

The Metropolitan Corporate Counsel®

www.metrocorp-counsel.com

Volume 20, No. 7

© 2012 The Metropolitan Corporate Counsel, Inc.

July/August 2012

Western Pennsylvania: Land Of Opportunity

The Editor interviews Laura E. Ellsworth, Partner-in-Charge of Jones Day's Pittsburgh office.

Editor: Please tell our readers about your background with Jones Day.

Ellsworth: I joined Jones Day in the early 1990s because I wanted to live in Pittsburgh but have a truly national and international practice. At that time, Jones Day was already an international firm and, in fact, the only firm in Pittsburgh with an international footprint. Today, we have 37 offices around the world and some of my best friends in the world are colleagues in those offices. So I certainly made the right choice!

Editor: I understand you also have a substantial history of public service for the State of Pennsylvania and with Pittsburgh institutions.

Ellsworth: There's a very strong culture at Jones Day to support public service on a grand scale. I have tremendous support to serve in civic and charitable roles, including serving as vice chair of the Allegheny Conference for Community and Economic Development, a group of CEOs of the major companies in the region that works on regional development. Our chair is Chuck Bunch, the CEO of PPG, who recently succeeded John Surma, CEO of U.S. Steel. One of our current projects is to focus on strategies to ensure that all communities in our region can thrive and prosper. I also serve as chair of the Youth Policy Council of the Three Rivers Workforce Investment Board, which disseminates federal money to regional workforce development programs. We've been doing a lot of strategic thinking about how we can reconfigure those programs to better

align with the actual hiring needs of the business community in order to equip our workforce, and particularly our young people, for the jobs of the future. I also serve on Governor Corbett's Privatization and Innovation



Laura E. Ellsworth

Council, whose purpose is to look at ways in which the government can work more effectively and efficiently for its citizens. I serve on the Pennsylvania Arts Council, which supports hundreds of arts programs across the Commonwealth, and I serve on the boards of the Magee-Womens Research Institute and Foundation and Imani Christian Academy, an inner-city school where I teach a law class to sixth and eighth graders. The class culminates with a trial in federal court in front of a real judge in a real courtroom. I also chair the Women's Leadership Council for the United Way, which focuses on female philanthropy and specialized programs that assist women in transition. As you can see from the length of this list and the breadth of the topics, the firm's support of my participation with these wonderful organizations is pretty extraordinary.

Editor: I've read that Jones Day's Pittsburgh office has been expanding recently.

Ellsworth: By the time you go to press, we will have added two corporate partners, two litigation partners and a number of associates. We have other conversations in progress and expect to see additional growth at both the partner and associate levels. We foresee tremendous growth in the Pittsburgh legal market, primarily driven by the developments in

the energy sector, but also prompted by companies looking for sophisticated national and international counsel. These companies want legal counsel with deep experience in western Pennsylvania and in the markets in which they operate around the world. In addition, the economic downturn has caused many companies to take a close look at long-standing legal relationships and assess whether they are getting the results, customer service and true value that they deserve. Many of the companies who concluded they weren't getting those things have come to Jones Day because we're known for delivering them. Our commitment to client service has repeatedly earned the firm first-place ratings from The BTI Consulting Group, an organization that monitors client satisfaction with legal services. Jones Day is the only firm to earn top ratings year after year, and no other firm has matched our first-place record. This ranking demonstrates that our clients like what they find.

Editor: Can you briefly profile some of the Pittsburgh office clients?

Ellsworth: We represent well-known Pittsburgh companies such as U.S. Steel, Education Management Corporation, UPMC, Heinz, Bayer, EME and Dick's Sporting Goods. We also represent out-of-area clients such as The Sherwin-Williams Company, Transocean, Edison Mission Energy and an energy client in a London arbitration involving a multibillion-dollar oil field in Iraq. I could go on and on, but as you can see from this short list, our practice out of this office is truly national and global.

Editor: I know coordination is very big at Jones Day and that one of the levels you focus on is the Midwest. Can you

Please email the interviewee at lellsworth@jonesday.com with questions about this interview.

tell us about that grouping of offices and how they cover the region?

Ellsworth: The Midwest offices that are in greatest proximity to one another are Pittsburgh, Cleveland and Columbus. We've formed a Midwest initiative that brings those offices together regularly to talk about how we can work together to advance the interests of companies that are located in the Midwest region, which obviously extends beyond Pennsylvania and Ohio. Many of these companies are manufacturers that, for the first time in their history, are participating in national and global supply or distribution chains and thus need experienced counsel to achieve their growth potential. Jones Day has long operated seamlessly among its offices around the globe, but we think that focused thinking about how we can provide even better service in a particular geographic region is good for our clients and good for us.

Editor: One key regional trend is the energy renaissance. How is Jones Day addressing this growth?

Ellsworth: For a long time, Jones Day has had a very strong energy practice based in Texas. Because we work so well across offices, we were able to directly apply the expertise developed in the Barnett Shale in Texas to the Marcellus Shale primarily in Pennsylvania and the Utica Shale primarily in Ohio. Recently, Shell announced that it hopes to build a "cracking" facility just north of Pittsburgh, which is estimated to create more than 10,000 jobs in the region. The facility would essentially take "wet gas" from the shale and extract other chemical constituents, leading to the rise of a local petrochemical industry. Because the transportation cost of natural gas is one of the most significant cost components of any gas supply, we expect that manufacturing companies will want to build sites close to the source of the gas, resulting in the buildup of substantial infrastructure in this area. That is going to give rise to construction work, and the co-chair of our global construction practice, Roy Powell, is resident in the Pittsburgh office. Sophisticated financing work will also be required. We also have tremendous expertise with the corporate, environmental and regulatory issues, as well as the litigation that is involved with that

kind of growth. The global head of the firm's Business Litigation and Tort Practice, Mickey Pohl, is also here in Pittsburgh.

Editor: What are the key current public and economic issues in developing the Marcellus and Utica Shale?

Ellsworth: The primary issue is to develop the shale in an environmentally responsible manner. In Pennsylvania, the industry and the administration are working collaboratively to make that a reality. At the state level, I see great potential for responsible growth in that industry, but there remains concern that the EPA will create stumbling blocks to growth. Our state agency, the Department of Environmental Protection, is working actively in a very hands-on way with the companies involved with the shale. Many national commentators who are knowledgeable in the area have indicated that the natural gas supply here could be one of the most important energy sources for the United States for the next 50 years or more, leading to a major energy renaissance for this region. We need to do it in an environmentally responsible manner that benefits the people of this region, but we need to be sure that we don't unreasonably stifle what could be the most significant single economic driver of this region in a generation.

Editor: Focusing on Pittsburgh, what should out-of-town readers know about the economy of Pittsburgh and western Pennsylvania? How fares the recovery?

Ellsworth: One of the things that's great about Pittsburgh is that it never really suffered the kind of downturn that many other regions of the country experienced. In part that's because people here by-and-large live within their means. In addition, care has been given to the growth and diversification of the economy. We have tremendous world-class healthcare. We have a booming energy sector. We have a wonderfully vibrant arts community. People who arrive here from other regions of the country can't believe how warm the people are and are highly impressed by the quality of life, the ease of the commute, and the quality of the arts as well as the sports amenities. Pittsburgh is a real jewel – to know it is to love it.

Editor: Pittsburgh is famed for its educational and research institutions. How are they contributing to business prospects in terms of the workforce and technology startups?

Ellsworth: We have more than 15 educational institutions in the region. I serve on the board of the Magee-Womens Research Institute and Foundation, one of the foremost women's health research institutes and a significant recipient of NIH funding for women's health issues. The University of Pittsburgh and Carnegie Mellon University have developed very sophisticated tech transfer operations. There are also public/private and nonprofit organizations, such as Innovation Works, that provide seed capital to provide guidance and administrative, executive and training programs to help startups.

Editor: Is there a lifestyle argument to be made for Pittsburgh as a place to live and do business?

Ellsworth: One of my other involvements as part of the Allegheny Conference is called the Emerging Leaders, whose purpose is to know, energize and organize people in their 30s who want to become community leaders. I am in awe of their energy, creativity and completely different approach to life and their various lifestyles – whether it's having a 12-minute commute or a fabulous renovated loft or a five-acre farm that's 15 minutes away. There is tremendous energy flowing from the university community as well as the wonderful arts community, with theatre, a world-class orchestra, great ballet and some of the finest jazz artists. It is a tremendously vibrant scene. We also have a great glassworks factory in keeping with the glass heritage of this region. The Carnegie Museums are hosting the Carnegie International, one of the most significant arts internationals held in the country. The Phipps Conservatory (one of the top horticultural organizations in the country), the National Aviary and the Warhol Museum are all here. One of our aims is to attract people from other cultures by providing a diverse community. An interesting statistic is that our so-called immigrant population is one of the most highly educated in the United States. Fabulous professional life. Fabulous lifestyle. What more could I ask for?