

Your World First

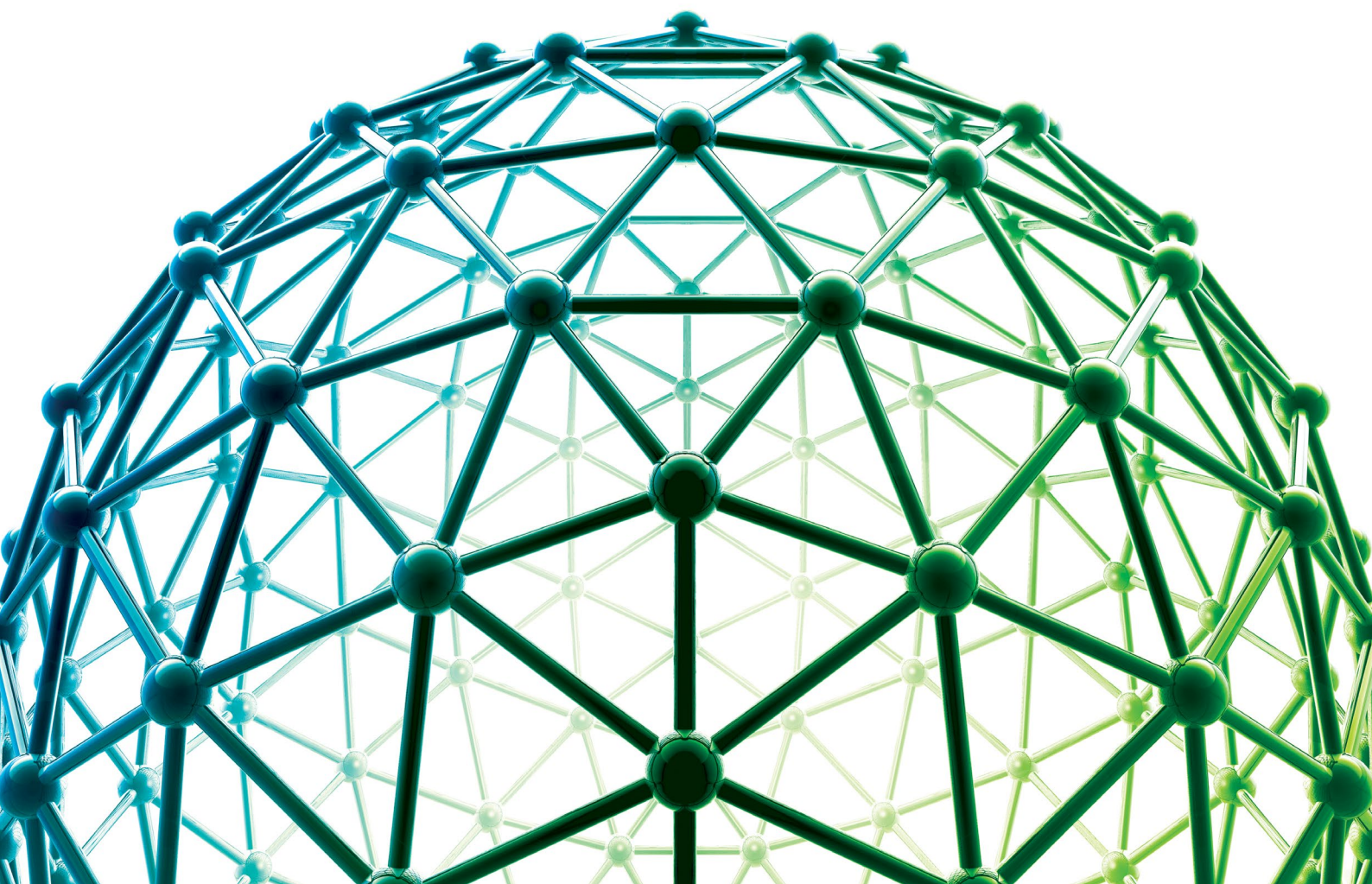
C/M/S

Law.Tax

Experts In Your World

Annual Review

2013-2014



Our year in numbers

> 800 partners

> 3,000 lawyers

**17 practice and
sector groups**

32
countries

**344 - Number of
M&A transactions
in 2013**

52
cities

> 5,500 staff

**> 30 new
partners
in 2013**

Chambers & Legal 500 2013 Rankings
92 Band 1 | 185 Band 2

In this year's Annual Review

04	Introduction	08	Corporate	44	Corporate Social Responsibility
05	Management	13	Technology, Media & Telecoms	46	Office News
07	Offices	16	Energy		
		20	Lifesciences		
		22	Dispute Resolution		
		24	Consumer Products		
		26	Hotels & Leisure		
		27	Intellectual Property		
		28	Banking & Finance		
		31	Tax		
		32	Commercial		
		34	Employment & Pensions		
		36	Insurance & Funds		
		38	Real Estate & Construction		
		40	Competition & EU		
		42	Infrastructure & Projects		
		43	Private Equity		

Welcome to the CMS Annual Review



The year covered by this Annual Review was a challenging period for our clients as economic uncertainty, the continuing recession in parts of Europe and the increasing burden of regulation have affected operating conditions. Despite these circumstances, we at CMS have had a good year with new business and geographical expansion.

As you will read in this Review, we have been working with clients over the past year on a variety of projects in a multitude of jurisdictions. Choosing matters to profile while respecting client confidentiality is always difficult, but we hope that the following pages give some insight into our sector coverage, our strong practices and our expertise. Whether we are working with Telefónica on their acquisition of major telecoms provider E-Plus, with eBay on their ticket reselling platform or sharing knowledge at the CMS Global Lifesciences Forum, our clients tell us that they appreciate our offering of international and local presence and our full range of services.

One of last year's highlights was the opening of our Istanbul office, which was the logical next step for CMS after more than two decades of building strong relationships in Turkey. At the end of 2013, Dundas & Wilson of Scotland, a firm with over 250 years of history, agreed to join CMS, a move that became effective on May 1st this year. ZPG Avocats SA merged with our Swiss operation in April, adding Geneva to the list of CMS locations which now totals over 50 offices worldwide.

"One of last year's highlights was the opening of our Istanbul office, which was the logical next step for CMS after more than two decades of building strong relationships in Turkey."

I hope that this Annual Review gives you a good overview of CMS, including the type and range of the work we do, the clients that we support and the calibre of people who work under our banner. I and my colleagues in the CMS Leadership team, pictured opposite, are always very happy to hear from clients, prospective clients and anyone with an interest in CMS.

Cornelius Brandi
Executive Chairman

Our leadership team



Cornelius Brandi
Executive Chairman
cornelius.brandi@cmslegal.com



Matthias Lichtblau
Executive Director
matthias.lichtblau@cmslegal.com



Dolf Segaar
Amsterdam



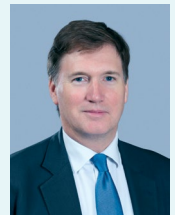
Hubertus Kolster
Berlin



Eric Gillet
Brussels



José Luís Arnaut
Lisbon



Duncan Weston
London



Carlos Peña Boada
Madrid



Didier Gingembre
Paris



Peter Huber
Vienna



Pietro Cavasola
Rome



Patrick Sommer
Zurich



CMS – a global perspective



Telefónica Deutschland seals acquisition of E-Plus

After pursuing its target on a number of previous occasions, Telefónica Deutschland agreed a deal to acquire Duesseldorf-based mobile service provider E-Plus from KPN, which operates out of The Hague.

KPN will receive EUR 3.7bn and an initial share of 24.9% of the merged company subject to approval from the relevant regulatory authorities.

We are the corporate adviser to Telefónica Deutschland in Germany and have advised our client on other key corporate deals including the acquisition of Hansenet from Telecom Italia in 2009 and Telefónica's IPO in Frankfurt in 2012.

A multi-disciplinary, cross-border team comprising lawyers in Germany, Netherlands and the UK was mandated to lead the transaction for Telefónica Deutschland.

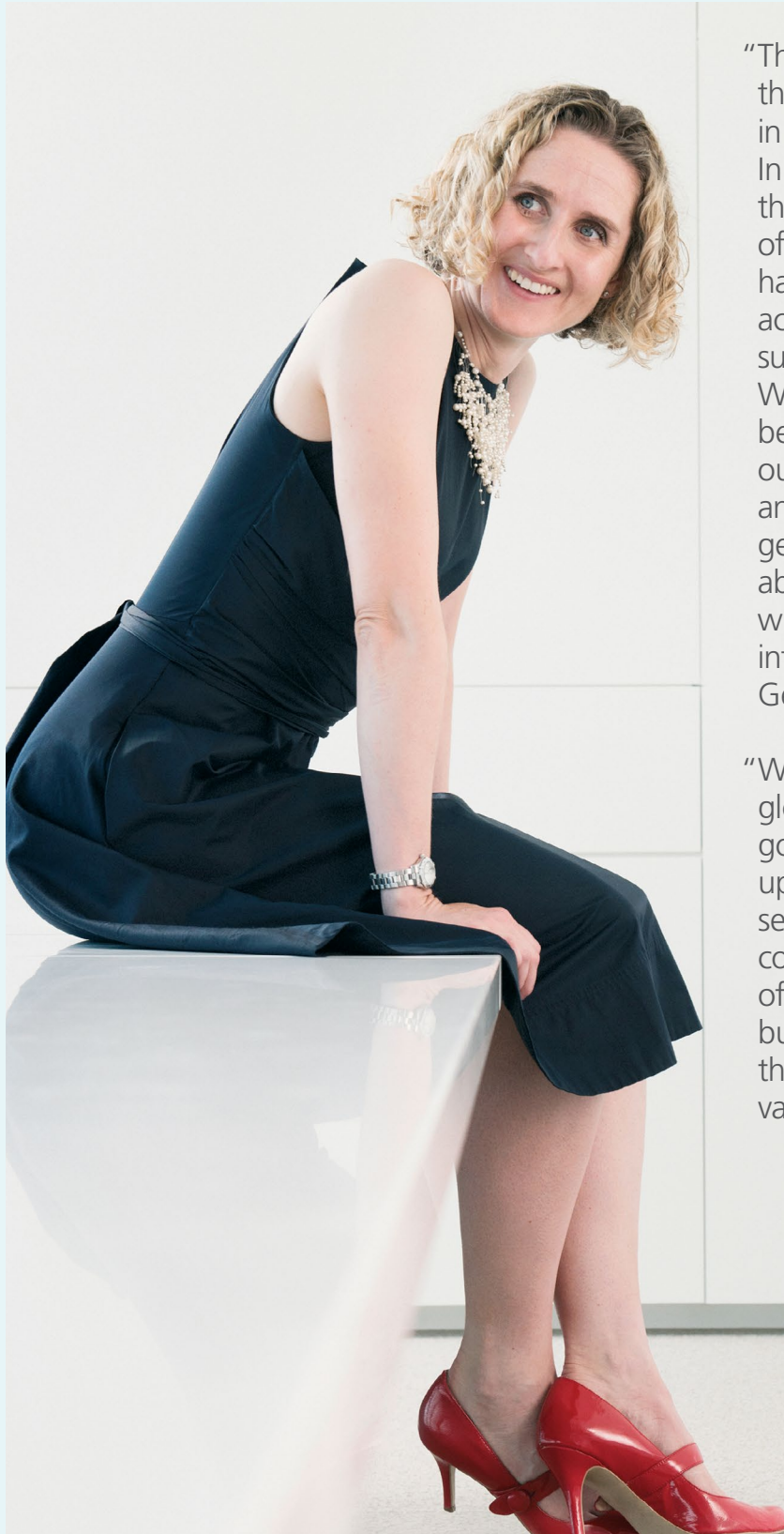
CMS Munich partner Oliver Thurn said, 'The cash and shares deal structure was extremely complex, as was the negotiation process.'

'Deals like this happen if the client and external legal team work as one and our close relationship with Telefónica Deutschland was very helpful to the transaction's success.'

"The cash and shares deal structure was extremely complex, as was the negotiation process."

With 43 million customers and annual sales of more than EUR 8bn, the new company is set to become a leading German telecommunications provider.





"The past year has been one of the most relevant and exciting in the history of our company. In the first full year following the successful IPO in Frankfurt of Telefónica Deutschland, we have announced our intended acquisition of E-Plus, which is subject to merger approval. We firmly believe in the benefits of this transaction for our customers, shareholders and the German market in general. It will improve our ability to compete effectively with the two mobile infrastructure leaders in the German mobile market.

"We are now a much larger global business in an industry going through significant upheaval. The telecoms sector is on the brink of huge consolidation and, as one of Europe's foremost digital businesses, we aim to lead the way in achieving true value for our customers."

Client
Rachel Empey
Chief Financial & Operating Officer
Telefónica Deutschland

KKR breaks new ground with SBB/Telemach deal

US buy-out firm Kohlberg Kravis Roberts (KKR), one of the largest private equity firms in the world, has made its first foray into South Eastern Europe (SEE) with the acquisition of SBB/Telemach Group from Mid Europa Partners.

“Other private equity and trade buyers were also interested in the target and this was a great deal to close out.”

This is a significant first-time instruction from KKR for our Vienna office with corporate partner Mathias Strasser leading a large multi-disciplinary, cross-border team that included our lawyers across Austria, Bosnia, Croatia, Germany, Macedonia, Montenegro and Serbia.

Mathias said, “The deal had all the facets of a normal private equity transaction, including debt finance and tax efficiency issues, combined with the complexities of KKR doing a deal for the first time in SEE.

“Other private equity and trade buyers were also interested in the target and this was a great deal to close out.”

The executive management team will remain in place and retain a substantial stake in SBB/Telemach.

KKR had assets under management of USD 83.5bn in 2013 and is publicly traded on the New York Stock Exchange.



CKI goes Dutch on EUR 940m acquisition of AVR

In a landmark deal for the waste processing sector, a consortium led by Cheung Kong Infrastructure Holdings Limited (CKI) has acquired AVR Afvalverwerking (AVR) for approximately HK\$9.7bn (EUR 940m).

"We were delighted to act for the consortium on its first investment in continental Europe and for the opportunity to continue to build on the excellent relationship we have developed with them."

CKI is the largest publicly listed infrastructure company in Hong Kong for energy, transportation, water, waste management and infrastructure-related business.

Members of the CKI consortium include Cheung Kong (Holdings) Limited and CKI, each taking a 35% stake; Power Assets Holdings Limited (Power Assets) which took a 20% stake and the Li Ka Shing Foundation Limited holding 10%.

AVR is the largest waste processing company in Netherlands commanding a 23% market share of the waste processing industry.

CMS London partner Charles Currier led the multi-disciplinary CMS team advising the CKI consortium which comprised lawyers based in Netherlands and the UK.

Charles said: 'We were delighted to act for the consortium on its first investment in continental Europe and for the opportunity to continue to build on the excellent relationship we have developed with them.'



30 seconds with:
Stefan Brunnschweiler
Partner, CMS Zurich
Corporate



Which client has had the biggest influence on your career?

I am the pro bono member of the board of a school for students excluded from regular education due to family background, criminal offences or other difficult circumstances. The head of this school has had a great influence on my life. I try to take on those clients that can influence me in the most positive way.

What will be the most significant market trend affecting your sector over the next 12 months?

The industry-wide increase in time pressure is a challenge because, more often than not, good ideas are like apples - they need time to ripen.

What advice would you give to young lawyers entering the profession?

You need to genuinely like people as well as paperwork; take pride in being meticulous; fight cynicism and take a walk from time to time.

What's the most exotic place you've visited on business?

Our office is right next to the lake in Zurich and swimming there is always a source of refreshment and new ideas. I even have meetings there and recently went swimming with the general counsel of Swissport, a major client of CMS.

What would you be if you weren't a lawyer?

I used to be a passionate guitar player but lawyering got in the way. My plan B is cooking which I love.

Client
Karen Clayton
General Counsel
National Grid

"The energy sector has been the subject of intense regulatory and political scrutiny over the past year and we are more focused than ever on the needs of our customers. National Grid's job is to connect people to the energy they use, safely. We are at the heart of one of the greatest challenges facing our society – delivering clean energy to support our world long into the future."



Radio access sharing in vogue as telecoms operators fight costs

As European telecoms operators struggle to deal with the increased investment associated with deploying wireless 4G, they are seeking to save costs by sharing radio networks with rival operators.

In a move that is part of the growing consolidation of the telecoms industry in Europe, the Romanian arms of Orange and Vodafone – the country's biggest operators – agreed a network-sharing deal that will let them deploy 4G more swiftly, in addition to expanding wireless services into rural areas.

"These are complex, high stakes deals with agreements structured to last for more than 15 years."

The deal allows the two companies to operate independently and compete against each other for business yet have access to a common network. This will allow them to reduce costs significantly and to limit environmental impact.

The agreement follows hard on the heels of a 2011 agreement between Deutsche Telekom and France Telecom Orange to share their Polish networks in a deal expected to generate cost savings of around EUR 356m.

"You need to understand the sector inside out, yet it is a new area of law so you are innovating at every turn."

CMS partner John Fitzpatrick led multi-jurisdictional teams across Poland, Romania and the UK advising Orange on both deals.

He said, 'These are complex, high stakes deals with agreements structured to last for more than 15 years. You need to understand the sector inside out, yet it is a new area of law so you are innovating at every turn.'

'There are a lot of similar network-sharing deals still to be done while some operators are looking at, in effect, outsourcing their network to an independent operator as a viable alternative.'

eBay bids up European expansion with brand launches

Market-leading online marketplace, eBay, has expanded heavily into Europe over the past two years with several brands including the world's largest online ticket marketplace, StubHub.

“The client likes a single point of contact with me, as well as the ability to have easy access to our lawyers in each of our jurisdictions.”

CMS is one of the principal commercial advisers to eBay in Europe with Cologne partner Florian Dietrich running the relationship across multiple jurisdictions.

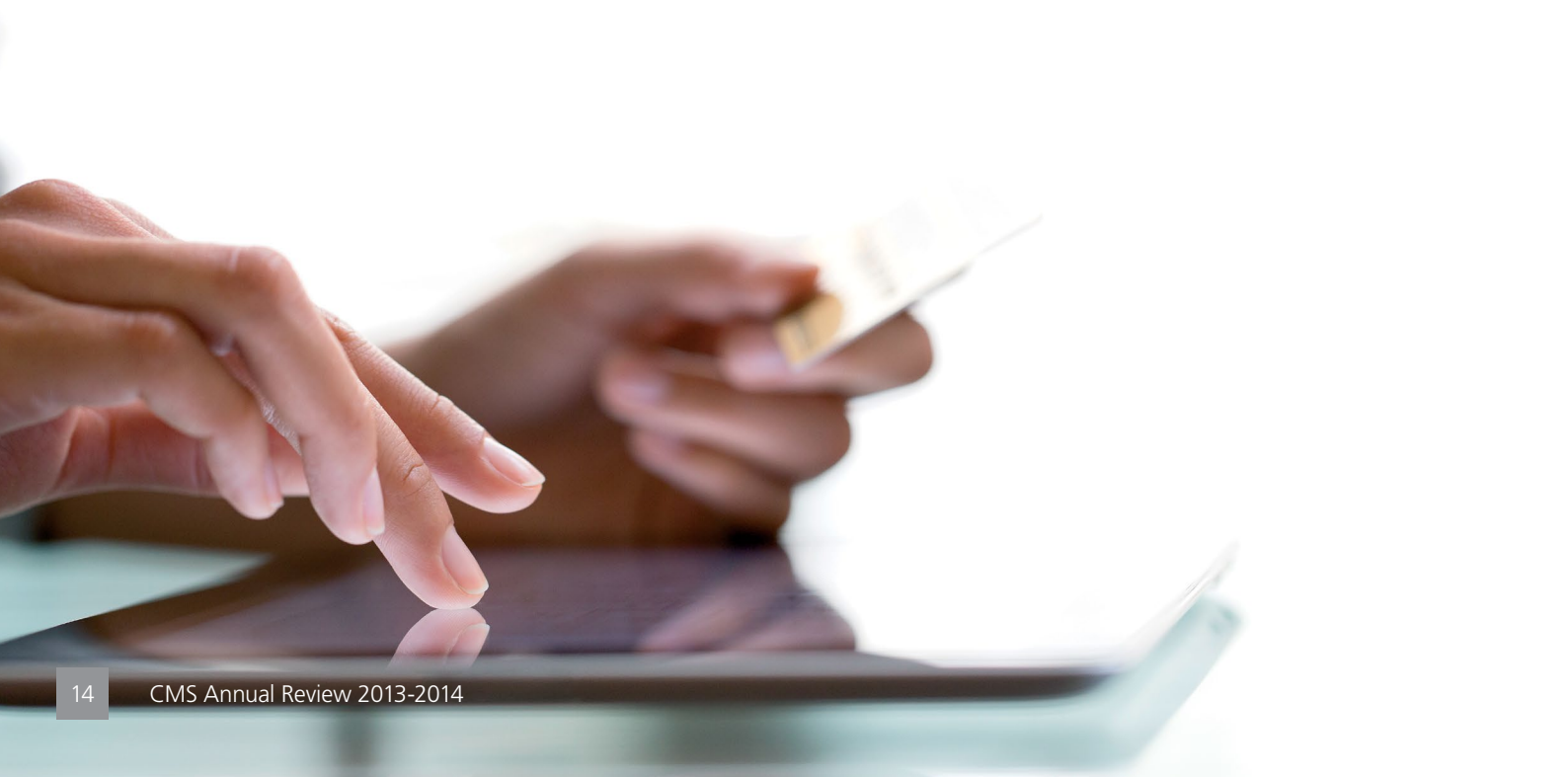
The work commonly involves e-commerce, e-payment, data protection and market entrance advice yet has also led to instructions relating to new office requirements.

We have given advice to StubHub following their entry into the UK market and also helped eBay roll out its Global Shipping Program across several countries within Europe.

Florian says, ‘The client likes a single point of contact with me, as well as the ability to have easy access to our lawyers in each of our jurisdictions.’

eBay's pan-European legal department has used CMS offices in Austria, Belgium, France, Germany, Italy, Netherlands, Poland, Switzerland and the UK.

Florian adds, ‘I’ve worked with eBay for the past decade and the knowledge I’ve built up in that time allows me and the team to grasp the issues quickly and give highly commercial advice.’



A year of change

Over the last year, CMS Algeria has played a leading role in two key telecoms deals. In October, our team advised SLC (an Algerian WiMAX and broadband operator), on the acquisition of a subsidiary of Monaco Telecom.

They also worked with the Algeria National Investment Fund on their acquisition of 51% of OTA (Orascom Telecom Algérie), a subsidiary of the Vimpelcom group which trades on the NASDAQ Global Select Market. Samir Sayah, partner at CMS Algiers, commented, 'This share purchase agreement was a highly complex negotiation spanning the two very different worlds of private and public sectors, across two different cultures.'

"This share purchase agreement was a highly complex negotiation spanning the two very different worlds of private and public sectors, across two different cultures."



30 seconds with:
Chris Watson
Partner, CMS London
**Technology, Media
& Telecoms**



What's been your most memorable moment as a lawyer?

Being admitted to the Paris Bar Association and winning a European Court judgement against the UK government on proportionality.

Which client has had the biggest influence on your career?

There are two. I was seconded to General Cable for nine months, which made me decide to become a telecoms lawyer, while BT taught me a lot about competitiveness and efficiency.

What will be the most significant market trend affecting your sector over the next 12 months?

An increasing recognition of the immense value of data.

What advice would you give to young lawyers entering the profession?

Remember to have fun!

What's the most exotic place you've visited on business?

The private home of the Jordanian telecoms regulator is definitely up there. I also recall an adventurous ride to the airport at 3am in an unlicensed taxi when I visited Jeddah.

What would you be if you weren't a lawyer?

A writer or an engineer (the latter because I love mending things.)

Statoil North Sea mega-deal raises USD 2.65bn for new discoveries

Our energy team has advised Statoil on one of the biggest North Sea transactions of the past ten years. The deal saw Statoil sell its interests in a number of UK and Norwegian Continental Shelf assets to OMV for USD 2.65bn. This was the largest upstream deal in OMV's history and the sale allows Statoil to free up funds for significant investments in new discoveries.

We have advised Statoil on a number of high-profile energy deals and projects (in oil and gas renewables) since being appointed to its legal panel in 2010.

CMS London partner Bob Palmer, who also manages the CMS relationship with OMV, said, 'A number of companies were interested in doing a deal and we worked very closely with the in-house team at Statoil to ensure that the documentation was as advanced as possible ahead of OMV's offer being accepted.'

'Despite its inherent complexity, this deal was negotiated in a co-operative and productive atmosphere and closed in record time.'

Relationship building

This highly strategic transaction, which involved multi-disciplinary CMS teams in Austria and the UK, underlines our growing relationship with Statoil and reinforces our position as a firm advising on the biggest global energy M&A deals.

OMV is also a client of our energy group and we have undertaken a number of joint initiatives with them over the past year.

CMS lawyers flew to Iran as part of a delegation with OMV earlier this year in a trade exercise with Iran's national oil company. We also had various meetings and training workshops with OMV executives as part of our annual energy group meeting in Vienna last year.

CMS Sofia partner Kostadin Sirleshtov, who works with OMV on transactional matters, said, 'OMV is a big player in CEE and the oil and gas sector is particularly hot in the region right now. It is a close working relationship.'

"Despite its inherent complexity, this deal was negotiated in a co-operative and productive atmosphere and closed in record time."



"I would like women in BP to feel good about becoming more visible. Being invisible felt quite natural and comfortable to me, and taking a conscious step towards visibility was surprisingly outside of my comfort zone."

"My reflection was that I have an opportunity to lead by example and have made it my mission in my organisation to help women become more visible and feel good about it."



Client

Eva Bishop

Associate General Counsel
BP, London



30 seconds with:
Cecilia van der Weijden
Partner, CMS Amsterdam
Energy



Which client has had the biggest influence on your career?

I have advised Dutch multi-utility company DELTA for almost as long as I have been a lawyer. Working with DELTA is about teamwork and we have jointly experienced the development and liberalisation of the energy market with all its ups and downs.

What will be the most significant market trend affecting your sector over the next 12 months?

In 2014, a number of important decisions will have to be made regarding the energy sector in Netherlands. These include the exploration of shale gas, the

development of offshore wind energy and the promotion of decentralised renewable energy.

What advice would you give to young lawyers entering the profession?

Learn from the people that you meet but remember to remain true to who you are.

What's the most exotic place you've visited on business?

China is special to me because I studied Sinology before becoming a lawyer and spent one year as a student at the University of Xiamen. I had the chance to return there this year after more than 23 years and it was incredible how much had changed!

Mexico office launch sealed as energy market liberalises

CMS has hit the ground running in Mexico following our association last year with Mexico firm Woodhouse, Lorente, Ludlow (WLL.)

“We are already working together on a whole range of energy matters and other opportunities.”

The office is headed by partner Derek Woodhouse, a former CMS London energy lawyer, who specialises in energy and infrastructure projects.

Mexico, a ‘MINT’ country, is a huge growth market for international energy clients and is the tenth largest oil producer in the world.

CMS UK senior partner Penelope Warne said, ‘Mexico was the next priority for us in Latin America following our successful Brazil launch four years ago.

‘The oil and gas market there is opening up to foreign companies and we are delighted to be working in Mexico.’

Penelope, who headed up both the Brazil and Mexico launches, added, ‘We are already working together on a whole range of energy matters and other opportunities.’

Channel Islands combine to secure future energy supply

CMS UK recently advised Channel Islands Electricity Grid, a joint venture between Jersey and Guernsey Electricity, on adapting their framework arrangements to support the procurement of the so-called ‘Normandie-3’ and ‘Normandie-1’ 100MW electricity interconnectors with France, together with a new inter-island link (‘GJ2’). These projects are a major part of required upgrades to electricity transmission infrastructure to improve reliability and ensure greater security of supply.

CMS UK’s long experience in the international energy sector and in particular on electricity interconnectors was vital in winning this appointment and in ensuring that the arrangements were robust from the perspective of international best practice.

This work builds upon recent high profile successes of the CMS team, including advising on the joint venture between National Grid and ScottishPower on the Western HVDC Link Project.

CMS London partner Robert Lane said, ‘This was great work for the CMS team. We have worked on a number of interconnector projects in the past and so understood the inherent complexities involved in the negotiation.’

Robert was supported by Associates Sarah King and Eliza Bartlett.

“We have worked on a number of interconnector projects in the past and so understood the inherent complexities involved in the negotiation.”

Client

Santiago Martinez Garrido

Director of Corporate Legal Services
Iberdrola, Madrid

"As a top global energy company, we at Iberdrola have four key priorities: creating value for shareholders, putting customers first, promoting of quality of life in the communities where we are present and guaranteeing safe energy. Nowadays, society demands high standards of energy companies such as ours, which means we work very hard on our commitment to ethical business practices and respect for the environment."



Lifesciences Asia-Pacific Network (LAN) launch cements successful year for CMS Beijing

CMS has concentrated attention on expanding its Asia-Pacific practice over the past year, developing in Beijing with a brief to focus specifically on the Lifesciences sector.

The Beijing office has grown quickly with a team of fifteen - including a former global pharma Chinese General Counsel, a professor of law and pharmaceutical regulation, a qualified biopharmaceutical patent attorney and a PhD with extensive drug discovery experience already part of the team.

"LAN gathers together more Lifesciences focused experts across key Asia-Pacific jurisdictions than any other law firm."

A strategic partnership has been agreed with one of the leading academic pharmaceutical institutions, China Pharmaceutical University (CPU), that includes a visiting lecturer role for CMS Beijing managing partner Nick Beckett and a rolling internship programme that is proving highly successful in attracting talented local law students.

Now, a little over 12 months since we expanded in Beijing, we have launched our Lifesciences Asia-Pacific Network (LAN), a 700 lawyer, 15-office network covering China, India, Indonesia, Singapore, Thailand and Vietnam.

Unique offering

Nick said, 'A lot of our clients have become frustrated with the complexities of law across multiple jurisdictions. With LAN, we aim to make the provision of cutting-edge legal advice hassle-free across all the key Asia-Pacific countries.'

'LAN gathers together more Lifesciences focused experts across key Asia-Pacific jurisdictions than any other law firm. We believe that there is no other equivalent offering in the Lifesciences sector.'

LAN includes market leading local firms such as Rajah & Tann and Tilleke & Gibbins in addition to CMS. As a result, we are able to deliver expert and commercially focused advice at local and competitive rates.

Following the successful launch of LAN, we were given the opportunity to pitch to a major pharmaceutical company to support it across the Asia-Pacific region.

"To secure this kind of mandate, just months after the launch of our LAN offering, is a significant achievement and we are already talking to other global clients who have expressed an interest in the model."

After a competitive tender process last year, led by Nick in China with support from LAN, CMS was successfully appointed to advise the company across the entire Asia-Pacific region.

Nick added, 'To secure this kind of mandate, just months after the launch of our LAN offering, is a significant achievement and we are already talking to other global clients who have expressed an interest in the model.'

Global Lifesciences Forum **rated** **best yet by** **delegates**

The CMS Lifesciences Group held its annual Global Forum in Brussels in October, bringing together lawyers and sector specialists from across Europe and Asia.

Many key CMS clients were in attendance at the Forum including Eli Lilly - which has recently appointed CMS to its Pan-European panel - GE Healthcare, Johnson & Johnson, Medtronic, Otsuka and Takeda.

“Our Lifesciences group is working as one across many jurisdictions and the Global Forum was a good opportunity for us to listen to our clients...”

General Counsels from Eli Lilly, Medtronic and Johnson & Johnson discussed ‘what keeps them awake at night’ and what they expect from their internal teams and outside counsel in a panel session, which was rated the most popular discussion of the day.

The Forum was also attended by two members of the Lifesciences Asia-Pacific Network (LAN) from Singapore and Thailand/Vietnam. (See LAN story opposite.)

The Global Forum was described by many colleagues and clients as the best in the series to date and has already resulted in a number of new instructions.

CMS Utrecht partner and newly appointed head of CMS Lifesciences Willem Hoorneman said, ‘Our Lifesciences group is working as one across many jurisdictions and the Global Forum was a good opportunity for us to listen to our clients and gain a deeper understanding of their businesses.’



30 seconds with:
Pierre Slegers
Partner, CMS Brussels
Lifesciences



What's been your most memorable moment as a lawyer?

Pleading a gender equality case in the European Court of Justice and the Constitutional Court in Belgium. Being a lawyer is not only about assisting individual clients but also playing a role in society. This is the reason I became a lawyer after working for several years in the chemical industry.

What will be the most significant market trend affecting your sector over the next 12 months?

I feel that regenerative and protective therapies based on stem cell and general cell-therapy will have a significant impact on public health and social security, raising questions in the field of treatment access.

What's the most exotic place you've visited on business?

La Trinité in Martinique (Antilles) where I assisted a client preparing his return to Europe to set up a new business here.

What advice would you give to young lawyers entering the profession?

Dare to dream. And once you have dreamt, dare to think outside the box and not about yours but your client's needs.

What would you be if you weren't a lawyer?

I'd probably be either a baker or a sailor. Being a baker offers the opportunity to bring people joy, where sailing offers you the whole world...

CMS becomes German member of Arbitration Chambers Hong Kong

Our German team has become the first tenant from Continental Europe to join Arbitration Chambers in Hong Kong.

The Chambers bring together experts in international arbitration from the jurisdictions covering the world's leading economies. This is the first project of its kind in China.

To date, there are tenants from Australia, Hong Kong and the UK in the Chambers which were established in September 2012.

Talks are currently being held to expand the Chambers to include candidates from Brazil, Switzerland and the US. Under the rules of the Chambers, only one law firm can join from each jurisdiction.

Expansion of our market presence to Hong Kong is a logical step in view of the steadily rising number of arbitration cases with an Asian dimension.

"South East Asian companies are now involved in some of the biggest global deals..."

A particular benefit is that CMS will be better placed to provide Asian parties with legal advice on their business operations in Europe via a local base in Asia.

CMS Cologne partner Torsten Loercher said, 'South East Asian companies are now involved in some of the biggest global deals and we want to be close to them when a dispute arises.'

'Asia is a very important and exciting focus for the CMS arbitration group.'



Arbitral Focus: advising clients in all key institutions

- International Chamber of Commerce (ICC)
- London Court of International Arbitration (LCIA)
- German Institution of Arbitration (DIS)
- Swiss Rules of Arbitration
- Arbitration Institute of the Stockholm Chamber of Commerce (SCC)
- Vienna International Arbitral Centre (Vienna Rules)
- Hong Kong International Arbitration Center (HKIAC)
- China International Economic and Trade Arbitration Commission (CIETAC)

Sector-specific arbitration experts

- We regularly work on disputes arising out of:
- International M&A agreements (post-M&A)
 - Corporate law issues
 - Liability of directors and officers
 - International industrial plant construction projects
 - Complex structural and civil engineering projects
 - Technology-related agreements
 - Maritime contracts
 - Commercial relationships

Accelerated procedures beckon as arbitration booms

Major corporations across our key industry sectors continue to turn to arbitration to resolve cross-jurisdictional disputes.

A technical understanding of the relevant industry sector is viewed as a pre-requisite for hiring external counsel, with companies in the energy and construction sectors - areas where CMS has strong expertise - the most frequent users of arbitration to resolve disputes.

However, as concerns over costs during proceedings persist, clients are becoming more sophisticated in buying international arbitration services and are increasingly focused on achieving value from the process.

"Clients want quick and flexible procedures, but also reliable cost schedules."

Linked to this is a concern among some of the large arbitration institutions that proceedings are taking too long in many cases. The International Chamber of Commerce (ICC) took the lead in developing new rules to accelerate procedure and it is expected that other bodies will follow suit.

CMS Stuttgart partner Dorothee Ruckteschler said, 'Clients want quick and flexible procedures, but also reliable cost schedules.

'Due to the depth and scale of our international practice, we can advise our clients on all the cost pitfalls of arbitration and help them to conduct the arbitration proceedings efficiently. We always discuss with our clients other dispute resolution methods which may be less costly, for example, adjudication, conciliation or mediation.'



30 seconds with:
Joaquim Shearman de Macedo
Partner, CMS Lisbon
Dispute Resolution



What's been your most memorable moment as a lawyer?

I remember reading a Supreme Court judgement dismissing an extradition request filed by South Africa against my client for criminal prosecution. As I called the client he started crying and hung up the phone. He called me back as soon as he was composed to thank me.

Which client has had the biggest influence on your career?

As a young associate, I started working for Samsung in a difficult and absorbing case in Portugal that lasted for several years. This triggered my passion for big complex disputes.

What will be the most significant market trend affecting your sector over the next 12 months?

Even with the economic turnaround becoming more palpable by the day, I still believe insolvencies, restructurings and associated disputes will dominate the next year.

What advice would you give to young lawyers entering the profession?

Don't! (If you disregard my advice then work hard, always try to excel yourself and don't take anything for granted.)

What's the most exotic place you've visited on business?

Oslo.

What would you be if you weren't a lawyer?

There is never a dull or repeated day in this profession so it is difficult to choose. If pushed, I would choose architecture.

Agrofert rises up to acquire bakery giant Lieken

Czech Republic conglomerate Agrofert Holdings, the diversified chemicals, agriculture and food group, has entered the German bakery market with the purchase of sector leader Lieken from Italian food company Barilla.

In 2010, we had appeared opposite Lieken advising Frankfurt-based ECM Equity Capital Management on the acquisition of Kamps, an operator of bakeries and bakers shops, also from Barilla.

A multi-disciplinary, cross-border team, led by CMS Cologne partner Klaus Jäger, advised Agrofert on all legal aspects of the sales process which lasted several months.

“For large cross-border deals like this, you need to have a brand that resonates with the investment bankers and a network that the client can trust to deliver a uniform quality of legal advice.”

Klaus said, ‘The sale was done via an auction process and there was a lot of intense negotiation before our client was in the driving seat and we could close out the deal.

‘Deals of this size in the baking sector tend to involve some very specialised food law and other sector-specific issues so the fact we had already advised on the Kamps deal in 2010 gave us an advantage in terms of our knowledge of Barilla’s business.’

Market positioning

Lieken has almost a hundred years of bread-making history. The company generates annual sales of around EUR 780m and has over 4,700 employees.

Barilla, the leading Italian manufacturer of pasta and sauces, wants to focus more on its core business, which triggered the decision to withdraw from an investment originally made in 2002.

Established in 1993, Agrofert is made up of over 200 businesses and has annual sales of EUR 5.5bn, making it the third-biggest company in the Czech Republic. The Lieken deal allows it to enter the German market for bakery products and follows the significant market position that Agrofert Deutschland has already built up in Germany covering feedstuffs and fertilizers, seeds and services for distributors and agriculture.

Klaus said, ‘For large cross-border deals like this, you need to have a brand that resonates with the investment bankers and a network that the client can trust to deliver a uniform quality of legal advice.

‘Our German and Czech Republic offices combined extremely well to ensure Agrofert got the deal it wanted.’





"Life isn't about waiting for the storm to pass... It's about learning to dance in the rain. At senz° umbrellas, we see consumers shift from cheap disposable products to long-lasting, sustainable solutions. Our company benefits strongly from this changing mindset: the increasing rejection of a 'throwaway' culture means that we are steadily growing our customer base."

Client

Gerard Kool

Co-Founder & CFO

senz° umbrellas bv, Delft



30 seconds with:
Małgorzata Urbańska
Partner, CMS Warsaw
Consumer Products



Which client has had the biggest influence on your career?

The food and drink company which I helped on a couple of projects when I was still part of the Energy, Projects and Construction team. I liked it so much that I decided to shift to consumer products.

What will be the most significant market trend affecting your sector over the next 12 months?

New sales and marketing techniques (such as multi-channel strategies, social media and mobile selling) are a high priority for clients as they deal with new consumer behaviours. Our clients must also contend with a growing regulatory burden, changing demographics and sustainability challenges.

What advice would you give to young lawyers entering the profession?

You need to have enthusiasm and stamina to do the job and must also be able to respond to unexpected requests within tight deadlines.

What's the most exotic place you've visited on business?

Istanbul. I met a client in an office with a beautiful view of the Bosphorus where you could see both the European and Asian parts of the city. The size of the metropolis was breathtaking and a muezzin's voice interrupting the meeting added to the experience.

What would you be if you weren't a lawyer?

Ideally a travel journalist writing articles on life and people in far away countries.

Landmark luxury hotel deals boost Austrian market

Austria's tourism market was given a fillip this year with the launch of two designer hotels in coveted locations in Vienna and Tyrol.

Melia Hotels has made its first foray into the Austrian market with the launch of a 253 room hotel in the new DC Tower – Austria's tallest building.

The tower is located on the eastern bank of the Danube River and will be joined in 2016 by a smaller, facing tower.

Melia Hotels is an established client of ours in Spain and Germany and this is the first time we have been instructed in Austria.

CMS Vienna partner Nikolaus Weselik said, 'This was a high profile deal and the legal work is on-going.'

"The launch was a big strategic move by Melia and our knowledge of the market and the key commercial drivers was as important as our technical legal skills on this transaction."

'The launch was a big strategic move by Melia and our knowledge of the market and the key commercial drivers was as important as our technical legal skills on this transaction.'

CMS Vienna also advised East West Real Estate (EWRE) on its new luxury hotel development in the mountain resort of Tyrol.

Zhero Hotel features innovative design and stunning views of the Alps.



30 seconds with:
Roman Tarlavski
Partner, CMS Amsterdam
Hotels & Leisure



What's been your most memorable moment as a lawyer?

My first deal was a complex multi-jurisdictional venture between our client and certain investors including Carlsberg. After completion I felt on top of the world and remember everybody cheering and clapping when I got back to the office. It happened 17 years ago but the joint venture is still in place and yielding returns, much to the satisfaction of all parties.

Which client has had the biggest influence on your career?

I have a few clients who stuck with me throughout the years. Some of them have become friends. I am not sure whether they have had the biggest influence but I certainly cherish the relationships.

What advice would you give to young lawyers entering the profession?

When I started out, a partner told me that the law was all

about being able to read well, write well and apply common sense. I thought that he was oversimplifying things but found out that this was excellent advice.

What would you be if you weren't a lawyer?

I wanted to be a lawyer since I was 8 years old. I remember watching a TV show called Petrocelli about a young hot shot Wall Street lawyer who left New York to become a defence lawyer in Arizona. He operated out of a camper van in the desert and had a gorgeous wife. Every week he managed to win the most hopeless cases. I remember that this ability, combined with the camper van and the gorgeous wife made a huge impact on me.

I enjoy cooking and I worked in different restaurants during my time in law school. If I weren't a lawyer, I'd have tried to become a chef and own my own restaurant.

European IP group takes centre stage on high profile trademark battles

Our IP lawyers have been engaged in two major trademark infringement trials this year as companies fight to protect their patents in the courts.

We are representing Nestlé in High Court litigation against Cadbury and Kraft Foods UK concerning the infringement of trade marks for the appearance of ROLO chocolates. Shape cases are rare in the UK and this case relates not only to confusion but also to unfair advantage. Not only does this matter involve two of the largest confectionery companies in the world, it also has potentially important consequences for the status of shape and other non-traditional marks.

Our London office, led by partner Tom Scourfield, has advised Nestlé on this case. The existence of a similar product in Australia also gives rise to certain cross-jurisdictional issues.

Our Austrian IP team, meanwhile, represented the leading Austrian bakery company Backaldrin Kornspitz on a high profile trademark dispute in front of the European Court of Justice this year.

The case, which related to its Kornspitz baking products, was sent back from the ECJ (with a preliminary ruling) for a final decision to Austria's Higher Regional Court in Vienna. At dispute was whether Kornspitz was commonly perceived simply as a type of generic bread roll and not a patented product.

"This is an extremely important case which relates to whether a trademark becomes generic if the relevant public does not recognize it as being distinctive to the product."

CMS Vienna IP partner Egon Engin Deniz, who led the case said, 'This is an extremely important case which relates to whether a trademark becomes generic if the relevant public does not recognize it as being distinctive to the product.'

Patent protection has been on the increase since the financial crisis, as companies have sought to exploit their existing ideas and trademarks due to a decrease in innovation. CMS Stuttgart partner Matthias Eck heads the patent group.

"The Unified Patent Court has been welcomed enthusiastically by many clients due to the significant reduction in litigation costs and quicker justice."

The creation last year of a Unified Patent Court, where companies need no longer battle in each jurisdiction where their patents have been infringed, but can now litigate in the unified court has been a game-changer for the IP market.

Egon says, 'The Unified Patent Court has been welcomed enthusiastically by many clients due to the significant reduction in litigation costs and quicker justice. However, clients still need to tread carefully as they risk having a patent cancelled everywhere by one decision if they lose the case and some will still prefer to litigate one jurisdiction at a time.'

Our IP lawyers have also been kept busy advising clients dealing with generic Top-Level Domains (gTLDs) protection after new gTLDs became available in January. A Top-Level Domain is the part of the domain name that appears to the right of the dot.

The Internet Corporation for Assigned Names and Numbers (ICANN), has been assembling the new gTLD program, which it hopes will meet demand for memorable web addresses, expand consumer choice and increase industry competition. Our Lisbon office, led by managing partner, José Luís Arnaut, has successfully advised Portugal Telecom on its successful application for two new gTLDs.

Deutsche PBB scores real estate hat trick as risk appetite grows

Deutsche Pfandbriefbank AG (PBB) and Landesbank Hessen-Thüringen (Helaba) appointed CMS in connection with two financings of a portfolio of logistics centres located across several European countries.

The portfolio was owned by a joint venture of SEGRO plc and PSP Investments. PBB and Helaba were joint lead arrangers in relation to the Czech Republic/Polish portfolio whereas PBB was sole lender in relation to the German/Benelux portfolio.

“This is the first speculative commercial bank development financing our team has seen in the market for a number of years.”

The work involved the drafting and negotiation of two loan agreements for the Czech Republic/Polish portfolio and the German/Benelux portfolio. The total financing value was EUR 288m. A cross-border CMS team advised across seven jurisdictions: Belgium, the Czech Republic, England, Germany, Luxembourg, Netherlands and Poland.

CMS Warsaw partner Małgorzata Chruściak said, ‘This was a novel deal as the loan documentation had to reflect both UK and Polish law in order to be agreed by the parties.

‘This led to the CEE loan agreement being a lot more detailed than is usually the case.’

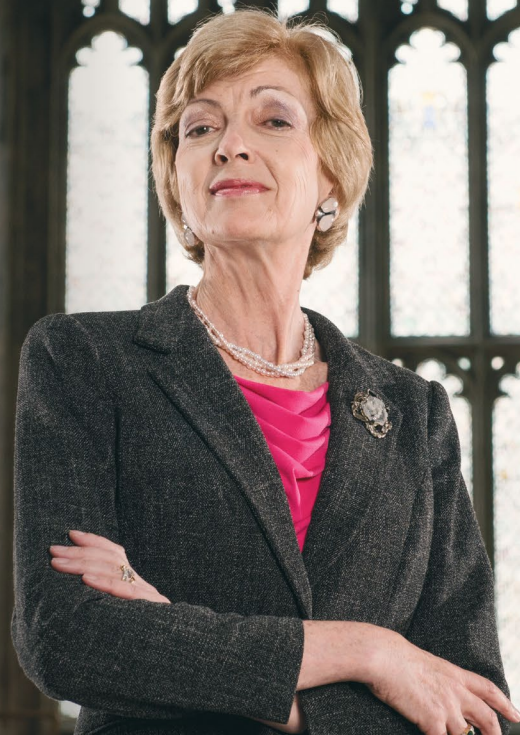
In addition, CMS advised PBB on the refinancing of the acquisition and speculative redevelopment of Carmelite House (the former Taylor Wessing building) with a GBP 30m facility and related security.

The real estate and financing work was carried out by CMS UK and CMS Luxembourg with assistance from CMS Netherlands.

CMS London partner Simon Johnston said, ‘This is the first speculative commercial bank development financing our team has seen in the market for a number of years and is indicative of an increased risk appetite by investors.

‘New lending is back in vogue with additional entrants such as insurers making it a more competitive market.’

"It's a great moment to be the Lord Mayor as we explore the enormous opportunities posed by the 'new normal' – a growing urban population and ever more finite natural resources – set against the backdrop of climate change. I believe that the City of London has the tools, and talent, necessary to deliver innovative solutions to these long-term global challenges. London's international reach make this a city of cities, but much more than that, we can be a city for cities."



Fiona Woolf

Lord Mayor of London and
Partner, Energy Sector
CMS



30 seconds with:
Paolo Bonolis
Partner, CMS Rome
Banking & Finance



What's been your most memorable moment as a lawyer?

I consider winning any difficult case or completing a very complex transaction a memorable moment.

Which client has had the biggest influence on your career?

The waste management company owned by the Rome municipality that I assisted for many years in several project finance transactions across the world (from Abu Dhabi to Honduras, Egypt and Senegal). This led to me experiencing many different business situations.

What will be the most significant market trend affecting your sector over the next 12 months?

I really hope that after three years of recession, new business opportunities will increase and restructuring transactions will become less prevalent.

What advice would you give to young lawyers entering the profession?

To work hard and not be afraid of new challenges.

What's the most exotic place you've visited on business?

Senegal where I negotiated a settlement agreement with the local government for more than a year.

What would you be if you weren't a lawyer?

I would have been a football player or, more realistically, a doctor like my father.

Navigating clients through the AIFMD compliance minefield

The pace of regulatory change in the financial sector continues to accelerate and the past year has been a hectic one for our regulatory sub-group.

Many of the regulatory changes have come at an EU level, giving CMS the ideal opportunity to demonstrate its cross-border expertise across Europe.

Anticipating some of the significant changes in the funds sector, the regulatory sub-group held CMS client seminars in London and Paris on the implementation of the Alternative Investment Fund Managers Directive (AIFMD).

The changes being brought about by the AIFMD are significant and many fund managers are looking not only at their fund structures, but also at how they organise themselves internally to comply with the new regime.

CMS London partner Ash Saluja said, 'The new regulatory regime fundamentally changes how alternative investment funds are offered and managed, both in and outside the Eurozone.'

'Clients are battling to become AIFMD-compliant by the cut-off point of July 2014 and we are doing a lot of work helping them to achieve this while maintaining the respective funds' tax and commercial efficiency.'

Our seminars involved CMS speakers from France, Germany, Luxembourg, Netherlands and the United Kingdom networking with over 150 clients and contacts on the effects of the AIFMD upon their businesses.

As a result of the seminars and our pan-European strength, CMS has begun working with a number of major asset management companies on AIFMD implementation. Mandates include structuring and establishing funds and managers under the new regime to guiding existing funds and managers through the implementation and transition process.

This includes working on the AIFMD project for one of the world's largest asset managers, with over GBP 350bn of assets under management, providing regulatory advice on AIFMD in over a dozen jurisdictions, including, France, Germany, Hungary, Luxembourg and the UK.

With many strong client relationships in this sector and our considerable expertise on AIFMD, CMS is well placed to assist other new clients as the implementation process continues in 2014.



"For HSBC, having a strong client relationship is not just a marketing strapline. Of our top customers in our Real Estate business, more than 75% have been with us for more than 20 years and 35% more than 40 years. We avoid funding operators who continually speculate their personal wealth or business on each deal they do."

Client
David Phythian
Regional Head of Real Estate and Hotels
HSBC Bank PLC, London

Portuguese upswing revives interest in tax planning

Signs of increasing investor confidence in Portugal combined with the continued sell-off of major state-owned entities has put our corporate tax lawyers back in the spotlight.

With major privatisations in the transport, water and waste sectors attracting significant commercial interest from abroad, sophisticated tax structuring advice is required by foreign companies doing business in Portugal.

A major deal for our tax lawyers across several jurisdictions including Portugal, France and Belgium was the privatisation of Airports of Portugal (ANA) in which French construction group Vinci bought 95% of ANA's share capital from the Portuguese state for EUR 3.08bn. This was the largest privatisation in Portuguese history. (See also our feature on Office News p46 for more on this transaction).

"The tax authorities in Portugal are very stringent and we needed to fit the acquisition of ANA into Vinci's global structure without attracting adverse tax consequences."

ANA manages eight airports across Portugal (Beja, Faro Lisbon, Porto and four airports in the Azores Islands) that account for the vast majority of the commercial air traffic in the country.

The sale of ANA was part of the privatisation plan prepared by Portugal following commitments made in the Memorandum of Understanding for its Economic Adjustment Programme. This was agreed with the European Commission, the European Central Bank and the International Monetary Fund.

Vinci is a longstanding client of our French practice but this was a first-time instruction for CMS Portugal.

CMS Lisbon partner Patrick Dewerbe, who led the tax structuring aspects of the deal said, 'When a large company domiciled in one jurisdiction makes a significant acquisition in another then there are complex issues relating to the client's tax treatment in that new market.'

'The tax authorities in Portugal are very stringent and we needed to fit the acquisition of ANA into Vinci's global structure without attracting adverse tax consequences.'

While there has been an upswing in the levels of international investment coming into Portugal, Patrick is also noticing significant client interest in Africa. Our offices in Angola and Mozambique have been in high demand over the past year for advice on inward investment and related tax issues.

Patrick commented, 'Portuguese companies are looking at doing deals in Africa and our established offices there give clients a lot more confidence in pursuing these transactions.'



30 seconds with:
Daniel Gutmann
Partner, CMS Paris
Tax



What will be the most significant market trend affecting your sector over the next 12 months?

The exchange of information between tax authorities is a major trend together with the erosion of domestic tax bases through aggressive tax planning.

What advice would you give to young lawyers entering the profession?

Always abide by the law. Never accept dogmas without checking that they are legally founded. Never think a case is lost. Be humble and be bold.

What's the most exotic place you've visited on business?

Nouakchott, Mauritania. This is an amazing location in the Sahara desert which I visited on a two-week tax legislation mission.

What would you be if you weren't a lawyer?

A professor. (Which I am, as a matter of fact!)

Guiding PGT Healthcare through global Swisse Wellness deal

PGT Healthcare LLP is an innovative international joint venture that develops and markets more than 200 consumer healthcare-branded, non-prescription over-the-counter (OTC) pharmaceutical products and vitamins, minerals and dietary supplements in more than 70 countries around the world.

The joint venture was aimed at accelerating expansion into new countries and categories. With this in mind, PGT Healthcare's collaboration with top Australian health brand, Swisse Wellness, last year was a landmark deal.

"Our deep experience of working within the Lifesciences and consumer product sectors across multiple markets gives us a significant advantage..."

Swisse Wellness products are currently available in Australia, Canada, New Zealand and the United States. The collaboration gives PGT Healthcare exclusive rights to market and distribute Swisse Wellness's products in the rest of the world. Specifically, the Swisse Wellness vitamins, minerals and supplements range will be rolled out into Europe and Asia in the next couple of years, with additional launches planned in more than 20 countries around the globe by the end of the decade.

The transaction was led by Sarah Hanson, the Head of the CMS Commercial Law Group, who said, 'This was an exciting, truly international transaction and a significant deal for both parties.

'Our deep experience of working within the Lifesciences and consumer product sectors across multiple markets gives us a significant advantage when negotiating this type of cross-border deal for our clients.'

Our London office advised PGT Healthcare on all aspects of the deal, including drafting and negotiating a suite of agreements covering the nature of the collaboration, licensing rights, manufacturing and services such as product development.



Austria retail hots up as clients expand online offerings

Austria has become a major focus for international retailers over the past three years with only Germany ranked higher on retailers' priority lists within Europe, according to economic data. REWE Group, the diversified German retail and tourism group, is one of the most high profile retailers in Austria. Its premium supermarket brand Billa is the market leader with over 1,000 stores.

"Having worked with the company for over ten years, we know REWE and their brands and their people well."

CMS Vienna partner Johannes Juranek has been working with REWE for many years counselling various group companies such as organic food range Ja! Natürlich and its beauty and home care chain, BIPA.

BIPA has been particularly active and has expanded its online sales offering. We have advised on all commercial and e-commerce issues affecting BIPA, including data protection and consumer protection law and on its contractual relationships with software providers.

Johannes added, 'Having worked with the company for over ten years, we know REWE, their brands and their people well. There is a mutual trust there and this is how both organisations like to operate.'



30 seconds with:
Reto Hunsperger
Partner, CMS Zurich
Commercial



What's been your most memorable moment as a lawyer?

As a young lawyer, I was summoned to a hearing before a court in a remote district of Switzerland. When starting with my pleadings, I remained seated as is common in most other Swiss courts. I was harshly told by the judge that, in his courtroom, lawyers from Zurich also stand when pleading. So, within five seconds, I was convinced I would lose the case. This turned out to be a correct prediction.

What will be the most significant market trend affecting your sector over the next 12 months?

I expect the pressure on managing costs of our clients to increase further. This means we need to be continually focused on providing and demonstrating additional value to our clients.

What advice would you give to young lawyers entering the profession?

It is simply not possible to become a good business lawyer if the profession does not give a large degree of satisfaction. Despite the existing time and cost pressure in our job, creativity is one of the most important skills for a business lawyer to have.

What's the most exotic place you've visited on business?

It has to be Bucharest in February.

What would you be if you weren't a lawyer?

A football manager.

Brave new world for Spanish companies as radical labour laws bite

Following fundamental changes to employment regulations introduced in the aftermath of the credit crunch in 2010, our Spanish clients have found themselves in a legal minefield when restructuring their businesses.

One of the most closely watched employment disputes has been the restructuring of Unnim Banc SAU following its takeover by BBVA Group. At stake was the fate of 5,000 employees of Unnim Banc as BBVA began the post-merger integration process.

Under new Spanish employment law, all companies recording profits in the two years prior to making staff redundant must pay unemployment benefits and social security payments to employees aged 50 and above. This was previously covered by the Spanish Government and has become a major issue for our clients to contend with.

Our Madrid office was retained by BBVA to lead its negotiations with the trade unions and the Spanish Government in a bid to limit its liabilities under the new laws.

CMS Madrid employment and pensions partner Alfredo Aspra said, 'This kind of work requires us to be technically on top of some very complex new legislation but also be extremely innovative in our approach.'

'We are creating new precedents and legal strategies in order to obtain positive outcomes for our clients with huge sums at stake.'



30 seconds with:
Philipp Dickenmann
Partner, CMS Zurich
Employment and Pensions



What's been your most memorable moment as a lawyer?

Hearings before the Swiss Supreme Court are very rare and take place only if the court is split. I had my first hearing before the Supreme Court after being a lawyer for nearly 15 years. The five judges deliberated for more than two hours and the court was tied 2:2 when the presiding judge finally voted in favour of our client.

Which client has had the biggest influence on your career?

I acted as an associate for a foreign client in a large case for many months. Our client was extremely demanding and no stone was left unturned. His motto was: 'The failure to plan is planning to fail.' I learned a lot during this time both in terms of dealing with a very large case and how to handle clients.

What will be the most significant market trend affecting your sector over the next 12 months?

The Swiss government has started to evaluate whether to introduce collective redress. This is something which I believe will gain much more attention across various industry sectors in the coming months.

What advice would you give to young lawyers entering the profession?

Take any opportunity to study and work abroad and improve your language skills as much as you can.

What's the most exotic place you've visited on business?

In an employment law case I had a court hearing in a small town in the mountains where they still used a wood stove for heating. I was told that the assistant of the court would stop putting wood on the fire if the hearing was taking too long.

What would you be if you weren't a lawyer?

I would have studied geography and history.

The process of internal adjustments and reorganisation began with the express request from the European Commission and the Spanish Fund for Orderly Bank Restructuring to cut 1,218 posts, as well as the closure of a large number of offices.

Creative strategic thinking

Following negotiations led by our Madrid office, the final number of jobs reduced was around ten percent lower than first expected. Of these, approximately a fifth were early partial retirements while 456 jobs were redeployments either within Unnim Banc itself or the BBVA Group. By the time negotiations had been finalised just 187 redundancies were made. Our strategy succeeded in saving as many jobs as possible with payments for early retirement and incentivised resignations structured to avoid the issue of unemployment benefit being raised.

Moreover, partial retirements were carried out according to terms that obliged the merged entity to guarantee a series of incomes for employees until they reached legal retirement age under Spanish legislation.

We were thus able to reach agreement quickly, yet on terms that were commercially acceptable to both sides.

Although the collective layoff procedure is still ongoing (since the welfare plan allows for the possibility of measures until June 2014), there has only been one court proceeding arising from the whole process. This is a hugely positive outcome for BBVA.

CMS Madrid employment and pensions partner Fernando Bazán said, 'These are extremely challenging times for our clients and we are being as bold and creative as possible as we navigate them through the aftermath of the financial crisis.'

Our Madrid office is also advising a number of other banking clients on the day-to-day implications of the new employment legislation including Banco Espiritu Santo and Attijariwafa Bank.

Client

Alexandre Menais

Group General Counsel

Atos, Paris



"The law is becoming a commodity: in recent years, a standardised, international legal ecosystem has emerged while at the same time, the economic crisis has caused a drastic increase in local protectionist regulations.

"At Atos, we recruit skilled deal makers not specialised in any one area of the law. The new in-house lawyer knows no geographical boundaries and can negotiate a deal in any country with the right help from local law firms on specific legal issues."

Longevity market hedges its bets

CMS advised on two headline-grabbing transactions in the longevity market last year.

Index-based longevity solutions for insurers

A multi-disciplinary, London-based team advised SCOR Global Life Reinsurance on the 50% quota share reinsurance of EUR 1.4bn of longevity/mortality risk hedged by the Dutch insurance group, Aegon. The remaining 50% of the risk was transferred to a capital markets investor.

“We were the first European firm to create a cross-disciplinary team dedicated to this new market...”

The hedge was based on Dutch & US proprietary indices and was converted into insurance and reinsurance through a Bermudan segregated cell account structure. This is the second significant capital-driven transaction undertaken by Aegon to reduce longevity and mortality risk in its Dutch business – the first being a EUR 12bn deal, on which the CMS team also advised.

These deals are seen by Aegon, SCOR and others as a key step forward in developing a liquid market for longevity risk. CMS London partner James Parker said, ‘The longevity market is looking for ways to grow capacity, particularly through the capital markets. This transaction is at the cutting edge of this market.’

The longevity swap market is highly specialized and there are high barriers to entry for law firms who need expertise across a wide spectrum of disciplines – insurance, reinsurance, capital markets and derivatives, pensions and financial services regulation. James adds, ‘We were the first European firm to create a cross-disciplinary team dedicated to this new market and this deal confirms our position as one of the leading longevity legal advisers.’

Indemnity-based longevity solutions for pension schemes

James also led the CMS team advising Abbey Life, the life insurance subsidiary of key client Deutsche Bank AG, on a GBP 500m longevity transaction with the trustees of the Rolls-Royce and Bentley UK pension scheme.

Like many major corporates, Rolls-Royce/Bentley operates a defined benefit pension scheme and so has potentially significant exposure to financial risks associated with continued future improvements in pensioners’ life expectancy.

Under the terms of the deal, the scheme’s longevity and associated demographic risks are assumed by Abbey Life under a collateralised longevity insurance contract. Abbey Life, in turn, has agreed to transfer the major proportion of those risks to leading global reinsurer, Hannover Re, under the terms of two related collateralised reinsurances.

James Parker said, ‘This transaction is very much in the team’s sweet spot, having advised on many of the largest deals of this type in the UK market. The transaction was another success for our key client, Deutsche Bank, and demanded cross-sector and cross-border expertise. The CMS offering is crucial here – last year alone, we worked successfully with our CMS offices in Frankfurt, Lisbon and Paris.’

“This transaction is very much in the team’s sweet spot, having advised on many of the largest deals of this type in the UK market.”



30 seconds with:
Małgorzata Surdek
 Partner, CMS Warsaw
 Insurance & Funds



What's been your most memorable moment as a lawyer?

Working on an international arbitration case concerning the A1 motorway in Poland. I will always remember the trust and support between the members of our legal team as well as the cross-examination which our client described as 'a work of art'.

Which client has had the biggest influence on your career?

AIG. I started working for the client in 1997 when they established their presence in Poland. I advised them through the tough times of the bailout in 2008, helping to restructure their operations in Poland. I also worked on their merger with MetLife which is another client of mine. I have grown as a lawyer with AIG.

What will be the most significant market trend affecting your sector over the next 12 months?

We can expect even more of a 'regulatory tsunami' from

Brussels with Solvency II, IMD II and the like. In Central and Eastern Europe, there will be an emphasis on protecting the consumers of financial services and eliminating the phenomenon of 'mis-selling'.

What advice would you give to young lawyers entering the profession?

Be persistent in trying to do what you really enjoy, don't get side tracked and have a life outside the office.

What's the most exotic place you've visited on business?

The Ullevaal football stadium in Oslo. My client Borgestad and I took a break from negotiating a deal and, together with the Polish counterparty, went to watch a qualifying match for the 2002 World Cup. We resumed negotiations after the game and closed the deal in the morning. (Poland beat Norway 3:2!)

What would you be if you weren't a lawyer?

I used to be a radio journalist before entering the legal profession.

High profile Belair refinancing closes in Belgium

We advised Aareal Bank on a EUR 152m refinancing facility to the joint venture partners. Aareal is a long-term client of CMS, instructing us across several jurisdictions including Belgium, Luxembourg, Italy, Russia and Germany. Markus Pfaff from CMS Frankfurt acts as CMS relationship partner to Aareal.

CMS Brussels partner Bruno Duquesne, who led the deal, said, 'This is a fantastic investment: the size of the transaction, the long lease term and the quality of the tenant make it an ideal product for large foreign investors who are prepared to pay attractive prices.'

The second phase of the project is expected to close in 2016 and will include additional housing, retail, public space and educational facilities.

Bruno adds, 'The real estate finance market has changed significantly since the financial crisis. As banks become more risk adverse, they're often reluctant to do big deals alone. Club deals have become quite popular but this makes life harder for borrowers. Other players like insurers are also filling the gap. In this case, we also acted on the transfer of part of the loan to a German insurance company.'

CMS has sealed the refinancing of the market-moving Belair construction project following its acquisition by joint venture partners Hannover Leasing and Ginkgo Tree Fund. This was the biggest real estate transaction in Belgium last year.

The project relates to the redevelopment of the former Federal Administrative Centre, which is situated in the centre of Brussels between the prestigious Rue Royale and the Boulevard Pacheco. It comprises 80,000 sq m of office and multi-functional space and will serve as the national headquarters for Belgium's Federal Police who have agreed a 20-year fixed lease.

"The real estate finance market has changed significantly since the financial crisis with the banks becoming more risk adverse..."



EUR 750m Bouwfoundds fund acquires housing complexes from CBRE

The Bouwfoundds European Residential Fund has bought five housing complexes on behalf of its DRES Master Fund II from CBRE Global Investors. This is the sixth acquisition in Netherlands for the fund with CMS Utrecht instructed on all transactions to date.

“Bouwfoundds is a longstanding client of ours and this type of deal requires high quality advice delivered quickly.”

The EUR 750m Bouwfoundds fund invests on behalf of Austrian, German, Luxembourg and Swiss institutional investors and family offices in residential complexes in Benelux, France, Germany and the Nordic countries.

CMS Utrecht partner Hein van der Meer said, ‘Bouwfoundds is a longstanding client of ours and this type of deal requires high quality advice delivered quickly.

We aim to be commercial in our deal making and do not like to over-complicate things.’

The fund is expected to grow to around EUR 1bn this year with new portfolio acquisitions planned in Netherlands including the purchase of three student housing complexes. CMS is also instructed on these specific transactions.

“There is a lot of international money coming into the market with investors drawn by the attractive yields achievable in this type of real estate deal.”

Hein added, ‘There is a lot of international money coming into the market with investors drawn by the attractive yields achievable in this type of real estate deal.’



30 seconds with:
Aline Divo
Partner, CMS Paris
Real Estate & Construction



Which client has had the biggest influence on your career?

A German clothing company which had a role in me becoming a partner at CMS.

What will be the most significant market trend affecting your sector over the next 12 months?

I think that environmental regulations will continue to have a strong impact on the construction sector.

What advice would you give to young lawyers entering the profession?

Listen to others; be curious; be humble and put yourself in the client's shoes.

What's the most exciting place you've visited on business?

Rio de Janeiro.

What's been your most memorable moment as a lawyer?

It was a pleading before the Paris Court of Appeal for a case on rent-fixing concerning premises on Avenue Montaigne in Paris. At the last minute, I thought I would make a reference to the singer Madonna who has been known to do her shopping in the neighborhood. The judges had a good laugh and I am convinced that this anecdote, having been mentioned in quite a serious context, had a significant impact on the final result.

What would you be if you weren't a lawyer?

I would work in the perfume industry as I have a great olfactory memory.

CMS steps up with complex multi-jurisdictional merger control filings

In a strong year for our competition group, we have undertaken a number of instructions relating to highly strategic cross-border deals undertaken by our clients.

Key multi-jurisdictional merger control filings we worked on include:

The merger between **Germanischer Lloyd** (a subsidiary of CMS client Mayfair) and **DNV**, creating the largest ship classification society in the world. Our competition lawyers checked merger control filing requirements worldwide and case law in the field of ship classification societies by European competition authorities in Belgium, Germany, Italy and Spain; CMS lawyers in Germany, Poland and the UK prepared a successful referral at EU level, obtained clearance from the European Commission and helped to coordinate the filings in China, Korea and the US, resulting in merger clearance from all these competition authorities.

KKR's acquisition of regional telecommunications operator **SBB / Telemach Group**, which is the biggest media content distributor and broadcaster in the ex-Yugoslavia region. We checked the merger control filing requirements, filed notifications and obtained merger clearance in five jurisdictions: Bosnia, Macedonia, Montenegro, Serbia and Slovenia. See also page 10.

LUKOIL's purchase of **OMV** group's lubricants business. We checked filing requirements and had pre-referral contacts with the competition authorities in Austria, Germany, Hungary, Romania and Slovenia; filed a successful referral application to the European Commission and obtained merger clearance from both the European Commission and the competition authority in Serbia.

"With 140 lawyers spread across 25 European countries, our network has unrivalled scale..."

Aenova's acquisition of contract manufacturing organisation (CMO), **Haupt Pharma**. CMS checked merger control filing requirements worldwide and obtained merger clearance from the competition authorities in Austria and Germany. We had previously advised BC Partners private equity fund when it acquired Aenova, Temmler and EVT in 2012 creating one of the largest CMOs worldwide for pharmaceutical and healthcare products. For these three acquisitions, the CMS Competition Group lawyers filed a total of ten notifications in Austria, Cyprus, Italy, Germany and Netherlands and were successful in obtaining merger clearance ahead of time.

CMS Stuttgart competition partner Harald Kahlenberg said, 'With 140 lawyers spread across 25 European countries, our network has unrivalled scale and a track record of working together on multi-jurisdictional mandates for over two decades.'

New CMS Guide to Merger Control in Europe

CMS has published the fifth edition of the CMS Guide to Merger Control in Europe. It covers 44 jurisdictions and 42 countries in Europe and includes substantial changes in a number of jurisdictions.

The guide will provide you with practical guidance on all European merger control regimes and with answers to the most important questions which you are likely to face when planning and implementing a transaction. You can order the guide from us as a printed version or access the online e-Guide version.

For further information, please contact us under guidetomergercontrol@cmslegal.com



30 seconds with:
Harald Kahlenberg
Partner, CMS Stuttgart
Competition & EU



What's been your most memorable moment as a lawyer?

Advising on the first ever commitment decision by the European Commission under the new EU competition law Regulation 1/2003 in January 2005. This meant "clearance" for the joint sale of TV and other media rights by the German Football League, which became the model for the joint sale of TV and other media rights by any national league of any sport in Europe.

What will be the most significant market trend affecting your sector over the next 12 months?

An increase in private damages claims in an increasing number of European countries.

What advice would you give to young lawyers entering the profession?

Trust your instincts. Only if you have a profession which you really like will you be willing to dedicate all your talent to your profession, be successful and gain complete satisfaction from your work.

What's the most exotic place you've visited on business?

This was most definitely the La Bombonera (Spanish for "chocolate box") stadium, home to the Boca Juniors football club of Buenos Aires in Argentina. Diego Maradona played for Boca Juniors in the early stages of his career and now has his own gold-coloured executive VIP box in the stadium.

What would you be if you weren't a lawyer?

When I was a boy, I wanted to be a "professional SAAB driver". I learned to read from a book in which a Swedish boy thought his tricycle was in reality different cars, only to discover on the very last page that it was not a Mercedes, Porsche, BMW or even a Volkswagen but a blue SAAB. My wife burst out laughing when she heard this story for the first time: I have been driving blue SAABs for more than twenty years.

CMS closes Social Housing deal as PPP market grows

Evidence is emerging of a renewed investor appetite for Public-Private Partnership (PPP) deals with two major projects closed by CMS UK this year.

The deals have provided a fillip to the market which is increasingly back in vogue after struggling to attract investment in the aftermath of the financial crisis.

“Our ability to assist in providing innovative structuring was an important component in bringing them to a successful financial close in extremely challenging circumstances.”

We advised Assured Guaranty as monoline guarantor and HSBC as lead manager on the first wrapped bond PFI transaction to close since 2008. This funded a GBP 100m Private Finance Initiative project to design, build, finance and maintain council houses. It involves the refurbishment of 1,245 homes plus external works to 51 leaseholders and construction of 388 new homes.

CMS also acted for the Local Education Partnership, Thames Partnership for Learning Regeneration Limited, which is 80% owned by Laing O’Rourke, as well as Laing O’Rourke Construction in developing a new structure for the provision of social housing.

This involves Laing O’Rourke and Jerram Falkus providing 477 new housing units financed by Long Harbour, who are providing GBP 76m of funds. This was the first social housing project in the UK funded entirely by the private sector and won “Best Alternative Deal Structure” at the Partnerships Awards 2013.

CMS London partner Jonathan Dames said, ‘These were complex deals put together in an illiquid market.

‘Our ability to assist in providing innovative structuring was an important component in bringing them to a successful financial close in extremely challenging circumstances.’



30 seconds with:
Paul Smith
Partner, CMS London
Infrastructure & Projects



What’s been your most memorable moment as a lawyer?

Winning my first pitch following an intense fee negotiation was pretty memorable as was being made a partner.

What will be the most significant market trend affecting your sector over the next 12 months?

We often see an increase in activity in our infrastructure market in the run up to an election (which is in 2015 in the UK). We hope that some of the promises made by the UK Government in their National Infrastructure Plan will be delivered in the next 12 months.

What advice would you give to young lawyers entering the profession?

The role of “lawyer” takes many diverse forms so do as many internships as you can to begin to decide what type of lawyer you would like to be. Don’t forget that law firms are a business so a focus on good business skills (finance, marketing, planning etc) is essential. Do your homework on the changing nature of the legal profession and don’t assume that it will always be glamorous!

What’s the most exotic place you’ve visited on business?

Istanbul.

What would you be if you weren’t a lawyer?

Easy one – a rock star.

German PE hots up as DBAG seals transactional double

CMS Frankfurt partner Hendrik Hirsch comments: 'The past year has witnessed an uptick for Germany's private equity market but it is still recuperating. Working with our long term client DBAG on two acquisitions was a high strategic priority for the company. It was important to close both deals with the utmost efficiency.'

"Both deals required high partner level involvement and advice from a host of our offices across Europe."

We advised the funds managed by Deutsche Beteiligungs AG (DBAG) on the EUR 40m acquisition of food processing systems manufacturer, Stephan Machinery, while simultaneously representing DBAG portfolio company Romaco on its EUR 21m purchase of tablet press manufacturer Kilian from IMA.

Hendrik says, 'This was a complex process as it involved running two preliminarily connected but then separate acquisitions at the same time for different entities within DBAG. Both deals required high partner level involvement and advice from a host of our offices across Europe.'

The CMS offices involved in advising DBAG outside Germany were Amsterdam, Brussels, London, Luxembourg, Moscow, Paris, Rome and Warsaw.



30 seconds with:
Mathias Strasser
Partner, CMS Vienna
Private Equity



What's been your most memorable moment as a lawyer?

My most memorable experiences relate to working with particular lawyers who impressed me with their work ethic and the way they approach problems. The legal profession is full of very intelligent people and I've been lucky enough to work with a few of them.

Which client has had the biggest influence on your career?

Goldman Sachs. It is values-driven and the people who work there are uniformly smart. They expect a lot of their lawyers but they treat them fairly in return.

What will be the most significant market trend affecting your sector over the next 12 months?

Clients will become increasingly cost-conscious and competition from non-traditional legal services organisations will get stronger. This will put renewed pressure on law firms to rethink their business models.

What advice would you give to young lawyers entering the profession?

Don't look to career paths that worked in the past, try to figure out which ones will work in the future. Spend some time abroad, embrace technology and be entrepreneurial.

What would you be if you weren't a lawyer?

A software developer or an author (if I had the stomach to earn a living by writing books.)



CMS lauded for anti-domestic violence project

CMS won the 'Best Collaboration Award' at the TrustLaw Connect Awards held at Thomson Reuters HQ in New York for its work on a global research project to produce a comparative study of laws on domestic violence.

The 400 page report, produced in English and Mandarin, will be used by Beijing Fanbao (a non-governmental organisation based in China) to inform responses to a consultation on domestic violence law in China. A spokesperson for Beijing Fanbao commented, 'The legal work in this regard is crucial for equality between men and women in China.'

The research set out the scope of the laws in each jurisdiction on different facets of domestic violence including: the type of relationships recognised by law; the scope of definitions of domestic violence; the availability of support for victims; the levels of recognised offences; the levels of punishment imposed; the extent of rehabilitation and the effectiveness of law enforcement.

"The legal work in this regard is crucial for equality between men and women in China."

Undertaken in conjunction with DLA Piper, the report required extensive research with both firms contributing 65 partners and lawyers who devoted 1,350 pro bono hours to the project over a 12-month period. Successful completion of the project across time zones, languages and cultures in an unfamiliar area of law is testament to our determined and committed lawyers who took part in this pro bono project.

Social Enterprise takes off in Netherlands

As the Social Enterprise (SE) sector continues its rapid rise across Europe, CMS has taken a central role in developing the concept in Netherlands by advising Social Enterprise NL on a pro bono basis. Social Enterprise NL is a national platform that represents, connects and supports social enterprises. Its aim is to strengthen the SE sector in Netherlands.

A social enterprise is a financially self-sustaining business whose primary aim is to create greater social value for people and the environment. Profits are viewed as secondary to this mission.

CMS Netherlands managing partner Dolf Segaar said, 'Our lawyers are assisting Social Enterprise NL on a pro bono basis in its interactions with the legislature and also lobbying to help the concept get more legal recognition nationally.'

"Our lawyers are assisting Social Enterprise NL on a pro bono basis in its interactions with the legislature..."

'We also advise individual businesses that are committed to social enterprise on how to set up company structures and operate effectively within the sector.'

SE companies that have benefited from our pro bono advice include storm umbrella makers Senz and ethical mobile manufacturer, Fair Phone.

Portugal office celebrates second anniversary with deal treble

Just two years after becoming part of CMS, our Lisbon office has been mandated on three of the biggest corporate transactions to take place in Portugal.

We advised new client Altice Group on the acquisition of Oni Telecom group and a consortium led by Brazilian clients Odebrecht and Solvi in their bid for EGF, the urban solid waste unit of the Águas de Portugal Group.

The office has also been instructed by French concessions and construction group Vinci to advise on the privatisation of Airports of Portugal (ANA) – the largest take-private in Portuguese history. (See page 31 for further details of this transaction.)

CMS Portugal advised Vinci in all aspects of the privatisation in which the Portuguese State sold 95% of ANA share capital to Vinci for EUR 3.08bn.

CMS Portugal managing partner José Luís Arnaut led a multi-disciplinary team comprising corporate, tax, employment, public law and real estate and construction lawyers.

José Luís said, 'The privatisation market has really exploded in Portugal and winning this deal shows just what we are achieving as part of CMS.'

'Advising a French client on a cross-border deal in Portugal wouldn't have been possible without being part of a global firm and we are now involved in many of the biggest corporate deals that come to market.'

The office has had an exciting first two years with lawyers seconded to the UK and Germany and vice versa.

Our employment teams have been particularly active advising clients in the financial services sector. We have advised Millennium BCP and Banif – two important banks in Portugal – on major restructuring mandates.

José said, 'We feel part of a truly global operation and the benefits in terms of us working together with other CMS offices on cross-border mandates have been spectacular.'

Milan office moves to new home in Piazza San Babila

Our Milan office has successfully relocated to the business heart of the city in Piazza San Babila which is a short walk from The Duomo and where the main national and international law and tax firms are based.

The building, which dates from the beginning of the 20th century, has been transformed and refurbished into a modern office which incorporates contemporary design and excellent functionality. Partners, fee earners and staff have enthusiastically welcomed the move.



Photo courtesy of
Gianpaolo Zucchelli

CMS moves into market-leading position in Scotland with Dundas deal



Law . Tax

DUNDAS & WILSON

In December 2013, we announced the tie-up in the UK of CMS with top Scottish law firm Dundas & Wilson.

Both CMS and Dundas & Wilson have leading and complementary energy and financial institutions practices and together the combined firm will have an even stronger offering in the two sectors.

Building on our existing practices in Aberdeen and Edinburgh, the strategic vision for this combination is to offer quality client services in the UK's two key financial centres, London and Edinburgh, with a high quality alternative service delivery option made possible with the lower cost Scottish cost base.

This will create value and efficiencies for both clients and the firm.

"Clients want law firms that can combine depth, breadth, quality and value simultaneously. CMS and Dundas & Wilson does just that."

This deal came together with remarkable speed while maintaining complete confidentiality during negotiations. It was executed in just six months from initial discussions to a resounding partner vote in both firms in favour of the deal.

"The combination is important as we have extremely strong client and sector synergies. We feel that this, combined with the economies of scale the deal will generate, will offer quality, choice and efficiency to our clients."

CMS UK senior partner Penelope Warne said, 'The combination is important as we have extremely strong client and sector synergies. We feel that this, combined with the economies of scale the deal will generate, will offer quality, choice and efficiency to our clients.'

With a significant number of major clients in common, the firms sought the views of some joint clients before deciding to progress. All clients spoken to were resoundingly positive about the combination and the service the two firms will be able to deliver together.

CMS Aberdeen partner Stephen Millar said, 'Clients want law firms that can combine depth, breadth, quality and value simultaneously. CMS and Dundas & Wilson does just that.'

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