

# Innovative Lawyers 2010



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## Creative thinkers

This year's shortlisted candidates have devised imaginative solutions to legal and commercial challenges in the post-recession world

**W**HAT DEFINES the innovative lawyer? Three qualities: deep attention to client needs, respect for the way things have been done in the past, and an imaginative adaptation of traditions to novel circumstances, *writes*

*Michael Skapinker.*

Last year's Legal Innovator of the Year was Benedikt Wolfers of Freshfields Bruckhaus Deringer, who provided a dramatic example of this. Mr Wolfers designed the legislation that enabled the German government to repair the banking system – no easy task in a country deeply sensitive, for historical reasons, to anything smacking of bank expropriation.

In 2010, we are dealing with the aftermath of the banking crisis rather than the crisis itself. Businesses are looking for ways to cut costs and protect their activities, while rethinking the ways they carry them out. The 10 shortlisted candidates reflected these priorities. All provided strong evidence of innovation, but four in particular attracted the judges' attention.

Neville Eisenberg is managing partner at Berwin Leighton Paisner, which has taken over all the legal services of Thames Water. The firm intends this arrangement – familiar from the world of information technology – to be the template for further deals.

David Lowe, a partner at Wragge & Co, won plaudits for the range of his activities, including advising the Greater London Authority in its bid for the 2012 Olympics, and helping Birds Eye Iglo with the arrangements for its frozen-food warehousing.

The runner-up for our award was Sandra Esquivá-Hesse, a partner in the

Paris office of US firm Paul Hastings. Ms Esquivá-Hesse has been involved in a number of restructuring operations, the most eye-catching of which was the reorganisation and sale of Acument Global Technologies' French automotive fastener business to Lisi Automotive and Agrati France. She made use of the conciliation process normally employed to ratify agreements between debtors and creditors. For the first time, a French commercial court used this process to ratify a restructuring and sale.

But our winner was Kevin Jaquiss, a partner at Cobbetts, who has helped fashion a new form of ownership for mutual organisations, allowing them to be funded through shares rather than, as has traditionally been the case, through debt. Innovative aspects include shareholders not being able to buy control and being locked in for a set period of time. There is potential for investors to earn a return, but only after the community has benefited.

The model has been applied to FC United, an organisation formed by disgruntled Manchester United fans who want to take over a disused stadium and run it for the benefit of a deprived part of the city.

Mr Jaquiss has also helped establish a co-operative trust model that is being used for more than 100 schools, and developed a model for football supporters' trusts. During a period of austerity that demands fresh thinking, Mr Jaquiss's innovations captured the mood of the times. ■

**Businesses are looking for ways to cut costs and protect their activities, while rethinking the ways they carry them out**

### WINNER

#### KEVIN JAQUISS Partner, Cobbetts, Manchester

Kevin Jaquiss is an expert in community benefit societies. Described by a client as pioneering a form of "punk finance", which enables people and community organisations to "do it themselves", his work is creating new legal structures for community enterprises in sport, housing, care, utilities and leisure.

Community benefit societies are incorporated industrial and provident groups that conduct business for the benefit of their community. Traditionally, profits are not distributed among



members or external shareholders, and the basic model has existed for more than a century. The law in this area has remained dormant since the 1960s.

Crucial to making the societies a viable future mode of social organisation was to transform the conditions under which they are financed. Historically, mutual organisations have not been able to issue shares and have been funded largely from debt. The recession has made affordable credit hard to find.

Faced with these issues, Mr Jaquiss worked to develop a form of share ownership for mutual organisations. This entailed heavy involvement in a Treasury working group, with Cobbetts the only law firm at the table helping to shape new legislation in this area.

Mr Jaquiss's solution modifies the usual idea of share ownership in two ways. First, shareholders cannot buy more control with more shares, and the societies remain one-member-one-vote organisations. Second, shares cannot be easily traded, and shareholders are effectively locked in for a set time after their purchase. There is also a potential return on any investment, but only after the intended benefit has been accrued.

This has been applied notably in the case of FC United, a community benefit society formed by Manchester United supporters in the wake of continuing disputes with the Glazer family, owners of the football club. The new club aims to take over a disused stadium, refurbish it and run services for the benefit of the deprived local community.

These principles can be applied to energy, water and housing companies, schools and even foundation trusts.



**DIMITRY AFANASIEV**  
**Chairman, Egorov, Puginsky,**  
**Afanasiev & Partners, Moscow**

Dimitry Afanasiev co-founded Egorov, Puginsky, Afanasiev & Partners in 1993, and has chaired the 180-lawyer partnership for more than a decade, overseeing offices in St Petersburg, Moscow and London.

He attributes his success to his western training, his connections and his creativity as a lawyer – a claim that could just as easily have come from the mouth of any successful international lawyer. But with Mr Afanasiev, this troika of legal attributes must be put in the context of a jurisdiction where he cites corruption as his biggest competitor.

After studying at the University of Pennsylvania in the US, Mr Afanasiev had his start in law when Jerry Shestack, a former president of the American Bar Association, hired him to join his Philadelphia law firm. Mr Afanasiev later followed his mentor to Wolf, Block, Schorr & Solis-Cohen. These formative experiences encouraged him to transplant the western-style law firm model to Russia.

Egorov, Puginsky, Afanasiev & Partners' "east meets west" approach has helped the firm win instructions to act both for and against the Russian government.

But its success also stems from its ties to Vladimir Putin, Russia's prime minister, and Dmitry Medvedev, president, that stretch back to the firm's roots at the St Petersburg Institute of Law. The firm's clients also include the oligarch Oleg Deripaska, chief executive of Rusal, the world's largest aluminium group.

**STEPHEN CIRELL**

**Partner, Eversheds, on secondment to Cornwall Council**

Stephen Cirell is responsible for putting in place measures that will see the English county of Cornwall become energy self-sufficient by 2025.

In his non-legal role as director of Green Cornwall at Cornwall Council, this Eversheds partner has spent the past year designing and implementing a £150m (\$240m) environmental programme for the newly created "super" local authority.

Mr Cirell's initiatives relating to climate change, sustainable energy, low carbon and behaviour have ambitious designs on harnessing Cornwall's abundance of wind, wave and solar energy (see page 16).

A new fleet of electric cars for council workers is one of the most highly visible aspects of his carbon-reducing proposals. The next challenge for the Green Cornwall programme is to obtain a grant from the Department for Transport to install recharging plug-in points across the county.

Mr Cirell spent 12 years working in the legal departments of local government before he joined Eversheds in 1993. He built up a leading local government practice at the firm, and has since managed to combine that with a personal interest in green issues.

What began as advice to local authorities on setting up renewable energy companies soon evolved into an approach to Cornwall Council about a partner secondment, and the Green Cornwall



programme represents the pinnacle of his 30-year career in local government. As his secondment at Cornwall Council draws to a close, Mr Cirell is turning his attention to writing a book on climate change for local government. This cross-fertilisation of theory and practice is consistent with his approach to the law.



**NEVILLE EISENBERG**  
**Managing partner, Berwin Leighton Paisner, London**

Berwin Leighton Paisner consistently scores highly in the FT Law 50, and much of this achievement stems from the leadership of Neville Eisenberg. As managing partner of BLP, he has sought to maintain the momentum of the firm's 2003 merger through an ambitious emerging markets strategy and a pioneering approach to efficiency.

In 2009, Mr Eisenberg identified the need for BLP to develop a presence in emerging markets. The resulting merger between BLP and the Goltsblat half of Moscow's largest law firm, Pepelyaev, Goltsblat & Partners, created the first Russian international law firm, Goltsblat BLP.

Mr Eisenberg has since led the firm to develop a radical resourcing product, which is on the leading edge of an "arms race" towards more efficient ways of providing legal services to clients.

BLP's Managed Legal Service, shortlisted in the client service section of this year's FT Innovative Lawyers, involves the firm taking on and managing most of a client's in-house legal team (see page 39).

Mr Eisenberg believes the best way to engender an innovative environment within a law firm is to work on establishing a culture where lawyers feel comfortable experimenting, and are able to shift between the often risk-averse mind-set of the traditional lawyer towards a more entrepreneurial one.

**SANDRA ESQUIVA-HESE**  
**Partner, Paul Hastings, Paris**

The career of Sandra Esquiva-Hesse has been fuelled by the global cycle of refinancing and corporate restructurings. The current wave, as she puts it, began for her two years ago when she represented Marvel and Spider-Man Merchandising in relation to the insolvency of Smoby, the French toy manufacturer.

As the partner in charge of developing Paul Hastings' finance and restructuring practice in Paris, her transactional work in the intervening period has culminated in one of her deals – the reorganisation and sale of Acument Global Technologies' faltering French businesses – being shortlisted in the corporate section of this year's FT Innovative Lawyers (see page 10).

Ms Esquiva-Hesse has worked and studied in both the US and France, and she attributes much of her success to her training at Shearman & Sterling in New York.

The early incentives and encouragement she received to be creative, and the knowledge she acquired of the more prescriptive US Chapter 11 bankruptcy procedure, moulded the legal approach she took back across the Atlantic.

This mixture of systems and jurisdictions is in keeping with her partnership role at a US firm in Paris, and her "yes you can" approach is pushing forward the nebulous insolvency law in her native France.



**MIKE FRANCIES**  
**Managing partner, London office, Weil, Gotshal & Manges**

Membership of Weil, Gotshal & Manges' management committee has not dampened Mike Francies' appetite for doing deals.

His extensive career in corporate, private equity and restructuring has seen a number of achievements, including the first private equity bid in Europe and the first European private equity initial public offering. In 1998, he was one of the first "magic circle" partners to be poached by a US firm in London, when he left Clifford Chance for Weil, Gotshal & Manges.

But it is the restructuring arm of Mr Francies' CV that he has been flexing of late. The management buy-out of Neuberger Berman, the former asset management arm of Lehman Brothers, was one of the bankruptcy sales that was highly commended in the FT Innovative Lawyers research last year. At the same time as Mr Francies was wading through the remnants of the US bank's collapse, he played a critical role in the sale of a majority stake in Cobra Beer, the UK lager brand, to Molson Coors, the North American brewer.

The latter deal hints at the food and beverages flavour to his recent deal activity. He advised Patak's on the sale of the Patak family's Indian food brand to Associated British Foods; he has worked on various acquisitions, a placing and the initial public offering of Premier Foods, food manufacturer of Hovis bread and Mr Kipling cakes; and he acted for the Seafood Company on its acquisition of Pinneys of Scotland.

Much of Mr Francies' work in this sector comes through his relationship with Lion Capital, the consumer-focused investment firm.

High-profile deals in other sectors include the \$3.2bn IPO of Yell, producer of the Yellow Pages, which he says might not have happened without the lawyers' contributions.



**ALEX HAMILTON**  
Partner, Latham & Watkins,  
London

Alex Hamilton has been a consistent presence in FT Innovative Lawyers, having led three of Latham & Watkins' previous entries in the report.

Law firms traditionally lag behind other industries when it comes to embracing new technology, but Mr Hamilton, who co-chairs Latham & Watkins' global technology transactions group, has pushed forward both his firm and the legal sector as a whole.

In 2006, he was behind the implementation of the Diamond Methodology, which enables clients to do better, quicker and cheaper deals, and redesigned the way the firm approaches contracts. In 2008, he led the development of a wiki-based knowledge management system that promotes better practice through increased sharing of data.



The following year, Mr Hamilton continued to push technological solutions within the firm with Capture, a set of dynamic documents to record client requirements in outsourcing deals where speed and cost are critical. The technology has boosted client instructions of the firm, including a recent \$500m transaction.

His most recent initiative, an application to manage complex contracts, allows lawyers and clients to search contracts hosted on the firm's private network, define terms and link any term to comment wikis.

The emphasis is on helping clients understand their obligations following the signing of multiple transaction documents, and users have described it as the "kind of tool that you get from consultancies such as Deloitte and Accenture".

Known as Context, the application is the latest example of Mr Hamilton using technology as a catalyst for collaboration.



**DAVID LOWE**  
Partner, Wragge & Co, London

David Lowe is a relative rarity in the highly specialised world of corporate law, because as a commercial contracts lawyer he operates in a swathe of sectors, ranging from food and drinks to real estate, outsourcing, the motoring industry, procurement, supply-chain management, manufacturing, logistics and international trade.

This breadth of experience is the spur to many of Mr Lowe's best ideas, which can often be of critical importance to his clients.

His knowledge of supply-chain management has proven especially

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useful. When engaged by Birds Eye Iglo in 2008 to work on relatively routine logistical documentation, Mr Lowe spotted a risk that the company had yet to consider: the potential insolvency of its sole UK frozen-food warehouse provider (see page 10).

Seeing law as more of a means to an end than an end in itself, Mr Lowe's work frequently edges into operational and commercial advice. He is active in various international trade projects, including the development of Incoterms 2010, the terms of international freight delivery.

This gives him a big-picture viewpoint from which to advise his clients and help them devise the best possible supply chains, which he has done for Birds Eye in Turkey, and on a \$30m export deal involving moving an automotive plant to China.

He has also been involved in two high-profile contract procurement agreements: advising Transport for London on its cycle-hire scheme, and reviewing the contracts for the Greater London Authority in its bid for the 2012 Olympic Games.

#### **VOLKER POTTHOFF** Of counsel, CMS Hasche Sigle, Frankfurt

Volker Potthoff uses his experience as both a lawyer and a company director to push for closer business relationships between Germany and China. At CMS Hasche Sigle, he co-ordinates the German firm's expansion into Asia, and he was involved in the first German initial public offering by a Chinese company.

Mr Potthoff believes lawyers should see the profession as a support for business, and he has assembled a multidisciplinary group of investment bankers, auditors, former colleagues at Deutsche Börse, the German exchange where he was general counsel, and partners from the capital markets team of CMS Hasche Sigle to encourage the flow of capital from Europe to China.



#### **JUDGING PANEL**

**LEAH COOPER**  
Director of legal services  
outsourcing, CPA Global

**PETER CORNELL**  
Managing director of stakeholder  
relations, Terra Firma, and former  
managing partner, Clifford Chance

**MICHAEL PEEL**  
FT legal correspondent

**MICHAEL SKAPINKER**  
FT special reports editor and  
chairman of the panel

**PAUL SOLMAN**  
Lead editor, F.I. Innovative Lawyers

**GEOFFREY TIMMS**  
General counsel, Legal & General

His hybrid legal and business role at CMS Hasche Sigle follows an unusual legal career, going from private practice to in-house and back again.

He began at White & Case in New York and Leinen & Derichs in Cologne, before moving to a client-side legal position at BHF-Bank in Frankfurt, and taking up the role of chief legal counsel at Deutsche Börse.

But it is the management positions and directorships that Mr Potthoff has occupied - including a seat on the Deutsche Börse executive board - that sets him apart from other lawyers and goes some way to explaining his business-minded approach to the law. It was while at Deutsche Börse that Mr Potthoff kicked off his network of Chinese businesses with the People's Bank of China.

With one foot in law and the other in business, it is not surprising that Mr Potthoff takes an interest in corporate governance, and he sees board advisory roles as falling within the remit of the modern lawyer.



#### **ANDREW VELLANI** Chief legal officer, director and management board member, Cofra Holding, Zurich

Andrew Vellani is included in the Legal Innovator of the Year shortlist for his dynamic approach to managing the global in-house legal function for Cofra Holding, a large conglomerate based in Switzerland.

Arriving at the company in 2002, Mr Vellani was immediately involved in transforming the shape of the business before he turned his attention to the in-house legal department.

As a member of the three-person management team, which operates directly below the supervisory board of the private company, he was involved in bringing together diverse multinational businesses under the auspices of a new holding company. He then created a dedicated group legal team by separating the legal affairs of the private company from that of its controlling shareholders, the Brenninkmeijer family.

Mr Vellani's vision for his newly created group legal function was a seamless global team that united 13 previously semi-autonomous offices around the world. In doing this, his greatest achievement has been to take a new cross-border approach to managing his diverse team.

He led the introduction of intranet systems to help manage legal matters, and established a litigation reporting system to monitor progress of cases and to facilitate a more systematic assessment of risk. Mr Vellani has also put in place a training system that gives young lawyers experience of the conglomerate's businesses.

Mr Vellani has been involved in a series of important transactions, including selling the London Mortgage Company, American Retail Group and a big Brazilian consumer bank. ■

For coverage of the FT Innovative Lawyers awards ceremony at the Science Museum, London, go to [www.ft.com/ii10](http://www.ft.com/ii10)