

Cayman: saw and conquered

Cayman Islands

Maples and Calder

There are few firms whose equity partners would happily give up life in the Caribbean to look after a branch office in rain-soaked London, but such is the commitment to client care at Maples and Calder that these sacrifices are willingly made

Perhaps as a result of the mellow, drowsy influence of ‘Caribbean time’, many offshore firms and businesses have earned a reputation around the globe for being slow and unresponsive. This is something of which Charles Jennings, the joint managing partner of Maples and Calder worldwide, is acutely aware, and during his 22 years at the firm he has made it his mission to dispel these common misconceptions.

“We’ve always tried to counter that image and provide a service that would be expected from one of the large law firms in a major financial centre, such as New York or London,” he says. “We are very client oriented and make a point of training and bringing up our lawyers to be responsive and to provide good-quality service, within time and on budget. These things are, of course, important for good business and absolutely critical for a law firm, particularly when you have competitors of the quality we do.”

In order to ensure that there are no issues with responsiveness, Maples and Calder’s staff always try to reply to any communication from clients in the course of the day on which it is received – even if this is only to say that they can’t manage a full response that day and to set a new timeframe for a more detailed reply.

“As a result, clients know when they can expect to hear from us,” Jennings explains. “It’s a case of that terrible and

well-worn phrase ‘management of expectations’, which in a business like ours is so important. That’s why we also try very hard to take a preliminary look at whatever we are sent, so we don’t make the all-too-common mistake of coming back late in the day with problems.”

One of the key things that has helped in the development of this approach to client care is the firm’s commitment to the team – an outlook that is backed up by its remuneration system, which is based on a traditional salary and discretionary bonus model.

“We don’t work on an ‘eat what you kill’ basis,” says Jennings. “We actually grade our lawyers in the round and look at them from a number of angles. Obviously, billings are important – we are a business, after all – but there are other things, such as mentoring their juniors and contributing to the very sophisticated precedents and know-how system we have worldwide. These, incidentally, are the sorts of things you tend not to find in firm that remunerates on a commission basis, because there’s no incentive for people to create them.

“We want people to get involved in the services area of the business and to create memos on areas of law that are of interest to others. We have a tremendous help system, whereby people can just send an email to all of the firm’s lawyers around the world and ask a question and the replies flow in – as we expect them to, as we want them to. It’s a very different philosophy to ‘eat what you kill’ firms, where you find lawyers holding on tight to their clients.”

Opening up new angles

The advantages of Maples and Calder’s bonus system are also noted by another of the firm’s partners, David Brooks, who sees it as contributing to the firm’s ability to offer the client more rounded legal advice.

“If you have a client who has a particular problem that you think someone else in the organization may be better equipped to deal with, at Maples and Calder we’d have no hesitation in asking for their help. At other firms, the motivation is not to do that,” he explains. “We are honest with our clients. If I’ve got a fund that I know is not doing all that well and, for example, there is a potential

Cayman Islands

Left:
Charles Jennings



insolvency or litigation risk, I'll say to the clients: 'Look guys, this is getting to the point where I need to bring in a slightly different skill set from within the firm.' We do this all the time and the clients are very grateful for the specialist advice, especially when they realize that it is usually saving them money because they are not paying for my learning curve. They realize that more lawyers doesn't actually mean greater costs, as long as you manage the process efficiently."

This structuring of operations in a way that adds value for the client in every transaction is a recurring theme and is fundamental to the firm's excellent reputation for client care. Perhaps one of the more straightforward ways in which this value is added is through the quality of the work done by its lawyers.

"We are pretty highly regarded in terms of the quality and the technical expertise we bring to the work," says Adrian Pope, who recently finished his term as the firm's managing partner. "I think the clients feel that we do add value in that respect. Some people think that offshore work is simply a rubber-stamping exercise, but while there may be an element of truth to that in certain practice areas, there is equally a lot of very tricky stuff that goes on and we have very good lawyers out here. Our sophisticated clients appreciate that and I think it is all part of the concept of service, because you engage a lawyer to perform a service, but if you can get that little bit extra from them in terms of experience and perspective, then that's all to the good."

The voice of experience

For Pope, such experience and perspective are a direct consequence of Maples and Calder's status as one of the leading firms in one of the leading offshore jurisdictions, which means that its lawyers have seen the types of deal that come through the offices many times before.

"This is in contrast to some onshore firm, which may have only a relatively narrow exposure in terms of the clients they see and the deals that they do because they are in competition with 50 or 100 other firms and the cake gets sliced 50 or 100 different ways," says Pope. "When it comes to certain lines of business in the Cayman Islands, we are a

dominant jurisdiction and we are a dominant player in that jurisdiction. We have a very big market share in structure and finance and in hedge funds, and we've seen every permutation ourselves. This is potentially very helpful when you deal with an onshore firm or an onshore client who may only have a narrower window of exposure to the problem."

Such is the firm's dedication to client service that in order to add further value to its offer, Maples and Calder has expanded its range of services to include things one might not normally expect of a law firm.

"We've branched out into what I would call not 100% legal service areas," says Brooks. "There are some clients who know exactly what they want and exactly why they are coming offshore, but then there are others who don't know exactly what they want on day one. They'll say, 'I think I want a Cayman lawyer and I think I want a Cayman company' so, subject to our client acceptance and anti-money laundering procedures, we'll set up the company for them. Now that may not sound that novel, but in the UK, for example, this sort of company incorporation and secretarial work tends not to be done by law firms – you might get sent off to a company formation agency. But we perform the whole range of services and, in the group I work in, we have dedicated teams of corporate assistants and paralegals who deal with these sorts of issues."

In fact, the firm received so many requests for assistance with the setting up of smaller offshore funds that were being refused by the mainstream administrators that it took its dedication to client service to its logical conclusion and set up a dedicated company to do this work for them. After just a few years, Maples Finance is listed among the top fund administrators in the world.

International concern

The firm's success at providing its clients with service above and beyond their expectations has seen it reach far beyond its base in the Cayman Islands, and it now has offices in a number of the major financial centres and offshore jurisdictions around the world. Once again, this expansion was primarily for client care reasons, as it made sense to move closer to some of its major customers.



Far left:
David Brooks

Near left:
Adrian Pope

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“Our expansion started with London and Hong Kong, purely for time zone reasons,” explains Pope. “We were only doing Cayman law, but we had clients in the Far East and Europe, so it made sense to be there. We then added new offshore jurisdictions where we’ve seen the demand and concentrated on our traditional core areas of expertise. We’ve tried to grow the firm in an organic way, with the culture of one global firm with a global set of standards, so that if a client is dealing with our Hong Kong office or our British Virgin Islands (BVI) office, they get exactly the same standard of service.”

One of the ways the firm ensures that its client care levels are maintained in all its outposts is by sending an equity partner out to oversee the development of new offices; the senior partners then rotate the management of those offices.

“We have a very positive policy of making our senior partners move around the world and sit in offices elsewhere than Cayman,” says Jennings. “As a result, I’ve spent a year in the BVI and just completed two years as the managing partner of the London office. All of our equity partners move around like this, whereas in other firms they would be rather reluctant to move around and would rather stay in a tax-free jurisdiction. We expect our equity partners to do this. I think the Americans call them ‘culture carriers’, and that really summarizes exactly what it is. So when you walk into an office of Maples and Calder anywhere in the world, you know you are in Maples and Calder. It looks the same; it sounds the same; the lawyers are saying the same thing; and you get the same welcome from all of them.”

Supporting roles

Backing up these offices scattered around the globe is a complex support network of staff and technology that underpins operations, enabling the lawyers to provide fast and reliable answers to client enquiries.

“We have a massive central knowledge database that contains all of the firm’s precedents and there are three full-time staff in our information services department working to maintain it,” says Jennings. “Not only do they disseminate information about case structures and the like,

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but they can also supply practically any information you need on any subject. So if I have a client who comes to me and asks if I can tell him about the AIM listings of Cayman Islands companies and BVI companies, well, the immediate answer's no. But within 10 minutes I can have all the information that has ever been collated by any of the lawyers at Maples and Calder on my desk and I can email it to the client. There's a massive amount of value there."

"The technology is particularly important to a firm headquartered in the Cayman Islands," adds Brooks. "We have all of the latest hardware and software to help us. Since we have offices around the world, the electronic

public folders are particularly helpful, so from my desk in Cayman I can look at the client file of any lawyer in any of our offices in the world."

And the IT systems continue to grow in complexity as each new development arises that might enhance the service the firm provides. Indeed, so impressive is the firm's technology that the man in charge of it all, Andy Maclusky, won the prestigious Legal IT Director of the Year Award for 2007. The fact that even Maples and Calder's IT function has received public kudos is just further testament to the firm's holistic approach to excellence. And after scooping recent accolades for its hedge fund work and transactional nous, in addition to the plaudits for its technological advancements and, of course, its peerless client care, it appears that Maples and Calder's smartest investment for 2008 would be a bigger trophy cabinet to take pride of place in its George Town home.

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