

## **Boutique Firms Are Uniting: Interview with Edward R. Gallion**

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In the last issue we featured international associations of law firms. The majority of them unite full service firms from all over the world. At the same time, boutique firms are not falling behind and are establishing networks as well. One of such networks – the International Network of Boutique Law Firms (INBLF) was founded in 2004 in New York. We talked to a member of the INBLF Edward Gallion about the organization and its plans for the future.



### **How did you come up with the idea of establishing INBLF?**

Actually it was my partner, Steven Spielvogel, who first had the idea to put together a network of boutique law firms. The idea first occurred shortly after we opened our own law firm Gallion & Spielvogel, which is a boutique single-discipline firm focusing on business litigation, white collar criminal defense work and independent internal corporate investigations.

Occasionally, a client of our firm would come to us with, perhaps tax law inquiries or environmental law questions that we weren't able to help them with because of the narrow focus of our firm's practice on corporate litigation. Steven decided that the best way to protect ourselves from losing our clients was to identify lawyers with great credentials and prominence in their specific practice areas, but who only practice in that specific field. So, for example, if a client came to us with a tax question, we could refer that client to a boutique law firm that would be of the same top-notch reputation and professional distinction as our firm, without running the risk of having the client poached from us, in as much as the tax firm, practicing exclusively in the field of taxation, would not compete against our firm.

In this manner, we could be confident that we were referring our client to a highly accomplished attorney, without worrying that our client might be wooed away for its business litigation needs. As a small, single-discipline firm, we need to guard against losing clients to the national and international full-service firms, which typically offer services in a wide array of practice areas.

## **What were your first steps?**

Steven identified firms within the New York area with stellar reputations whose practices were narrowly specialized in discreet fields, such as tax, environmental law, bankruptcy, family law, to name just a few examples, and invited them to join our new organization.

Not long after the New York chapter was formed, Steven had the idea of creating similar groups of attorneys in other cities throughout the U.S. so that if a client came to us and said that he needed, for example, an estate lawyer in Las Vegas, we could refer him to the INBLF member of our Las Vegas chapter that specializes in trusts and estates law. Obviously, the reverse is true, as well. If a member of the Las Vegas chapter has a client with a business litigation problem in New York, we would hope that the Las Vegas INBLF member would consider referring the client to our firm, which is the designated commercial litigation member firm in New York.

## **How do you choose your partners?**

The short answer to that is very simple: Steven's personal approval is required in all cases; no attorney can join the INBLF unless Steven agrees, after his careful and thorough review of the prospective member's educational background, his accomplishments and his firm's reputation.

Before forming a new chapter in another city, Steven does quite a bit of homework to select the best possible candidates located within the city in which we hope to establish a chapter. After this review, he typically identifies a few attorneys who he believes would perform well as the leader of the new chapter, and then flies to that city to meet with those lawyers personally.

After the chosen attorney accepts Steven's invitation to join the INBLF, it is then that lawyer's responsibility to build the new chapter by identifying and nominating other prominent lawyers from single-discipline firms in that geographic area and submitting their names and professional c.v.s for Steven's review. The ultimate objective is for every chapter around the country to be fully populated by top-notch attorneys whose boutique firms cover all of the significant practice areas needed.

The bottom line is that Steven is the ultimate and sole gatekeeper and it's an amazingly successful way to ensure uniformity of excellence and local prominence of each and every INBLF member attorney.

## **What are the benefits of the network for clients and members?**

We are building a network throughout the United States of the most highly credentialed attorneys who lead single-discipline law firms so that we, and every other INBLF member, are able to make client referrals with complete and utter confidence, irrespective of the nature of the legal problem or the location in which it has arisen.

In that sense, we are able to provide our clients with the same, if not better, quality legal representation that they might find in large national law firms.

Many of our members have worked at one point or another for large national or international law firms and, being products of that system, we are aware of the difficulty many large firms, because of their sheer size and bureaucracies, experience in being immediately responsive to all of their clients. Our objective, by associating with only the most prominent firms, is to ensure that all of our clients' needs are addressed immediately and handled by highly skilled and experienced attorneys.

Another benefit of our network is that all of our members are themselves businessmen and entrepreneurs who have started their own law firms, which makes them more attuned to the business needs of their clients. As entrepreneurs, our members bring a different, business-oriented perspective to many of our clients' legal problems.

I should point out also that it is a huge benefit to INBLF members to be able to pick up the phone and pose discreet questions to other members about particular areas of the law that are beyond the scope of their respective law practices. For example, if a client asks a very difficult bankruptcy question, rather than being embarrassed and saying something along the lines of "I don't handle bankruptcy matters so you need to find a bankruptcy lawyer," I can place a call to our bankruptcy member and, more likely than not, he will be able to provide the answers my client needs. And, of course, if the client's situation requires more detailed assistance, I can recommend that the client meet with the bankruptcy member attorney without hesitation or reservation.

(The editor's note - Currently the network has about 300 member firms from all over the USA and 22 strategic partners from other countries).

**Your network unites US small boutique firms but your strategic partners from other countries are usually full-service local firms. Is it a part of your international strategy?**

Yes. We found that the structure of foreign legal markets varies greatly from one country to another. Very few countries have the same mix of specialized, discreet single-discipline law firms as one finds in the United States. So rather than attempt to figure out the intricacies and differences of the legal market in each foreign nation and then identifying the leading players in each of those specialized areas of the law, we found it to be far more efficient and effective to focus on the most prominent full-service law firms that are located in each respective foreign nation.

**Do you think about inviting some Russian and CIS firms into the organization?**

Yes, absolutely. We have found that our international strategic partners, once they have joined the INBLF, are very good sources of information about leading full-service firms in other nations that might be good candidates for INBLF expansion overseas. In addition, a number of our foreign lawyers are actively involved with, and leaders of, the International Bar Association, which also provides a great mechanism for meeting foreign attorneys who are preeminent in their respective countries. In fact, Steven will host a breakfast reception at the upcoming IBA conference in Brazil this October in honor of the installation of the incoming IBA president who happens to be one of our international strategic partners.

Steven has been working very hard to expand the INBLF presence overseas. He is now on a month-long trip to Europe to meet with potential strategic partners in a number of countries, including Turkey, the Czech Republic, the Netherlands, Austria, France and Denmark, among others. Later this year, he will travel to Asia. Former Soviet republics and Eastern Europe are future target areas and our new international strategic partners undoubtedly will be a fruitful resource in identifying possible new strategic partners in those geographic areas.

Without doubt, those nations present very dynamic legal markets, so there is no question that we will be extending our membership to those regions, as well. However, it takes a great deal of time to identify and meet with potential candidate firms. Our ultimate goal is for the INBLF's reach to be completely global, but great care must be taken in the selection process, which obviously is time-consuming. We also need to ensure that every international strategic partner enjoys a position of unquestioned preeminence in its home nation.

## **How does referral process among members work?**

It is assumed that, because of their local preeminence, all attorneys who join the INBLF have preexisting relationships with other lawyers and law firms. Very few successful corporate law boutique firms, for example, would not have connections to local firms with litigation, bankruptcy or tax practices.

The INBLF neither demands nor intimates that such relationships should be supplanted by the other INBLF members. There is no requirement of mandatory referrals: Each member is free to refer a client to a lawyer within the INBLF or to decide not to make such a referral.

Obviously, the INBLF was founded on the belief and hope that most members will in time feel comfortable in referring his or her client to other attorneys within the INBLF, but no such requirement exists. To facilitate that goal, the INBLF holds annual weekend retreats at which all members and international strategic partners are strongly encouraged to attend. We also emphasize the importance of regular meetings and social events at the local chapter level.

## **Please give us some examples of referrals between the members.**

Our organization does not have a clearinghouse function whereby referrals within the INBLF are collected and reported, so Steven's and my knowledge of specific referrals is anecdotal. Having said that, we are aware of any number of referrals that have taken place between INBLF member attorneys.

Our firm, Gallion & Spielvogel, for example, has been the happy recipient of many case referrals from other INBLF members, including members resident in chapters throughout the United States. These meaty referrals have included a major antitrust action, a copyright infringement case, and a number of significant business disputes, among others. Beyond our firm, I am aware of a number of instances where member attorneys serve as intra-chapter co-counsel in matters involving more than one legal discipline and more than one jurisdiction. In many cases, for example, our New York chapter members have acted as co-counsel with INBLF members from Philadelphia, Denver and San Francisco, to name just a few instances.

And, judging from the email traffic on which I am sometimes copied, there seems regularly to be a large number of inquiries about securing co-counsel to and from our international strategic partners around the globe. We know, for example, of many

instances when a domestic client here in the US needs an introduction to, or has a question about how the business is conducted in other countries and we have that resource available as well.

**How do firms communicate with each other? What communication infrastructure does NBLF provide for its members?**

Obviously, for the network to operate smoothly and maximally, communications between members must be made as easy as possible. We have a very sophisticated ICS system through which members can communicate easily to send emails, post questions, discuss legal issues and trends among the membership.

Also we encourage every chapter to meet monthly where members come together and talk. There will be usually one firm talk about her particular area of practice and then it will be a general discussion of law firm management issues and general networking and business development ideas.

We encourage each chapter to organize and hold social functions like cocktail parties, dinners, golf outing, museums tours, and other such activities that bring member attorneys together in less formal setting. We also hold membership-wide conclaves every October that typically are very well attended.

**What are your plans for the future?**

The plan is to achieve further growth on both the national and international levels. As I said earlier, now that we have a full membership roster in the Western Hemisphere, the US, Canada, Central and South America, we are working to cover Europe and, later this year, Asia.

Domestically, we will continue to encourage all of our chapter presidents to augment their local chapters with additional attorneys in new practice areas. For instance, some of our chapters, like Chicago, New York and Washington, D.C., are very strong and represent virtually every possible discreet area of legal expertise. Some of our other chapters are newer and they need to develop their strengths. Our goal is to have every chapter fully developed and with coverage of every legal area of importance to our clients

We are in the process of developing a new, state-of-the art Web site for the INBLF, and our annual weekend event will occur in Atlanta in October. Next year's event will

be held at Colorado's famed Broadmoor Resort and the INBLF will travel to Paris for our annual event in 2010.

## **Supplemental materials**

Edward Gallion

Edward Gallion was born in Ohio in 1957. He received his Bachelor's Degree from Northwestern University in 1979. In 1986 he obtained his law degree from the Georgetown University Law Center. He served as a Legislative Assistant (and subsequently as the Legislative Director) at the U.S. House of Representatives, as a clerk in the United States Court of Appeals and a litigator in one of the most prominent Wall Street law firms -- Sullivan & Cromwell. From 2004 he has been a co-owner of a litigation law firm Gallion & Spielvogel.

Steven Spielvogel

Steven Spielvogel, a founder and the President of INBLF. He was born in 1966 in New York. He received his Bachelor's Degree summa cum laude with distinction from the University of Pennsylvania in 1989; he was awarded his law degree from the University of Pennsylvania in 1992. He worked as a clerk in United States District Court and Court of Appeals and a litigator at the preeminent Wall Street law firm of Sullivan & Cromwell. From 2004 he has been a co-owner of a litigation law firm Gallion & Spielvogel. Mr. Spielvogel has taught or presented lectures on numerous subjects at country's most prestigious law schools, including Harvard, Yale, Stanford, Columbia, University of Toronto, and the University of Pennsylvania.

Membership fee

Edward Gallion: "Our membership fees are astonishingly low – \$1,500 per year for U.S. members. The fees for our international strategic partners are calculated based on the number of lawyers working in a particular firm. I'm not certain, but I believe the highest annual fee charged to an international strategic partner is \$5,000. All fees are dedicated to the administrative overhead for the internal operations of the organization."