computer so that individuals or groups of employees can have a visual experience when discussing issues, whether from the office down the hall or around the world. Also, all information and data systems within Active are being globalized and our employees have access to client and other industry data on a real-time basis across multiple devices.

Are there issues with the usage of trade credit across borders?

There are no issues with utilizing an Active trade credit in another country. In fact, this is one quality that has made Active unique within our industry. When an Active trade credit is issued in one country, it can be used in any other country or region where Active has a presence. Over the years, Active trade credits have been utilized in over 43 countries, and during the past two years, Active has placed over \$100 million in media with trade credits that were transferred from one market to another. No other corporate trading or barter company can make such a claim since no other has the presence or established relationships that Active does in so many markets.

As you grow, can you find the local talent that you need?

While the managing directors and most staff members in almost every country where we have offices are native to that country, we also encourage the transfer of talent from one part of the world to another. In either case, it is very important to have people that understand and can relate to the local market while drawing upon the worldwide capabilities of Active.

Is it challenging to maintain an innovative culture as the growth occurs?

Our business is unique and because of its nature, we tend to attract bright, intelligent, and creative individuals. This, combined with the local team spirit that is fostered in all of our offices, assures that we maintain a culture of innovation and creativity. This also helps to keep an entrepreneurial spirit flowing throughout the organization.

As Active has grown, by necessity, corporate structures and procedures have been put in place. However, we have always tried to do this with a minimal impact on the creativity, flexibility, and entrepreneurial spirit that has made Active what it is today.

What excited you about coming to Active and what has kept you there?

When I first encountered Active International, I was immediately impressed by the uniqueness of the business and the value that it could bring to companies with asset challenges. Coming from the structured environment of a large pharmaceutical company, I was excited by the agility of the business and the quickness with which it could make a positive difference to a client's financial situation.

After 18 years, none of that has changed; it has only gotten better. Our business today is not only about underperforming assets but also about identifying media and other business solutions that can help our clients grow and improve their businesses on many levels.

I have enjoyed being a part of building, growing, and leading Active's international business and I look forward to continuing to do so as we strive to support our clients and grow our company around the world. ●

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