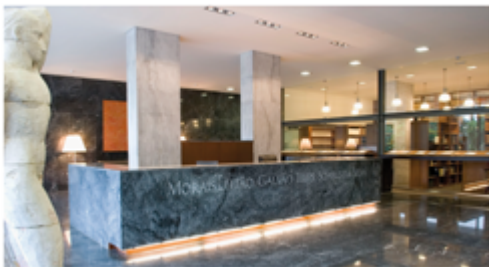
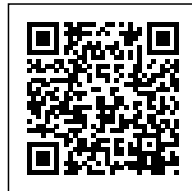


TOUGH AT THE TOP? - MLGTS

Posted on 16/01/2017



Category: [Uncategorized](#)



MLGTS is widely seen as the leading firm in Portugal with the most esteemed clients, but the firm says it won't become complacent because acting for the biggest companies means it is under huge pressure to perform

Though MLGTS managing partner Nuno Galvão Teles is confident that his firm has “probably the most impressive client base” of all of Portugal’s law firms, he says there is no danger of this being taken for granted. “Our main clients are well recognised and they include a significant share of the Portuguese stock exchange – this forces us to be efficient as the principal banks and main utility companies, for example, are very demanding [in terms of what they want from their legal advisers]. According to legal directories, MLGTS’ clients include big names such as Galp Energia, EDP - Energias de Portugal, Caixa - Banco de Investimento and Sonae Group. Galvão Teles says that, as a result, MLGTS is a firm that can never relax or lose focus. “There is no danger of complacency, it is more difficult to keep the leadership than be a challenger – leaders have tremendous pressure to

stay on top."

MLGTS' client base has helped the firm to grow "steadily" in terms of revenue over the last ten years, according to Galvão Teles. He adds: "Since 2013, our profits have gone up, while our revenues have grown consistently in the same period due to a combination of alternative fee arrangements, greater efficiency, more work and reducing costs." Galvão Teles does not disclose how much revenues and profits have grown since 2013, but it

is believed that profits went up 15 per cent, while revenues rose by 12 per cent during the period. MLGTS does not publicly disclose its revenue figures because the "tradition in the Portuguese legal market is not to do it", says Galvão Teles. He continues: "We would be prepared to disclose our revenue if everyone else did but it's never been done in the Portuguese market; we do it internally though, we are completely transparent with our people." Though MLGTS declines to officially disclose its revenue, its billing for 2015 totalled €45 million, according to some sources.

Simple strategy

Galvão Teles says the firm's approach is straightforward. "Our strategy is simple – we want to retain the leadership of the market, be more efficient and to always try to maintain high-quality services to our clients, but competition is great," he says. "We also want to consolidate our international practice and try to keep the same quality." With regard to the firm's international ambitions, Galvão Teles says that MLGTS has a "good relationship with the main law firms in Europe and the US".

MLGTS: Legal adviser to football superstars

MLGTS has a reputation for providing legal advice to some of the biggest football stars in the world, including Real Madrid and Portugal forward Cristiano Ronaldo and Manchester United Manager Jose Mourinho. Recent sport-related matters handled by the firm include:

November 2016: Advised Cristiano Ronaldo on the renewal of his Real Madrid contract, which will keep him at the club until 2021. In addition to winning league titles in England and Spain, Ronaldo has won the Champions League with Manchester United and Real Madrid, while individual honours have included winning the Ballon d'Or and being named FIFA World Player of the Year. In 2016, he was part of the Portuguese team that won the European Championships. The MLGTS team advising Ronaldo was led by partner Carlos Osório de Castro.

August 2016: Advised footballer André Gomes on his transfer from Valencia CF to FC Barcelona. Portugal midfielder Gomes joined FC Barcelona for a fee of €35 million. The MLGTS team advising on the transfer included partner Carlos Osório de Castro and managing associate Paulo Rendeiro, who coordinates the firm's sports law team. Gomes was part of the Portugal team that triumphed at Euro 2016.

June 2016: Advised football manager José Mourinho on the signing of his contract with Manchester United. The MLGTS team included partner Carlos Osório de Castro and the firm's sports law team coordinator Paulo Rendeiro. Mourinho was appointed manager of Manchester United on a three-year contract with an option to stay at the club until at least 2020.

May 2016: Advised football agents Gestifute in relation to the transfer of midfielder Renato Sanches from Benfica to Bayern Munich. The 18-year-old signed a five-year contract with Bayern that will keep him at the club until 30 June 2021. The basic fee for the player was €35 million, but potential bonus payments mean that the transfer could be worth up to €80 million. The MLGTS team advising on the transfer was led by senior lawyer Paulo Rendeiro.

“Law firms not investing in technology, people and client care will have problems in future.”
Nuno Galvão Teles
MLGTS



To an extent, MLGTS, like many Portuguese firms, is heavily reliant on its international practice for growth. "The domestic [Portuguese] market is not growing much, but in Africa and Macao, where we are a market leader through our network of local firms – called MLGTS Legal Circle – business is going very well," Galvão Teles says. In Macao – an autonomous region on the south coast of China – MLGTS has an alliance with the law firm MdME. "In Macao, things are going very well for MdME. It started with a young team – in their 30s and 40s – and they are performing exceptionally well, better than expectations," Galvão Teles comments. "The office has very good clients – it's

strong in the financial sector, M&A, construction and real estate."

New Asian offices?

Buoyed by the success of its Macao office, Galvão Teles – who has been the firm's managing partner since 2012 – says MLGTS has plans to open other offices in Asia via its Legal Circle network. "We are considering opening a representative office on the China mainland, as well as openings in other places," he adds. Meanwhile, Galvão Teles says he is "very happy" with how the firm's associated offices are performing in the Lusophone Africa countries, specifically Angola and Mozambique. "They have grown there in the last three years; they were able to have a strong presence in both markets with a strong international client base," he says. "Recently in Angola, mandates were received to open two financial institutions, while instructions were also received in

relation to significant government projects – this type of work is difficult to find.” Indeed, workflow in Angola has now reached the level where Angola Legal Circle Advogados, the firm with which MLGTS is allied, is looking to recruit more lawyers.

MLGTS currently has 200 lawyers in total, including 35 equity partners and 20 salaried partners. Galvão Teles says the firm takes on 12 trainees per year, and though MLGTS’ strategy is to grow organically, he adds that the firm would look to make lateral hires if it was felt that “we can add value” to the firm. Galvão Teles, who joined MLGTS in 1987 and became a partner in 1995, observes that the firm’s interactions with clients has altered significantly. Though viewed as a very traditional firm, MLGTS is embracing new innovation. “Our relationships with clients have changed a lot,” he remarks. “We have made a huge effort to have very qualified professionals, we have a client care unit, a legal project management unit and a business development unit. We have also invested a lot in technology – it is a process that has taken a period of four to five years, there has been a profound change in the way we work, clients want quality but they also want lawyers to have a better perception of their business.”

Investment is crucial

Galvão Teles highlights the work done by ‘Team Genesis’ – a group of the firm’s lawyers dedicated to the provision of legal services in the areas of entrepreneurship and innovation – as having been particularly fruitful. The team was established to advise start-ups, small and medium-sized enterprises (SMEs) and business angels, as well as venture capital and private equity companies. Team Genesis’ clients

include Start-up Lisboa and Start-up Braga. “Team Genesis has been a huge success,” says Galvão Teles. “We’re representing a significant number of the leading start-ups in Portugal.”

In general, Galvão Teles believes the outlook for Portuguese firms is improving. “The years 2010 to 2014 were difficult, but Portuguese firms are very resilient and we’re now seeing foreign investment coming,” he says. “However, law firms not investing in technology, people and client care will have problems in future.” Galvão Teles also acknowledges that recent world events cast a shadow of doubt on future economic prospects. “Brexit and the election of Trump as US president provides uncertainty that we could do without,” he says. “The world is changing, the digital era is here and this puts huge pressure on law firms – there are different ways of providing legal services and this could either be a challenge or an opportunity.”

MLGTS fact file	
Partners:	55 (consisting of 35 equity partners and 20 salaried partners)
Lawyers:	200
2015 Revenue:	Undisclosed