

The Milbank interview – Taking the plunge

In its 40th anniversary in London, Milbank London co-heads Suhrud Mehta and Julian Stait talk about the dramatic development of the Wall Street leader's City business

CHRIS CROWE

The office has made a series of bold lateral hires in the last three years. What is behind this?

Suhrud Mehta (SM), co-London managing partner, Milbank: At one level you could say it has been bold and at another level you could say it just made perfect sense for us to make these moves in areas in which the firm has

able to combine that with a market-leading four-partner team hired from Cadwalader to form a six-partner team, which is now one of the largest and leading restructuring teams in London. We saw this as part of a continuum of our existing practice: so all the way from leveraged finance to restructuring, there's 75 lawyers currently in that space in our London office.

create a truly leading transatlantic proposition across many of our practice areas, where we not only operate at the highest levels in each of those markets – New York and London – but we have a track record of picking up the best transatlantic mandates, whether transactions, litigation or investigations. And to do that within a truly collegial environment is very special.

'We have this track record in picking up the best transatlantic mandates. We are one of the very few players that operate very successfully on both sides of the market.' Julian Stait

historically been strong. Until the right people came along, we were not prepared to take the plunge. Taking capital markets first, the focus there was to combine the strong reputation we have in leveraged finance with an equally strong capital markets practice that existed at Shearman & Sterling under Apostolos Gkoutzinis. To take a big slug of that and bolt it on to our existing leveraged finance business here was a very powerful thing to do. The combination has been electric.


On the financial restructuring side, it was a similar story in that it is a very big part of what the firm does. In the US, on the credit side, we have one of the best restructuring practices in Chapter 11 cases. We already had an excellent team (led by Nick Angel) in London, but we were

Attracting big-name lawyers in London is tough. Why would Milbank be more attractive to potential lateral recruits than other top firms?

Julian Stait (JS), co-London managing partner: There are a small number of extremely profitable, elite law firms around the world, of which Milbank is one. Within that group there are very strong US firms that are very much anchored in the States but only have a small presence over here; and there are a small number of leading UK-based law firms, many of which have yet to make significant strides in the US. Also, few of the most successful firms have been able to combine success with strong, collegial cultures. Milbank's great appeal is that we are one of the very few firms that has been able to

SM: We've had many successful years, year-on-year and the firm has no doubts or question marks about its commitment to London. We remain one of the strongest US law firms operating in London. We're celebrating our 40th year in London this year. And at 40, you could say we've got a maturity and experience in the London market that allows us all to carry off what we've done with a degree of confidence that we know what we're doing. We know what works and we are therefore able to leverage our strengths and exploit the opportunities that exist in the market.

JS: If you look at the leading UK players, many don't yet have a mature US proposition in terms of big-ticket investigations and litigation. The fact that we have this great strength on both sides of the Atlantic is an appeal for laterals. It's also regarded by the big banks and big corporates as something of a 'Holy Grail'. So when there is a huge reputation-threatening transatlantic investigation, the norm is for them to choose a leading US firm and a leading UK firm, whereas we're one of the very few firms that is instructed to handle these complex and sensitive issues on both sides of the Atlantic, both in investigations and the follow-on litigation. ▶

A portrait of Suhrud Mehta, a man with glasses, wearing a blue suit, white shirt, and patterned tie. He is looking directly at the camera with a slight smile. The background is a blurred office setting with blue and white tones.

**We remain one of the strongest
US law firms operating in
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Suhrud Mehta



We are in a 'war' for top talent at the junior end. We put a huge amount of investment in training to make sure we retain the best lawyers and create the most rounded lawyers.

Julian Stait

► **How successful have you been in attracting the best talent into your more junior ranks?**

JS: We've got a fantastic pool of talent in the London office. We firmly believe that we will only be able to maintain our position at the top of the market if our teams are made up of the best lawyers. Therefore, as well as hiring and promoting the best lawyers in the market at the senior level, we are in a 'war' for the top talent at the junior end. In other words, we seek to hire the best trainees and junior lawyers, and provide an environment for them where they will not only have great fun working on some of the best mandates around but know that we're investing in them and their development. One of the things we did a number of years ago was to start a programme at Harvard – Milbank@Harvard – where all of our associates from around the world each go off to Harvard in successive years, from their fourth year of qualification, for three one-week programmes designed by Harvard Business School and Harvard Law School professors on largely non-legal topics. This is a unique and transformative programme. And we also put a huge amount of investment into more substantive legal training to make sure that we create and retain the best and most rounded lawyers in the market.

What is it about Milbank that enables you to retain talent?

JS: We run an anonymous annual survey of our associates in London in terms of welfare and ask them: 'What are the three best things about working at Milbank? What are the three worst things? And what are the three areas for improvement?' Of the latter categories, you tend to have very small percentages dispersed across a number of areas, but you get this great identity among the respondents about what they regard as the best things about working at Milbank in London. Even though we pay top Wall Street salaries to our associates, each year compensation comes behind the main positives, which are the quality of our work and lawyers, collegiality and culture.

The firm globally and in London in particular achieved considerable growth in 2018. What do you feel has driven that beyond the laterals?

JS: We only really focus on those areas where we can be market leaders. If you are a market leader and just focus on being brilliant in the transactions you handle and the disputes you

resolve, then people are going to continue to want to instruct you. Obviously, part of our success is through lateral initiatives and growth, but if you look at the underlying business, all of our teams have been extraordinarily successful and that's because we all continue to focus on playing at the highest level.

Historically the firm is very much associated with finance. How successful have you been in broadening the firm's platform?

SM: Whilst we have a high-quality corporate practice, we would like there to be a much more significant corporate practice here in London. It's not as if we have neglected it or that we have tried and failed, it's just that it needs to work for us against the backdrop of this firm and its strengths. I am confident that you will see continued growth in corporate in London over the next few years; we're confident of that.

JS: We have an extraordinarily strong brand in finance and we will continue to do very well in that area. But we have consistently broadened out our proposition over the years.

While the firm globally has been one of the pre-eminent transportation finance practices and satellite finance practices in the world for many years, we didn't have that practice in London ten years ago. We hired James Cameron from DLA Piper and Nick Swinburne from Clifford Chance, and that team has grown and been tremendously successful. There is a lot of finance in that practice but it isn't limited to finance.

We also have one of the strongest technology and outsourcing practices with Laurence Jacobs leading that practice. He and Joel Harrison, one of the young superstars in the market, are the partners. It is also regarded as one of the leading data privacy practices in the market, for both contentious and non-contentious work.

On the disputes side, we have Charles Evans, who is one of the leading contentious financial services regulatory players in the market, as well as being a very strong banking litigator. Mona Vaswani joined us from Allen & Overy in October. Mona is regarded as one of the most senior and stellar practitioners in the market, particularly for banking and fraud litigation, and she previously led those practices at Allen & Overy.

We've also got an extremely strong international arbitration practice led by Tom Canning, particularly in relation to energy and construction disputes and also acting for

AT A GLANCE: MILBANK



Headcount:
168 partners (150 equity partners), 764 fee earners (including partners), 507 non-fee earning staff
Total staff: 1,271



Number of offices: 12



Revenue 2018:
\$1.03bn

Profit per equity partner: \$3.8m

Five-year growth track (2013-18):
46%

'Scott Edelman has been fantastic for London. It's been during his tenure that London's particularly taken off. He's clearly a fan of London and the investment that we've made here.' Suhrud Mehta

governments. Tom and I also get involved in many of the biggest IT and outsourcing disputes. That's an area where we are market leaders. And I and the team also are involved in some of the biggest competition cases and investigations in the market.

Looking at the global picture and Scott Edelman's tenure as chair of the firm, what impact has that had on Europe and the UK specifically?

SM: Scott has been fantastic for London and for the firm as a whole. He has a great business instinct, and is a great chairman when it comes to enabling as well as regulating what the firm does and doesn't do. It's been during his tenure that London's particularly taken off. It goes without saying that he's clearly a fan of London and the investment that we've made here.

JS: He's also quite a light-touch manager. Maybe a sort of Pep Guardiola-type character, borrowing from the world of football. He nurtures and encourages lawyers to fulfil their potential rather than controlling or criticising them.

What more general plans do you have for London?

JS: We never judge our success on how many lawyers we have, but when we had the debate about our move to new premises – we are moving to 100 Liverpool Street at the end of 2020 – we ensured that there is room for growth on day one and we've also got an option for further growth, after five years or so, which could take us to over 300 lawyers if we want. But obviously that would very much depend on whether we attracted the right people and whether we had the right candidates for growth internally. There is an appetite for further investment if we find the right people in London.

That comes right from the top.

How would you describe Milbank now to prospective clients?

JS: We are just focused on delivering exceptional client service. We also tend to deploy lean teams of exceptional lawyers, whether it's work on transactional or litigation matter, rather than throwing lots of bodies at the matter just for the sake of it. When scale is required, we can provide that too. Clients also feel that we are great at pulling together teams across practice areas and working together as a single, seamless group. Our people are just focused on what it takes to deliver something brilliant. ■

The Legal 500 UK 2020: How does Milbank rank?



**Total rankings
(all tiers) = 19**



Finance

- Emerging markets
- High yield
- Acquisition finance
- Transport finance and leasing
- Corporate restructuring and insolvency
- Derivatives (including commodities)
- Islamic finance
- Structured products and securitisation

Leading individuals



- Nick Angel (Corporate restructuring and insolvency)
- James Cameron (Transport finance and leasing)
- John Dewar (Emerging markets)
- Apostolos Gkoutzinis (High yield)
- Rebecca Marques (High yield)
- Suhrud Mehta (Acquisition finance)
- Yushan Ng (Corporate restructuring and insolvency)
- Tim Peterson (High yield)
- Clive Ransome (Emerging markets)
- Nick Swinburne (Transport finance and leasing)
- James Warbey (Derivatives (including commodities); structured products and securitisation)



Dispute resolution

- Banking litigation: investment and retail
- Commercial litigation
- International arbitration

Leading individuals



- Charles Evans (Banking litigation: investment and retail)
- Julian Stait (Commercial litigation)



Corporate and commercial

- Commercial contracts
- Financial services: contentious
- M&A: upper mid-market and premium deals, £500m+

Leading individuals



- Joel Harrison (Commercial contracts)
- Laurence Jacobs (Commercial contracts)

Milbank



TMT (technology, media and telecoms)
IT and telecoms

Leading individual



■ Laurence Jacobs (IT and telecoms)



Projects, energy and natural resources

Mining and minerals
Oil and gas
Power (including electricity and renewables)
Infrastructure (including PFI and PPP)

Leading individuals



■ Manzer Ijaz (Oil and gas)
■ Matthew Hagopian (Oil and gas)
■ John Dewar (Power (including electricity and renewables))



Crime, fraud and licensing



Leading individual

■ Mona Vaswani (Fraud: civil)