

Edition 70: July 2015

Message from FLI NET Partners



Some of you may particularly enjoy the holiday season because clients are on vacation and time for non-billable work has finally become available – work that often does not get the required attention due to lack of time when we are involved in our regular client serving work. I would like to draw your attention to a topic that affects all of us and which Jerome Saleur already mentioned in our June newsletter: The 'Uberisation' of the legal economy. For those of you not familiar with marketing terminology, Uberisation describes the process of disrupting traditional business models through innovation, especially (but not only) through new technologies. Just as Uber and Airbnb have disrupted the transportation and travel sector, law firm consultants have since long predicted the same to happen for the legal industry as well - only last week an article on Bloomberg BNA asked the question when the legal services sector would undergo a major change.

It would be unwise to believe that only the legal retail sector is affected by Uberisation, while law firms are still in a safe haven as long as their clients are predominantly corporate clients. I would agree that Uberisation will initially have more impact on the retail segment where there is a huge demand for affordable advice and simple legal forms but it can only be a matter of time when the same innovative business models will start disrupting the corporate segment. In fact, some of you will now say that Uberisation is already happening in countries where the legal sector is less regulated, both in the retail and corporate sector, with the appearance of online legal service providers.

While there is no single global solution to the Uberisation of the legal economy, the issue affects each of us, whether small or large, and First Law International has done an excellent job in raising increased awareness during this year's Spring Conference in London/Birmingham. Next time you are asked by a client whether you can deliver an urgent mutual nondisclosure agreement with detailed instructions for less than USD 15, how are you going to respond? Will you concentrate on high-end work or consider retail clients and small companies as a huge potential client base for legal work (at a fraction of the price you are currently charging)? I am curious to hear your opinion and I do hope that you take advantage of the extensive FLI Network to exchange your experiences and business ideas.

Wolfram Huber, PHH Rechtsanwälte, FLI NET Partner Austria

2015 SPRING UK CONFERENCE IMMEDIATE SUCCESS: FLI NET RECEIVES 25-COUNTRY CROSS-BORDER MANDATE

One of FLI's multinational clients has recently approached FLI with another cross-border project for our FLI NET Partners – this time covering twenty-five countries in total. This is a perfect illustration of the strength of the network. Through FLI HQ's characteristically efficient centralized coordination, more and more multinational clients keep gravitating to FLI for cross-border, turn-key, all-in one legal assistance.

During our recent FLI NET UK Spring Conference, this client was impressed by the level of cohesive integration among all FLI NET member firms, who participated and it was at that point in time that decided to approach FLI HQ with this request in

order to test the true international breadth of the network.

This project presents a very timely opportunity for all of our partners to show their combined ability to work closely across borders, while showcasing FLI NET's corporate capability to deliver the value client is expecting from FLI NET.

FLI has previously successfully assisted this same client with a number of M&A and other general corporate commercial projects in the course of past couple years. Repeated business is the best endorsement of a satisfied client.

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FLI: FIRST GLOBAL ELITE NETWORK TO IMPLEMENT COMPLIANCE CERTIFICATION TRAINING ACROSS THE BOARD: CHINA and INDONESIA LATEST CERTIFIED MEMBERS

FLI Principal, Mr. Orlando Casares, recently conducted Compliance & Regulatory Certification Training with two prominent FLI NET Partners: **Llinks Law Offices** (China) and **SSEK** (Indonesia).

Due to FLI US clients (majority listed in NYSE or London) looking to FLI for expertise in Anti-Corruption Compliance, FLI - together with a key large corporate clients - developed a comprehensive compliance certification training program designed for our FLI NET Partners which FLI HQ has been implementing throughout our Network over the past couple of years. Considering that in 2014 alone DOJ prosecuted the highest number of FCPA violators (both blue chip companies and individuals) with a record amount of fines (over \$1.6 billion), not to mention this year's campaign against FIFA, corruption is a topic in every legal department's mind.

This full day accreditation training program not only covers US FCPA, and UK Anti-Bribery, but also OECD, EU Anti-Money Laundering, as well as local regulations all of which is intended to raise FLI NET local teams' awareness while affording all the attorneys an invaluable opportunity to recommit to

making "corruption zero tolerance" an inherent part of the firm's internal culture. Once the firm has successfully completed the course and is duly certified, the FLI Board is informed and in turn the Board communicates this accolade to FLI NET listed clients so that they will know they can count on FLI NET partners' skills on the subject. Ultimately, this highlight is all captured in FLI's Newsletters and other press releases.

Thanks to the efforts of Mr. David Yu (Llinks Law Office) and Ms. Rusmaini Lenggogeni (SSEK), both firms attended this important training in full force and included good number of the Firm's Partners as well as a number of associates.

FLI's Certification is something very much appreciated by not only US and UK multinational listed companies with strict compliance requirements, but all clients wanting to transact business in certain parts of the world and are concerned about potential problems with the local authorities.



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CHINESE COMPANIES LOOKING TO FLI FOR CROSS-BORDER SUPPORT

Some of China's renowned state-owned companies are looking to FLI (thanks to our Chinese Partner, LLINKS) for cross-border support. The companies expressed particular interest in FLI's global expertise in Automotive and Leisure/Hospitality industries. With a number of FLI NET Partners being very active in both sectors (supporting some of the largest and well-known Automotive and Hotel brands), FLI is well positioned to assist on a global scale. FLI has

already been asked for potential support on a significant acquisition project involving FLI NET Spanish team, which is now pending final approval by the client.

FLI HQ expresses its gratitude to Llinks Law Office for promoting the FLI model with their clients and, thus, helping them to achieve their international business growth.

FLI WELCOMES NEW SOUTH AFRICAN PARTNER - FLUXMANS

One of South Africa's leading law firms, **Fluxmans** has consistently remained among the country's top ten firms while maintaining its focus on quality rather than size. Fluxmans firmly believes that no matter what the requirements, the client's needs always come first.

The Fluxmans domestic brand has become synonymous with a commitment to quality and value for money. The Firm's focus is on the needs of its clients and a desire to deliver a sustainable, business-like solution in everything it offers; thus, highlighting the modern-day reality that flexibility, skill, and long-term commitment are imperative components of maintaining a competitive edge.

Fluxmans operates primarily in the areas where it has acquired the right competencies and for which it

is well recognised by clients, peers and ranking organisations. The Firm's mission is to gain the trust, and continuously meet the expectations of its clients.

There is a team spirit at Fluxmans that allows every member to thrive and grow in an environment that is conducive to successful execution of the clients' instructions.

Fluxmans' approach and corporate culture has enabled it to establish a reputation for integrity and service delivery both locally and internationally, while focusing on adding value and utilising a global network of contacts, such as FLI, to the best advantage of its clients.

FLI welcomes Fluxmans to its network!



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FLI ENGAGED TO EXPAND CLIENT'S OPERATIONS IN INDIA

FLI NET has been engaged to provide comprehensive corporate support in India.

A long-standing client - Europe's leading weaver and fabric-coating specialist (whom FLI NET already assisted few years back in China and Republic of Korea and, most recently, again in Republic of Korea) - has asked FLI to evaluate the company's Indian corporate structure in light of incorporating brand new entity.

Prior understanding of this client's regional business requirements has resulted in promptly assembling

the right team that would render necessary support based on the client's business objectives.

FLI NET Indian team - **Shardul Amarchand Mangaldas & Co.**, headed by Mr. **Krishan Malhotra** (FLI Board Member), is now fully engaged the client's local business folks in moving the project forward and guiding the client through local nuances until successful completion of the assignment.

The client will also be attending the FLI NET Fall Regional Conference in Philippines where they will be able to meet the entire FLI NET Asia team for other future requirements.

FLI NET HUNGARY - UPDATES ON THE 'HUNGARIAN COMPETITION ACT'

Given recent important changes in the "Hungarian Competition Act" FLI NET local partners - **Oppenheim** - proactively summarized the relevant, key points in newsletter ([available for download HERE](#)), which contains the following:

1. Introduction
2. Agricultural sector back under scrutiny
3. Compliance program /warning as a sanction for SMEs?
4. Procedural fine-tuning
5. Oppenheim comment

For any additional questions, our local HUN team is at your disposal:

- Zoltan Marosi
- E: Zoltan.MAROSI@oppenheimlegal.com

FLI LOOKS TO BOOST FLI NET ASIA

To continue FLI's strategic, continuous regional growth in Asia, Orlando Casares recently travelled to Vietnam to interview the country's (undoubtedly) leading firm. As part of FLI's selection process, the on-site interview is an integral part and involves bringing together firm's management team. FLI

already farmed out a project to Vietnam to vet the firm's quality of work and level of responsiveness, both of which left client impressed. The affiliation process continues and would, most likely, be completed at the FLI NET regional conference, which the firm is going to attend.

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FLI NET PHILIPPINES RECEIVED 'PHILIPPINE DEAL OF THE YEAR AWARD'

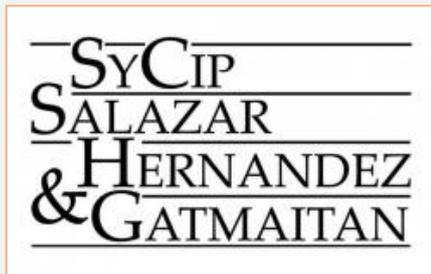
FLI NET Philippines Partners - **SyCip Salazar Hernandez & Gatmaitan** (Philippines preeminent law firm) - continue building their outstanding legacy. Recently they have received the Philippine Deal Firm of the Year Award at the Asian Legal Business (ALB) South East Asia Law Awards.

The ALB SE Asia Law Awards recognize the industry and excellence of the people behind the

great deals, renowned projects and matters, or cases that overturned landmark decisions.

The awards ceremony took place at The Fullerton Hotel Singapore. Representing the firm were Rafael A. Morales, the firm's managing partner and Rocky Alejandro L. Reyes, head of the firm's Special Projects Department.

Sincere congratulations to the entire team at SyCip Law!



FLI NET BOARD COMPOSITION - NEW APPOINTMENTS

Given the critical role the FLI NET Executive Management Board fulfils in managing the consistently growing FLI network, FLI is pleased to announce that Mr. **Ricardo Lan** from **Basham, Ringe y Correa** (our newest and prestigious Mexican partner firm) has accepted to serve as the member of FLI NET Board!

Having a LATAM member represent the interests of regional partners is of significant importance to FLI. Ricardo's rich experience, commitment, and vision for a stronger FLI would, most definitely, enrich the Board's make-up.



With this new change, the FLI NET Board is, thus, composed of following members:

- Klaus Jankowski Germany
- Mira Sun Republic of Korea
- Bonnie Dixon Japan
- Vitor Marques da Cruz Angola
- Mohamed Alem Lebanon
- Krishan Malhotra India
- David Hamlett United Kingdom
- J. Cary Gray United States of America
- Ricardo Lan Mexico



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FLI EXPLORES NIGERIAN LEGAL MARKET

With the Nigerian economy on the rise, (doubled in size over the past decade and officially overtook South Africa as the continent's biggest economy, with the GDP of \$501.7 billion*) the country is attracting foreign companies to seriously consider Nigeria as a viable place for not only doing business, but using Lagos as their multinational's Sub-Sahara operational HQ. In keeping with FLI's keen understanding of global trends in our industry, to seize this opportunity, FLI President travelled to

Lagos again to meet and interview the short-listed significant players in the market which FLI is considering inviting to join our growing network. While FLI NET is already strongly represented in major African economies: Kenya, Angola, Mozambique, Uganda, DRC, Republic of Congo, and most recently South Africa, undoubtedly a new Nigerian partner firm would add value to FLI NET's regional prowess.

*Source: "Special Report: Nigeria," *The Economist*, 20 June, 2015

