

A Just-In-Time Knowledge Base For Corporate Counsel For Innovative Companies

By Dennis Kennedy

Innovative companies like to hire innovators as general counsel. They look for lawyers who understand the company's core business, technology and intellectual property. Often, the general counsel of an innovative company has a legal background in an area related to the core business of a company, not a corporate or securities law background.

For instance, biotechnology companies live in a world of rapid technological advances, intellectual property thickets, and complex compliance and regulatory rules. As a result, general counsel of biotechnology companies will face some unique challenges even before they get to the traditional workload of corporate and securities issues.

The biotech industry places a premium on lawyers who understand the underlying technology. Biotech companies often have initial contact with the legal profession through a patent lawyer, who might later become the first general counsel of the company.

However, it is the rare lawyer who combines the biotech, intellectual property, regulatory and corporate law experience. As a result, general counsel for biotech and other innovative companies would like to get a little help, especially in corporate and securities law.

Choices For Handling Corporate And Securities Law Issues

Consider three choices a general counsel faces when handling corporate and securities law issues.

First, general counsel may hire outside law firms to handle these issues. The challenge is to choose, evaluate and supervise outside counsel with the experience and expertise in these matters.

Second, general counsel may hire lawyers into the legal department to deal with these issues. The challenge is similar to the one above, but may even be more difficult than in the case of outside counsel.

Third, and probably least desirable, general counsel may try to handle the issues alone. The challenge here is learning and getting up to speed on what may be unfamiliar and difficult areas of law.

Practical Elements A General Counsel Needs

In virtually any scenario, general counsel will look for five key practical elements. They want to:

- Find and have the benefit of actual legal experience and expertise in the corporate and securities law setting.
- Have ways to bridge the gap between what they know about the legal and business aspects of their companies and what they need to know to handle or supervise the lawyers who are handling

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corporate and securities issues.

- Know the right questions to ask so they can get the answers they need and evaluate the answers they receive. Because researching an issue from scratch is a costly proposition, they must be familiar with at least the general concepts to evaluate the answers they receive.

- Have information readily available when they need it, and in an accessible form. A bulky multi-volume treatise is not the right approach.

- Have access to practical expertise and knowledge. How has this been done before? How do other companies handle these requirements? Are there models and guidelines? What are the key cases and regulations? How, as a practical matter, should these issues be handled?

In essence, this wish list describes a research database with information selected by experienced lawyers, and organized in a way that corporate counsel can easily put their hands on both primary and secondary materials. This database would help them in the important task of evaluating and supervising legal work in the corporate and securities area.

LawyerLinks Advantagesm Meets The Needs Of Corporate Counsel

Consider how LawyerLinks Advantage (www.lawyerlinks.com) meets these key needs of general counsel.

The Advantage is an information resource on corporate and securities law – organized and selected by lawyers knowledgeable in those areas of law. It gives general counsel the depth of a treatise, with all primary and secondary materials, yet eliminates the bulk and heft of standard treatises. Even better, it lets the general counsel focus on precisely the issues they need – when they want – by taking advantage of hyperlinking and other concepts we are familiar with from using the Internet.

In a common scenario, outside counsel will call with an explanation of what will be required to comply with certain securities regulations. The general counsel, who may be involved in another crisis that day, shifts gears and listens to the explanation and requests, but may not have a good overview of the requirement to evaluate what the lawyer is explaining or to ask the best follow-up questions.

The general counsel can go to the Advantage while on the call and, with

one click, access the legal subject matter area, get a topic overview and then simply drill down to applicable regulations, forms or cases. With information readily at hand, the general counsel can evaluate requests, ask good follow-up questions and form an opinion about the approach that outside counsel is advocating. The general counsel can even look at filings of similar companies to see how they dealt with the requirements.

By using the Advantage, the odds of having solid results, control of legal costs and effective supervision increase greatly.

The Solution To General Search Engine Problems

Although we rely on Internet search engines and legal research tools daily, search results today are becoming less useful. The fact is that there are great benefits from working within a “research space” created by knowledgeable lawyers in the field – lawyers who are familiar with ways lawyers work and the questions lawyers ask. For example, a search on the words “securities law” on Google returns *thirty million hits*. How can anyone be confident of finding the most useful or helpful information in that environment?

Additionally, a general counsel usually cannot compose Boolean search requests or refine thirty million hits during a phone conversation like the one described above. It will be far better to have a tailored research space of relevant materials organized with the general counsel in mind than run one search request after another.

Consider LawyerLinks Advantage in the context of the wish list of the general counsel.

- The lawyer-selected, lawyer-organized and lawyer-maintained research space offered up by the Advantage gives corporate counsel access to the experience and expertise of lawyers in the field. They benefit because knowledgeable humans, rather than search algorithms, make the selection of what is included and how it is organized. Even better, there are experienced corporate and securities lawyers making the selections based on their own experience and the experience of others in the field.

- Browseable topic pages allow general counsel whose expertise is not corporate and securities law to bridge the gap between their knowledge and the knowledge of the lawyers they are supervising. The Advantage gives corporate counsel the big-picture view and, with the click of a mouse, she is able to drill down to more detailed materials, primary sources, secondary sources and a variety of related information in a way that reflects the way that lawyers work. Corporate counsel can engage the topic at the level that makes the most sense at the time.

- Being able to quickly and easily access the desired information gives general counsel the ability to become familiar enough with a topic to ask the right questions, see what questions must be answered and spot potential problems. Think of the Advantage as providing just-in-time information about a topic so that a general counsel can act on it and make

sure that the appropriate work gets done.

- The information is available electronically. The combination of browseable topic pages and hyperlinking makes navigation and browsing easy. A general counsel does not need to handle bulky, out-of-date treatises or make a trip to a library or another lawyer's office, or receive a bill from outside counsel for providing electronic research results.

- The structure of the Advantage and the materials selected offer the practical experience and expertise of the lawyers who select the materials and links. Perhaps the biggest benefit of this comes from having lawyers who know what materials are connected to each other actually be responsible for making those connections. The practical experience of the lawyers is apparent in navigation, connections and the logic of the organization of the materials. Links to filings and other materials can let general counsel see how other companies have dealt with the same requirements.

As a general rule, lawyers do not get too excited about legal research or legal research tools. What matters is how the tools can help lawyers do their work effectively without requiring new training or Boolean search query skills.

Other Benefits To Corporate Counsel

In addition to the just-in-time learning shown in the earlier example of the telephone call from an outside counsel, LawyerLinks Advantage can help in-house lawyers in their work in a number of ways.

- With a good overview of legal issues, general counsel can supervise in-house and outside lawyers, delegate focused assignments to lawyers and evaluate work product. In particular, the Advantage can be used to help set the scope of a project and keep research projects from getting out of control.

- A cost-effective training tool, the Advantage can easily be used to help new or experienced lawyers get up to speed on corporate and securities issues and focus on specific issues related to their specific needs.

- Perhaps most important, the Advantage can help general counsel explain – in language business executives and non-lawyers can understand – compliance requirements, the reasons for certain requests and obligations, and other important considerations. It is far better for general counsel to make a short presentation on these requirements than to circulate a forty-page, single-spaced memo from an outside law firm.

Give Yourself A Distinct Advantage

The LawyerLinks Advantage brings together on one page all the relevant information so that general counsel can draw their own conclusions. It helps general counsel become familiar with the lay of the land in corporate and securities law, even if it is not their area of expertise or they plan to delegate all the work to others. In fact, having that familiarity is especially important if they plan to delegate to others. The Advantage is a tool that helps make the work and life of a general counsel of an innovative company easier and is a welcome addition to the legal toolbox of every corporate legal department.

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