

# Chronique Site Web

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## How a Legal Department chooses its law firms

I recently met with the General Counsel of a group listed on the CAC 40 who is in charge of the M&A department and I thought that it might be interesting to share his comments on how law firms are chosen. I can sum them up as follows:

**1<sup>st</sup> remark:**

- § The department is used to working with certain law firms. If it is not disappointed with their work, it will naturally use them again.

**2<sup>nd</sup> remark:**

- § Some of the law firms and/or lawyers selected are choices imposed by members of General Management.

**3<sup>rd</sup> remark:**

- § In general, the Legal Department is contacted by a lot of lawyers who want to come and meet them. This is quite usual and is not a problem.
- § It's always necessary to have a back-up list of firms, if only to be able to handle conflicts of interest.
- § The more the legal department sees lawyers, the more likely they are to think of them when the need arises.

**4<sup>th</sup> remark:**

- § Law firms and/or lawyers are more likely to be chosen if they can offer special skills.

**5<sup>th</sup> remark:**

- § The Legal Department tends to try out a new firm on matters that are not strategic or not very visible.

**6<sup>th</sup> remark:**

- § In addition, in a decentralised group, there are a number of entry points for lawyers (subsidiaries, branches ...).

**7<sup>th</sup> remark:**

- § The price issue is more and more important although less so for "strategic" transactions but these are rarer since the crisis.

**8<sup>th</sup> remark:**

- § The quality of the written documents prepared is essential. The more mark-ups made by the Legal Department on the documents exchanged, the more they indicate a problem.

**9<sup>th</sup> remark:**

§ Law firms are also useful to be called on by the Legal Department to relieve them of work when they have too heavy a workload.

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