

In-house Counsel File

Our Series Profiling In-house Counsel at the World's Leading Companies



AUSTIN SO

Division General Counsel, Corporate Secretary & Board Member

Heraeus Incorporated

Education: 2002: J.D., University of Pennsylvania Law School; 1998: A.B., Harvard University.

Career in Brief: 2012–present: Heraeus Incorporated, Division General Counsel, Corporate Secretary & Board Member; 2011–2012: Austin K. So PLLC, Founder; 2007–2011: Akin Gump Strauss Hauer & Feld LLP, Litigation Counsel; 2006–2007: Yoon Suh Kim & So LLP, Founder; 2005–2006: Linklaters, Corporate Associate; 2002–2005: Cravath, Swaine & Moore LLP, Corporate Associate.

Location of Company HQ: Our global HQ is in Germany. We have regional HQ in Pennsylvania and New York for the US, and in Shanghai and Singapore for Asia.

Primary Industry Sector: Manufacturing.

Revenues in the Last Financial Year: \$20 billion.

Number of Employees Worldwide: 13,000.

Number of Attorneys Worldwide: 50.

Law Department Locations: We have law department locations in China, Germany and the US.

How is the legal function structured? We have a Global GC based in Germany, and Regional GCs for the US and for China. We also have Division GCs for our Global Business Units, reporting to their respective CEOs as well as to the Global GC.

How do you measure and improve productivity and success within the law department? We measure productivity and success by gauging our internal clients' level of satisfaction. Heraeus is 160 years old, but the US law department is only four years old. Previously, our 12 US companies (which were acquired over decades) engaged their own outside counsel as needed.

We built the law department from the ground up in the past few years, and won over the executives of these 12 separate companies, each of whom was initially skeptical of attorneys being part of the team. In essence, we had to pitch our services like outside attorneys and convince our internal clients that we could be integral members of their teams.

By implementing streamlined procedures and fast turnaround times for routine contracts (like NDAs and supply agreements), we demonstrated that attorneys could be value-adding business partners. Also, as it happens, we were hit with several "bet the company" matters soon after the law department was established. By effectively managing risk, advising senior management and managing outside counsel, we quickly became indispensable, go-to advisors.

How does the law department avoid being perceived as the "office of no" while still ensuring it helps the client avoid liability? Like doctors, our in-house attorneys take the Hippocratic Oath, "First, Do No Harm." In other words, do not get in the way of the business. The business of the business is to generate revenue. If you block or slow down the business, you are choking the patient that you are purporting to help.

I recently had to visit a medical "express clinic" on a weekend for a minor skin irritation. I found out later that the treatment the doctor gave me was akin to firebombing a house to get rid of a few cockroaches. It was overkill. Similarly, too many attorneys over-edit and over-negotiate a contract. That amounts to over-lawyering, which does more harm than good.

By being practical and surgical, we find a way to say "yes" while mitigating the true risks and allowing the business to proceed.

How do you align the incentives of external law firms with the objectives of the law department? Our go-to firms profit from repeat business from us.

That naturally means that they have an incentive to be efficient on each matter, or they will lose a long-standing client. When I hire new firms, I try to stick to those with which I have a strong personal connection. That has worked well to ensure that our interests are protected.

What three things does a law firm need to do to impress you?

- **Make me look good to my internal clients.** Outside attorneys say their job is to make me look good, but most are usually too busy trying to make themselves look good.
- **Be efficient.** Every law firm claims to staff leanly and work efficiently. I am impressed when a firm actually accomplishes this.
- **Be user-friendly.** For me, hiring usually turns on user-friendliness, not competence. Listen. Don't talk over me. And get to the point. This is all obvious, but most attorneys are terrible at it.

If not an attorney, what would you wish to be? I would like to be a UFC fighter.

What is the best career advice you have ever received? Networking is critical for every attorney, external or in-house. Business generation, finding your next job and getting promoted all depend on external and internal networking.

What one piece of advice would you give to a prospective in-house counsel?

Working at a company is much more political, in much more complicated ways, than working at a firm. That is often the biggest challenge for an attorney transitioning in-house. Network internally, find a mentor and learn the politics.