

Home and away

The days when Continental European law firms were confined to their home jurisdictions are well and truly over. Last year saw a raft of firms from a wide variety of countries take steps towards internationalisation, both within Europe and further afield.

For many firms China is the key focus. The inexorable rise of the economy in the Far East is prompting many European firms to either seek an alliance partnership with a local firm or open their own office in Beijing or Shanghai.

Among the firms to have ventured east last year was Dutch independent **De Brauw Blackstone Westbroek**. Finally overcoming various regulatory hurdles, the firm moved into the same building as best friends **Slaughter and May** and **Uria Menéndez**. The other members of the network – **Bredin Prat**, **Bonelli Erede Pappalardo** and **Hengeler Mueller** – are, unsurprisingly, “supporting” the venture.

Italy's **NCTM** also moved into Shanghai, signing an alliance with the city's **AllBright Law Offices** and later opening its own presence there. Managing partner Vittorio Nosedà says the move is a response to the increasing number of Italian businesses with a presence in China, but also because Chinese investors are beginning to look to Italy for the first time.

The widening reach of capital flowing from China to other parts of the world attracted Portugal's biggest firm **PLMJ** to look at the country too. **PLMJ** has taken the exclusive relationship route with **Dacheng Law Office**, rather than setting up on its own.

The October 2010 tie-up was as much about Africa as it was about China. With Chinese money streaming into infrastructure and other projects across Europe, **PLMJ** is trying to get access to those investments in some Portuguese-speaking African nations.

The approach contrasts with that of fellow Portuguese independents **Viera de Almeida & Associados (VDA)** and **Abreu Advogados**. The duo have gone for a more direct route into Africa, finding referral partners and opening offices in countries including Angola and Mozambique.

VDA followed up its 2009 association with Mozambique law firm **Furtado Bhikha Loforte Papat & Associados** by opening its own office in Angola's capital Luanda in early 2011. However, the office must act as a consultancy due to local bar rules, so work will be referred to Angolan law firm **Paulo Antunes**.

In Mozambique, **Abreu** plumped for an exclusive strategic partnership with **Ferreira Rocha & Associados**. Both VDA and **Abreu** are trying to access business opportunities outside cash-strapped Portugal, and see Africa as one of the places where those opportunities can be found.

The other hot emerging market at the moment is Brazil, and it is not only Portuguese firms that are looking there. **Fidal**, the second biggest firm in Europe, and **Heuking Kühn Lüer Wojtek** both teamed up with Brazilian firms in early 2011. **Fidal**'s alliance with **Siqueira Castro** was the more surprising of the two, as despite a handful of other international relationships the firm's business is still predominantly French.

Other moves towards internationalisation in the past year have been slightly less adventurous, although no less significant for the firms involved.

Like their rival **De Brauw**, Benelux firms **Stibbe** and **Boekel de Nèrèe** both looked for new opportunities within Europe. **Stibbe – Herbert Smith and Gleiss Lutz**'s ally – turned itself into a true Benelux outfit in August with a Luxembourg office. Partner Dirk Leermakers was hired from **Bonn Schmitt Steichen** to kickstart the venture. He said at the time that Luxembourg's growing financial services industry made the jurisdiction a “must consider” for corporate and private equity transactions.

Meanwhile **Boekel**'s London office brought the firm into line with its Dutch competitors, which all have UK presences. For now **Boekel** lawyers based in the City will only practise Dutch law.

Parisian style

Although changes in the French and German markets were mainly centred around new boutiques and independent firms, Germany's **Schultze & Braun** bucked the trend by opening in Paris. The insolvency specialist has relocated two French-German qualified associates to the French capital from Strasbourg with the aim of picking up US clients.

Indeed, many of the internationalisation efforts over the past year have been with the aim of building client bases. Although there are signs across Europe that the recession is beginning to abate and most firms have reported comfortable revenue increases, clients are putting pressure on fees. That makes attracting new clients ever more important, forcing firms to widen their search to new jurisdictions.

The trend is likely to continue. Many European firms are signalling that they are continuing to look for associations or offices outside their home countries, and the lure of emerging markets such as China is unlikely to fade. Although few Continental firms are yet to follow the sort of international strategy pursued by some of the large UK and US practices, their presence abroad is set to grow further.

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