

Lateral hires of M&A, tax and banking lawyers on the rise

The recruitment of senior lawyers can 'boost a firm's reputation' as well as growing its revenue and client base

With foreign investors fiercely competing to acquire major assets in Iberia – coupled with more aggressive tax authorities and the emergence of new lenders in the banking and finance sector – it comes as no surprise that the region's law firms have been busy making lateral hires of M&A, tax and banking lawyers in recent months.

Pedro Pérez-Llorca, managing partner of Pérez-Llorca, has highlighted the fact that investors have shown significant interest in doing deals in the real estate, financial services and media sectors in the last year. With deals increasing, Pérez-Llorca took the step of hiring a three-lawyer corporate team from Cuatrecasas earlier this year. The team was led by partner Javier Caravajal, who has a track record of advising clients in the financial sector. Also making the move from Cuatrecasas was M&A specialists Alfredo Lafita and Pedro Fernández, who were both made partners at Pérez-Llorca.

Meanwhile, Pérez-Llorca, as a firm, has also recognised the need for law firm tax departments to evolve from their traditional role – in which they focused on national tax rules and laws – into tax advisers that help clients adapt

to international trends in tax. Recent recruitment at the firm reflects this – in March this year, Norma Peña I Bagés, formerly a lawyer at Clifford Chance, joined the firm as a partner. Among her areas of expertise is international tax advice.

Similarly, Deloitte has identified M&A and tax as two of the biggest opportunities for growth. The firm recently took the step of recruiting Íñigo Zumalabe, a senior associate at Freshfields, who will act as director of Deloitte's M&A department. Deloitte has been one of the most active firms in the last year in terms of making lateral hires. Other recruits included Ignacio Box, who joined as a tax partner from Hewlett Packard, and Juan Ortín, another tax partner who joined from EY.

Tax is a significant growth area for Deloitte, which has noted the trend for multinationals to increasingly seek advice on the implications of the BEPS [base erosion and profit sharing] initiative. The firm says there was an increase in instructions related to this area in 2016, with even more anticipated in the current year. It is also worth noting that, of the ten biggest firms in Spain by revenue, Deloitte was the one that grew fastest in 2016, with its Spanish revenue going up 16 per cent to €103.9 million.

Andersen Tax & Legal, which earlier this year merged with Olleros Abogados in Spain, is

another firm that has been strengthening its M&A and tax teams in recent months. While the firm has reported an increase in demand for corporate/M&A service, it also acknowledges that competition for the best legal talent is fierce. Recent recruits have included Carlos Salinas, formerly of KPMG, who joined as partner to head the firm's corporate law and commercial contracts team in its Barcelona office. Commenting on Salinas' arrival, the firm said the hire would reinforce the team at a time when the firm is experiencing "increasing demand from investors". It added that Catalonia is the region that attracts the second highest volume of foreign



Diogo Perestrelo, PLMJ

investment in Spain after Madrid.

Another lateral hire made by Andersen in recent months was that of tax and private client expert Miquel Terrassa, who also joined from KPMG, to lead the firm's sports and entertainment practice. Andersen partner Ignacio Aparicio

Laurence Simons

Europe's Leading Legal & Compliance Recruiter

www.laurencesimons.com

says: "Miquel's appointment is in line with our sector-focused approach, which we pursue alongside the more traditional practice-focused strategy."

A number of other firms have made notable lateral hires recently in an attempt to boost their M&A and tax offerings. These include Gómez-Acebo & Pombó's lateral hire of Baker McKenzie partner and M&A specialist, Guillermo Guerra Martín, as well as Allen & Overy's recruitment of partner Adolfo Zunzunegui – formerly head of EY's legal and tax department in Spain – to lead its tax practice in Madrid.

More optimism

Similarly in Portugal, leading firms are hiring top lawyers from rival firms to grow their corporate teams in an effort to meet growing demand from clients. One high-profile example of this was PLMJ's hire of a five-strong team – led by corporate and M&A partner Diogo Perestrelo from Cuatrecasas. PLMJ partner Tomás Pessanha says:

"The Portuguese economy is more than recovering – it is growing at an even pace and entrepreneurs and investors are much more optimistic." At the same time, PLMJ has also strengthened its tax team with the recruitment of João Velez de Lima, formerly of Cuatrecasas, and Francisco Castro Guedes, who joined from Garrigues – both lawyers will be based in the firm's Oporto office.

Banking and finance is another area of practice that firms, in both Spain and Portugal, are looking to strengthen. One notable move saw Araoz & Rueda's head of banking and finance Guillermo Yuste depart the firm to join the rapidly expanding Andersen Tax & Legal. When announcing Yuste's arrival, the firm highlighted his specialisation in cross-border financial operations, the financing of renewable energy projects, debt restructuring and aircraft financing. "The financial sector's complex restructuring and the challenges it faces – from fintech to the process of disintermediation, as well as

increasing demand for finance and restructuring advice from corporates – drove our decision to expand," says Aparicio.

In Portugal, PLMJ has also taken significant steps to improve its banking and finance offering. Recent hires included partners Bruno Ferreira, formerly of Garrigues, and Gonçalo dos Reis Martins, who joined from SRS Advogados.

Lawyers say the benefits of hiring senior lawyers with a recognised track record include a positive impact on the reputation of the firm they join, in addition to an expansion of its client portfolio. However, lateral hires also add value in other ways, according to Pessanha: "These professionals bring fresh views on how to work and govern ourselves, which ultimately help us to improve. As well as increasing turnover, lateral hires enhance cross-selling opportunities and enrich the firm with their expertise and extensive experience," agrees Ignacio Aparicio.

SRS
ADVOGADOS

25 CREATING VALUE
1992-2017

25 YEARS OF LEADERSHIP IN LAW

- : ANGOLA :
- : BRAZIL :
- : MACAU :
- : MALTA :
- : MOZAMBIQUE :
- : PORTUGAL :
- : SINGAPORE :

SRS **GLOBAL**
CONNECTED | LEGAL | EXPERIENCE

www.srslegal.pt