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Wiggin and Dana Launches China Practice

By MICHELLE GOLLADAY

New Haven law firm Wiggin and Dana has launched a new China Practice with the intent of bringing several of the firm's practice areas to the growing overseas market.

Corporate Partner David B. Schaffer — who studied and worked in Taipei, Taiwan and has represented Chinese and Taiwanese businesses on behalf of Wiggin — will lead the freshly pressed practice group.

"The primary focus of our China Practice is to assist companies and investors in connection with cross-border transactions involving the U.S. and China," said Schaffer, who counsels both American and European companies doing business in China. He also represents China-based companies doing business in the U.S.

"Simply put, China is not going away," said Schaffer, who is based in the firm's Stamford office. "As the Chinese economy continues to grow and its residents look for opportunities to invest abroad, U.S. businesses will also see increased inbound foreign investment and acquisition activity.

"Many of our existing and



David
Schaffer

prospective clients will have further needs with respect to this region, resulting in more opportunities for our firm."

He said the practice also largely includes advising Chinese clients on M&A activity, financing, employment, immigration, data privacy, bankruptcy and litigation, among other corporate and commercial needs.

The immediate plan does not include a physical office in China. Instead, Schaffer and other lawyers with the firm will be spending time away from home, working to build client relationships. "We will be travelling to China with some frequency, for face time, or otherwise as required to handle a particular deal," he said. "We will also maintain strategic alliances with top-tier law firms in major cities throughout China."

Last year, Schaffer participated in a high-profile "investment mission" in China, and the eagerness to plan

a China Practice has been on his mind since then and likely longer. "It's always been in the back of my mind," he said.

Joined by Secretary of the State Denise W. Merrell and other members of the practice group, he embarked Friday on a familiar fifteen-hour long flight to China on this year's 10-day "investment mission."

The delegation will visit Shanghai, Beijing and four other cities to present investment and collaboration opportunities to foreign businesses, investors and government officials.

"I learn something new whenever I'm there, which is one of the reasons I really enjoyed living in East Asia," said Schaffer. "For the purposes of this [trip], I intend to drill down a bit more on the types of industries that the Chinese are looking to invest in."

In the broader perspective, Schaffer has made it a primary goal for the China Practice to put Connecticut on the Chinese map.

"Whenever I'm in China, I often have to explain that Kangzhou [Connecticut] is between New York and Boston," he said. "We have an incredible amount of innovation, industry and other resources in

our state that I think are a perfect match for what the Chinese are looking for.”

Schaffer noted that carefully developing strong relationships in both the private and governmental sectors is critical for successful business involving China, a bureaucratic country where the government maintains a close eye on inbound and outbound business activities.

“China is [a country] with red tape at almost every level,” he said. “While it has gotten relatively easier to do business in and with China, intellectual property infringement remains a troubling issue.”

Despite stronger statutory protection in the past few decades, China’s piracy rate remains one of the highest in the world at 90 percent while approximately 20 percent of consumer products in the Chinese market are counterfeit, according the U.S. Embassy of Beijing, China website. Schaffer says the most practical way to tackle these problems is to refrain from disclosing trade secrets or technical data.

China is not the first country of focus Wiggin has dedicated a practice group.

Bob Benjamin, a partner and chair of the firm’s Executive Committee offered the India Practice, formed five years ago, as another example of working with different business and legal markets and establishing relationships around the globe.

“It was a similar situation where we were doing work in India initially and eventually decided to form a practice group devoted to that country, and it continues to grow today,” said Benjamin. “My view is that any firm would be wise to focus on any global opportunities that they may have.”

Wiggin and Dana is the first Connecticut-based firm to devote a practice to China. Schaffer said similarly, “In the age of globalization — where China is going to be a major player in the foreseeable future — I question why any full-service firm would not want the ability to cater to this market.”

Peter Giuliani, a Weston, Conn.-based law firm consultant at Smock Law Firm Consultants, said it makes sense for law firms to branch out globally, as the world economy continues to be increasingly connected.

“We should not be surprised that law firms are catching on

to that fact,” he said. “National boundaries are ceasing to be economic boundaries, so why not take advantage of that fact?”

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Giuliani said there are other opportunities for growth for U.S. law firms to take advantage of. In addition to China, there are global business deals in need of lawyers going on in the Middle East, Africa, Turkey and South America.

“That’s where economic development is accelerating,” he said. “We see increasing interest in many law firms looking to fill niches in facilitating the flow of capital both into and out of emerging and fast-growing markets. I think we’ll see many law firms involving themselves in international trade, capital markets and project finance.”•