

Partnering – Law Firms

Outside Firm Adds Value – As Attorneys And Counselors – To Corporate Legal Department

The Editor interviews **Michael C. Lasky**, Davis & Gilbert LLP, and **Gary L. Kessler**, Executive Vice President – Operations of Carey International, Inc.

Editor: Would each of you gentlemen tell our readers something about your background and professional experience?

Kessler: I am currently Executive Vice President – Operations of Carey International. In addition to my general counsel responsibilities, I oversee the company's reservations centers. I am responsible for Carey's customer service efforts and manage its franchising program. I also oversee the company's Meeting and Events division, which provides unique logistical transportation management services for companies hosting large-scale events and for organizations such as the NFL and the NBA. In the past, I have led Carey's mergers and acquisitions initiatives and have managed its investor relations. Prior to joining Carey, I was in private practice in Richmond, Virginia.

Lasky: I am co-chair of the litigation department and a member of the management committee of Davis & Gilbert LLP, a single-office New York City firm of approximately 100 lawyers. I joined D&G 24 years ago. One of D&G's unique strengths is representing service businesses. We are proud to count Carey among our clients for the past 18 years, and we are also the preeminent firm in the marketing/communications services sector.

Editor: Mr. Lasky, what attracted you to Davis & Gilbert?

Lasky: I had been at Paul Weiss and was looking for a more entrepreneurial environment. I also wanted to continue to develop my litigation practice at a well-established firm, and D&G had that. In fact, next year we celebrate 100 years in business.

Editor: Please tell us about your practice. How has it evolved over the course of your career?

Lasky: My focus is as a litigator, analyzing cases, trying cases, but also helping clients assess risk. The role of counselor is something we know clients need and want, and I think the long-term relationships we have with great clients like Carey speaks to the fact that we learn a client's business so that we may effectively serve as counselors. As a litigator, I am aware of situations where the best you could do is win the battle but lose the war. The real question is how to avoid the case.

Editor: Mr. Kessler, please tell us about Carey International. I understand that, among other things, you are responsible for Carey's legal affairs.

Kessler: Carey is the world's premier chauffeured transportation company. It was founded in 1921 as a New York limousine company, but today Carey provides services to travelers in over 500 cities in



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65 countries through a system of franchised and affiliated service providers. At any time of the day there is a 'Who's Who' of the world's business and political leaders and celebrities traveling in the back of Carey cars. The company has grown through a two-pronged strategy of increasing market share through strong organic growth and acquiring chauffeured transportation companies in key travel markets. Carey International owns 20 operations in the United States and Europe. There are also many individually owned franchises that provide service under the Carey name around the world.

Editor: Increasingly, lawyers – and particularly those in corporate settings – have multidimensional career paths. Please share with us some of your experiences in this regard.

Kessler: I rarely find myself looking at any issue in isolation; most matters require me to analyze issues from both a business and legal perspective. Carey operations address a number of different areas of the law every day. As with any service company, labor and employment issues will arise. In addition, since the company franchises one of its greatest assets, the Carey name, and has developed a proprietary reservations system, we are often faced with a number of challenging trademark and IP issues. During the six years that I have been with Carey, the company went from being publicly traded to being owned by a group of private investors through a leveraged buyout.

Editor: When you require the services of outside counsel, what are your criteria?

Kessler: My principal goal in addressing any legal issue is not only to resolve the matter efficiently, but also to use the challenge as an opportunity to improve the company's operations. The most important thing I look for in outside counsel is a common appreciation of that goal. Carey is more than a car and a chauffeur. The company is made up of the many people who provide services to our clients, including our employees, contractors, franchisees, and other affiliated companies. Thus, I expect outside counsel to have a strong understanding of these dif-



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ferent relationships and how they relate to Carey's business model. An appreciation of the company's goals and an ability to apply them to a variety of situations is also imperative.

Lasky: I know Gary also expects us to have a holistic view of the work we do for him; to have a macro view and not approach his work as if we are operating in separate silos or make him feel like he is dealing with separate business divisions that are not in synch. The more we integrate our knowledge base within the firm, the more we can start with a higher degree of understanding of the issue, which will improve the end product for Carey and all of our clients.

Kessler: The real success in Carey's relationship with D&G comes when working with lawyers who understand the interrelationship between the matters on which they are working and the matters on which their colleagues are working, actively anticipating the effect of the outcome of those matters. When they can do that, they have augmented my role as general counsel, and I define that as success.

Editor: Can you tell us more about the collaborative relationship between Davis & Gilbert and Carey International?

Kessler: A unique aspect of the relationship between Carey and Davis & Gilbert is that it has evolved from focused representation to a valuable business partnership. The relationship started with Michael representing Carey in its independent contractor and employment matters relating to chauffeurs. Through many years of providing counsel in that area, Michael gained a strong understanding of the company's unique business model, the personalities within the company, as well as its goals and objectives. He has been able to impart that knowledge upon several of his firm colleagues, and as a result, D&G has broadened its representation to a number of legal areas. D&G went from focusing on a relatively narrow practice area to helping the company on matters relating to franchising, trademark and IP matters, real estate, and recently the firm represented Carey through a complex refinancing of its credit facilities.

Lasky: Last year, Carey's board, a sharp group of investors and outside board members as well as insiders, decided they were dealing with too many outside law firms. They took the list of the firms they were working with and selected a top group. Gary then sent out a request for proposal to nine firms, of which we were one. All of us had a longstanding relationship with the company in various specialized areas. My RFP response told the story of our 17-year relationship and presented the benefits that Carey had realized as a result of our collaboration. I am privileged to say that today we are Carey's principal outside legal partner.

Editor: Can each of you assess whether value has been added to the relationship?

Kessler: A growing company in a service industry will have recurring legal challenges, so value cannot be based merely on whether D&G has helped Carey to minimize its legal expenses. Instead, I believe that the relationship has been successful for two principal reasons. First, D&G has found innovative means to assist Carey, minimizing risk and exposure, so the company will not continually face the same legal challenges. Second, D&G has helped Carey narrow its representation to a small group of lawyers who appreciate the company's goals, understand its business model, and take a holistic approach to addressing its legal matters.

Lasky: Perhaps one example will suffice. In 1997 the Limousine Association and Carey realized that one of the most remarkable ways to infringe on someone's name and reputation is by calling long distance carriers and getting a number approved under the name of a well known trademark. A number of individuals were trading on Carey's name and reputation by listing their number under a name that resembled Carey. A court issued an injunction and had the phone numbers transferred. A transactional lawyer may have ended his/her work right there. Two months after the final judgment, we discovered that a new series of numbers were being listed. I came to the conclusion that this was a case where civil policing would be insufficient. We looked for a criminal investigation from the U.S. attorney's office. I worked with them and the FBI. We got an indictment and prison time for those involved. The fact that someone was sent to jail gets us where we want to be by way of consent judgments we do not have to spend a lot of time on.

Editor: Is there anything that either of you would like to add?

Lasky: As outside counsel, we can all better serve clients if we realize that their problems oftentimes involve various disciplines and we don't let our infrastructure get in the way of that.

Kessler: The bottom line is that in order for a firm to deliver the most value to its clients, it must appreciate that its clients expect counsel to have a broad understanding of the company's objectives and to apply that insight to a variety of legal matters in an efficient and seamless manner.

Please email the interviewees at mlasky@dglaw.com or gary.kessler@eCarey.com with questions about this interview.