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Ronaldo Veirano

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Lifetime Achievement Award

R O N A L D O V E I R A N O

One of this year's winners of Latin Lawyer's Lifetime Achievement Award, Ronaldo Veirano, built his eponymous firm into a leading legal institution in Brazil. He reflects on his journey to become one of Brazil's sharpest and most respected legal minds.

by **EMILIO DEMETRIOU-JONES**

LIFETIME ACHIEVEMENT AWARD

Ronaldo Veirano

Veirano Advogados

PRACTICE AREAS

- Corporate and M&A

ACADEMIC BACKGROUND

- The State University of Rio de Janeiro, 1963
- Suffolk University Law School, 1971

PROFESSIONAL EXPERIENCE

- In-house counsel at The Kendall Company, 1966–1971
- Partner at Baker McKenzie, 1971–1996
- Founding partner at Veirano Advogados, 1996–present

Baker McKenzie's São Paulo office celebrated its sixth birthday in 1963, with its founders Carlos Stroeter and Paul Griffith firmly at the helm. That same year a young Ronaldo Veirano caught their attention, prompting them to swoop to secure what they saw as one of the most promising young legal talents in Brazil, immediately after he completed his studies at the University of Rio de Janeiro.

Veirano joined the firm's corporate department in São Paulo, where he quickly developed a knack for deals involving US clients in Brazil. After two years – recognising that working abroad would improve his career prospects – he pursued professional and educational opportunities in the US, somewhere he had longed to return ever since spending time in Upstate New York in his teenage years.

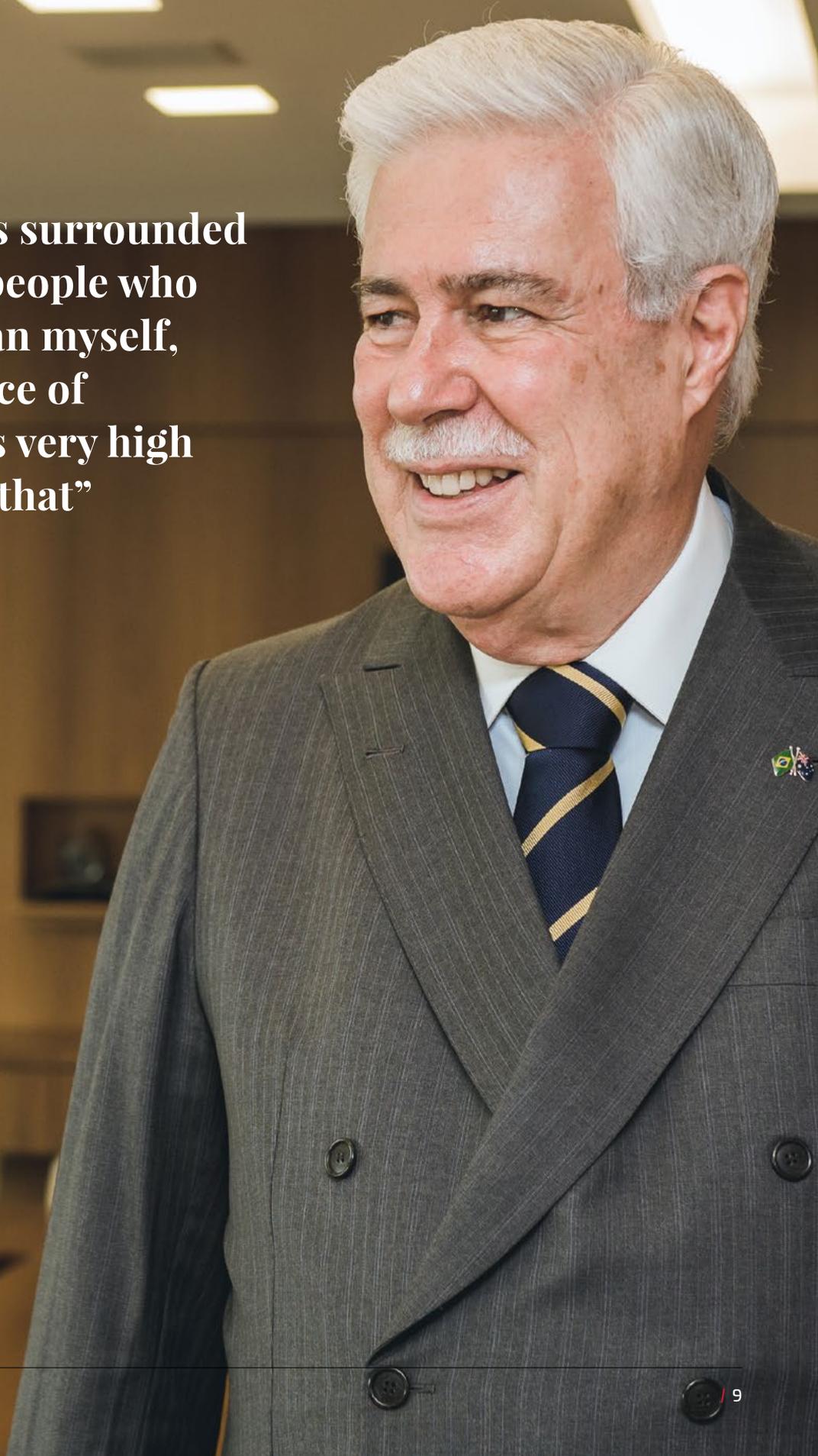
“I really wanted to transfer to an office in the US, but as I was a productive associate there was not much incentive for them to send me over,” he says. But, as the saying goes, Veirano was waiting for a bus when two came around the corner at once. Following a chance meeting with Thatcher Fisk, the general counsel of Boston-based textile manufacturer The Kendall Company, Veirano was offered a role as the firm's international counsel at its Boston headquarters, which he quickly accepted on the condition he could attend night school at Suffolk University to obtain his Juris Doctor degree.

Kendall agreed and Veirano prepared to leave Baker McKenzie, but soon faced a dilemma. On his last day in the office he found himself face to face with none other than Russell Baker, the firm's co-founding partner, who tried to convince him to join their Chicago office. “He told me to forget Boston, and even offered to get me admitted to the University of Chicago,” recounts Veirano. Although flattered by the proposition, Veirano kept his word and swapped São Paulo for Massachusetts.

Knowing what to do and precisely when to do it is a trait that has come to characterise Veirano's career. The switch from private practice to in-house proved to be a success. He was given a lot of responsibility; he oversaw the company's Latin American operations, as well as all Kendall subsidiaries located in civil law jurisdictions, all the while attending night classes three times a week.

During this period of his career, Veirano remained in touch with Baker, who insisted on meeting with him whenever he was in Massachusetts. After five years he decided to return to private practice, taking up a partner position in Baker McKenzie's Chicago office in 1971 (after qualifying in Illinois, the only state that permitted foreign lawyers to practise at the time). But after just over a year there, the firm asked him to return to Brazil for an exciting project: the opening of a new office in Rio de Janeiro in 1972.

“I have always surrounded myself with people who are better than myself, and the chance of succeeding is very high when you do that”





“It was one thing to mull over separating, and another to actually do it”

Above

Ronaldo Veirano at the 2018 Veirano Advogados Annual Seminar

A leap of faith

Veirano spent almost 25 years at the wheel of Baker McKenzie’s Rio office, establishing it as a credible player on mergers and acquisitions, joint ventures and foreign direct investments, and primarily working with foreign clientele. The firm gradually added litigation, labour, intellectual property and energy practices to complement its transactional work. Attracting top talent early on ensured that while Rio lost ground to other fast-growing states such as São Paulo and Minas Gerais, the firm remained competitive.

However, it is the period after Veirano left Baker that has come to define his legal career. By the mid-1990s he was mulling over the possibility of breaking away from the firm where he had built his name. He was concerned that rivalry between the São Paulo and Rio offices was hindering the firm’s trajectory.

“Socially, we always got along very well, but professionally we did not see eye to eye. There were so many opportunities ready to be exploited as a team, but so much energy was expended on intramural competition and in Rio we felt it to be a waste of time,” he explains.

Veirano and his peers felt they could better take advantage of gaps in the market as an independent outfit. But choosing to cut ties was not easy. “It was one thing to mull over separating, and another to actually do it,” he says. “It was the scariest decision of my life [and] it felt like a divorce of sorts after 25 wonderful years.”

He took a leap of faith and established Veirano Advogados in November 1996, intending to build a truly national firm that catered to both domestic and international clients. Only six of the 31 attorneys at Baker McKenzie’s Rio office decided against joining him.

There couldn't have been a better time for a fresh, young legal team to set up shop in Brazil. After suffering stagnation under the military dictatorship in the 1980s – commonly referred to as the “lost decade” – Brazil experienced an economic growth spurt in the 1990s, when the country attracted foreign investors by privatising the energy, telecoms and oil and gas sectors. Private investment flowed in and soon Veirano and his team found themselves in the midst of the action.

The firm's big break came in the mid-90s, when Brazil's oil and gas sector started to generate interest. “Petrobras had always had a monopoly on exploration and development, but towards the end of the dictatorship [in 1985], the government started to allow foreign companies to explore for oil and gas,” he says. If they found anything, they would be indemnified for the costs of exploration in either cash or oil.

Veirano's firm capitalised on the new state of affairs. “We were representing a subsidiary of Shell, which turned out to be the only one that found anything,” he says. When Shell discovered an offshore gas field near São Paulo, it gave Veirano and his team the opportunity to build what was then unique experience negotiating development and exploration contracts on behalf of a private player. The firm soon became a first port of call for private oil companies negotiating exploration contracts. At the turn of the millennium it was called upon by heavyweights BHP, Shell, British Gas and Petrobras to negotiate the terms of the multi-billion-dollar Bolivia–Brazil pipeline, which remains the longest natural gas pipeline in South America.

President Fernando Henrique Cardoso managed to stabilise Brazil's economy between 1995 and 2002, capitalising on rising commodity prices and attracting foreign investors willing to pump money into the country. But for Veirano and his team, it wasn't all plain sailing. No longer attached to the Baker McKenzie brand, the team had lost the luxury of having a recognisable name behind it. Building a reputation from scratch was a long and arduous process. “We wondered if we'd be able to attract and retain clients like we did at Baker McKenzie,” he remembers. “Even cash flow played on our minds; all you needed to do at Baker was send a fax and your money would arrive, but we had none of that,” says Veirano.

Veirano's determination paid off eventually and international firms took notice. “I would travel to London and knock on firms' doors to increase our visibility. That, combined with speaking at IBA events, raised our profile and we began to get work from London and New York.”

A job well done

Now with over 270 lawyers, Veirano Advogados is one of Brazil's largest firms, noted for its strong energy, trade and project finance practices, among others. The firm has two main hubs in Rio and São Paulo, supported by two outposts in Porto Alegre and Brasília, established in 1997 and 2000 respectively, that complete its network.

Veirano Advogados' São Paulo office has grown rapidly in recent years, so much so that it is now larger than the Rio headquarters. Growing the São Paulo operation and having a steady revenue stream from there protected Veirano Advogados' bottom line amid a period of intense

1942

Born in Rio de Janeiro

1963

Graduates from the State University of Rio de Janeiro and starts working as an associate at Baker McKenzie's São Paulo office

1964

Brazil falls under military dictatorship

1966

Becomes international counsel at The Kendall Company in Boston

1971

Rejoins Baker McKenzie in Chicago as partner

1972

Establishes Baker McKenzie's Rio office as managing partner

1985

Brazil's military dictatorship ends, giving way to an economic growth spurt. The government begins to allow foreign companies to explore for oil and gas

1996

Founds Veirano Advogados in Rio de Janeiro

São Paulo office opens

1997

Porto Alegre office opens

2000

Veirano Advogados is called on by BHP, Shell, British Gas and Petrobras to negotiate the terms of GASBOL, the multibillion-dollar Bolivia–Brazil natural gas pipeline

Brasília office opens

2000

Veirano assumes role of Honorary Consul of Australia for Rio de Janeiro

2008

Steps down as managing partner ahead of a modernisation programme

PROFILE

economic decline in Rio, which experienced a deeper dip than the rest of the country during Brazil's recent recession. It is a good example of how a firm can thrive from having multiple offices and represents a shift from Veirano's experiences in his early career, when lack of cohesion between hubs was a driving factor in his decision to start his own firm.

Veirano has always strived to view his firm as a business and not just a legal practice. With this in mind, it has undergone a significant transformation in the last 10 years. Sensible and wide-sweeping internal reforms include the implementation of a modified lockstep partner compensation system, as well as a modern management structure. Equal voting rights among partners and transparency on partner earnings, which are capped at no more than four times that of the firm's lowest fee-earner, are other improvements. It has also overhauled associate career paths by adding a non-equity partner position, aimed at improving retention.

It goes without saying that some changes have come at a price – the firm has seen the departure of almost a dozen partners over the course of five years. But its current position as one of Brazil's elite firms, as well as the sustained strength of the São Paulo office, would strongly suggest that it was worth the short-term loss to reach this level.

As of 2016, the managing partner of the firm is Ricardo Veirano, Ronaldo's son. But while his election put leadership of the firm back into the hands of the founding family, it came after a decade of non-family members being in charge under the current corporate governance model. Prior to that, the firm has had a number of other managing partners unrelated to its founder.

"I'm proud of the kind of firm we have created, one that has a positive work environment and is democratic, transparent and distributes profits equitably," Veirano says on reflection. There have been times when his ideas have not gained traction among peers, but he views these instances as an endorsement of his firm's egalitarian principles. "That's the beauty of it, no one person has the final say."

Veirano speaks highly of his colleagues and insists he owes many of his accomplishments to them. "I have always surrounded myself with people who are better than myself, and the chance of succeeding is very high when you do that," he remarks.

His prolific career extends beyond the legal sphere. He holds an Order of Rio Branco, a decoration that recognises the achievements of individuals that have significantly contributed to the promotion of Brazil's relations with the world. He has been the Honorary Consul of Australia for Rio de Janeiro since 2000, a position that sees him facilitate business for Australian companies in Brazil and vice versa.

Veirano remains chairman of the firm's board but has taken a more hands-off role in recent years. He still practises, but says his chief role now is bringing in new clients, citing customers' continuing appreciation for grey hair. "I enjoy what I do and fortunately my legs are still going!" While the firm has a retirement policy, it has made an exception for Veirano. "I trust that as soon as I stop getting results, they will tell me so."

Veirano encourages younger generations of lawyers entering the firm to get on board with their clients' commercial objectives as much as possible. "It's no secret you have to possess strong business acumen



Above
Ronaldo Veirano at
Veirano's São Paulo office



to be a good lawyer, even more so now,” he explains. He credits his time at Kendall with teaching him this. “Our department was adjacent to Kendall’s executive offices, so I would regularly have lunch with the president and other senior vice presidents. For a young man learning the trade, it was a blessing just to be able to listen and it truly made the difference,” he says.

Veirano makes no secret of how working for an international firm like Baker McKenzie kick-started his career. On the subject of foreign firms in Brazil, he says they raise the bar by providing opportunities for young Brazilian lawyers to train and ensuring local firms remunerate competitively.

His support for the entry of foreign law firms is not shared by all of his peers. Brazilian regulations bar foreign lawyers and law firms from practising local law and they

can only provide counsel in Brazil as foreign legal consultants. Foreign firms are prevented from entering into exclusive partnerships with or employing Brazilian lawyers.

But under President Jair Bolsonaro, Brazil’s controversial new leader, Veirano feels this may change. “He is in favour of opening up the economy in general, so I wouldn’t be surprised if he puts pressure on the Brazilian Bar Association.” If he does, Veirano hopes local firms see it as an opportunity for self-improvement, rather than putting down roadblocks. “Foreign firms would likely concentrate on niche markets and not compete with Brazilian firms on a general basis anyway,” he says. “Brazilian firms should prepare for greater competition and in doing so they would reach new levels. We could have a very different landscape in 10 years.”

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