

# Legal Departments Learn To Reach Across Borders

## Staying In Touch Is Key To Managing Global Legal Departments

BY AMY I. STICKEL

WHEN IT COMES to managing the multinational legal department of Bertelsmann Inc., Sebastian Biedenkopf faces all the familiar challenges—language issues, cultural differences, variations in local laws and time zones that span days, not hours.

But Biedenkopf, senior vice president of international legal affairs, has another challenge on his hands. Instead of building its U.S. presence from the ground up, Germany-based Bertelsmann went out and acquired existing properties. So

### COUNSEL to COUNSEL COVERAGE

Biedenkopf, who is German, must be especially sensitive about managing the legal departments of the company's U.S. properties, which include book publisher Random House and record label Arista.

"Whenever somebody comes from Europe, people view it as interfering with their business," he said. "It's not really very welcome."

Biedenkopf also had the challenge of coming into a situation where he wasn't the expert, at least not in the American judicial system. With his training in German law, he recognized he didn't necessarily have the expertise to advise American lawyers. That presents a delicate situation.

"You must respect the superior local knowledge, but at the same time try not to lose your authority," according to Biedenkopf. "If you have any."

Biedenkopf explained that he sees his role as one of learning and understanding.

"I have to give the lawyers the feeling that they have superior knowledge and that I'm here to learn what they are doing and to understand what they are doing."

Bertelsmann's situation is all too familiar to in-house counsel and law firm lawyers who have offices overseas. In a recent Martindale-Hubbell Counsel to Counsel forum in New York titled "Playing the Global Game: Managing the Legal Function Across Borders," participants discussed the many challenges they face and approaches they take to communicating with and overseeing in-house counsel who live and work overseas.

### Movin' Out

For Biedenkopf, moving to the United States from Germany has been the best way

to manage the American lawyers who work for the company. But that is just one approach forum participants take when it comes to staffing their overseas offices. There is no single best answer.

It depends as much on individuals as it does on companies. For some lawyers, the chance to live abroad is a plum assignment; for others it's a huge burden.

Rob Shives, vice president and general counsel of Fujitsu Technology Solutions International, currently is splitting his time between two continents.

Shives works in one of the company's U.K. offices for three weeks, and then spends the next three weeks in the San Francisco-area office—an arrangement that has him logging innumerable hours of travel.

"In my view you have to meet face to face with your legal advisers, so that they have an understanding of who you are and what you're about," he said. "And you have an understanding of who they are and what they're about."

Of course, there are downsides to the constant traveling.

"Yes, you do in fact learn the nuances of the country and the business better, but it's also very difficult on one's family and home life," he said. "But sometimes you have to do what you have to do to get the job done."

Short-term overseas assignments can combine the best of both worlds, according to Roger Twisselman, associate general counsel of Johns Manville Corp., a Denver-based building-products manufacturer. Twisselman has done two overseas assignments.

He believes that being on-site, working elbow-to-elbow with colleagues and immersing himself in the local culture has provided him with a unique understanding of the day-to-day activities of the lawyers under his command.

"You learn more during those assign-

### At A Glance: Martindale-Hubbell's Counsel to Counsel Forum

#### "Playing the Global Game: Managing the Legal Function Across Borders"

##### Co-Chairs:

##### Sebastian Biedenkopf

Senior VP, International Legal Affairs  
Bertelsmann Inc.

##### Thomas J. Sabatino Jr.

Executive VP and General Counsel  
Schering-Plough Corp.

##### Law Firm Co-Hosts:

Holland & Knight

Piper Rudnick

Sonnenschein, Nath & Rosenthal

##### Facilitator:

E. Leigh Dance

ELD Project Marketing International Inc.

ments that helps you long term than anything you can do sitting here in the States, and taking trips occasionally, and conference calls and that,” he said.

But for some companies, rotating in-house counsel to foreign offices isn't the most effective way to create a global legal department.

Hiring local counsel rather than shipping U.S. counsel overseas has been effective for Tellabs Inc., a telecom-equipment supplier based in Naperville, Ill.

“Our customers prefer to deal with people of their nationality, or at least their regional culture,” said Paul Liebenson, assistant general counsel.

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—Paul Liebenson  
Assistant General Counsel  
Tellabs Inc.

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With six overseas attorneys reporting to him, regular meetings are one way Liebenson manages to keep in touch with his staff and the issues they're dealing with. The third week of every month, Liebenson holds a teleconference with all the company's international in-house counsel. He also reviews the activity reports that they, along with all Tellabs' in-house attorneys submit to the general counsel biweekly.

### Long-Distance Woes

Although participants at the Counsel to Counsel forum disagreed on how best to populate overseas offices, they agreed on one thing: successful management of a global legal department requires constant communication.

Regular conference calls with international employees has spared Kathryn Partridge many overseas trips.

During one six month period, Partridge, senior corporate counsel at The Stanley Works in Connecticut, scheduled weekly conference calls with the lawyers in the company. Unfortunately for her, these calls took place at 6 a.m., because the other participants were in Asia.



(Clockwise from top left): **Sebastian Biedenkopf**, senior vice president, international legal affairs, Bertelsmann Inc.; **Paul Liebenson**, assistant general counsel, transactions, Tellabs Inc.; **Kathryn Partridge**, senior corporate counsel, The Stanley Works; **Rob Shives**, vice president and general counsel, Fujitsu Technology Solutions International; **Thomas J. Sabatino Jr.**, executive vice president and general counsel, Schering-Plough Corp.; **Valerie Mitchell**, Vice President, legal and business affairs, Sesame Workshop

The calls, which included businesspeople and outside counsel, examined the status of all the legal issues impacting the company, what the department needed to do next and how best to solve pressing legal problems.

“It went on for about three months, and I spent a lot of time on the phone,” she said. “But I didn't have to fly to China during the SARS epidemic, either.”

Limiting the number of participants helped with the effectiveness of the calls, according to Partridge.

“We had the right people, and only the right people, on the phone,” she said.

At Stanley Works, regular phone calls worked on a temporary basis to help manage legal issues. For Thomas J. Sabatino Jr., executive vice president and general counsel of New Jersey-based pharmaceutical company Schering-Plough Corp., weekly conference calls were a regularly scheduled event when he headed the legal department at Baxter International Inc., which had lawyers in 17 locations, 12 of them overseas.

Every Monday at 9 a.m., Sabatino

would get on the phone with all the attorneys who had management responsibilities—a group of nearly 20 people. The attorneys in Asia were excluded because of the time difference, so Sabatino talked with them separately.

Sabatino's description of his straightforward conference calls drew quite a few comments from other participants who had tried a similar system, only to see the discussions disintegrate because of long-winded speakers and problems getting everyone on the phone at the same time.

When asked how he kept the meetings from running long, Sabatino laughed and said, "I left the room after an hour."

In order to keep the meetings moving, Sabatino would begin by addressing issues

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Senior Vice President,  
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he thought everyone should know about.

"This wasn't just about them reporting to me," he said. "This is about me sharing

information with them."

Personnel issues would be next on the agenda. Then, everyone on the phone could take a turn discussing the important issues they were dealing with at the time.

"It was perfectly OK to say, 'nothing new this week,'" Sabatino said.

The phone calls helped Sabatino tackle one of the major challenges of managing a global legal department—creating a sense of connectivity and consistency in managing legal affairs.

"You have to make sure you have a common philosophy around how to practice law and what the company wants to do, whether you are in France, Germany or Brazil," he said. ◀



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