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# FOCUS

## President's Message

**Kenny Johnson**

Greetings. It is hard to believe that 2011 is already half way over. The first half of the year was filled with many great events and programs, including the CLO event at the Nasher and the May Symposium at the Center for American and International Law. We also awarded several Margolies scholarships to deserving students at SMU and TWU, and saw a great turnout at our Streetlaw legal diversity program at Townview Magnet School in Dallas.

The second half of the year promises to be equally as exciting. In August, the chapter will be hosting a family-friendly event at a Rangers game at the Ballpark on August 28. In September, we will once again be holding our spectacular Golf &

Spa event at the Four Seasons Resort in Las Colinas. This event features two hours of ethics CLE, a fun day at the spa or on the golf course, and a full day of networking with other members and our sponsors. And in October, we will hold our annual Corporate Counsel Awards program to honor and recognize our in-house colleagues for their outstanding work and dedication to providing first-rate legal services to corporations throughout the Dallas-Fort Worth area. ***Nominations for this great recognition event will be taken soon. Please be sure to nominate deserving candidates. Nomination***



***instructions can be found on the DFW-ACC [website](#).***

If you have not already had a chance to attend one or more of our quality events and programs in

2011, I encourage you to do so, as these events provide unparalleled opportunities to network, obtain relevant CLE hours, and participate in the continued success and growth of our chapter. I look forward to seeing you at one of these future events and as always, ask you provide me — or any of the board members — with feedback on how we can continue to deliver exceptional value and pertinent programming to our membership.

# Spring Cleaning

Susan Hackett, Senior Vice President and General Counsel, ACC

Ahh, spring. It's so lovely outside that I actually spent a bit of time in the last few weeks cleaning up the piles I let build up over the winter, in preparation for the simpler, more carefree lifestyle that defines summer.

As in-house counsel, we often wish we could do the same with our work: we'd like to organize and somehow regiment the firms and stakeholders clamoring for our attention, and behold, a myriad of benefits from efficiently operating legal services that operate under a logical business model. Well, there's a reason we call it work — it's never that easy to clean out and reorganize work. But in the spirit of aspiring to do better, I thought I'd share some good tips I have come across from members who are working to "clean up" their practices and improve their results this year.

## 1. Don't hire the lawyer, hire the firm.

I know, I know. This is contrary to everything that most in-house lawyers have been taught and believe from decades of experience. The longstanding in-house mantra is "I hire the lawyer, not the firm." Far be it for me to in any way de-value the importance of trusted relationships that have been forged over time with that special person who represents you so well as outside counsel — that person with whom you've done the Vulcan Mind Meld and who "gets" you and your client implicitly.

But, if you want to clean up, you need to invest in more than just a handful of good lawyers. You need to invest in firms that have adopted legal service management models that allow their individual lawyers to succeed. Gone are the days when in-house counsel

were satisfied with paying whatever the firm charged after the work was done — today's in-house lawyer negotiates fee structures and staffing up front, demanding (regardless of the fee valuation method used) the best deal and the best "value" for their client's needs; they are increasingly likely to focus on a predictable and budgeted cost in advance. So here's my first piece of advice: don't invest all of your time in just a few lawyers; invest as much if not more time in the firms that support them so that not only can they do their work well, but everyone on the firm's team is capable of delivering what you want, when you want it and how you want it.

## 2. Think about disaggregation and how it can help.

Disaggregation is a hot trend these days, and for good reason. Firms that want to be able to offer you predictable costs have to understand all the component parts to their services, how they operate most efficiently, and what it costs to deliver them. The cost is not what the firm charges in terms of rate — that's their price; the cost is what the firm has to ante up (salary, overhead, tech, personnel) in order to provide the service. In order to provide the service predictably (both in terms of results and efficiency), the firm has to be able to understand who does what best, the process that is most efficient in order to deliver the service, the knowledge management that prevents them from needing to charge each time to reinvent the wheel, and so on. So look for firms that have gone through disaggregation processes — that doesn't mean you have to buy individual pieces, but the firm that doesn't know what it costs can't offer you a predictable/budgeted

price and can't improve the service and cost without risks. We all want firms that profit from offering efficient services, not firms that simply agree to discounts and then look for ways to "make up" what they are "losing" by offering you a better price.

## 3. Focus on who provides which pieces best.

It's really easy to look to hire a firm that does your work soup to nuts, but have you considered whether easy is actually best? Perhaps there are pieces of the work that the department should do, pieces that should be outsourced to a more efficient provider, or teams of firms that should work on your matters. Ask your firms to discuss with you as to who is doing what on your matters and why, and whether that's the best option for you, especially when the work is likely to be repetitive to some degree (And, repetitive does not necessarily equate with routine or non-complex work).

## 4. Do your work upfront; don't manage the bill.

High performing departments are finding that the greatest savings and predictability in their spend is driven by a focus on managing the matter before the work begins, and not simply heaving the matters over the wall to outside counsel, having them start work, and then arguing later over whether they got it right. This means not only early case assessment techniques, but also discussions on strategy and delivery of the service prior to the start. You can't believe how many departments are simply choosing to pay to exit the work at the start, rather than wasting all their time,

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opportunity cost, and money pursuing work that inevitably settles at the last minute. Another group of departments are finding that their spend is becoming far more predictable when they've taken time to work with their firms up front to decide how the matter will be priced/what the budget is, what the ceilings are, how important this is to the client, and at which points they'll hit the "escape" button if the matter starts to unravel or take unanticipated turns. Having your counsel understand these issues up front will save you time and create far more satisfying results and relationships.

## **5. Invest in communications and knowledge-sharing plans that detail your preferences before the work begins.**

No one has time in the middle of any matter to start thinking about the processes by which they can most effectively communicate or by which they'll share data/info/experiential knowledge. Too many matters go south not because the lawyering was bad, but because *the process* was not facilitated by communications or knowledge-sharing that can have a make-or-break impact on the work. If you set up your preferences and lines of communication, as well as connect the folks who have the data and knowledge with each other, before the matter begins, you will be well served, many times over, in the management of your ongoing relationship.

## **6. Finally, evaluate what's working and what's not — pointed feedback is critical!**

We all know that the vast majority of clients never actually "fire" firms

— they just stop sending them work, or the work dissipates over time. The firm never really knows what it did wrong, even if they committed whopper mistakes. The client never really knows what it could have done differently to have promoted better results, they just know it didn't work out well. And so they hire new firms and repeat the same unsuccessful behaviors. We all know the definition of insanity: doing the same things over and over and expecting different/better results each time.

In order to improve and keep a relationship moving forward, both inside and outside counsel must commit to regular (before, during and after) evaluations of what's working and what could or should be done differently. No one likes to deliver evaluations — indeed, most of us will do anything to avoid them. But this is crucial to a better operation and continuous improvement in your relationships and results. There are lots of tools you can use to make this a simple part of the process rather than a hurried process at the end with a less-than-perfect result. Commit with your firms to an evaluation process that includes both evals from you as the client on the firm and its lawyers, as well as receiving constructive input from the firm on how you as the client could have made the firm more successful. It's a two-way street, and the client has to be the one who asks for it and then opens itself up to learning from it.

Such is the stuff of better-organized work that produces better results for less money. It's not easy, but I recommend that those interested in cleaning up their practices take a look at some of the following resources to help you not only sweep away bad habits, but provide a platform on which efficient and consistent results flourish.

## **LIST OF RESOURCES:**

Eval resources (scorecards, AVC, all-state, etc.) – AVI  
[www.acc.com/valuechallenge/valueindex](http://www.acc.com/valuechallenge/valueindex)

Disaggregation (process management stuff from Seyfarth and others) – Use of Tailored Six Sigma Methodologies at Seyfarth Shaw  
<http://www.acc.com/legalresources/resource.cfm?show=80026>

Meet. Talk. Act.  
<http://www.acc.com/advocacy/valuechallenge/toolkit/upload/VC-Meet-Talk-Act.pdf>

Outsourcing, offshoring, staff practices manual – Legal Process Outsourcing: A How-To Guide on Legal Process Outsourcing (LPO)  
<http://www.acc.com/legalresources/resource.cfm?show=1112956>

Early case assessment - Sample Early Case Assessment Form – Valorem and Summit  
<http://www.acc.com/legalresources/resource.cfm?show=645579>

Fee valuation / budgeting - ACC Value-Based Fee Primer  
<http://www.acc.com/advocacy/valuechallenge/toolkit/loader.cfm?csModule=security/getfile&pageid=967965>

For additional resources, please visit:  
<http://www.acc.com/valuechallenge>

## Standing Room Crowd At ACC-DFW and Baker & McKenzie Workshop On International Business

On March 9, ACC-DFW Platinum Sponsor, Baker & McKenzie, hosted “Doing Business Globally: A Practical Workshop on Risks, Best Practices and Strategies for Success” at B&M’s Dallas office. The workshop was a resounding success, with great attendance by in-house counsel and B&M attorneys. The workshop involved a CEO discussion, a CLO panel and numerous breakout sessions on global emerging markets, cross-border transactions, as well as employment law, IP and tax issues.

The workshop began with a CEO case study on international expansion, led by Daniel Rabun, Chairman, President and CEO of Enesco plc, a leader in international offshore drilling. Rabun discussed compliance issues, enterprise risk management, global tax issues, capital markets and emerging markets. He detailed Enesco’s move from Texas to London and the various business considerations leading to that move, making a compelling case for doing business in England. Rabun said that these are extraordinarily volatile times and companies must understand their business to manage these cycles and risks. Rabun stressed that a good compliance system is not just a legal requirement, but a competitive advantage for the companies that learn how to do it right.

The workshop then moved to a vibrant General Counsel panel on Risk Management in International Expansion. The panel was facilitated by B&M partner John McKenzie and included Robert Donohoo of RadioShack, Carlos Hernandez of Fluor, Joseph Hubach of Texas Instruments, Nathan Moore of Mary Kay, Leo Wegemer of Lockheed Martin Aeronautics, Jose de Lasa of B&M’s NY office and former GC of Abbott Laboratories, and Paul McNulty of B&M’s DC office and former U.S. Deputy Attorney General. An interest-

ing discussion was had on the mechanisms businesses can use to identify risks early. Joe de Lasa stated that it is important to have lawyers embedded into the operations . . . “it’s the close relationship between attorneys and business people, especially in M&A, so you are aware and can raise questions and issues.” Joseph Hubach added that you get more comfort out of having lawyers embedded than relying on policies which require Legal

involvement. Leo Wegemer echoed this, adding it is important for Legal to be part of the solution, in a compliant manner, but always part of helping the business. Paul McNulty added the government perspective, in that it is not just ethics programs alone that can help companies identify risks, but a programmatic approach to include training, reviews, and processes — it needs to be dynamic.



**Howard Janco, Sky Chefs (left) and TJ Hastly, Lockheed Martin enjoying the Baker & McKenzie workshop**



## ACC News

### ACC's 2011 Annual Meeting: Program Schedule and Session Selection Now Available

Join your peers this fall at ACC's 2011 Annual Meeting (October 23–26, Denver, CO) to fulfill annual CLE/CPD requirements, enhance legal skills, and expand professional networks. Now you can review the complete program schedule online and select your sessions through the link in the registration confirmation email. Between now and Sept 14, register for the meeting or invite your in-house colleagues to register, and you will be entered into Network, Learn & Win for a chance to win great prizes such as local restaurant gift certificate, complimentary room upgrade, and free meeting registration. Learn more and register at [am.acc.com](http://am.acc.com).

### Enhance Your Business Management Skills and Bring More to the Table

Take part in the business education programs offered by ACC and the Boston University School of Management to enhance your business management skills and meet the challenges of today's ever-changing business environment. Mark your calendar for these upcoming

programs: Risk Management (September 14–16), and Mini MBA for In-house Counsel (December 5–7). All programs are pending approval for CLE credits and will take place in Boston, MA. For more information, go to [www.acc.com/businessedu](http://www.acc.com/businessedu).

### Evaluate Outside Counsel and Win Prizes

Did you know that more than 1,100 law firms have been evaluated in the ACC Value Index? The ACC Value Index is a client satisfaction measurement tool that helps you evaluate, find, and benchmark outside counsel. You can score firms and share your opinions about the value they provide (anonymously, if you wish). You can also search for firms that excel in specific practice areas and markets, read comments, and contact reviewers for direct conversation. Between now and September 30, you will receive a \$5 Starbucks card for every two law firm reviews submitted, and will have a chance to win a \$200 Amazon gift card. Each chapter that reaches its volume and/or member participation rate target will win a \$1,000 "ACC Education Coupon" good for participation in any

ACC education program. To search or submit reviews, visit [www.acc.com/valueindex](http://www.acc.com/valueindex).

### ACC's 2011 March Mayhem: In-house Jobline<sup>SM</sup> Crowned Champion

Which ACC resource reign supreme amongst our members? In our recent March Mayhem tournament, In-house Jobline<sup>SM</sup> slam dunked on the other 15 resources and claimed the crown. ACC's Annual Meeting came in a close second with Chapters and Committees/Interest Groups rounding out the final four. A big thank you to all the participants for casting your votes, and congratulations to Sarena Straus, Senior Associate Director and Senior Counsel of Boehringer Ingelheim Pharmaceuticals, Inc., for winning the grand prize — \$600 ACC education credits and branded ACC gifts. Learn more at [www.acc.com/mayhem](http://www.acc.com/mayhem).

## Welcome New Members!

**Melissa Beare**, Peerless Mfg. Co.

**Lori Bolin**, CiCi Enterprises, LP

**Joelle Bowers**, FedEx Corporation

**Melitha Brown**, Red Mango, Inc.

**Susan Chao**, Frito-Lay, Inc.

**Brent Dyer**, Trend Micro, Inc.

**John Finley**, Mary Kay Inc.

**Chalise Freitag**, American Home Mortgage Servicing, Inc.

**Jennifer Gaines**, Patriarch Partners, LLC

**Ronald Harvot**, DynCorp International LLC

**Ayala Hassell**, Hewlett-Packard Company

**F. Aaron Henry**, MoneyGram International, Inc.

**Christopher Holt**, Clark Consulting, LLC

**Robert Kaufman**, Clark Consulting, LLC

**Lacie Martin**, American Home Mortgage Servicing, Inc.

**Michael Martinez**, Lennox International Inc.

**Christopher Massey**, Brookshire Gro

**Mary Beth McCarthy**, Lehigh Hanson, Inc.

**Donna McNamara**, Consolidated Electrical Distributors, Inc.

**Kristin Ortega**, Novation, LLC

**Jennifer Paul**, Clark Consulting, LLC

**Jennifer Pearce**, FedEx Office

**Melissa Pence**, SES Holdings, LLC

**John Rickenbacker**, American Home Mortgage Servicing, Inc.

**Patricia Ryan**, QBE Americas, Inc.

**Larry Smith**, CoreLogic, Inc.

**Grant Teegarden**, Texas Freight Relocators

**Lauren Timmerman**, American Home Mortgage Servicing, Inc.

**Creede Williams**, Panda Energy International

## Nashing with the CLOs

The chapter held its Annual CLO Panel Discussion on February 24 at the Nasher Sculpture Center in Dallas. Members and guests mingled among the fantastic art and beautiful sculpture gardens of the Nasher, including a special exhibit of mobiles by renowned artist Alexander Calder. The CLO panel included Ron Barger of Archon, Rachel Gonzalez of Dean Foods, Tonya Johannsen of Beck Group, Mark Kesselman of Frito Lay and Michael Veitenheimer of Michaels Stores. Moderated by Craig Florence, partner at Gardere Wynne Sewell, LLP, sponsor of the event with ACC, the discussion ranged from career path to the top to managing the expectations of boards and leader-

ship. On their career paths, Ron Barger and Rachel Gonzalez called themselves a “generalist and rebel,” with Gonzalez adding that despite having worked at a large law firm in various cities around the world, she is “a student — always a student,” more focused on operational matters now as more of a “business partner” than a traditional lawyer. Tonya Johannsen noted that, although being a construction litigator at the time, she got her job through the “good ole girl network” — hearing about the opportunity with Beck through a connection at her kid’s school. Mark Kesselman was exhausted from litigation while at the DOJ in Washington, D.C., so he moved to the Department of Agriculture where he

focused on public policy issues but where he also met people from PepsiCo and loved their company goals and philosophy.

On the topic of how to manage politics and leadership expectations, Gonzalez put it succinctly — “you handle it delicately” — you need to understand the motivation of the person. When asked about integrity and competence, Michael Veitenheimer said that you don’t want to be the lawyer that throws up roadblocks or says “no” — it really irks him to hear this about his attorneys. He sees his job as the person to knock down these roadblocks, and this comes back to integrity and judgment.

*More photos on page 7*





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**Kenneth Johnson**  
Senior Corporate Counsel  
Quest Diagnostics Incorporated

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**Richard Mosher**  
Chief Legal Officer  
Loctronix Corporation

**2nd Vice President**

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Vice President & Corporate Counsel  
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**Tara Weilbacher**

Assistant General Counsel  
Bank Of America Corporation

## Upcoming Events

**August 28**

Baseball Social at The Ballpark  
Rangers Ballpark, Arlington

**September 9**

Annual Golf Spa CLE Event  
Four Seasons Resort, Las Colinas

**October 18**

Best Corporate Counsel Awards  
5:30 – 8 PM  
The Adolphus Hotel, Dallas

Visit [www.accdfw.com](http://www.accdfw.com) for more information

## Everybody Wins! Membership campaign ending August 31!

Each time you use the ACC network, you gain skills and experience available only through ACC. Whether it is calling another member with questions, posting a question to one of our 16 Committee listservs, or attending a local chapter event to learn a new way to handle your in-house responsibilities, ACC has provided you with new ways to succeed. Wouldn't your colleagues benefit from these resources?

ACC has helped you professionally. Expand that network and win!

Recruiting a new member is easy. Just follow these three steps:

1. Identify a colleague (in your office or at another company) who is not a member of ACC.
2. Show off your enthusiasm (it's contagious) with a first-hand account of how your ACC membership has been a great investment in your professional career.
3. Tell your recruit to sign up online or download the application [here](#).

**Prizes**

- 1 or more members recruited — A Starbucks™ Card loaded with \$5.00 (for each new member you recruit).
- 2 or 3 members recruited — A chance to win a digital camera.
- 4 or 5 members recruited — A chance to win an iPad 2.
- 6 or more members recruited — A chance to win your choice of a digital video recorder, an iPad 2 or free Annual Meeting, CCU, or ACC Europe Meeting registration with a \$1,000.00 travel stipend

The more you recruit, the better your chance to win.