

## Global 20: Reed Smith

By **Natalie Rodriguez**

*Law360, New York (August 29, 2014, 6:48 PM ET)* -- In recent months, Reed Smith LLP's attorneys have handled deals totaling more than a third of a trillion dollars — including several cross-border transactions and 17 deals valued over \$1 billion — while also helping several blockbuster court wins for its international clients, earning the firm a spot on Law360's Global 20.

Through the hiring of top-level, client service-focused attorneys and the execution of strategic office expansions, Reed Smith has positioned itself to be a go-to firm for governments and top corporations across a broad array of sectors.

The Global 20 firm has reaped what it sowed with a blockbuster year of high-profile work that included advising Microsoft Corp. on the U.K. aspects of its \$7.2 billion purchase of Nokia Corp.'s devices and services business and guiding Taiwan-based Realtek Semiconductor Corp. through a market-reverberating victory in litigation over patent royalty rates.

Fueling much of Reed Smith's dominance is its relentless focus on the energy and natural resources, life sciences, financial services, and media and entertainment industries.

“Strategically, we're focused on making sure we're fully built out globally in each of those industries,” said Alexander Y. “Sandy” Thomas, Reed Smith's global managing partner. “When you have a tight focus on those four industries, you really have to be a global enterprise like we are.”

Eleven out of Reed Smith's 25 offices — as well as 628 of the firm's 1,905 attorneys — are based outside of the U.S., in such areas as China, Germany, the U.K. and the United Arab Emirates, among others. At home, the firm has bases at such international business-attracting cities as New York, Silicon Valley and Washington, D.C.

Earlier this year, the firm also opened up new offices in Astana, Kazakhstan, to secure better access to the thriving energy and natural resource market there, as well as to better serve a long-standing client: the country's government.

The office opening came on the heels of many of the firm's European practice groups coming together to represent the Republic of Kazakhstan in a \$5.6 billion takeover of Eurasian Natural Resources Corp.

It was a massive and complex undertaking that required Reed Smith attorneys to devise a unique deal structure that included the offering of shares of another listed company as part of the package,

according to Roger Parker, Reed Smith's managing partner for Europe, Middle East and Asia. Reed Smith was also called on to assist in expediting domestic and international regulatory approvals and permits for the transaction.

Reed Smith's official expansion to Astana also followed the firm's 2013 launch of a Houston office, the 2012 inauguration of a Singapore base and the 2011 opening of a Shanghai office — all of which were also strategically devised to better serve the firm's top energy, natural resources, commodities and shipping clients, among others.

“Opening of offices can be tremendously beneficial for the firm because it allows us to open another front for a client,” Parker said.

He and Thomas both noted that the firm puts in a good deal of research and conducts in-depth discussions with clients before any expansion is undertaken.

“We think really long and hard about what client drivers there are to cause us to consider opening a new office in a new location. We vet the client base and client demand really carefully before we open any doors anywhere,” Thomas said.

In the face of Reed Smith's rapid growth in recent years, the firm makes sure to have seasoned pros take the lead on expansions to ensure new bureaus continue to meet the high quality benchmarks for service and legal work that its existing bases have cultivated.

“We make a practice of relocating Reed Smith lawyers to new offices when we open, who know our culture,” Thomas said. He pointed out as an example longtime San Francisco partner David A. Thompson, who picked up with his family to move to Houston in early 2013 when the firm opened a base there. “He's still there and doing a great job, helping with that connectivity.”

Connectivity is at the core of the firm's continued success, according to the managing partners.

“We're a firm of team players, and that's just how we're wired,” Thomas said.

And indeed, the firm looks to promote cross-practice work with an incentive program for partners and by generally placing an emphasis on hiring attorneys who are keen on expansive client service. The firm seeks people who are naturally entrepreneurs but are “looking to build relationships by selling more than just their own services,” Parker said.

On most top transactions, attorneys from several of Reed Smith's offices will be called on to collaborate together.

For example, Reed Smith lawyers from London — the firm's largest office by attorney headcount — and Munich worked together to help roll out Siemens PLC's \$2.6 billion Thameslink Rolling Stock Project, while New York and London lawyers put their heads together to represent York Capital Management Global Advisors LLC in a \$1 billion joint venture with Costamare Inc. that had to be designed to avoid conflicts between the public company and its private investors.

And to close SKF Group's \$1.32 billion acquisition of Kaydon Corp., M&A attorneys from Pittsburgh, London, Munich and China were called on to pool their resources.

"We work in teams and it's always important, whether it's in a transaction or litigation context, to have the team read into what the client is trying to accomplish. There's a certain threshold understanding of what the client's objectives are" throughout the team, Thomas said.

Top-notch project management and organizational capabilities are also key skills that Reed Smith attorneys have to be able to provide, given the complex cross-border work that is so often placed on their desks, Parker noted.

The cross-border flavor of Reed Smith's work isn't reserved just for transactions. On the litigation front, Silicon Valley intellectual property lawyers recently scored a significant win for Taiwan-based Realtek, after rival LSI lodged an International Trade Commission action seeking a royalty rate for two Wi-Fi patents that exceeded the price of Realtek's chips.

Countersuing in California federal court on the claim that LSI was in breach of contract for failing to provide reasonable and nondiscriminatory license rates, the Reed Smith team successfully won its closely watched case, dunked a Ninth Circuit appeal and secured for the Taiwanese company a \$3.8 million judgment for damages.

And over in the International Centre for Settlement of Investment Disputes, Reed Smith attorneys also recently defended the Republic of Kazakhstan in two arbitration proceedings that collectively lobbed \$2.79 billion in claims against the government.

In the first action, Reed Smith attorneys got the bulk of the AES Corp.'s \$1.29 billion action over alleged breaches of energy and Kazakhstan-U. S. treaties rejected, with no damages awarded to the global energy company. And in the second, it got an action alleging losses from the part nationalization of JSC BTA Bank completely tossed after the tribunal found that BTA's former chairman did not hold an investment under the definitions in the ICSID convention and another related treaty.

As the firm's long-running and regular work with Kazakhstan can attest, Reed Smith makes delivering perpetually stellar client service its top priority. And that runs down to even its smallest clients, as the firm takes the long view on all of its work, according to Thomas.

"We approach every client relationship from the perspective of 'If the client isn't doing business globally today, they will be one day,'" Thomas said.

--Editing by Jeremy Barker.