

Leopard Capital Pushes Frontier Markets, Sets Sights on Haiti

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With a \$10 million commitment pending from the **International Finance Corp .**, the investment arm of the World Bank Group, emerging markets private equity firm Leopard Capital is expanding its frontier investment model with a vehicle focused on the impoverished nation of Haiti.

The firm is experienced in investing in challenging markets like Haiti, having launched its first fund in 2008, a \$34 million investment vehicle focused on Cambodia - a battle-scarred country known more for its long history of war, conflict and genocidal leadership than for being a hotbed of industry.

"[Haiti and Cambodia] are two impoverished countries that need the basic necessities like electricity, affordable housing, and food processing modernization," said Douglas Clayton, chief executive officer of Leopard Capital.

Since launching its Cambodia fund with a small group of limited partners, Leopard has made 12 investments in the country, according to Clayton, backing such companies as a seafood processing plant, a high-end beer company launched by the firm's founders, a cell phone operator and the largest hydroelectric company in neighboring Laos.

Leopard, which will need to bring in another \$10 million before the IFC will commit its own capital to the Leopard Capital Haiti Fund, will look at some Haiti-specific opportunities like the reconstruction of the country's travel and leisure industry in the wake of 2010 Haiti earthquake.

Leopard will rely on its experience on the fringes of the developing world to help it navigate the waters of Haiti's investment and business scene. "We have done deals in a country that did not have strong institutions and we've had to solve certain problems that you might not have to face in a developed country," Clayton said. "In Cambodia's case, not all the laws were in place to enter into the kind of businesses we wanted to."

According to Clayton, the Clinton Giustra Sustainable Growth Initiative, the Clinton Bush Haiti Fund and the Soros Economic Development Fund are all making impact and development investments in Haiti these days.

"What we want to do is demonstrate that Haiti is a profitable place for people to invest and hopefully this will attract other investors and turn around the Haitian economy," Clayton said.

Clayton said the Haitian fund will be managed by a team of local investors and that Leopard will provide its expertise as a manager in emerging markets. It's a model that Leopard wants to deploy in other nations Clayton calls "frontier" markets.

Leopard has plans to raise additional funds in Myanmar and Bangladesh, in addition to the Haitian fund, and a second fund that will back companies in Cambodia and Laos. All of the funds will range in size between \$75 million and \$100 million, Clayton said.