

# From Russia, with love

For a relatively young company, Russian-based law firm Salomon Partners has experienced a period of strong growth, as Anton Klyachin explains to Kristen Lackajis.

**First of all Anton, could you tell me a little bit about Salomon Partners and the services it provides to customers?**

Salomon Partners is a young Russian-based law firm, established in 2006 by three lawyers (including myself). Our main services are within the M&A sector, private equity, technology, telecoms, construction finance and real estate.

**How has 2008 been so far for Salomon Partners?**

We have experienced extreme activity in the private equity sector as a whole – it seems that this sector is quite active especially compared with our fellows who are practising banking, finance and M&A, which are not so active this year.

Private Equity is very much growing and a lot of international and foreign investors are willing to invest in Russia, Ukraine, and other similar countries – I would say that, so far, 2008 is primarily notable for private equity experience but also our major clients are active and we're expecting two or three major transactions in M&A fields soon.

**I understand that Salomon Partners recently advised Quadriga Capital on a second funding round for Tascom. Can you tell me a little bit about this transaction, including what your role was and what skills you thought Salomon Partners brought to this transaction?**

Tascom investment was our first transaction for Quadriga Capital Russia - we conducted the due diligence of target company Tascom and also all negotiations between founders, first round investors, and our client. Our main role I would say in this transaction was in negotiations between the founders and the first round investors, I would say that the main skill required by us was to

explain to all of the parties the consequences that they were willing to agree upon.

In Russia, you can always expect complex private equity transactions that require many hours of discussions and explanations, so that I think was our main task.

**Salomon Partners is quite a young company, having only been incepted in 2006. How has the firm grown since its inception?**

We have experienced substantial growth although we have no growth in terms of additional partners, our growth is not quantitative but qualitative. We're doing more interesting transactions and we are doing more work for international clients than in the beginning, so we have increased the quality of the work that we do.

I hope this will at some point trigger quantitative development too, but maybe this will be next year.

**And what are Salomon Partners plans for the future?**

During the next 12 months we are planning to continue to develop the private equity practice, first of all by negotiating with several potential clients in this area. We are planning to expand significantly to get some venture capital clients – as this area is extremely popular now in Russia and in also within Russian governmental authorities. The state plans to invest substantial money in the venture capital sector and to create a field for maybe four or five quite substantial venture funds, so we are trying to be active in this field to participate in regulatory work and discussions over the potential venture funds.

**Finally Anton, what impact do you think Russia has experienced from the credit crunch, if any?**

I would say that, first of all, as a firm we don't do much bank finance. Generally, I think Russia is more or less protected from the credit crunch from an economic point of view. I can say that at least one client was not able to close a bond issue in Europe last year, so obviously there are certain problems which will effect Russia, and funds have become more expensive for young companies, which we have a lot of in Russia. **ACQ**

DETAILS

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