

Divestiture Support – Environmental Site Assessments & Estimation of Environmental Reserve Allocation

Manufacturing Facilities in Mexico, Central America & South America

HRP Associates, Inc. (HRP) and our local in-country partners conducted environmental site assessments (ESAs) at facilities in Mexico (multiple sites), Honduras (multiple sites), and Brazil. The ESAs were conducted in general conformance with ASTM Standards in support of a Corporate Environmental Reserve Program.

The client's initial business objectives were to:

- Assess potential environmental liabilities in a manner consistent with their corporate environmental risk management program
- Establish environmental reserves to address risks
- Prioritize the required actions in comparison to the client's global portfolio of facilities

Technical services included Phase I ESAs, Phase II subsurface investigations, remedial cost estimation, coordination with local and federal regulatory agencies, and prioritized remedial actions.

In addition to providing the foundation for the Corporate Reserve Program, ultimately these services helped facilitate the successful divestiture of an entire manufacturing division in 2009. The HRP team participated heavily in negotiations with the buyer's representatives, including their attorneys and consultants, and in some cases local regulators, in order to finalize agreed upon cost allocations for the identified liabilities. During the final weeks of negotiation, HRP was available 24 hours a day and assisted seven days a week to successfully support this ten-facility transaction.



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VALUE

\$350,000

- *HRP prides itself on putting their clients in the best possible position to negotiate with third parties. Our approach is to offer “give and take” strategic options which allow the client to negotiate with some flexibility, while focusing on being successful with the most critical issues.*
- *HRP's support of ISO 14001 certification via gap analyses and training helped maximize the value of the divested operations.*