

Value Practice:

***Bombardier, Inc.: Maximizing Value in Relationships with Outside Counsel-
Secondments, GC-Managing Partner Meetings and Beyond***

Daniel Desjardins

***Interviewed while Senior Vice President, General Counsel and Assistant
Secretary, Bombardier, Inc.***

Background

Law departments need law firms and law firms need law departments. For Bombardier, the law department works with law firms to: (1) help manage the workload; (2) provide expertise not available in-house and/or during times of peak workloads; and (3) to handle complex litigation.

Structuring and managing the relationship is key to ensuring that value is maximized. Bombardier's Senior Vice President, General Counsel and Assistant Secretary, Daniel Desjardins, emphasizes that "the devil is in the details."

Following is a summary of practices that Desjardins and the Bombardier law department are implementing with key firms to focus on value.

Engage Managing Partners of Key Firms- GC Meets Face-to-Face

Many law departments have 'relationship partners' within key firms they work with—partners who are the main point of contact within the firm to help ensure that the law department's needs are met: in terms of staffing, budgeting, creative fee arrangements and more.

While it is important that relationship partners have the credibility and pull within the firm to advocate on behalf of the client, Bombardier's GC believes that it is equally important-- for both the firm and the law department-- to have direct channels of communication between the GC and the firm's Managing Partner.

What works best for Bombardier's GC? Meet for dinner—outside of a boardroom setting-- at least once, perhaps twice per year. A conversation over dinner helps promote openness and changes the tone of the discussion and helps to build and strengthen the service relationship. Conversations at this level can help truly focus on the big picture/ 'the account': what is going well, what is on the horizon, what needs to be fixed.

Benefits for the law department:

- **Unfiltered, direct line of communication to the firm's Managing Partner-** direct conversations with the top management to ensure that the law department's issues are being served and that the law department's relationship partner indeed has the attention of the firm.
- **Opportunity to Discuss-** overall relationship, level of service, firm strategy, issues of the firm, how the firm is taking care of younger associates, industry trends, real data on what worked well and what isn't working so well.

Benefits for firm:

- **Relationships extend beyond the relationship partner**, so that if the relationship partner were to leave the firm, there is no void and the law department's nexus to the firm is stronger given direct channels and communication with the firm's Managing Partner.
- **Supports 'true business model'**- the Managing Partner is like the CEO of a business and needs to run the law firm like a business; Bombardier's GC believes that Managing partners should meet with their firm's customers to ensure they are satisfied and properly served.

Free Associate Secondments- Invest in People Rather than Firm Marketing

Bombardier's GC observes: in today's economic environment, firms are letting people go that they have invested in—while at the same time spending millions of dollars on marketing materials and gloss that few if anyone at all reads. If firms would re-examine their marketing efforts and send less on gloss and invest more in their internal resources, they can implement practices that strengthen relationships with key customers and retain talent they have invested in: win-win.

Practice Idea: free secondments to key customers. Send associates to key customers to work within the customers' law departments for six to twelve months. Integrate the associate within the law department to work as if part of the in-house legal team.

- **Law department benefits:** law department receives in-house services; strengthens relationships with and provides enhanced understanding of the company business and law department processes and culture to the seconded associate-- so when associate goes back to the firm, the associate's services are of higher value.
- **Law firm benefits:** associate returns to the firm more valuable to the client; associate understands the company's business, culture, law department processes; associate knows the way the law department operates and thinks and 'who to go to' for information within the company to enhance and expedite service delivery.

Systems Investments are Law Firms' Responsibilities

Having compatible systems that enhance data and information transfer helps enhance efficiency, effectiveness and transparency. Bombardier's GC requires that key firms that work with his law department invest in whatever systems they need to provide the Bombardier law department with the data and information the law department needs—at no cost to Bombardier; this should be part of how the firm does business.

Closing Insights

Bombardier's GC encourages firms that wish to be recognized as being focused on value for the corporate client to "think out-of-the-box and re-examine the way they conduct business." He notes that many firms are still acting as if they are 'small enterprises' with each partner 'owning' his or her own business. For real results and better relationships, he suggests that "firms need to dramatically rethink their business models."

Contact Information

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