

Avocati de Top (Top Lawyers)

“Two scenarios for 2009: one is optimistic and the other is cautious”

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Interview with Adrian-Catalin Bulboaca, Managing Partner of Bulboaca & Asociatii SCA

Considered as one of the most popular attorneys in Romania, specialized in fields such as banking and finance and mergers and acquisitions, ADRIAN-CATALIN BULBOACA, Managing Partner, Bulboaca & Associates, is appreciated year after year, by the international specialty legal directories. He graduated from Law School, University of Bucharest and holds an MBA of Seattle City University. After working in the multinational Linklaters, he decided to create his own law firm, Bulboaca & Associates, which has been active since January 2007.

Bulboaca & Associates imposed itself, after only two years of activity, as a reference name on the business law market in Romania, being also appreciated by the international publications specialized in the fields of mergers and acquisitions, banking and project finance. You had an intuition and you created the company in a boom period of the law market. What stood actually at the base of the accelerating development of the firm?

The segment of finance and the one of mergers and acquisitions were the pillars on the market. Even if we were initially perceived as a firm specialized in financing, we realized that in Romania, the attention of a law company should focus on the commercial area. We seek as client multinational companies, even important Romanian companies, which are capable of involving the attorney in all stages: from a simple protocol of the shareholders up till commercial agreements.

However the most active areas at this moment are litigations and energy companies, which accumulated important financial resources and do not longer need bank credits in order to fulfil their investments. Exactly one year ago, we were talking about different dynamic and structure: at that time, finance, mergers and acquisitions were the highly active ones.

2007, the year of your entering on the market, was a favourable year for starting law firms. At this moment, it is preferably to have your own law firm or rather to integrate in a firm with a significant potential?

The current time is a very delicate one, and the ones who intend to start a firm, should better not do it on their own, but to rather join a team which has already been formed, except for the case in which they dispose of sufficient funds necessary for the investment in infrastructure and employee costs.

How important is the managing experience, in the conditions of a difficult economic situation?

In order to place the firm at a competitive level it is important that the employees, the collaborators and the clients understand exactly what the activity of a law firm consists of, what are its principles of organization and functioning and what is the role of a manager. One of the most important requirements of the client, beside a quality representation, is also that the partners seriously involve in the act of accomplishing a transaction. A partner must also have several attributions other than the simple coordination of a transaction, ideally it would be to allot more time for developing the business and bringing new clients by constantly coordinating and training the attorneys.

What were the main transactions in which your company acted as consultant in 2008?

An important case regarding transactions, which helped us achieve notoriety only one year after the incorporation, was the one in which we represented the Romanian State in the issuing of Eurobonds

(EUR 750 million). There was the consultancy offered to Fondul Proprietatea, in the selection process of the administrator of its assets, and the involving in the investigation conducted by the Competition Council against some companies in the pharmaceutical area, when we represented one of the investigated companies, succeeding to reduce its penalty with one million euro. We were very active in the field of wind power plants, and in almost all the activity fields that we previously had established: project finance, energy, competition.

I believe however that a transaction is not important only from the perspective of the involved parties (seller, purchaser, creditor or borrower) or from the perspective of its object (the acquisition of a company, financing the construction of a ship etc.), but especially for the complexity of law issues that it rises.

Extremely interesting were also the crisis situations which appeared in the development of certain transactions. I remember such a transaction, in which, after initially representing the lender (an Austrian bank that was financing the construction of a factory of component materials for Boeing aircrafts), we represented afterwards, at the recommendation of the lender, the borrower as well, in a process of attracting investors. Thus, we had two teams, one that was consulting the joint-venture which was forming and one that was dealing with the lender (the bank). There were, therefore, extremely delicate situations, which, fortunately, we successfully resolved.

Recently you realized new promotions, and the structure of the partners was modified. Did you follow any pattern in the organization of the firm?

As a principle, we seek to have one partner at four lawyers. In Magic Circle ("Magic Circle" - the first five notorious law firms with headquarters in London) there is one partner at six lawyers, while in other firms there is one partner at three or four lawyers. In the established markets, such as the European ones, the average would be somewhere between three and five lawyers to one partner, however the firms are modifying their policy depending on the development rate.

At this moment we have six partners for a number of 24 lawyers, and the promotions which took place were a consequence of acknowledging the contribution of those lawyers which participated to the development of the firm, even since its establishment. Now, we are considering the extension of the team as well, with five other lawyers, by the end of 2009.

In 2008 you registered a turnover of approximately 3 million EUR. What is your target for 2009? In what manner will the profile of your company evolve this year?

As a parallel to the same period of last year, we consider that we are approximately at the same level, even if, regarding the turnover, we find ourselves in a better position. We had investments of hundreds of thousands EUR, which, certainly, we expect to reflect in the next period on the profitability of the company. As a consequence, in the beginning of 2009 we considered two scenarios: an optimistic one, predicting an increase of 10%, and another, more cautious, of keeping the business at least at the same level of last year. In conceiving the business pattern, we always took into account only realist increases, of maximum 10-15%.

At this moment, we are involved in financings, which ensure our visibility among the clients, proving that in a crisis moment as well we are among the preferred ones. We didn't seek that our profit is ensured by the financing sector and we didn't focus especially on financing and real estate, we rather tried to have a range in all practice areas and focusing on the concept of "house lawyer" of the clients, regardless of the nature of the activity conducted by them.

Taking into consideration the results so far, and I do not mean necessarily the financial ones, but firstly the development degree that we achieved after only two years of activity, we have valid reasons to be satisfied, because we accomplished everything by our selves and we never compromised our services' quality.