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Vannin Capital loses managing director and expands in Europe

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Vannin Capital's general counsel of disputes and managing director **Iain McKenny** has left to set up new funding vehicles with the backing of global asset management company La Francaise Group, as Vannin announces the launch of a new funding business across Germany, Austria and Switzerland

Canadian-UK-Irish national McKenny leaves Vannin after six years and will work on the new yet-to-be-named funds with the specialist enforcement team of La Francaise International Claims Collection and its co-founder Alain Grec, who was a contributor to the recent ICCA-Queen Mary report on third-party funding.

Xavier Lepine, chairman of La Francaise Group's executive board, says "Iain shares our ideals and ambitions in the evolution of this highly attractive asset class," adding that his "background, knowledge and experience makes him unassailably the best person for the job."

The new funding vehicles will be based in and regulated under the laws of Luxembourg and managed from Paris and as well as La Francaise Group, which has over €70 billion euros under management, will also have the support of Paris-based investment firm ACOFI. They will look to service disputes across Europe, Canada, the US and in developing markets.

McKenny says that the funds' focuses "are on international arbitration and critically, enforcement."

Vannin was founded in 2010 and was still "a small three-man team run from the Isle of Man" when McKenny joined it, after a year as a researcher at NATO in Brussels, five years as an associate at Freshfields Bruckhaus Deringer in Paris and London and four years as a senior associate at Latham & Watkins in Paris.

He says at that time "the idea of third party funding hadn't quite taken root. It was mostly about setting up investment strategies and case review processes and educating the market." The emphasis was on sourcing cases to invest in, while now he says it is on "conversion of awards into monies".

McKenny adds: "I leave Vannin with offices on three continents and a fleet of claims managers – it's a nice feeling to have been part of something like that."

While at Freshfields, McKenny was part of the team that acted for France's Areva in its €6 billion ICC dispute with Finnish power company TVO, a decadelong dispute that settled in March. He also worked as a “tribunal undersecretary” to Jan Paulsson when he was sole arbitrator in an ICSID claim brought against Greece. He has also worked on disputes involving construction, information technology and insolvent entities under most major arbitration rules.

He is a founding member of Delos Dispute Resolution, a new Paris-based arbitral institution specialising in the fast resolution of low-value disputes. Delos recently won GAR’s 2018 best innovation award.

Vannin’s CEO Richard Hextall tells GAR that “Iain was a valuable member of the Vannin team for a number of years” and “his expertise in dispute resolution was intrinsic to our success at an important time of growth.” He adds that “we all wish him the very best of luck.”

The news of McKenny’s departure comes as Vannin announces the launch of a new office in Germany’s former capital, Bonn, and the establishment of a new funding business across Germany, Austria and Switzerland.

Theo Paeffgen, the former CEO of German litigation funder Foris, has joined Vannin as regional managing director for continental Europe to lead the new office, which is Vannin’s ninth globally and second in continental Europe after Paris.