

MUTUAL BENEFIT - ABBC

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Though ABBC hasn't gone as far as merging with DLA Piper, the Lisbon firm has a very strong relationship with the international player and it's reaping dividends

The fortunes of Portuguese law firm ABBC are closely intertwined with that of international firm DLA Piper. As partner Nuno Azevedo Neves acknowledges, "we're the exclusive relationship firm of DLA Piper in Portugal and we have a very strong and deep relationship – we work together as one team". ABBC is officially described as DLA Piper's 'focus firm' in Portugal, but what does this mean in practice? The firm has teams that work closely together – it is understood that ABBC has a particularly well developed relationship with DLA Piper's Madrid office – and the firms have shared knowledge management systems as well as closely aligned strategies for the African market. Though international clients that work with DLA Piper may have their own preferred firms in Portugal, the theory is that all DLA Piper work in Portugal is referred to ABBC. "We [ABBC and DLA Piper] share the same values and vision and the same ambition", says Azevedo Neves. What is the history behind this close affiliation between the two firms? ABBC has been DLA Piper's focus firm since 2011. The relationship began after DLA Piper had decided it wanted to end the tie-up it had with Miranda. Azevedo Neves says: "DLA Piper was looking for a relationship firm in Portugal, with a strong market position and capability that would share the same values, vision and ambition, while ABBC was considering a stronger relationship with one global firm, as part of our long term international strategy." He adds: "We understood the acknowledged value of DLA Piper

and DLA Piper's brand." It is understood that ABBC has a particularly close relationship with DLA Piper's Madrid office – DLA Piper's global co-chairman is Madrid-based partner Juan Picón. Azevedo Neves says the relationship with DLA Piper has strengthened over time and describes the feedback from clients as "excellent". He adds: "Relationships work when the values, vision, ambition and capability are shared, and if you are able to work together in creating mutual opportunities and adding value to clients." Azevedo Neves says there are many opportunities in the Iberian market, but also in Portuguese-speaking countries and regions across the world. "Our global capability in offering legal services does make a difference and allows us to generate additional value to clients," he adds.

Double-digit growth

Since ABBC formalised its relationship with DLA Piper five years ago, the firm appears to have flourished with revenue and profit on the increase. "We [ABBC] have experienced double-digit growth for the last few years," Azevedo Neves says. The firm does not disclose its annual revenue, but Azevedo Neves says it has "significantly grown in the last year and profitability is growing at a higher rate than revenue". A source close to the firm indicates that the increase in revenue was around 18 per cent in the last year.

Meanwhile, the firm's headcount grew by 10 per cent in the last year to 60 fee-earners, up from 54 the previous year. But Azevedo Neves says that ABBC's recent growth is not solely down to its relationship with DLA Piper. "The relationship with DLA Piper is a very important part of our international strategy, along with strong relationships in Portuguese speaking countries and regions, such as Angola, Mozambique and Macao/China," he explains. "You don't get international work unless you have the capacity and experience, and clients clearly understand that we bring additional value," Azevedo Neves says. "Portuguese clients know that we are able to offer, from Portugal, legal services around the world, and international clients know that in Portugal there are firms working to the highest international standards."

Azevedo Neves says ABBC's growth is the result of having a "clear strategic plan – things don't happen by chance or wishful thinking". He adds that the firm's increased profile is due to the fact that its strategic plan is executed, as well as being the result of hard work and a strong focus on clients and how the firm can add value to those clients. He continues: "In line with our strategic planning, we were able to reach the high-end value transactions and to focus on growth in the profile and value of the work we do – we are not obsessed with growth in head count and we don't want to do everything, but we do want to be a market reference in the things we do."



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ABBC: Recent instructions

April 2016: Advised, along with PLMJ, a consortium – consisting of Turkish port operator Global Liman İşletmeleri, US-based Royal Caribbean Cruises, Spain's Creuers del Port de Barcelona and Portugal's Grupo Sousa-Investimentos – in relation to the financing of a cruise liner terminal in Lisbon designed by architect Carrilho da Graça.

January 2016: Advised real estate investment company JLL on its acquisition of Portuguese residential property agency Cobertura. Cobertura specialises in prime markets across Portugal with a particular specialisation in high-end apartment sales. The ABBC team included partner Nuno Azevedo Neves and associates Catarina Portela Morais and Márcio Carreira Nobre.

October 2015: Advised Springwater Tourism on the acquisition of Raso SGPS, owner of the GeoStar travel agency. Under the terms of the deal, Springwater acquired the entire share capital of Raso à Sonae Investment Management, SGPS. The ABBC team advising on the deal was led by M&A partner Nuno Azevedo Neves.

Continuity is key

Azevedo Neves says that, in recent years, there has been a change in terms of what clients expect from law firms. "Law firms have to have the flexibility to adapt to what is required from them at each moment," he adds. "You have to anticipate the market trends, the client's needs, the clients' geographies and you definitely have to understand

and accommodate the cultural differences in the way legal services are requested and provided." The theme of flexibility extends to the firm's management structure. Instead of a single managing partner, ABBC has a management body consisting of three partners – Azevedo Neves, plus António

Moura Portugal and João Guedes. “We try to involve all partners in managing the firm – all partners have to do client work, but they also need to spend some time in management,” Azevedo Neves says. He adds that a sense of continuity has also had a positive impact on the firm. “Partner stability is definitely one of ABBC’s strengths.”

That said, the firm has suffered some upheaval in the past – specifically, the arrival and relatively quick departure of partners César Bessa Monteiro and Pedro Cardigos.

Angola commitment

ABBC remains committed to Portuguese speaking-countries or regions, in particular in Angola, a market where ABBC’s relationship firm – ADCA – is also a member of the DLA Piper Africa Group. Azevedo Neves acknowledges that Angola is currently experiencing difficult times, though he adds: “We believe in the potential of the Angolan market and we are very much committed to it – we always think about medium to long-term projects, on sustained growth and capability.” Azevedo Neves says ABBC does not have any plans to open new offices and reiterates that the firm will continue to work together with DLA Piper around the world.

With regard to the Portuguese market, Azevedo Neves is optimistic in his outlook. “Despite the crisis, the market offers many opportunities; in the last few years we saw opportunities where others saw crisis – opportunities are out there and investors are still coming,” he says. “We will continue to grow, and providing value-added services in a more efficient way will continue to be the challenge – we have to think ahead of the times and only by sowing today, will we have the chance to harvest tomorrow.” ABBC has identified EU & Competition as a key growth area and, with this in mind, the firm recently bolstered its practice with the recruitment of Margarida Rosado da Fonseca – who has previously worked for the Portuguese Competition Authority – as of counsel.

Adding value

Mergers and acquisitions will be a key factor in the firm’s future growth, says Azevedo Neves. “In 2015, the M&A market was extremely active and a big driver,” he adds. “2016 will have different specific drivers, but M&A

will continue to be important.” Growth is anticipated in a number of different practice areas, including banking and finance, real estate, hotels, technology start-ups, aviation and venture capital transactions. Meanwhile, Azevedo Neves says technology will re-shape the legal market. “Legal services will be impacted by technology and technology will play a material role in the way legal services will be provided in the future,” he adds. “Our key focus is on what clients need and being able to add value to clients – for that, it is key to understand our clients’ business and that is something we put a lot of effort into.” IL

ABBC fact file	
Partners:	9
Lawyers:	60
2015 Revenue: Undisclosed	Undisclosed