## IT'S ALL ABOUT 'BUDGET'

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## The top priority of the year ahead is to consolidate the different businesses so as to provide customers with the best experience and to take care of budget, says María Bacas

Just before the crisis hit, Grupo VIPs searched an agreement with private equity, developed its company-owned brands and closed new agreements with international franchisors. Nowadays, the strategy of the company has completely changed, says María Bacas, General Counsel of Grupo VIPs' companies, including Starbucks Coffee in Spain and Portugal." All the work around developing the business of the Group by means of company-owned locations has slowed down, and we are now fully focused on consolidation and developing our brands by means of franchising system." The Group currently operates VIPs, Ginos, The Wok, T.G.I Friday's, VIPSmart and Starbucks Coffee, and five fine dining restaurants in Madrid. Besides it also owns a sandwiches and salads.

## The staff

Bacas says she always wanted to work in-house – private practice was not an option. So she started her career as a Junior Consultant with franchising business Grupo Internacional Full Services. After three years she joined ABB Generacion, now Alstom Power, as General Counsel for 11 years. Finally, in 2003, she moved into Grupo VIPs as General Counsel, Spain and Portugal and France, which wassubsequently sold in 2009.

In Spain, Bacas has a team of six lawyers and a paralegal. "We used to be 12, but we've had to cut resources in line with the times," she explains. "We are also having to be much more efficient and look for new processes or better manners to do the same things at lower costs while giving an even better level of service than in the past as the approach to legal risk nowadays is completely different."

Because of the crisis, there has not been much scope for development in Portugal by the Group, says Bacas, so they have no need for an in-house team and have always worked with PLMJ. Together with the General Counsel of Starbucks EMEA, they initially selected the firm based on recommendations from Spanish multinational companies already consolidated in Portugal, most of them mentioned PLMJ. "We are very satisfied," she says, "and our expectations up until now are at the level that we wanted."

When she needs to outsource in Spain, Bacas works with Garrigues for tax, Giménez Torres for corporate matters, Elzaburu for IP rights (who manage the Grupo VIPs Trademarks) and Daniel Loscertales from Sepin for real estate – that Bacas describes as "great specialists".

## **Keeping busy**

They are, however, doing a lot more in-house than before the crisis, says Bacas and there have also been changes in the type of work the legal department is doing.

We are currently supporting business teams for renegotiating our supply contracts and service provider agreements and, at the same time helping in the transformation of the Group as a whole, which includes a different legal approach to the processes of the business and its involved risks, giving the legal support requested from the different areas of the company, including operations, real estate, supply chain and procurement, quality, finance, IT, marketing. The new approach of Grupo in how the products are offered to customers, including offering information about the ingredients of our products, etc.

"Another axe of our legal work consists in supporting the development of our presence in the social networks, so facing a new area of law that was much less developed internally," explains Bacas. "And we work with the Marketing, and Communication departments in reviewing the elements involved."

Real estate has always been and is a core business for the legal department as it is one of the main internal clients of our department. Official inspections and audits to locations are taking up a great deal of time of the legal team as well. Another new area which is becoming more relevant is new technologies, especially in terms of complying with personal data protection regulations.

Compliance issues have increased enormously over the past four years as well, says Bacas. However, while the Group was already well prepared for the increase in compliance, she says, after the last amendments to the Spanish Criminal Code, they had to review all their processes, policies and manuals to ensure they meet the new legal requirements and criteria, and also the demands of the authorities. "We detected some gaps, not in terms of execution, but in terms of records organizsation, and consequently we have reinforced procedures and policies affecting those processes in order to avoid future problems."

But the main priority for this year is 'budget'says Bacas. "Within the legal department we have to work with what we have, and also manage some costs allocated to different segments of activity of the business." For today's in-house counsel therefore, says Bacas, accountability counts now more than ever.

María Bacas, General Counsel of Grupo VIPs' companies, including Starbucks Coffee in Spain and Portugal.

Justo antes de la crisis, el Grupo VIPs llegó a un acuerdo con un fondo de capital riesgo, desarrolló sus marcas y cerró contratos con franquicias a nivel internacional. Actualmente, la estrategia de la compañía ha cambiado totalmente, dice María Bacas de Grupo VIPs. La máxima prioridad para este año es consolidar los diferentes negocios para atender a nuestros clientes con la mejor experiencia y con una buena gestión del presupuesto disponible.