Business law goes global

BY ALISSA KLINE
Business First

Attorney Robert Fleming's law practice reaches well beyond Western New York. A partner at Hodgson Russ LLP, Fleming represents clients all over the world. His work takes different shapes: mergers and acquisitions one day, tax planning and product-distribution matters the next. He's based in Buffalo, but he travels to places such as Finland, China and the United Kingdom. And he must learn various cultural standards, depending on the country in which he's working.

An international practice gives Fleming and his law firm a chance to work with clients both local and long-distance, which he says is a good strategy for business growth. "If you look at it from a Western New York perspective, the opportunities for significant growth are somewhat limited," said Fleming, who has worked with foreign clients for two decades. "So as a firm, one has to look outside of your own backyard. It's great for business to be able to work in an increasingly global environment, but it also protects against losing business to somebody else who does."

Fleming is one of many local attorneys whose client representation demonstrates an increasingly global economy. More and more Western New York lawyers are dealing with international issues, both inbound matters related to U.S.-based businesses that seek business opportunities overseas and outbound matters dealing with foreign businesses that want to establish themselves in the United States. Some of the growth is due to changes in rules and regulations that affect how businesses can establish entities in the United States and abroad.

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CLIENTS: Many immigration issues

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To increase cross-border relationships, some firms have set up offices in other countries. Hiscock & Barclay LLP has a Toronto office. Other firms, such as Phillips Lytle LLP, Damon & Morey LLP and Goldberg Segalla LLP, work with foreign law firms or belong to legal networks in order to handle international business issues. Hodgson Russ has both — a Toronto office and an affiliation with a law firm in Beijing, China.

Neil Goldberg of Goldberg Segalla said about 25 percent of the firm's attorneys work with international clients in Canada, parts of Europe, Australia, New Zealand, Mexico and China. Many of those clients are "big board" companies engaged in importing products for sale in the United States, Goldberg said.

Recent passage by Congress of the Consumer Product Safety Improvement Act of 2008 means that businesses must follow new safety requirements, which in turn is bumping up the compliance aspect of the firm's regulatory practice, Goldberg said.

"We have developed focused and acute compliance programs to assist our clients in dealing with the regulatory congressional imperative," he said. "It's created an enormous additional component to our regulatory practice."

Hiscock & Barclay's Eric Schultz, based in the firm's Buffalo office, practices U.S. immigration and nationality law and spends a lot of time representing small businesses in Canada that want to establish a U.S. presence. For those companies, he helps secure proper immigration status to expand into the United States. Schultz also assists foreign investors who want to invest in the United States and helps U.S.-based business get immigration or nonimmigration visas to hire international workers.

Such work is a "growing area" of Schultz's practice, due in part to a desire to have a presence in the U.S. market, he said. Increased immigration enforcement, however, is also part of the reason that Schultz says busy.

"U.S.-based employers now have to make sure ... to be very vigilant that non-citizen employees have immigration status to be lawfully employed," he said. "The market's still very favorable to business investment, (so employers) have to get proper visas."

Other lawyers involved with international work tend to focus on cross-border and regulatory issues. Pamela Davis Heilman, a partner at Hodgson Russ, recently wrapped up an acquisition of a manufacturing facility in Nebraska on behalf of Palfinger AG, an Austrian company that makes cranes and hydraulic lifting systems. She's also working with a client in British Columbia who plans to buy a company in Texas.

Davis Heilman, one of the founders of the firm's Toronto office, said she's seen a significant growth in international-client business during her long career. The reason: the movement toward a global economy.

"You must be part of a global strategy in order to survive," she said. "I think it's very important to have a global strategy which combines markets in different countries. It's a way to preserve what's here and to grow it as well."

Fleming anticipates that more local lawyers will find themselves dealing with business matters around the world, a trend he says is "among the very top issues" confronting law firms.

"I think firms that do business work need to have a strategy for dealing with the globalization of business," he said. "How will they deal with the globalization of business and the legal issues that brings?"