

**Value Practice:****Communications and Training for Preferred Provider Panel Law Firms: Focus on GE's Mergers and Acquisitions (M&A) Panel****Briggs Tobin and Michael Buckner****Interviewed while: Senior Counsel, Transactions and Transactions and Finance Counsel  
GE**

Key attributes of GE's preferred provider panel arrangements:

- Panels of preferred provider law firms (panel – set number of firms selected to provide legal services for a given practice area)
- Panels are selected based on substantive practice area and geography (GE has 3 M&A panels: North America, Asia and Europe; 6 panel law firms in North America plus special Delaware Counsel; 10 M&A panel law firms total worldwide plus special DE counsel)
- Panel law firms receive bulk of the legal work in that substantive area (around 80-90% of legal spend for that practice area)
- Designation as preferred provider panel firm is for 4 years
- Rates are fixed for first 2 years, then re-set; alternative billing is encouraged

***This ACC Value Practice example focuses on communications and training practices implemented by GE's M&A in-house legal team in connection with panel firm relationships.******CORE DRIVER: begins with an internal question the M&A group asks to shape its practices with panel firms: "how can we help put GE's M&A panel law firms in a position to be as effective as possible for GE?"******GOAL: to create a 'virtual M&A firm' without boundaries among M&A law firms and GE in-house lawyers to come together in a way that is focused on GE; accomplish through communication, information flow, training and 'face-time'*****Key Communications and Training Practices for GE's M&A Panel Law Firms:**

Following is a list of key practices; each is explored in greater detail below.

- Annual Review Meeting with each panel firm: occurs in January
- Combined Meetings: combined meeting among GE M&A lawyers and all M&A panel firms in geographic area; usually 1- day meetings held 1-2 times per year
- Business Training: GE's M&A legal group invited representatives from the M&A panel firms to attend a business training course at GE's learning center in Crotonville
- Monthly M&A Call: open to everyone in GE's business development community, M&A practice group and M&A preferred provider panel law firms (usually 75-125 professionals are on the call)
- Deal Site: internal GE M&A workspace; key relationship people within M&A panel law firms also have access

## **PRACTICES IN SPECIFIC:**

### **Annual Review Meeting with each M&A panel law firm:**

Main agenda elements of this meeting are to:

- Provide *feedback on GE's M&A panel firm engagements overall* (e.g., how many engagements are going to panel and 'off-panel' firms);
- Give specific *feedback on actual engagements* with candid feedback on performance taken from surveys and interviews with GE internal lawyers who worked with each firm;
- Provide information on *GE's overall business goals and objectives* for the year, including business development strategy, and discuss how each firm might best position itself in light of that strategy;
- Ask law firms to prepare a follow-up *Business Development Plan* for GE work for the year based on the discussion above; and
- Ask law firms for *feedback on how GE's law department is doing and who they like working with/ how they can improve.*

### **Combined Meetings Among GE's M&A Panel Law Firms**

Semi-annual meetings are conducted on a geographical basis (e.g., North American panel, European panel, Asian panel) 1-2x per year:

- Meetings in April and in September/October
- Include all M&A panel firms plus GE's internal lead M&A lawyers for that geographic region
- Location is one of panel firm's offices (rotates); host firm sets specific agenda with input from GE's in-house M&A legal team
- Agenda: (1) Morning: internal GE M&A lawyers; (2) Afternoon: panel law firms join; three typical components—
  - Update on GE:* includes having in-house GE M&A lawyer provide information on the current roster of M&A in-house lawyers and business leaders, as well as updates to the overall business development strategy for GE
  - Administrative:* an interactive discussion about what is happening with the GE Select program, what are the goals/objectives, and how is the group doing in terms of meeting those objectives
  - Substantive segment:* on topic of general interest; presentation & discussion

### **Business Training at GE's Learning Center**

GE's M&A in-house legal team created a shortened version of a GE business course designed for its in-house M&A lawyers and invited representatives from its panel firms to attend this training course. Held at GE's corporate Learning Center in Crotonville, the training session included faculty presentations by GE's General Counsel, GE's head of corporate business development, GE's Chief Information Officer and representatives from the in-house M&A legal team.

- Agenda included:

- How GE thinks about/values deals
- CIO presentation on processes and metrics for customers
- Discussion on productivity enhancement
- Presentation on business development initiatives at the corporate level
- Discussion of representative transactions led by in-house M&A lawyers

### **Monthly M&A Call**

GE's M&A in-house legal team sponsors a monthly conference call that is open to everyone in the GE business development community and the GE M&A practice group plus GE's preferred provider M&A panel law firms. On average, 75-125 people participate in the call, representing a good cross-section of GE business development leaders, lead M&A in-house lawyers and representatives of panel law firms.

- Call is 1 hour; dial-in
- Participants receive materials in advance
- Presentation on a given deal or topic
- Presenter is typically a member of a panel law firm, together with an internal GE business person or in-house lawyer or an investment banker
- GE's lead M&A in-house legal team can track participants; receives list at the end of the call

### **GE Deal Site; Deal Database: Enhances Knowledge Sharing**

The M&A in-house legal team has a 'deal site': an internal website that allows in-house M&A lawyers and GE's internal business development team to share information. Included within the deal site are: models, templates, guidance, contact lists, information on best practices, and a database of information on deals. Key relationship personnel within panel law firms have access to GE's deal site.

### **Contact Information:**

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