

# Corporate Secretaries Society Selects Lawyer Links

*The Editor interviews Geoff Loftus, Vice President, Society of Corporate Secretaries & Governance Professionals, Inc. ("Society")*

**Editor: Geoff, tell our readers about the Society.**

**Loftus:** The Society is a membership organization founded in 1946 as the American Society of Corporate Secretaries. It has over 3,800 members representing approximately 3,000 companies. The job responsibilities of its members include working with corporate boards of directors and senior management regarding corporate governance; assuring issuer compliance with securities regulations and listing requirements; and coordinating activities with shareholders such as proxy voting for the annual meeting of shareholders and negotiation of shareholder proposals. The majority of Society members are attorneys. The Society supports its members in the performance of their functions.

**Editor: Tell us about the arrangement that the Society has with Lawyer Links that benefits your members.**

**Loftus:** When Society members subscribe to Lawyer Links, they receive what we think is a terrific service at a very good, discounted rate.

**Editor: Why did the Society decide that its members would find LawyerLinks Advantage useful?**

**Loftus:** Advantage offers a way for our members to find needed information quickly. It lists topics relevant to their work. If they search one of these topics, they find a page listing all kinds of material related to that topic. The thing that's great about Advantage is that it drives you right to relevant documents, and they are all cross-referenced and cross-linked. Let's say that using Advantage you drilled a little too specifically – with the cross-references Advantage has, you can back up and search more widely. Having compared Advantage to other tools, I found that you get to needed information much faster than with anything else.

**Editor: Let's assume that a director raises a question about the legal implications if the board takes particular action or fails to take that action.**

**Loftus:** Corporate secretaries frequently only need one or two case citations to decide whether something is a problem. To do a case search on the legal implications of a particular action or failure to act could take a lot of time with another research service. They tend to produce voluminous results – it's a quantity over quality approach. With Advantage you'd probably have relevant results inside of a minute, and you'd be reading them and using them. You are going to get what you need far more quickly and without worrying about using the correct search terms.

**Editor: High on the priorities of corporate secretaries is being sure that their companies are complying with the SEC's disclosure requirements. What kind of guidance does LawyerLinks Advantage provide?**

**Loftus:** Disclosure is treated extensively by Advantage's authors. First a summary is presented. Then, the applicable SEC regulations and forms can be accessed, and then by digging further down, examples can be found of disclosures made by other companies together with client advisories and articles from law firms for additional background – everything that a corporate counsel would need to draft her company's disclosure.

I just spent a large portion of an afternoon searching all over the SEC site for information. It's not an easy site to use. I'm fairly web-fluent, but I found it impossible to find what I wanted. On Advantage, I found the things that I was searching for within a minute.

**Editor: I gather that what you are saying is that this is a unique product that provides a service not found elsewhere.**

**Loftus:** Somebody else may have a better can opener, but I haven't seen it and I'm fairly confident that I would have. Admittedly, my experience is limited since legal research is not something I do every day. But each time I have used it, I have found it to be very helpful. It produces what I need right away.

**Editor: I found that I could sample Lawyer Links without being a subscriber.**

**Loftus:** They have a fourteen-day free trial that is available to everyone, and my guess is that once somebody has tried it out, they will seriously consider subscribing.

**Editor: Law firm client advisories and articles are included. Why do you feel this is helpful?**

**Loftus:** Our members receive client advisories from a variety of different law firms and circulate them to each other. They do it all the time and clearly find that they are of value or they'd stop doing it. But that system is a very impromptu thing where one member sees it and feels it is interesting so he or she forwards it to others.

Advantage makes selected advisories available to its members in the context of the subject matter the advisory covers. It's kind of a just-in-time delivery system. If you are checking out a topic on Advantage, you will frequently see links to one or more client advisories relevant to that topic.

Another service that Lawyer Links provides is online access to law firm CLE programs in the form of links to web seminars and relevant content, which cover issues pertinent to our members' interests. Web seminars are a great vehicle for continuing education,

especially when done in conjunction with a research tool that allows you to research issues raised in the Webinar right then and there. It's pretty handy.

**Editor: What would you say are the issues that are likely to be of the greatest current interest to your members?**

**Loftus:** Because this is the period of maximum activity during the proxy season, our members are probably most involved with the shareholder proposals they have received. In some cases, they are negotiating with those who submitted them and in others applying for no-action letters from the SEC. In most cases they have already applied and they are just waiting to hear back.

Going forward there is a lot of interest in proposals being submitted to amend corporate bylaws to permit designated stockholders or groups of stockholders (usually those holding more than a designated percentage of the stock) access to management proxies to nominate directors. The SEC has been issuing no-action letters to the companies that did not include these proposals this year. So, it's a moot point right now – but nobody expects it to go away. Proxy access is a big deal.

Another hot topic is the use of e-proxies. Our members are studying the economics of this in order to decide whether it makes sense for their organizations. For some companies it probably makes a lot of sense to leave the traditional model. However, my guess is the vast majority of companies will move cautiously.

What we are seeing is that the more heavily companies rely on e-proxies the smaller the retail vote. Many companies don't want to sacrifice their retail vote to achieve cost savings.

The shareholder proposal that is generating the most interest right now is "say on pay," which is very similar to what Congressman Barney Frank was trying to push through Congress. Under this proposal shareholders would have an advisory vote on the compensation plan that the board voted for the chief executive or maybe to a number of named executive officers. Here at the Society we think it's a bad idea. It's corporate governance by referendum and that really doesn't work too well.

These are just some of the hot topics covered by LawyerLinks Advantage in sufficient detail to provide a corporate secretary with background on the issues involved and what has been happening at other companies.

**Editor: Why is this an opportune time for corporate secretaries to use a new tool like LawyerLinks Advantage?**

**Loftus:** Our surveys have shown that the workloads in corporate secretary's departments have done nothing but increase since Sarbanes-Oxley. Very few of those departments have grown in headcount so you have the same number of people doing more work. Freeing them up from spending so much time

on research isn't necessarily going to improve their budgets, but they are being freed to do other necessary tasks. Time is an important consideration for corporate secretaries and the corporate counsel who work with them. Any tool that produces quality results for them quickly is a great help. In this day and age so many of our members are constantly telling us how pressed they feel for time and their need for resources. It's almost a siege mentality and something like Advantage is welcome because it delivers quality information that meets 90 percent of their needs in 10 percent of the time required by other research tools.

**Editor: Do you feel that LawyerLinks Advantage will be helpful to smaller companies?**

**Loftus:** Quite a few of our members are from smaller companies. They have so much work to do that they frequently end up relying on outside counsel to get things done for them because they only have two hands. Something like Advantage will help them. We frequently hear from members who need one or two things they can't lay their hands on like a model charter for a board committee or an example of a board resolution that will fit a particular need. They call us because it saves them the fees that they would have to pay their outside attorney.

Similarly, I believe that members who serve smaller companies will be grateful to us for making it possible for them to use Advantage at a reduced cost to get an answer to their questions. This could end up saving them a fairly expensive phone call to their outside counsel.

Advantage will be particularly helpful to someone who is a solo operator and is responsible for all of those forms and filings she must prepare. It is important for her to be able to lay her hands on examples of what other companies have done that will pass muster with the SEC.

**Editor: Do you look forward to an ongoing dialog with Lawyer Links in which you will provide them input about your members' changing needs so that they will continue to find the information they need?**

**Loftus:** Yes, there is already an ongoing interchange of information. It's a two way street. Lawyer Links is constantly harvesting information about what's hot. They are not only watching the news themselves and trying to spot emerging trends or flash points, but they are eager to learn about the changing needs of our members as well. They talk to us and to some other organizations. They look at our agendas and read our newsletters. They are frequently in touch with us to ask whether they should be building a new page to cover a topic that they feel might be of interest to our readers. They are constantly adding to the number of topics they cover. You see a very dynamic growth of their site as they respond to new needs.