

LAW FIRMS SHOULD PROVIDE ADVICE NOT MERELY INFORMATION

Posted on 18/02/2016



Category: [Uncategorized](#)

Tag: [cat-clientview](#)



External legal advisers need to present potential options to their clients rather than simply identifying the relevant law and the associated risks, says Grupo Visabeira's Isabel Fernandes

The ability to provide a multijurisdictional service is one of Grupo Visabeira's main requirements when choosing external counsel, according to the organisation's head of legal Isabel Fernandes. "The availability, and ability, to attend to our legal needs across the whole company as well as in other international markets, particularly in Africa, is critical when selecting a law firm," she says. "We cover a huge range of sectors so law firms must be aware of our needs, listen to our issues and understand all the peculiarities and complexities in our operations."

Consequently, Fernandes favours those law firms that have the client's interests at heart and provide advice and guidance on what could be the best course of action. She adds that some firms, in contrast, may feel the inclination to stay in the 'grey area' rather than providing succinct and practical advice. "It is all well and good to identify the relevant law and the legal risks but a law firm must also provide the real advice that I need," Fernandes continues. "Sometimes it can feel like a law firm is just providing information, rather than advice or alternatives – this could be to try and prevent an indemnity claim. The disclaimers law firms include in their reports can be amazing." However, Fernandes says she has never made a professional indemnity claim against a law firm and, if she was unhappy with a firm's service, she would simply not go back to it.

Reshaping the company

After a period of expansion, telecommunications group Visabeira – like many other Portuguese companies – felt the effects of the global financial crisis from 2008 onwards, according to Fernandes. "The economic situation did have a negative impact on the company," she explains. "The Portuguese banking system has also limited the funding it provides while the falling oil price has affected exports – this made things harder for businesses."

However, despite the difficulties associated with the economic downturn, Fernandes says her focus for the year ahead is helping the company reshape and adapt to the new dynamics of the market. She expects the bulk of Grupo Visabeira's legal work to involve internal corporate reorganisation, finding ways to make the business more efficient, as well as branching out into new sectors.

Partnership agreements

"Visabeira has many internal subsidiaries that can be merged but there are also many other opportunities to consider," Fernandes explains. "For example, we are developing, along with partners, our first ever healthcare projects – including a private hospital in Portugal – and, in the tourism sector, we also have a franchise agreement with a Spanish hotel chain, Paradores, and we anticipate many more partnership agreements in the future."

While the company seeks business opportunities in a range of new sectors, Visabeira's existing portfolio includes interests in the telecommunications, construction, industrial, tourism, real estate and service sectors. The company's specific business interests include 50 per cent stakes in the Angola and Mozambique divisions of TVCabo.

Holistic approach

Visabeira's nine-strong in-house legal team handles issues affecting all of the group's business streams, according to Fernandes. She adds: "We work very hard covering corporate, contracts, real estate and even some litigation matters – the remit is not just Portugal but Europe and Africa."

The company generally uses external counsel for advice on M&A deals, tax, as well as any other matter that is particularly complex. Visabeira's current external legal advisers for matters in Portugal and Africa are Abreu & Associados and CMS Rui Pena & Arnaut. Fernandes says she favours firms that have the ability to take a holistic approach when providing business advice.

Closely monitoring legal spend is a key consideration for Fernandes, who prefers to deploy a

capped fee model. "I always try to get an idea from a law firm about who will be on the team, the rates and an estimation of the total fees for the job with an appropriate cap," she explains. "I appreciate that matters can become complex, and I can factor in certain complications, but law firms must also keep me informed about the progress of a case and have a clear idea of what the cap is – that way, both sides know the scope of the work and what is expected in terms of fees."

Isabel Fernandes is head of legal of Grupo Visabeira