

A Clients-First Mantra

An Interview with
Creighton O'M. Condon, Senior Partner, Shearman & Sterling LLP

EDITORS' NOTE Creighton Condon was elected the firm's 15th Senior Partner in May 2012. A leading mergers and acquisitions lawyer, Condon previously served as the firm's European Managing Partner and Co-Head of the firm's Global Mergers & Acquisitions Group. Condon received his J.D. in 1982 from Columbia University School of Law and his B.A. from University of Pennsylvania in 1978.



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FIRM BRIEF Shearman & Sterling (www.shearman.com) has been advising many of the world's leading corporations and financial institutions, governments, and governmental organizations for nearly 140 years. The firm's commitment to providing insightful and valuable legal advice to clients has resulted in groundbreaking transactions in all major regions of the world, including Asia, the Middle East, Africa, Europe, Latin America, and North America. The firm's lawyers work across practices and jurisdictions to provide the highest quality legal services, bringing their collective experience to bear on the issues clients face.

How has Shearman & Sterling remained consistently successful and what makes the firm unique?

We are coming up on our 140th anniversary next year, so we have a long New York tradition and deep relationships within the financial community and among corporates.

Having said that, we don't rest on our laurels. It's an extremely competitive legal market, so we have to continuously reinvent ourselves, reinvigorate our partnership, and bring in strong lawyers to build new relationships and renew the client base.

Our great success is the product of our "clients-first" mantra, which translates into deep relationships with corporate counsel, senior leadership, and boards. We are also sharply focused on how business is changing, so as we see developments, we move into new areas and develop new expertise to support our clients.

Is it tough to remain nimble as you reach a certain size?

It can be a challenge. But although we are a large firm, we are not a mega firm in size or in outlook. What we are is a global firm, geographically diverse with just over 200 partners in 20 offices worldwide. In fact, just over half of our lawyers practice outside of the U.S., which makes us quite unique among the major law firms.

Given the breadth and geographic scope of our practice, the number of partners in any individual practice area is not huge – that allows us to remain relatively nimble. For example, because our M&A group isn't comprised of 100 partners, it's a more definable and close-knit group that works together effectively to identify trends and respond quickly.

What are the firm's areas of focus?

Our core practice areas tend to be M&A, capital markets, leveraged finance, dispute resolution, and projects.

But we have lawyers around the firm in other practice areas that are critical to us. They may not, on a standalone basis, be as important to developing our business or to the revenue side, but our practice is team-oriented. With such a strong M&A team, for example, working on complex multi-jurisdictional transactions around the world, we need strong intellectual property, litigation, executive compensation, tax, and other capabilities to cover all the bases on behalf of our clients.

How was the firm positioned when the economic crisis hit and how broadly was the industry affected during this time?

The impact was significant and it has caused some structural changes to the industry. As with other professional services organizations, the old leverage model has been radically altered. We have had much smaller incoming associate classes in recent years and that will be a permanent change. We won't have the ability to generate our business through a lot of junior lawyers. Clients value partner-level attention and that is a fundamental change in the business that is unlikely to reverse itself.

Beyond that, there is a lot of extremely interesting and important legal work that has come from the crisis. For example, we have been at the forefront of the regulatory changes that are impacting companies and financial organizations in New York and the U.S., and around the world, working closely with the various governmental entities and regularly advising our clients. That has kept us and the other top firms in New York very busy.

The other general impact is that, in some ways, the global economic crisis has reemphasized the importance of the U.S. legal market to law firms. Even as business has become increasingly global, the U.S. legal market remains the most vibrant of any of the legal markets globally.

A real silver lining for us that has come out of the downturn is a clear reminder that our clients value their relationship with us – the advice we provide, the way we work together, and so on. Clients want and deserve a fair economic deal, and law firms are prepared to provide that, but both sides understand the importance of having lawyers you can trust who give advice based on their best judgment and not because they got on your panel strictly for economic reasons.

It is a simple truth: Focusing on what is important to the client and giving the best possible advice will solidify client relationships over time.

Have you seen increased activity in M&A?

We have, but it's regional and it varies significantly across different regions. The impact is bumpy.

Activity has been strong in the M&A space in the U.S. so that has been positive. But Continental Europe has been much slower because of the downturn.

We have been buffered a bit from the impact of that based on our geographic footprint: we've done deals with Chinese clients buying German businesses, for example, where they are looking to acquire the technology, or a Japanese bank buying a bank in Brazil.

We're beginning to see the developing market as a much bigger driver for the business. And for a firm like ours, with our broad and deep global capabilities, this remains a significant competitive advantage and opportunity for us.

We've historically had a strong African practice but the activity levels in Africa, other than South Africa, weren't high. That has changed. It has become a much more significant market, and we are very well-positioned to support our clients and grow our leading practice.

How important is pro bono work to the organization?

We have a very long history of being active on the pro bono front. It's very important to our firm and to our individual lawyers, and we are consistently one of the leading pro bono firms in New York.

What distinguishes us is that we have a skill set that a lot of other firms do not have, which enables us to do pro bono work in other parts of the world.

We take great pride in the work we have done in support of the human rights trials in Rwanda, for example. A number of our lawyers in New York rotate there for an extended period, which is terrific for their experience and important to them personally, and helps reinforce our global outlook and footprint. ●