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Client Choice Guide 2009

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PLMJ – AM Pereira, Sáragga Leal, Oliveira Martins, Júdice e Associados Sociedade de Advogados, RL

As a veteran in a comparatively youthful market, PLMJ has a wealth of experience enriched by an organic expansion policy which has seen the vast majority of its partner base train at the firm. The result is a strong internal ethos that places client care among the firm's top priorities

Perhaps more than any of Europe's colonial powers, Portugal has, in the last 40 years or so, realigned itself to become a modern, progressive, forward-thinking state. It has a groundbreaking renewable energy programme, with the world's largest solar power plant and first commercial wave farm in operation and an additional \$38 billion pledged towards the development of future alternative energy sources. The country has also embraced the technological revolution, with the number of mobile phones in operation exceeding the population and a high penetration of both broadband access and digital television.

Over that same period, and buoyed by an economic boom in the 1980s, the Portuguese legal market has matured from a small, largely localised concern to offer a vibrant mix of full-service firms that rival those in other major European markets. Leading the way in this evolutionary process is PMLJ – AM Pereira, Sáragga Leal, Oliveira Martins, Júdice e Associados Sociedade de Advogados, RL, the country's largest law firm and one of the first to pioneer modern legal techniques.

The firm was founded in the late 1960s by António Maria Pereira and Luis Sáragga Leal, who were joined in the early years of the following decade by new partners Francisco de Oliveira Martins and José Miguel Júdice as

co-founders. The firm's meteoric rise to the top of the legal profession was largely down to António Maria Pereira's vision and dedication. Pereira sadly passed away at the beginning of this year, but his influence is still readily apparent in the firm he founded and, indeed, in modern Portuguese legal practice in general. Under his stewardship, PMLJ set many benchmarks for other firms to live up to, not least in terms of client care.

Shared experience

"We are a very experienced law firm," points out Manuel Santos Vitor, PMLJ's deputy managing partner. "We have 40 years behind us now and comparatively this is quite distinctive – most law firms in Portugal are much more recent than this. So you have several generations of lawyers in the firm and we been able to set up a very specific culture, which I would say is part of our DNA: to recognize the bond between the legal professional and the client. We have always been very aware of the need to concentrate on client care and it is something that has developed very naturally within the firm.

"During the first 20 or 30 years, it was more intuitive and less a part of the training of the lawyers in the firm; but for quite a few years now we have paid more attention to this and set up different programmes, including seminars and workshops, which are included in the training of all people at all levels. Obviously we concentrate on the trainees and young associates, as this is very important when they start their careers, but we also include the senior associate and partner levels. Not only that, but we also give client care training to paralegals and all other professionals within the firm. At the end of the day, it is important not only when it comes to lawyers, but for everybody who has direct contact with clients, as all such persons are seen by the client as representatives of the firm in one way or another."

PLMJ's lawyers must complete a certain number of hours of training per year through a combination of lectures, seminars and interviews. The majority of these take place in-house, but the firm also uses a number of external agencies and well-known experts from various

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Right:
Jorge Brito Pereira



disciplines that help to provide the necessary advice, counselling and training. As the firm has grown, so too has the logistical task of coordinating this continuing legal education. This now falls to a top-class marketing department and professional support lawyer team which, in addition to their more traditional duties, look after the development of the professional services of the firm.

Natural growth

PLMJ's growth has been consistent over its 40-year history, but has accelerated in the last two decades. In the late 1980s there were around 40 fee earners at the firm, about 20% of the current number. This has primarily been a gradual, organic evolution, although there have been a number of carefully planned lateral hires to ensure the firm maintains the perfect mix of talents.

"We have always tried to grow organically," says Jorge Brito Pereira, who heads up the capital markets practice group. "Up until five or 10 years ago, 95% of the partners had been trainees with the firm: I was one and at least one of my trainees is now a partner. Obviously, in the last 10 years the market has become more aggressive and this has forced us to change our strategy a little bit, so we've started to have some lateral hires, which are very important in the office right now – especially for new areas of practice.

"This would include our competition law group – to strengthen this, we approached José Luís da Cruz Vilaça, who was formerly advocate general at the European Court of Justice and president of the European Court of First Instance; he still sits as chairman of the Disciplinary Board of the European Commission. He is a crucial asset as head of the department. So we have started to have a more aggressive lateral hiring policy. Even so – I'm not sure of the exact figures, but they still only represent around 5% or 10% of the office, so we are still very much an organically grown office."

Talent contest

It stands to reason that in a firm with such a high proportion of home-grown talent, particularly one of PMLJ's standing, a coherent and highly selective

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recruitment process is vital. Here once again, the firm has been riding the crest of the wave of change that has transformed Portugal's legal market.

"The whole system has matured and become much more organized over the years," recalls Vitor. "When I first started at the firm around 20 years ago, the way that people joined law firms in Portugal was very much on the basis of a personal relationship with somebody already at the firm. There would then be a couple of personal interviews and unless something unusual arose at that time, you'd have the opportunity of being a trainee at the firm. Nowadays it is very different in that there is a very organized system, in which we are assisted by the partial outsourcing of duties to a professional services firm that specializes in legal recruitment.

"On top of that, we have what we call a trainee commission. This is currently composed of three partners who are entrusted with the final task of selecting the lawyers or future trainees. The professional services firm identifies a number of trainees who they think might be suitable and who then go through a number of selection stages, including personal interviews with the committee, at the end of which a few will be invited to join the firm. All this is done with the current and anticipated needs of the firm in mind, so there will already have been a consultation procedure between the committee and the different practice groups to establish a clear understanding as to what the needs of the firm are or are anticipated to be when the new lawyers are hired. Currently there is an excess offer, I would say, of legal practitioners or people leaving law school wanting to become lawyers in Portugal. So the challenge is not so much to find people as to sort out those who are really right for our law firm."

Junior lawyers who start at PLMJ also know that there is the potential to expand their legal horizons by taking advantage of the firm's international connections. A network of joint ventures in a number of Portuguese-speaking countries around the world means that clients can be assured not only of a broader-based service on an international level, but also that a good proportion of the firm's lawyers have first-hand experience working in the

very jurisdictions in which they are doing business.

"We have two types of secondment programme," explains Pereira, whose role includes responsibility for the firm's international operations. "Firstly with clients – particularly larger international clients that often need our assistance in this respect. But we also have secondments with foreign firms with which we have professional relationships, especially in Brazil. There we have an association with TozziniFreire, which is one of the country's largest firms. We have similar relationships in Angola with AVM Advogados and in Mozambique with MGA, Advogados e Consultores."

The firm also encourages its junior lawyers to continue their academic and professional development, and again this often gives them the chance to gain valuable international experience. "Apart from the secondment process," says Vitor, "it is made clear to young lawyers and trainees that there are many opportunities we can give them – not only to develop careers within the firm, but also to develop their knowledge and their training. This has meant that year after year, on a consistent basis, we have had several lawyers who have taken their LL.Ms, master's degrees, PhDs and so on, both in Portugal and abroad. We very much encourage this, not only by telling them that they should go because it is important for their development, but also by ensuring that we pick up a significant part, if not all, of the associated costs and guaranteeing that at the end of their studies they will have a place back at the firm. Of course, this is of mutual benefit. We look at it as an investment in our law firm: the whole point is to be able to retain lawyers who will provide a better and rounder service for our clients."

Service comes first

And as Pereira reminds us, that client service is at the very core of the firm's activity. "We are a client-based firm; we are not a firm that is based on the deals and transactions we perform in a certain year," he insists. "We have clients that have been with us for decades and they are as much a part of our firm as our lawyers. We grow with our clients: we don't grow through huge transactions. Obviously, big

Right:
Manuel Santos Vitor



deals are important for every firm – every time we handle an IPO or some other big deal, that is important – but I believe that practice for our clients represents 60% to 70% of the work we do every year. We are a firm that is based in our clients, and not in deals and transactions.”

With this in mind, it is hardly surprising that the firm encourages its lawyers to establish close ties with clients. This means that connections are made not only on a professional level, but on a more personal one as well.

“We promote interconnection with clients at all levels,” says Manuel Santos Vitor. “If possible, socially as well as over business. For this purpose, we first of all promote programmes and initiatives within the firm to which we invite clients, which are mostly professionally and business oriented, but which will also have a social component. In addition, we encourage our lawyers to meet socially with clients because that is a very important way to really establish a partnership with the client. This is something we say a lot, but it is easier to say and harder to do. So meeting clients socially – and this is something that I’ve been hearing at the law firm since I was a trainee – is a very important thing to learn to do well and is important in our day-to-day relationships with clients.”

A good rapport with clients can make it easier to divine whether they are happy with the work the firm is doing, but once again PLMJ has introduced more formal procedures to ensure that no client is ever left feeling short changed. “Getting client feedback is again something we have considered increasingly important for the last few years,” explains Vitor. “We have therefore developed various systems, again with the help of our professional services department, to ensure we keep up to date with any potential issues. We have built a client questionnaire, for instance, to try and get feedback from clients when it comes to the general performance of our firm. We also work hard at obtaining client feedback not just when it comes to a specific transaction or file, but also when it comes to the client’s general relationship with the firm, with the lawyers, with the services, with things like our billing policy and our disclosure policy. All those aspects are essential in our relationship with clients.

“This is a must in the legal profession today,” he concludes. “If one considers the global picture, the fact of the matter is that client care permeates all levels of running a law firm. It is something that is engrained in this firm: client care is at the very top of our list of priorities.”

PLMJ – AM Pereira, Sáragga Leal, Oliveira Martins, Júdice e Associados

Sociedade de Advogados, RL
Av da Liberdade, 224
Edifício Eurolex
1250-148 Lisbon
Portugal
Tel: +351 21 319 73 00
Fax: +351 21 319 74 00

www.plmj.com

Contact:

Manuel Santos Vitor
Deputy Managing Partner
msv@plmj.pt

Other offices:

Faro, Oporto