

Global 20: Jones Day

By **Ben James**

Law360, New York (August 12, 2014, 5:57 PM ET) -- Steering Tokyo Electron Ltd. through its pending \$29 billion tie-up with Applied Materials Inc. — the first merger ever between U.S. and Japanese public companies — and beating back a \$1.6 billion claim against Texas Keystone Inc. in London helped land Jones Day on Law360's Global 20 list for the fourth time.

Jones Day's work on the high-profile cross-border merger of equals between Tokyo Electron and Applied Materials, expected to close before year's end, highlights the integrated approach that sets the 2,514-lawyer, 41-office Global 20 firm apart from its competitors in the market for global legal services, said Washington, D.C.-based partner Glen D. Nager.

"What distinguishes us from other global firms is not only that we're in the countries that we're in, but we're a multidisciplinary firm and an integrated partnership, so we're able to put the right lawyers in the right jurisdictions, on the matter for a client," Nager said. "There are a lot of firms that are essentially franchise operations. They may have the same geographic footprint as us, but they don't work seamlessly."

Jones Day is providing Tokyo Electron with M&A representation, as well as advice on antitrust, tax, capital markets and employee benefits issues in the Applied Materials transaction and bringing expertise to bear from the firm's Dallas, Washington, Tokyo, Amsterdam, London, New York, Frankfurt and Singapore offices.

Currently, 25 of the firm's 41 offices are in its home country — the U.S. — and the firm also has offices in 18 other countries. The firm has 1,692 lawyers in the U.S., 511 in Europe, 241 in the Asia-Pacific region, 47 in Latin America and 21 in the Middle East.

The firm has seen significant growth in the past six years. Since the economic downturn of 2008, Jones Day has opened 10 offices, including 8 outside the U.S.

"In a time period where most other international firms were tightening their belts and pulling out of places, we expanded, and I would expect that expansion, both in terms of numbers of lawyers and geographic presence, to continue in a steady way," Nager said.

While its representation of Tokyo Electron is a feather in Jones Day's cap on the deal side, the firm also notched a high-profile litigation win in September, successfully defending Texas Keystone against Excalibur Ventures LLC's claim for interests in oil fields in Iraqi Kurdistan, Nager noted.

Following a complex, 57-day trial in London's Commercial Court that stretched from October 2012 through March 2013, the court ruled Sept. 10 and dismissed all claims against Texas Keystone.

The closely watched Texas Keystone illustrates Jones Day's cross-border capabilities and underscores the effectiveness of the integrated partnership strategy that is the hallmark of the firm's brand, said Nager.

"It again shows the key attribute of the firm at work: seamless representation of clients," he said. "We're trying to put the best team on the field."

Growth at Jones Day is driven by the needs of clients, Nager explained, adding that the February launch of Jones Day's office in Perth — its 41st overall and second in Australia — stemmed from the needs of clients with interests on Australia's western coast.

The firm opened an office in Miami in May 2013, and though that office is within U.S. borders, it has international implications because of Miami's status as hub for outgoing investment to Latin America, and increasingly, investment dollars flowing from Latin America into the U.S.

"Latin American companies are also becoming global, and the natural place for them to invest is not only Latin America, but the U.S.," said Luis Riesgo, partner in charge of Jones Day's Latin American operations.

Developing countries where the rule of law and the economic certainty that accompanies have newly arrived or are still developing are key targets for pursuing new opportunities, Nager said, citing Latin America and Asia as areas where such opportunities exist.

Jones Day has a strong commitment to Latin America, said Nager, pointing out that the firm founded its Miami office to serve as a gateway to those markets.

"Our clients see significant economic opportunity in South America and Latin America, and as those countries move toward the rule of law and as those populations start to have a middle class, we are trying to create a service structure that can facilitate our clients efforts to do business effectively and safely," he said.

Riesgo also pointed to the rule of law as a crucial factor for investment and growth.

"The rule of law is expanding into more and more places in the world, and Latin America in particular," Riesgo said. "Clients are very interested in investing long term in these countries."

Places like Mexico, Brazil, Columbia and Chile have emerged as attractive targets for investors around the globe because there's certainty that the courts in those countries will apply the law consistently, said Riesgo, adding that the change in Columbia between the present day and 15 years ago was "truly amazing."

Practices like energy, projects and infrastructure and M&A are going to be key for the future, he added.

"We are very bullish with the prospects for Latin America," Riesgo said. Growth is in the forecast for the Jones Day's Miami office, he added, calling it a key part of the firm's strategy for the Latin American region.

The firm's presence in Miami, along with its offices in São Paulo and Mexico City, gives it a good strategic footprint for the Latin American market, Riesgo said. Mexico City, where the firm opened its doors in 2009 and has nearly 50 lawyers, offers a promising outlook for law firms, he said.

“People are going to be surprised with the evolution of Mexico in the next 10 years,” Riesgo predicted. “It’s a good place for business and companies. Same with Peru, Columbia and Brazil.”

Riesgo pointed to Jones Day's work on behalf of French telecommunications company Orange SA on the sale of its subsidiary Orange Dominicana SA to cable and telecom company Altice as a noteworthy achievement. The \$1.42 billion sale of Orange's Dominican Republic unit was finalized in April.

The deal involved heavy due diligence in Spanish as well, transaction agreements covered by New York, French and English law, and negotiations in New York, Paris, Miami and the Dominican Republic.

The firm drew on its M&A, banking and finance and antitrust practice, as well as the expertise of its São Paulo , Paris, Boston, Mexico City, New York, San Francisco, Brussels, London, Madrid and Miami offices.

The complexity of the Orange transaction, and the speed with which it was accomplished, demonstrates Jones Day's value, said Riesgo, who was involved in the sale.

“There are very few firms in the world that can deliver this kind of integrated service,” he said.

Like Nager, Riesgo stressed that Jones Day was “one firm worldwide” and that the firm's commitment to function as a single entity, without internal barriers, distinguished it from other large law firms.

“We have a lot of lawyers in a lot of countries all over the world. We have all that, but we work as one firm,” he said. “The key difference that we see when we compare ourselves with other firms.”

--Editing by Richard McVay.