

RISING TO NEW HEIGHTS: BIRD & BIRD

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Recently celebrating four years of operation and having recruited one of Spain's most high profile corporate personalities, Bird & Bird's Madrid office seems to be flying high.

La apertura de la oficina madrileña de Bird & Bird en el 2005 sorprendió a muchos. Esta firma londinense era considerada por algunos como una 'boutique' especializada en propiedad intelectual y tecnología, y contrató a un prácticamente desconocido ex asociado de Linklaters, Javier Fernández-Samaniego, como Socio Director. Ahora que se cumplen 4 años desde que empezaran a operar y habiendo reclutado a una de las personalidades de mayor relevancia en el ámbito mercantil, la oficina de Bird & Bird en Madrid parece estar volando alto.

The opening of Bird & Bird in Madrid in 2005 and its subsequent success has surprised many. First, the Londonbased firm was perceived by some internationally as an intellectual property and technology boutique; and second, rather than enter Spain with a headline-grabbing lateral partner hire it chose a relative unknown, the then 35- year old former Linklaters Managing Associate, Javier Fernández-Samaniego, to lead it into Iberia.

In the intervening years, Bird & Bird has however gone on to prove itself as a significant force in the Madrid market. Initially building its profile in the patent litigation, life sciences and IT, data protection, and related-disputes arenas, it has since emerged as a firm with significant strength across the commercial arena. The 660 lawyer 192- partner firm last year billed £186m (€220m) and in Madrid now counts nine partners plus around 40 lawyers with revenues estimated between €6m-€10m.

Much of the energy behind the firm's Spanish growth has emanated directly from Fernández-Samaniego. Previously Head of the IT and Communications Department at Linklaters, Head of the Technology and Data Protection team at Cuatrecasas, and a lawyer with Spain's Centre for the Development of Industrial Technology (Centro para el Desarrollo Tecnológico Industrial), competitors agree that he proved a bold choice to lead the firm's market entry contentious IT and commercial practice.

'I have a picture of my assistant and myself the day we launched in a business centre room – we were Bird & Bird in Spain. We had nothing but our energy and passion and our success has been the result of working extremely hard, making many sacrifices and being obsessive about our need to innovate,' says Fernández-Samaniego.

Reflecting back on the past four years, the firm in Spain has wildly exceeded expectations in terms of both revenue and headcount, believes Fernández-Samaniego.

But he is not interested in growth without strategy: 'We have no magic lawyer number we wish to reach. Instead we have a very clear idea of what type of work we want to do and where we want to be positioned in the market.'

Equal strength

Bird & Bird last year launched a new threeyear strategic plan and Fernández-Samaniego's mission now is to ensure that in Spain the firm's commercial and dispute resolution excellence is balanced by comparable transactional expertise.

'We have done very well on the contentious side by remaining loyal to our industry specialisms but some perceptions in Spain still reflect the profile of the patent and technology boutique we want to avoid. Over the past year our transactional teams have performed extraordinarily well, but there remains a feeling that we need to expand these areas of expertise.'

In Madrid, the firm has already made notable moves in this direction. Late 2006 saw the arrival of corporate partner Javier Vasserot from DLA Piper and finance partner Andrés Lorrio from Araoz & Rueda, both of whom had previously worked with Fernández-Samaniego at Linklaters. Also arriving were employment partner Daniel Cifuentes from Uría Menéndes and José María Cusi, who now leads the tax practice, from Clifford Chance in Barcelona.

It is testament to Fernández-Samaniego and his team's belief in the project that they have also proved capable of attracting more established talent to the firm, including last year of prominent competition partner – and pioneer of the field in Spain – Antonio Creus from DLA Piper, telecoms specialist Blanca Escribano also from DLA Piper, and shortly after former CMS Albiñana & Suarez de Lezo Head of IP, IT & Media, Miguel Ángel Rodríguez.

In September, the firm made even bigger headlines with the announcement that Manuel Conthe, the former President of Spain's Securities Exchange Commission – Comisión Nacional del Mercado de Valores (CNMV), was to join the firm as Of Counsel.

A high profile corporate governance and financial markets specialist and former Sector Vice-President of the World Bank in Washington DC, Conthe resigned from the CNMV in 2006 over the Spanish Government's decision to allow the takeover of Spain's largest energy company Endesa, with a joint bid by Enel and Acciona, against the recommendation of the CNMV and the Spanish Competition Authority.

'Manuel's arrival demonstrates our commitment not only to the corporate and finance sector but also our emphasis on looking at things differently. His stand for the independence of the market regulators has only enhanced an already distinguished reputation, which we are convinced will excel in the dispute resolution field,' says Fernández-Samaniego.

Model

Conthe's arrival shows the firm's willingness to stand out from the crowd, believes Fernández-Samaniego, and he is adamant that lawyering remains a profession and not merely a professional service.

'We have a single firm-wide partnership and our focus is on being able to do things differently. We are a successful and profitable firm but not too obsessed about year-end revenues and profits per partner. If our top lawyers wanted to earn more they could easily go elsewhere, but this means that as a firm we prove less attractive to some of those that would anyway not fit with our model – which is a situation I am perfectly comfortable with.'

One of the many truths to have come out of the crisis, he believes, is that many law firm partners have become used to a level of profitability that is no longer viable.

'Too many are hypocritical about addressing what is a basic issue and seem willing to change any variable except profits per partner. We have to recognise the times in which we live and I am not sure that all firms are suffering equally with their clients – partners have to take the lead and demonstrate their commitment to their firms, their teams and their clients.'

Financial performance is only one of eight criteria in which the performance of Bird & Bird's lawyers is assessed, he says, and what has been hugely satisfying has been to attract lawyers away from bigger and better known firms in Spain.

'Our lawyers may earn less but we offer the opportunity to do groundbreaking work and on a truly international platform. Even our young lawyers know that after two years with us they will be true professionals.'



“ We embrace the idea of commoditisation because our strategy is not built on presuming we know all the answers. ”

Hugo Écija

To have a 'leading' practice is a much overused phrase in legal circles, says Fernández-Samaniego, but his aim nonetheless is to position Bird & Bird among the top five full service international law firms and to compete equally with the more established magic circle in Madrid.

'What I have experienced in my previous firms is that if you aspire to have a top-tier practice it must be across all practice areas and with deep sector specialism.

You cannot water down your offering in any area. Quality attracts quality, in relation to your lawyers or clients.'

The aim therefore is to build on the hires of the past few years and to continue to focus on the most complex disputes and sophisticated deals. The current economic climate may be kind to litigators and those with a more contentious practice but the deal markets will inevitably reopen and Fernández-Samaniego wants Bird & Bird to be in the best position when they do.

'We have seen a lot of work in the banking litigation sector, relating to the Madoff case, derivative and swap transactions. We are perceived as a firm that can offer Spanish, English and international law capability but without the conflict issues that the largest Spanish and Anglo-Saxon firms obviously have.

Innovation

For Fernández-Samaniego, an evident challenge in evolving the firm's practice will be to balance management with his own practice. Much of Bird & Bird's dynamism may derive directly from him but it has also required a great deal of management time.

Some suggest that an office of its size now requires a more decentralised form of governance, however last year it put in place an Executive Committee comprising both Creus and Fernández-Samaniego to try to achieve this goal.

'It is clearly difficult to remain at the forefront of legal and practice developments and run a law firm.

When we have been extremely busy, decisions may not have been made as quickly as we would have liked. But that is part of the challenge of building a law firm, finding a balance and the right people to take the lead in their respective areas of expertise,' he says.

This is not to say however that he is entirely satisfied with the firm's progress to date. 'It is perhaps a pathological thing in wanting to overperform and to excel in all I do. But it is not impossible to succeed as a lawyer in Spain if you bring something different. But there is no time to waste in self-glorification, we must embark on chapter two of our story, and achieve our new goals.'

He is alive to the possibility of further growth outside of Madrid, and even though Bird & Bird continues to expand internationally, there is currently no desire to open in Portugal. In any event, the firm has established close relations with Lisbon-based Anselmo Vaz, Afra & Associados, established by another former Linklaters lawyer, Teresa Anselmo Vaz.

He clearly however has ambitions on Spain's second major legal centre: 'Portugal may have a different legal system but it can be harder for us to do deals in Barcelona than Lisbon, and so we are naturally interested in the potential for development there.'

While Fernández-Samaniego's experience shows him that a law firm may not need a big name to build a new office and establish a successful practice, it does however require someone with more than a mere book of contacts. From the outset Bird & Bird has had a strategy and a desire to build a team capable of achieving its target goals.

'When we opened we thought that people would be willing to give us a try. But sophisticated clients know that it is not enough to have a foreign or sexy name. Our challenge is to continue to do an excellent job, provide outstanding service, and to stay focused on the most innovative and demanding issues.'