

Turkish delight

Turkey

Paksoy

Paksoy may not be one of the oldest legal practices in Turkey, but the firm has grown rapidly since its establishment in 1997 and is now celebrated for its attitude towards clients in an increasingly competitive market

The most important topic of conversation in Turkish business circles for many years now has been the question of EU accession. The country's formal application to join the old EEC was originally made over 20 years ago and there is still deep division among the members states as to whether it should be allowed to join.

Negotiations officially began in 2005, but a lot of work had been done on Turkey's legal system prior to this date to bring it into line with EU norms and these changes continue apace. Should all go according to plan for Turkey, the earliest the country could enter the European Union is 2013, but this is still by no means certain, with several members making no secret of their opposition to the plan.

However, the spur of potential membership, coupled with a succession of single-party governments, has brought economic stability to the country, leading to a sharp increase in foreign investment and causing many to suggest that the result of Turkey's accession bid is in fact irrelevant.

"There is a feeling here in Turkey among the lawyers, bankers and business community," says Halide Düren, a corporate finance/M&A specialist and partner at Paksoy. "We don't need actual membership at the moment, because the prospect of it has already given us a driving force. We have the reforms and everything; people now have confidence in the market as a result of the stability that's come along."

The changing legislative landscape, backed by a stable economy and booming foreign investment, has also seen a healthy growth in the legal market and Paksoy, with its team of young lawyers boasting local and international expertise, is ideally suited to this environment. In its first decade the firm has won an impressive reputation for assisting international companies doing business in Turkey while offering high standards of customer service.

Style and substance

"Client care has been of the utmost importance to the firm, right from the start," says founder Serdar Paksoy, who set up the firm in 1997 having already spent a decade advising foreign investors in Turkey. "This is how we train our lawyers, to take care of – and to pay attention to – the needs of our clients. Not only the lawyers, but the administrative and support staff as well: anyone who may spend time with the client."

Serdar Paksoy is aware that, first and foremost, it is the quality of his lawyers and the advice they give that is important to prospective clients, but in an increasingly competitive market, he knows that the style in which that advice is delivered and its relevance to business matters are also vital.

"I think most of our clients are happy with what we deliver in terms of legal advice," he says. "They are also very happy with our response times, always getting back to them in the shortest possible time with the fullest possible opinion. Having said that, we know that the client isn't interested in theoretical answers or academic musings on their issues, no matter how accurate these may be.

"You have to understand their business. You have to understand the commercial needs of the business and what the client is focusing on and what they are trying to achieve. Then you have to come up with a realistic answer to that."

The need to make life easier for companies as they engage with the Turkish market is not lost on other partners in the firm and it is something that they impress on all their members of staff.

"We teach our juniors that when we take on work, we always attempt to put ourselves in the client's place,"

Turkey

explains Pinar Eryürekli, a partner who joined the firm in 1999, having previously worked in government as an expert on, among other things, EU law. “You have to create tailor-made solutions; you have to be flexible; and it is not only pure legal advice you have to give the client: you also have to provide them with information about the market, about the Turkish political environment – everything. You really have to be creative in providing them with solutions that will help them achieve their goals. So you really have to think in a commercial way, a client-oriented way; and whatever the business needs of the client, you have to see them and understand them. Then you have to structure a deal, from beginning to end, in that way.”

Both sides of the fence

While the firm has always been committed to giving the best service it can to its clients, it was helped greatly in this objective when Düren joined the team in 2006, given her experience as an in-house counsel for a major financial services company in Turkey. She has found her time working on the other side of the client-layer divide most beneficial in her own career and is pleased that she can now pass on that knowledge to the firm and its young associates.

“It really helps you understand how things work,” says Düren. “You get more business-minded and see things from a different perspective. Now I tell our junior associates that we have to be quick, accurate, knowledgeable – all those things. But apart from that, you have to understand what the client’s needs are – otherwise you’re just sending them a memo with lots of legal information. I sometimes received opinions from lawyers and at the end of 10 pages you just think, ‘What’s the point? What are you trying to tell me?’ So it’s very important to be in control of the situation, but you have to make a point. In this practice now, I really see the lawyers as solution finders. If your clients see that you engineer solutions for them, they’ll see that you’ve done a good job and they’ll come back.”

As both Düren and Eryürekli suggest, much of the training of the young lawyers at Paksoy takes place on the job and through the mentoring of the partners, but there is also more formal training to ensure that they are up to



speed both with the ever-changing Turkish law and with client care issues.

“Our people do learn a great deal while they are actually doing the job,” says Elvan Aziz Bikmen, who has been with the firm since 1998 and was made partner in 2006; she also has responsibility for associate training. “But we also try and do this in a formal way where we have outings every year. We spend a long weekend away and have certain experts come and explain different matters, and the partners take informal sessions there also.

“Then, two or three times a year, we have formal sessions in-house for client care, because I believe that it’s not only the legal knowledge that we need to worry about, but also how to react; how to deal with the client; how to think as a commercial lawyer; how to behave when you’re near a client – all of these things. Then there’s responsiveness issues, our statements, transparency – we need to explain these to our associates and we need them to reach the same levels as our senior associates and our partners.”

Smoothing the way

While the changes to the Turkish legal system that have been introduced with EU accession in mind have made it more “foreigner friendly”, according to Aziz Bikmen, she still sees the firm as playing a vital role in smoothing the way for foreign investors in the country.

“Ninety percent of our clients are non-Turkish,” she

Opposite page:
Serdar Paksoy

Right:
Elvan Aziz Bikmen

Far right:
Halide Düren



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explains. “So when they come here, they need someone who understands how things work in Turkey, being able to deal with the regulatory authorities and the Turkish culture.”

This view is shared by Serdar Paksoy, who notes that although there are some similarities with Western law, there are also cultural differences to overcome.

“The important thing to keep in mind when dealing in Turkey,” he says, “is that while our laws are adapted from the continental European system, the same as you’d find in France or Italy, the business practices may differ. The negotiating tactics may be different, especially when you are dealing with small to medium-sized Turkish companies. We ensure that our foreign clients are aware of that. You can’t be so pushy in Turkey and sometimes you need to be a little more patient. Again, if you are dealing with government agencies, for example in a privatization case, the bureaucracy is different, the administrative law system is different, so the negotiation tactics and how you would connect on a share purchase agreement, say, would be very different. That is why people come to us.”

Despite the booming legal market in Turkey, and

although the firm has seen some rapid development in its 10 years, there is still a deliberate effort to stem the enlargement of the company so that growth doesn’t occur too quickly.

“You have to be careful,” says Düren. “You have to realize that growth is nothing without protecting the brand name. If things start to fall apart when you grow too fast, then confidence will be lost and in our business, confidence is very important. We are trying to be very careful about that.”

“The enlargement of the company is secondary,” agrees Eryürekli. “We are growing organically. As we started to get more projects, more policy work, we needed to hire more policy people and enlarge the team, but we also have to ensure that we have people who work in the team. We are only a mid-sized firm in Turkey, but we are also ranked in the top five law firms. So it’s not about size: it’s about the quality of the work and the service you provide.”

Knowing your limits

So as not to compromise that service, the firm has – from time to time – had to turn down work at busy times. Once

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again, Düren's experience as an in-house counsel has been useful in this respect, as she has first-hand knowledge of how client care can suffer if a law firm is stretched too thin.

"When I was a client looking to engage a law firm, I always asked them if they had enough people," says Düren. "We allocate a team and it is then always connected to the client, so the client knows they are important to us. If they are just given the names of some junior associates and can't reach



Left:
Pinar Eryürekli

anyone when they need to address something and can't get a reply to their email for two days, then it's not working."

"We don't take everything that comes in," confirms Aziz Bikmen. "If we're full, we don't take any more business on at that time. We try to keep the quality of service at the highest level. So far, there have been very few cases when we've had to turn people away, but it's worth it to maintain our client care levels.

"Every client wants to feel special and, to us, every client is special and every client's work is important. We want the client to know that we care for their work. Whether it be a tiny corporate action or a major M&A, it doesn't matter – we will attend to it at the same level. That is very important and I find that the client appreciates it a lot. We give the requisite amount of time to a problem, no matter what the subject is. That's what we are good at."

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