

## Taking Texas Talent to a Worldwide Market

In this era of globalization, big Texas-based law firms have hung out their shingles in far-away places—Fulbright & Jaworski in Dubai, Akin Gump Strauss Hauer & Feld in Taipei, Thompson & Knight in Rio de Janeiro and Bracewell & Guiliani in Kazakhstan.

At the start of the year, Texas firms had at least 275 lawyers in 36 offices in 18 key business cities around the world, according to firm directories and *Texas Lawyer*. Many of the outposts represent recent forays overseas. Three-quarters of the foreign offices were established in the past decade. Last year was particularly busy, with the opening of 11 offices.

This tally includes only firms headquartered in Texas. Many out-of-state law firms with significant global reach maintain large operations in Dallas and Houston, among them Jones Day; Weil, Gotshal & Manges; and Baker & McKenzie. Texas firms can also serve clients' global needs in other ways—by contracting with foreign-based firms or shuttling lawyers abroad to take on specific projects.

"We're responding to our clients going

global," said Tim Powers, chairman of the international practice group at Haynes and Boone, which opened offices in Mexico City in 1995 and Moscow in 2005.

Trade statistics show that Texas ranks as the No. 1 exporting state, but the numbers cover only goods. No state-by-state data exist for services, a category of exports that includes travel, telecommunications and finance, as well as legal services. From 1992 to 2004, American law firms' overseas sales tripled to \$3.9 billion.

The United States is highly competitive in legal services, and Texas lawyers say they're at the forefront of the march abroad. The firms' wedge has been their expertise in what is perhaps the most globalized of all businesses—oil and gas. Although existing clients provide the impetus for going overseas, law firms often find new business once they've established a foothold on foreign soil.

"The catalyst was representing Texas companies in China," said Jay Cuclis, international practice coordinator at Vinson & Elkins, which last year opened an office in Shanghai, its sixth foreign outpost. "Once

we got there, some of the Chinese energy companies came to us because of our oil and gas expertise."

The international work involves an array of legal specialties. In addition to energy, Haynes and Boone foreign offices handle private-equity investment, project finance and arbitration for dispute resolution. In Beijing and Shanghai, Vinson & Elkins helps U.S. companies organize their Chinese operations, tackles tax issues and negotiates with the Chinese government. In Moscow, Baker Botts has advised Russian energy companies going global and helped local clients with real estate deals.

"Each year, we've become more international in all our practice areas," said Stuart Schaffer, who leads the global projects group at Baker Botts.

In the next few years, the Texas flag is likely to be raised on more law offices abroad. Baker Botts has asked Chinese authorities for permission to operate in Beijing. Vinson & Elkins is scouting another Asian location. And Haynes and Boone has set its sights on London, Tokyo and China.

—Richard Alm

