

Skadden's Success

**An Interview with Joseph H. Flom,
Senior Partner, Skadden, Arps, Slate, Meagher & Flom LLP**

EDITORS' NOTE Joe Flom started his legal career as Skadden's first associate. He is the recipient of multiple honors and awards, including the Legal Aid Society's *Servant of Justice Award* (1986), the Federal Bar Council's *Whitney North Seymour Award* (1989), and the Department of Defense's *Distinguished Service Medal* (1992). In 2004, he received lifetime achievement awards from *Chambers and Partners* and *The American Lawyer* magazine and was presented with the *CCNY Presidential Medal for Distinguished Achievement and Public Service*. Flom has also been awarded honorary doctorates by *Queens College* and *Fordham University* and is a founding trustee of the *Skadden Fellowship Foundation*. He is a graduate of the *City College of New York (CCNY)* and *Harvard Law School*.



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COMPANY BRIEF Headquartered in New York, Skadden, Arps, Slate, Meagher & Flom LLP (www.skadden.com) is among the world's most respected law firms. Founded in 1948 and employing approximately 2,000 lawyers, the firm and its affiliates have offices in nine U.S. cities, as well as in Beijing, Brussels, Frankfurt, Hong Kong, London, Moscow, Munich, Paris, São Paulo, Shanghai, Singapore, Sydney, Tokyo, Toronto, and Vienna.

Were you surprised at how deep the economic crisis was and, as to recovery, where do you see us today?

I was not surprised. I was taken by the fact that we were constantly playing catch up to contain it. It could have been a lot less severe if we had gone ahead of the crisis instead of behind. But democracies don't work that way. You have to first create the political will. That is what eventually happened.

Skadden managed through it beautifully. We took some measures like giving everybody in the new recruitment class a chance to get about half their salary, and to do pro bono work or whatever else they wanted to do for a year.

Was there an impact on the legal profession business?

Sure. Restructuring got very busy. An industry publication noted that we were lead counsel on five of the 10 most successful

restructurings in 2009. Our group has been recognized numerous times in the past year alone, including as "Restructuring Team of the Year" by one publication and "Restructuring Law Firm of the Year" by another. We continue to have a lot of litigation. We live in a society which feels that if you lose money, you should sue somebody. There was also a renewed emphasis on white collar crimes. Our election law practice, which encompasses pay-to-play issues, was also active. We built our practice to have

many countercyclical features, and it seems to have worked.

Now we're seeing a rebirth of M&A and green goods activity. The pipeline in those areas is getting filled again. In a way, it was never really empty. People just didn't complete deals they already had in the works.

There is more confidence now the way the world is going. There are some major issues on the horizon: international debt payments, and lending getting to the smaller companies.

The systemic risk, which was scary when it was there, we all hope is gone. There was, however, a period when our whole financial system could have collapsed.

Today, there are many large firms doing M&A work. Has it become more challenging to differentiate among the top firms and is it hard to show what makes Skadden unique in that area?

No, we're still number one. There certainly is a lot more competition than there was. But I like to think that having structured our firm internationally the way we have so we can handle mega deals around the world simultaneously, makes us fairly unique. We like to think of ourselves as brain surgeons rather than generalists.

What has the firm done to help foster diversity among its partners?

Our firm continues to focus on diversity and inclusion at all levels. We have had and continue to have an aggressive program to recruit and retain a diversity of talent. Our diversity committee is presenting seminars to partners that address associate development and the management of diverse teams.

The firm's instincts dictate that, if you truly want to be seen as an institution, you have to act like one – you have to give back

and be active in the community. We have hosted community-building events, such as the screening of the acclaimed *Freedom Riders* documentary in our New York and Washington, D.C. offices.

You have to work with kids and schools to build a diverse pipeline, because you can talk about diversity all you want, but if the pipeline doesn't have anybody there, what is the point? With City College of New York (CCNY), we started trying to attract kids from the low income areas into the law and set up a program where we give 50 scholarships a year for students to attend CCNY. We also give them other support.

In addition, the Skadden Fellows program has had quite an impact. We have been going 23 years with that program, and under it, we grant between 25 and 30 two-year fellowships for graduating law students and judicial clerks. Ninety percent of the participants remain in public interest law.

Many still say the education system isn't working, especially K through 12. You have been involved with education for awhile. Why has it been so tough?

You can turn around a small yacht, but you're not going to turn around the *Queen Mary* in 200 yards.

There are all kinds of experiments taking place, but while no one system is going to fix it all, you can make inroads on the edges. I'm optimistic that, with all the efforts going into it, we'll see an improvement over time.

There are also some very innovative programs that the Obama Administration has put into effect that should help.

How have you transitioned your time over the years?

I've always believed that the measure of a good teacher is whether his pupils are better than he is. I spent all my time trying to make sure that is what happens.

I have been able to get a lot of business, but I didn't try to hold onto it – I passed it on. A lot of people are afraid to let go, thinking that then nobody will need them. My attitude was different and for me it turned out to be right.

You still have so much energy. What's your secret?

The exercise is pushing away from the table. Also it is to keep doing interesting things. If you don't, then you atrophy very fast. And don't retire. ●