

## Inside A Lisbon Lion

**L**aw firm *Morais Leitão, J. Galvão Teles & Associados* has been at the forefront of the rapid developments that have taken place in the Portuguese legal market over the last two decades. And a commitment to excellence and the highest standards of quality control are designed to ensure the firm continues to work on the country's biggest deals.

Law firms only became possible in Portugal in 1979, following the passing of legislation which ended the



FRANCISCO SOUSA DA CÂMARA

monopoly single practitioners had had on the legal market up until that time. *Morais Leitão, J. Galvão Teles & Associados (MLGT)*, the result of a merger that occurred in 1993, has taken full advantage of this and has come a long way in a short space of time. Now established as one of the country's top law firms it has a commitment to quality alongside professional and partnership rules that fully reflect international standards.

Francisco de Sousa da Camara is a partner with MLGT and head of its tax department. "When I joined the pre-merger *Morais Leitão* firm almost 20 years ago, there were very few law firms with teams dedicated to the practice of different areas of the law. We were one of the first to do this," he says. As inward investment into Portugal grew throughout the 1980s, it became obvious that the old single practitioner approach was not sustainable if lawyers were to be involved at the top end of the market. "The international clients that were coming into the country were asking very focused questions about specific areas of the law. We realized that we would have to create specialist groups in order to provide a proper service," Sousa da Camara explains. Spearheaded by senior partner João *Morais Leitão*, the

firm reorganized as a fully transparent partnership and developed expert teams across all areas of legal practice from tax to employment, from corporate to banking, and finance to competition.

A measure of the progress the country and the firm made can be found in the fact that in 1985 the firm's lawyers had a long debate before deciding to have a fax machine in their offices – it was one of the first to be installed in Portugal. Just seven years later, the firm was representing the Lusoponte consortium in its successful bid for the \$1 billion contract to build a second bridge over the Tagus – the river which Portugal's capital Lisbon overlooks – and the first project finance deal ever put together in the country. "This was the deal in which we came of age," says Sousa da Camara.

Throughout the 1990s and into the new millennium the competition for top-end work amongst Portuguese law firms has intensified, especially as a growing number of firms from outside the country have established offices in Lisbon. But despite this, MLGT has continued to thrive. It now numbers some 66 fee earners, a rise of 30% on the figure just three years ago, whilst all of the firm's top 50 clients of 2000 continue to retain its services. In addition, MLGT is the sole Portuguese member of the prestigious Lex Mundi network and also has close contacts with a number of the biggest law firms in the US, including the likes of Cleary Gottlieb, (where partner Teresa *Morais Leitão* has been on secondment), Sullivan & Cromwell and Davis Polk & Wardwell. "Their lawyers are very well prepared and highly client driven," says Sousa da Camara. US clients to whom the firm provides advice include, among many others, Merrill Lynch, Bank of New York, McKinsey, Accenture, Heinz, Chevron Texaco and Abbott. "We have also learned a lot from them," Sousa da Camara adds.

Then there are the deals. MLGT continues to work on many of the most important that take place in Portugal. In 2001, for example, the firm advised EDP, the Portuguese electricity supplier, on its purchase of 40% of Hidrocantabrico: the Euros 3 billion deal was the biggest of the year. In 2002, partners António Pinto Leite and Filipa Arantes Pedroso advised the Portuguese State in its Euros 365 million sale of the country's basic

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communications network to PT-Comunicações SA (Portugal Telecom); Carlos Botelho Moniz and the anti-trust team continue to be very active, whilst this year the firm and partners Segismundo Pinto Basto and Teresa Morais Leitão are closely involved in the on-going privatization of the state-owned Pousada network of hotels and Portucel, the leading Portuguese paper company. The firm is also advising actively on securitizations and other forms of financing on both a national and international basis. Throw in a thriving litigation and arbitration group, work for blue chip clients in areas such as tax law and intellectual property, a flourishing office in Madeira (where interesting new e-commerce opportunities have recently opened up to US investors in Europe, together with an EU state aid regime that brings major tax incentives), and the picture of a firm operating at the very top-end of the country's legal market is complete.

As well as MLGT's commitment to specialist teams, Sousa da Camara believes that another factor behind the firm's continued success is the emphasis it places on quality. "It is what clients need above all else," he says. To this end, the firm always ensures that an experienced partner supervises the work done on every project and that in the most complex transactions more than one partner is involved. "In this way we can ensure that all possible options in a deal have been considered," Sousa da Camara explains. Another way to ensure quality is to concentrate on recruiting the best possible graduates into the firm, something that is no doubt helped by the professorships that several MLGT partners hold at some of Portugal's most prestigious law schools.

What also helps clients and inspires confidence from them is the visibility of senior MLGT lawyers. Partner Nuno Galvão Teles is just one of the partners who holds senior positions within large companies, something which provides a valuable client centred perspective. Sousa da Camara is a director of the Portuguese Tax Consultants Association, whilst his colleague António Pinto Leite is vice-president of the governing Social Democratic Party. Other members of the firm hold positions in other political parties or professional associations. Senior partner José Manuel Galvão Teles, meanwhile, is a member of the Portuguese Council of State, an advisory body to the country's President. "It is important for us to have people with a commitment to civic society," says Sousa

da Camara. "At the end of the day," he explains, "it gives the firm visibility and also ensures that we associate ourselves with the country's decision-making process in whichever field this happens to be." He neglects to mention, however, the benefits that Portugal derives from having such talented people working on its behalf.

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Francisco Sousa da Câmara, Partner  
Head of Tax Department

#### Area of Expertise:

Tax Law (Domestic and International), Tax Litigation, Corporate and Commercial Law.  
He acts for major companies and multinationals in tax restructuring, transfer pricing, taxation of derivatives and financial products, securitisation and the setting up of Madeira international operations, Tax litigation also plays a significant role in his professional activities.

#### Career

Member of several Committees of experts in charge of drafting the General Tax Law (1997-1998), Project of the Wealth Tax Reform (1998) and Reform of the Tax Procedure Code (1998). Today he is a visiting Professor of international tax law at Nova University (Lisbon) and a correspondent in Portugal for European Taxation, Tax Notes International and EU Tax Journal.

#### Personal:

Born Lisbon, July 31, 1961.  
Portuguese Catholic University (Law Degree, 1986; post-graduation studies in EU, 1987; Masters in Tax and Financial Law, 1992); New York University (short programme of US-international taxation, 1996).

Morais Leitão & J. Galvão Teles  
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