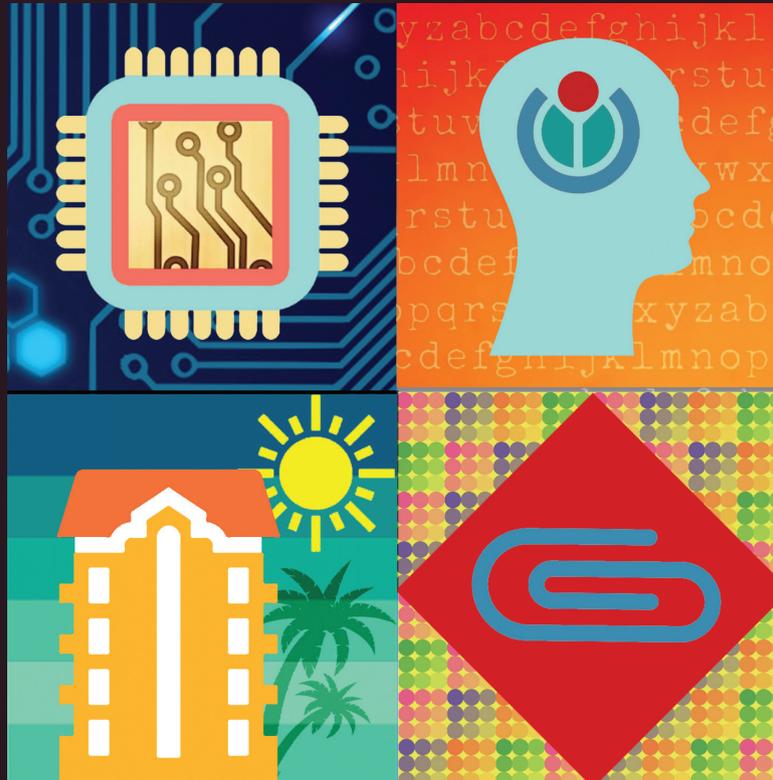


BEST LEGAL DEPARTMENTS 2015



What Could They Have in Common?

Two legal departments are fully immersed in the digital age, two maintain a solid presence in the world of bricks and mortar. What's more, one of them is a nonprofit, which renders many of the concerns of the other three irrelevant. Examined from another angle, two of them are resolutely, explicitly multinational; another is, too, just by its ubiquity. The last one is in flux. What could these diverse legal departments possibly share?

We asked ourselves this question as we pored through dozens of nomination forms. And we came up with an answer that's hard to define, but easy to see when you bump into it. They rise above what a group of lawyers is expected to do. They do it with innovation, a sense of community, even a bit of swagger. They're confident in their abilities, but they also look to improve.

Turn the page to read about 2015's winners.

INSIDE THIS PACKAGE:

Wikimedia page 56 | Office Depot page 60 | Marriott page 64 | Intel page 68

VAL B. BOCHKOV (ILLUSTRATION)



BEST LEGAL
DEPARTMENTS 2015

WIKIMEDIA

BY BRIAN GLASER

The Wiki-Snipers

A NONPROFIT PIONEERS A PRACTICE IN WHICH ITS
COMMUNITY IS TREATED AS CO-COUNSEL.

COMMUNITY. MISSION. Those are the key words you hear over and over at the Wikimedia Foundation. The legal department, in-house clients and even outside counsel repeat them like mantras. And while general counsel Geoff Brigham says them as much as anyone, he does so with feeling. “They’re not empty words—they cannot be empty words,” he emphasizes, because Wikimedia’s community of writers, editors, photographers and other volunteers around the world are the engine that powers Wikipedia and the WMF’s other projects. “They’re the reason we’re here.”

To understand why we’ve chosen Wikimedia as one of this year’s Best Legal Departments, let’s begin with the WMF’s mission “to empower and

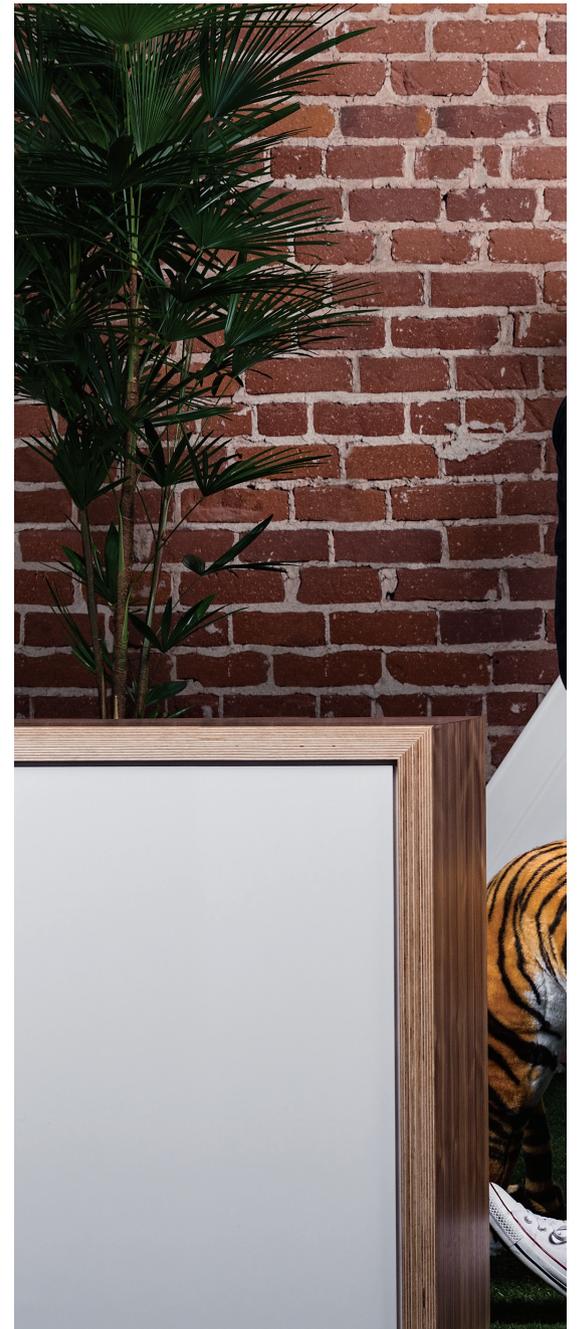
engage people around the world to collect and develop educational content under a free license or in the public domain, and to disseminate it effectively and globally.”

It’s not too different from Google’s mission “to organize the world’s information and make it universally accessible and useful.” But Google Inc. is a for-profit company with a fiduciary duty to its shareholders; the San Francisco-based Wikimedia Foundation is a nonprofit that is funded by donors and oversees 15 freely accessible online properties, including the flagship Wikipedia, Wikimedia Commons (photos and videos), Wikibooks (digitized public-domain books) and Wikispecies (a database of living and fossil species).

Everything on these properties is

available under Creative Commons licensing, and the content is created and managed by volunteers. The sites are accessed in more than 200 languages by half a billion people per month. And WMF’s legal department has all of six lawyers.

Brigham’s tight-knit team is, in many ways, the model of gender, ethnic and experiential diversity that many in-house departments aspire to. Providing legal support for WMF’s staff of about 250 are two senior legal counsel, Michelle Paulson and Yana Welinder; three legal counsel, Manprit Brar, Stephen LaPorte and Jacob Rogers; and paralegal Rachel Stallman. While each lawyer has official specialties, the breadth and depth of topics for which the department is responsible means





WIKIMEDIA'S LAWYERS, PARALEGAL, INTERNS AND MASCOT (RORY)

PHOTOGRAPHY BY WINNI WINTERMEYER

that they all have to be ready to work on just about anything.

How does Brigham's team do it all? The WMF's executive director, Lila Tretikov, puts it this way: "You can have an army of soldiers, or you can have a team of snipers. They're a team of snipers."

Brigham laughs when he hears that, but he's also quick to expand on the metaphor. "We have an army," he says, "which is our community." Becoming a member of this community, he suggests, means that they're passionate about knowledge—and the legal issues that affect their topics. So his army can, when called upon, be somewhat like a team of 100,000 paralegals. And while Brigham is careful to note that they are not lawyers, "they become specialists in certain parts of the body of law—they

care about copyright violations, and they immediately, when they see those violations, take action."

THE VOLUNTEER COMMUNITY HAS A number of set processes for dealing with issues before they become legal problems. If someone reports a copyright violation or claims information is defamatory, a community editor has online resources and guidelines to determine if it's something that can be fixed quickly or needs to be escalated to the lawyers.

The result is a self-policing system that puts out most fires before they require the legal department's attention. LaPorte says that only two or three issues a month typically get escalated, and last year the WMF received just

eight Digital Millennium Copyright Act takedown notices. When you consider the volume of content, that's as close to zero as a legal team could ask.

Which is not to say that the snipers aren't ready to do battle. The WMF is a frequent advocate in debates and litigation about online privacy and public policy, and in March, Wikimedia was one of the plaintiffs that filed a lawsuit against the National Security Agency over its "upstream" surveillance of Internet traffic.

The scale of content means that inevitably the community is going to be sued. "People don't like what's said about them on the Internet, no matter how true it may be," says senior counsel Paulson. "And they think litigation might be the answer."

WE LIKE: Clear sense of mission; plain-language work product **COULD DO BETTER:** Leading public policy debates

When volunteer writers or editors become targets, the WMF department has to walk a tricky line: Volunteers are active stakeholders in WMF properties, but they are not employees and cannot be the legal department's clients. So the team has developed strategies to protect the sites and the community.

One way they do this is through programs that provide financial support for users who have been sued. This includes directing funds to cover legal fees and giving the community access to lawyers around the world. "We look for people who understand what our mission is—they buy into it, and they see themselves as defenders of it," says Paulson.

Patrick Gunn, who is partner in charge of Cooley's San Francisco office and one of the foundation's outside counsel, says, "I don't think I have other clients with such an expansive and ambitious mission as the WMF." And while the content of much of the legal work he does for Wikimedia is fairly typical, Gunn says he has had to adapt his process to the foundation's focus on involving the users. "We will find ourselves working with the legal department and also with their community," he notes, and those interactions with the community often will shape the legal strategy. "They tell me the points to push."

Brigham does bring a more traditional corporate

approach to assembling an outside counsel network. Before he joined Wikimedia in 2011, he was deputy GC at eBay Inc., and prior to that had a long career at the U.S. Department of Justice. During his seven years at eBay, Brigham developed relationships with outside counsel who are well-versed in legal issues facing Web-based organizations, many of whom now work with Wikimedia. And he taps into AdvanceLaw, a coalition that connects GCs with vetted attorneys who do quality work at reasonable prices.

But the most potent tool Wikimedia brings to filling its outside counsel pool is its recognizable public profile. "We have a strong brand," says Brigham. "People want to represent us."

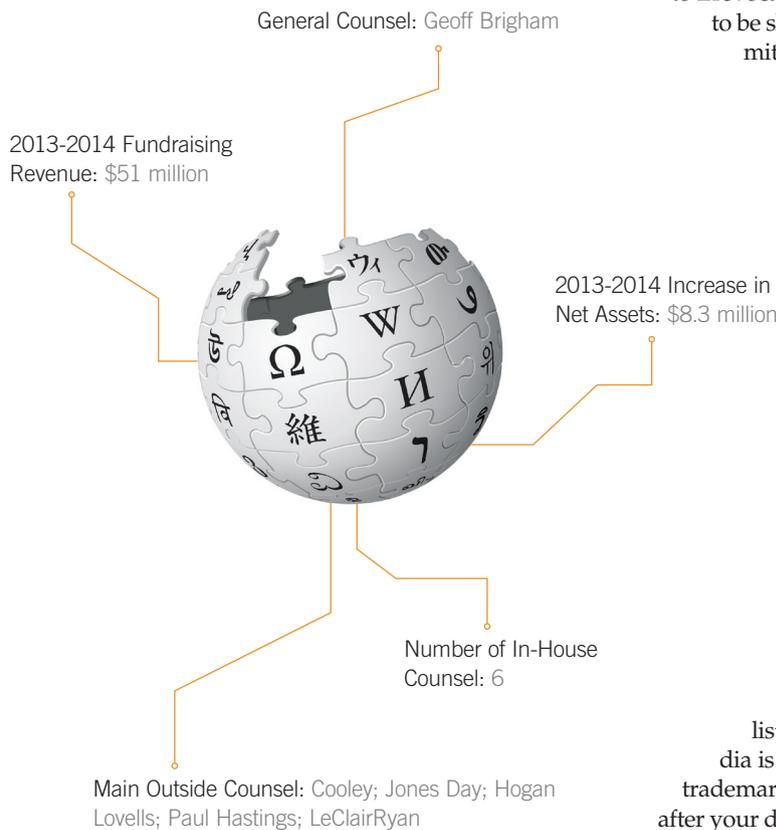
WIKIMEDIA'S SAN FRANCISCO OFFICES ARE ACROSS THE street from Yelp and a few minutes away from Twitter. The vibe in the office is decidedly Silicon Valley, right down to the free snacks.

But to understand how their ethos diverges from the for-profit Web companies that surround it, step into one of the bathrooms. Next to the sinks are baskets filled with mouthwash, hair care products and other toiletries. They're not put there by management. Each basket is filled by WMF employees. Above the baskets is a sign that reads: "This basket exists for one reason: the free and open sharing of personal grooming items. By submitting these items, you agree to irrevocably release them. If you do not want your items to be shared and redistributed at will, then do not submit them here."

It's a cheeky nod to the rules that govern Wikipedia and the other online wiki-projects. But the baskets also are well-stocked because the employees are not joking about working together for the greater good.

"The Internet needs public parks," says Brigham, who sees the WMF's projects as the public spaces that balance the business-driven environments that make up more and more of the Web. Of the 100 most-visited websites, Wikipedia is the only nonprofit. (Google and Facebook occupy the top spots.) "I have nothing against the for-profit world," he says. "I've loved all my other jobs. At eBay I felt we were empowering small business owners economically. But at Wikipedia I have a role along with our community, along with my colleagues, of making sure we're defending the public parks of the Internet for the future."

Any public park has a sign at the entrance listing the rules for using the space—and Wikimedia is no different. Only its rules are about things like trademark use and online privacy instead of cleaning up after your dog.





GC GEOFF BINGHAM VIEWS WIKIMEDIA'S
COMMUNITY AS PARTNERS.

Despite the topics, these rules have to be as clear as those outside the playground.

Take, for example, the WMF's trademark policy. Like all of Wikimedia's policies, it's posted on a freely accessible Web page, and readers can click the "View History" button to see when and how it's changed. The first thing you'll see is the question that probably brought you to it in the first place: "May I use the Wikimedia marks?" This is followed by three broad varieties of answers: 1) "YES, please!" 2) "YES, but ..." 3) "Sorry, NO." Each of these is followed by links to information relevant to the situation at hand.

Then there's the policy itself, which is five short paragraphs followed by eight subcategories of use and an FAQ. What you won't find is legalese or lawyerly flourishes in which a paragraph is used when a sentence will do. In subsection 3.1, "Use of trademarks on the Wikimedia sites," the entirety of the explanatory text is: "You may use and remix the Wikimedia marks on the Wikimedia sites as you please."

"As general counsel, as a legal department, you have to think broader than simply the legal issues," Brigham says about the policy. "You need to protect your trademarks, but you need to do it within a context—our community." He notes that when his department drafts language on a complex legal issue like IP law, the goal is to produce something that people will actually read and understand. And the policy itself is open-source, so other groups that are looking to draft a similar policy can use it as a starting point.

WIKIMEDIA'S TRADEMARK POLICY ALSO OFFERS A WINDOW into how the community is a partner to the legal depart-

ment's work rather than simply a beneficiary. As they were drafting the policy—which was done, as with all of their operating documents, in full view of their community—the department was registering the WMF's various marks with the U.S. Patent and Trademark Office, including the logo of the community (a green globe surrounded by two blue arcs and one red arc).

A year later, the department applied for European Union trademark protection of the logo. "A certain community member said: We don't want that, we want it to be absolutely free, 100 percent," says Brigham. This was in March 2013, but the mark had been registered with the PTO since 2012, and the EU paperwork was already drafted and filed. Instead of viewing the deal as done and ignoring a lone dissenting voice, the GC opened the topic up to a full community consultation. When that process showed a lack of consensus for registering the mark (even though it would be free to use), the WMF legal team went through the process of unregistering it with the PTO and withdrawing the request from the EU.

It's easy to imagine a legal department that had to go through registering and then unregistering a mark being a little annoyed, perhaps embarrassed, or at least not dwelling on it. But Brigham seemed happy to discuss it—and anyway, the whole tale is right there for all to see in detail at bit.ly/1IIYbfC.

"When you sign up for this job, you sign up for understanding the community and its history," says Brigham. "I think I missed a cue, but we corrected it—and we corrected it Wikimedia-style." ■



BEST LEGAL
DEPARTMENTS 2015

OFFICE DEPOT

BY LISA SHUCHMAN

Yours, Mine and Ours

OFFICE DEPOT'S LAWYERS HAD TO KNIT TWO DEPARTMENTS TOGETHER POSTHASTE. AND IT LOOKS LIKE THEY MIGHT HAVE TO DO IT ALL OVER AGAIN.

SINCE THE DAY ELISA GARCIA walked in the door as Office Depot's general counsel in 2007, she's had to be at the top of her game.

On her second day on the job, the U.S. Securities and Exchange Commission began a major investigation of the company. The following year, the office supply company started discussing a potential merger with rival OfficeMax, but the deal fell through. That was also the year the financial meltdown hit. In 2010, one week after Office Depot's then-chief executive officer settled improper disclosure charges with the SEC, he resigned, and a new CEO stepped in.

The turmoil did not end there, however. In 2012, OfficeMax and Office Depot again started merger talks, and Garcia

undertook the daunting task of overseeing negotiations and securing merger approval from the U.S. Federal Trade Commission. Fifteen years earlier, the FTC had blocked a proposed merger with Staples, so no one knew whether this one would go through. In November 2013 the FTC announced that it would allow the merger, setting the stage for yet another tumultuous year. Almost immediately, a new CEO was appointed to guide the integration of the two Fortune 500 companies, giving Garcia her third CEO in six years.

But through it all, Garcia and her legal department remained unfazed.

"Elisa is courageous, smart, honest and definitely not intimidated," says Roland Smith, who became Office Depot's



ELISA GARCIA (STANDING, CENTER) AND HER TEAM HAD TO HIT THE GROUND RUNNING.

PHOTOGRAPHY BY JASON MYERS

CEO in late 2013. “I trust her implicitly, and it is because of her department that this merger was executed faster and more successfully than anyone had ever imagined.”

Office Depot’s legal department earned its spot as one of Corporate Counsel’s best legal departments of 2014 largely for the masterful way its lawyers managed the integration of two huge companies, creating a \$17 billion corporation. But it also stood out for other reasons: It’s a legal department that is fully integrated and engaged in the business of the company; it consistently demonstrates an unusually strong and commendable record on diversity; and its lawyers are actively involved in pro bono projects and helping people in need.

“They’re completely focused on what’s good for the

organization,” says Michael Allison, the company’s executive vice president and chief people officer. “But they’re also focused on the greater good.”

AS 2014 GOT UNDERWAY, OFFICE DEPOT AND OFFICEMAX began the process of combining their companies. This was not a simple undertaking: Together, they serve consumers and businesses in 59 countries with retail stores, e-commerce sites and an extensive business-to-business sales organization. Much of the work, of course, fell to the lawyers.

But first, the two legal departments themselves had to be integrated. It was decided early on that the new company headquarters would be in Boca Raton, Florida, where

WE LIKE: Diversity and pro bono record; partnering with outside counsel

COULD DO BETTER: Tightly monitor and correct practices that led to a costly qui tam whistleblower suit and to employment class actions

Office Depot already operated from its custom-built, five-story, state-of-the-art building. It was also decided that Garcia would stay on as chief legal officer. But everyone in the department knew that in what was being touted as “a merger of equals,” staff from both legacy companies would be cut. Within weeks, a leaner, reorganized legal department was created. And in an unusual move, Garcia decided that the members of OfficeMax’s litigation team who were kept on in the new company would be allowed to remain in Boise, Idaho, where they had long been based.

“We were two legal departments becoming one,” says Jeff Neumeier, who was vice president and associate general counsel for all litigation at OfficeMax and has a similar title at the combined company, although he now focuses specifically on corporate litigation. “Some of our roles shifted, but there’s been real collaboration, and we work together well.”

Once the legal departments were combined, the lawyers turned to integrating the rest of the company. “When you put two organizations together that are essentially the same, you get a lot of synergies, but you have two people for every seat,” says Allison. “How do you make sure you hire the best talent?”

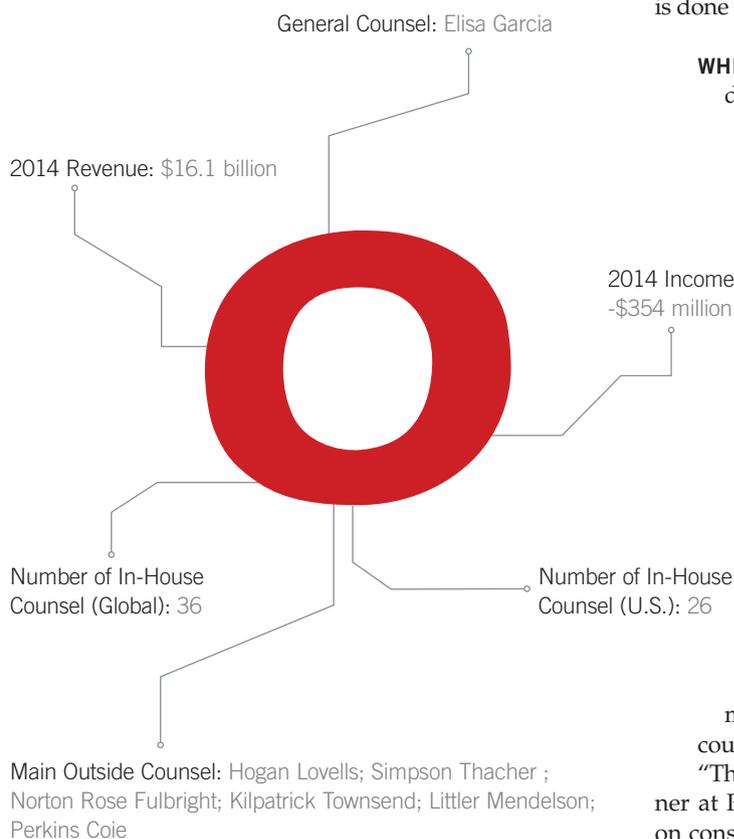
The lawyers provided advice on integrating human resources policies and processes. They drafted templates

and notices to deal with layoffs and new hires and conducted training for human resources on legally compliant selection criteria and processes for the new organization. “There were a lot of late nights and weekends,” says Kristen Sampo, vice president for employment law.

The company’s corporate lawyers, who successfully resolved a proxy battle with an activist shareholder in 2013, had to move quickly to sell the company’s interest in a Mexican joint venture and amend debt agreements held by OfficeMax. The department’s real estate and contract lawyers were inundated with information on 1,800 stores that needed to be evaluated. They had to analyze the processes and forms used by the two companies and develop new ones for the combined company. They had to examine store leases and determine which stores would close. “We’re still going through them,” says associate general counsel Elizabeth Hamilton, pointing to stacks of leases on the floor of her office.

They also had to address the needs of their business-to-business sales organization, which meant handling 1,700 requests for proposals, nearly 400 new agreements and more than 450 amendments. And they had to work with business teams to renegotiate vendor contracts and to roll out co-branded advertising and email campaigns.

“I was an M&A lawyer for Big Law before I came to Office Depot,” says Joseph White, senior director and associate general counsel for transactions. “But at a law firm your job is done when the deal is signed. Here, I got to live it.”



WHILE THE MERGER CONSUMED MUCH OF THE legal department’s energy in 2014, other issues still required attention. There was pending litigation, for example, and the lawyers decided it would be best if one particular case went away. For more than two years, Office Depot had been fighting a false claims act suit in California filed by an ex-employee on behalf of all California government entities that purchased under a major group-purchasing contract. The potential liability was huge. In June, Office Depot agreed to pay \$68.5 million to the plaintiffs—an amount the company said was far less than the alleged liability. “By settling, we avoided the costs and risks of litigation,” says Heather Stern, vice president and associate general counsel for business litigation and compliance.

Compared with most companies its size, Office Depot handles an unusual amount of legal work in-house. But it also uses outside counsel to help with litigation or advice on other matters. The relationship between inside and outside counsel, however, is hardly typical.

“They are extremely hands-on,” says Steve Koh, a partner at Perkins Coie who has worked with the company on consumer class actions and other litigation. “They are



ELISA GARCIA'S BOSS CALLS HER
COURAGEOUS AND HONEST.

involved in strategy planning. They get admitted so they can appear on pleadings. They even take depositions and argue in court. It's really more of a partnership."

It is said that a legal department generally functions best when its people come from different backgrounds, and the Office Depot legal department demonstrates a high commitment to diversity. Of the company's 26 U.S.-based lawyers, 14 are women. Eight of the 10 attorneys based outside the U.S. are women. And of the seven senior lawyers, five are women. In addition, five of the company's U.S.-based lawyers are minorities (one Hispanic-American, four African-Americans and three LGBT). Among the senior lawyers, one is Hispanic, one is African-American and one is LGBT.

Garcia, who was born in Brooklyn and didn't learn English until she was 5, makes it clear both to her in-house lawyers and to her outside counsel that the hiring of minorities is important. "This is something she truly cares about," says White, who has a photograph in his office of him sitting with his husband, and who was recently honored along with the department with the LGBT Bar Association's Out & Proud Corporate Counsel Award.

The senior lawyers also look for diversity when hiring outside counsel. "It's not just lip service," says Amy Freed, a partner at Hogan Lovells who has done work for the company. "They actually track it!"

Indeed, the company's lawyers keep tabs on their outside counsel's diversity record. They ask for reports on the composition of the team handling their matters, and they give the firms report cards informing them what percentage of the hours they billed came from women or minorities. "You don't want to get a 'we're concerned' letter," Freed says.

Garcia has long demonstrated her own commitment to diversity. In 1995, as a successful in-house lawyer in New

York, she became active in a mentoring program for minority law students. One of her mentees was an African-American woman named Darlene Henry. In 2012, when there was an opening at Office Depot, Garcia urged Henry, then living and working in Atlanta, to take it. "A year and a half later, I'm a vice president," says Henry, whose official title is vice president and associate general counsel for corporate and compliance. "I'm living my dream."

OFFICE DEPOT'S LAWYERS ARE ACTIVELY ENGAGED IN PRO bono work and community service. Individual attorneys take on Legal Aid cases and provide counsel during Legal Aid clinics. Boise-based lawyers have a long history with the court-appointed special advocate program, frequently appearing in court as volunteer attorneys appointed for neglected and abused children.

In addition, every year Garcia treats Martin Luther King Day as a "day of service" and has the entire legal staff work at a local soup kitchen. Throughout the year they deliver clothing, school supplies, food, toys and other items to schools, hospitals and other organizations. They also spend time in classrooms doing mock trials. Even in 2014, which by any measure was a tumultuous year, they didn't cut back on these activities. "We joke that at Office Depot we get so much done so quickly, one Office Depot year is the equivalent of three or four in the real world," Smith says.

By most accounts, the merger of OfficeMax and Office Depot has been deemed a success—so much so that now the new company may be swallowed up. In February, Office Depot announced that it had agreed to be acquired by the nation's No. 1 office supply company: Staples. "If we had not been as successful with the merger in 2014, this Staples merger would not have come this far," says Smith, who has been turning around companies for 18 years and is a graduate of West Point, a former Army test pilot and an avid mountain climber. (That proposed merger has not yet received FTC approval. Office Depot's top five executives stand to reap payouts totaling \$85 million if it goes through.)

Ultimately, it is the level of commitment and deep understanding of the company's business areas that set Office Depot's legal department apart. Most lawyers shy away from describing their business counterparts as "the client," and the line between legal and business can, in fact, be crossed. Richelle Aschenbrenner, who is now Office Depot's vice president in charge of global compensation and benefits, was previously a compensation and benefits attorney in the legal department. Steve Calkins, executive vice president of the company's business solutions division, was deputy general counsel when he decided to make a move to management. "There has never been an 'us vs. them' mentality here," Calkins says. "The lawyers are part of the business."

Stern, who is now one of the department's senior lawyers, says she learned the importance of this legal-business partnership from Calkins. "Steve asked me what I thought my job was, and I said something about being a legal adviser to the company," she recalls. "But he quickly set me straight. 'No!' he told me. 'Your job is to sell office products. You sell what we sell.'" ■



BY SUE REISINGER

Send In The **Experts**

MARRIOTT'S COLLEGIAL LAWYERS CAN BE TOUGH WHEN IT REALLY COUNTS.

WHEN MARRIOTT INTERNATIONAL INC. decided to spin off its vacation timeshare business into a separate company in 2011, the new company's legal team found itself sorely tested. The new company inherited several class action lawsuits stemming from the recession, and had little experience in areas previously handled by its parent, such as litigation or human resources. But the lawyers had two things going for them: They brought special expertise, and they worked for a hospitality company.

At Marriott Vacations Worldwide Corp. (MVWC), hospitality isn't just the company's business, it's the corporate culture. And that includes its 22 lawyers. Being friendly, helpful, caring and collaborative comes to the fore whether it's working with each other, with outside counsel, with the business departments or with the many regulators who oversee the company. That's one of the many reasons we've name MVWC one of our Best Legal Departments of 2015. "We still embrace the culture and values of Marriott International, which is known for its caring and collaborative environment," says general counsel James Hunter IV. "If you are a silo kind of person, this is not a good place for you to be."

No one appreciates the legal team's hospitable approach more than MVWC's own business leaders. Chief operating officer Lee Cunningham says the in-house team's greatest strength is that they are business partners who look for solutions rather than just tell the clients what they cannot do. "I'd love to say they never say no, but that's not the case," Cunningham admits. Still the legal department will try to steer their clients to a better, safer path to reach their goal.

Cunningham credits Hunter with setting the right tone despite an unusually complex business model. The legal

team must not only handle the typical corporate tasks, but also oversee a combination of assignments not usually found in a single company. Besides lawsuits, for instance, at any one time Marriott Worldwide deals with real estate development, direct sales, mortgage lending, management services, and hotel and resort rentals around the world.

The COO especially praised the lawyers for their work during the spinoff. The unusual negotiations led to a deal making MVWC the exclusive licensee for Marriott International for 140 years. Cunningham says Hunter's foresight and knowledge of what the agreements should entail was detailed and unbelievable. "I can't imagine having gone through that with anybody else," he says.

Hunter came to Marriott International in 1994. The University of Wisconsin grad is a diehard Badgers fan, and occasionally volunteered as the furry official team mascot, Bucky Badger. (And please don't mention the NCAA basketball finals. Duke is a four-letter word at MVWC.)

Early in his law career, Hunter fell in love with international transactional work. He joined the Washington, D.C., office of the Denver-based Davis Graham & Stubbs, delving into international deals. He put those skills to good use after joining Marriott International, where he worked on hotel development, mostly in Russia and Europe, until the company moved him to Hong Kong in 1996.

He returned to Washington in 2001, overseeing hotel development throughout the Americas. Five years later, he was asked to head the company's timeshare legal team in Orlando. "It was a good place to settle down and raise a family," recalls Hunter, who has three sons, with whom he enjoys camping and outdoor sports.



THE LAWYERS OVERSEE A VARIETY OF ASSIGNMENTS NOT USUALLY SEEN IN A SINGLE COMPANY.

PHOTOGRAPHY BY STEVE WILLIAMS

WE LIKE: The lawyers' limitless esprit de corps and expertise

COULD DO BETTER: Explain certain risks to prospective buyers/members who sometimes sue when surprised

Then the global financial crisis changed everything. As might be expected, increased financial regulations struck hard at a Marriott division that dealt with mortgages, lending and occasional foreclosures. So in 2010 Hunter was asked to take one year to quietly help spin off the timeshare division into a separate, publicly traded company. In the process, he had to build his own separate legal department.

AND BUILD HE DID. HUNTER FORMED FIVE MINI-LEGAL teams by subject matter, and hired crack attorneys to head each area. Outside counsel William Guthrie, who has worked with Marriott for more than 20 years, says Hunter built the equivalent of an in-house boutique law firm, bringing in lawyers with depth and breadth in their subject areas. "In any outside law firm, all the people they have would be experts in their fields," says Guthrie, a partner at Foley & Lardner in Orlando.

The in-house expertise pays off. Guthrie says that MVWC's in-house team handles the bulk of legal services needed to run 58 resorts and 11,700 timeshare villas. And they do it fast. The industry is quick moving, Guthrie notes, and the business side expects legal to move just as fast. "They have to bring all those different disciplines together, and it's amazing how quickly they are able to do it," he says.

The litigation expert is Mark Nagle. As associate general counsel, he oversees outside trial counsel and also handles compliance, labor and employment, and employee benefits. Before joining Hunter's team, Nagle was a litigation partner at Troutman Sanders, where he served as lead counsel in more than 75 cases, including a victory in the U.S. Supreme Court. Previously Nagle was chief of the civil division in the U.S. attorney's office in Washington, D.C.

The litigator racked up several victories last year. One troubling case involved a class action brought by two owners that Nagle says "challenged almost everything we have done with the Ritz-Carlton brand back to 2009." The company's risk and exposure was substantial, with a proposed class "consisting of everyone who had ever purchased our Ritz-Carlton fractional product," Nagle explains.

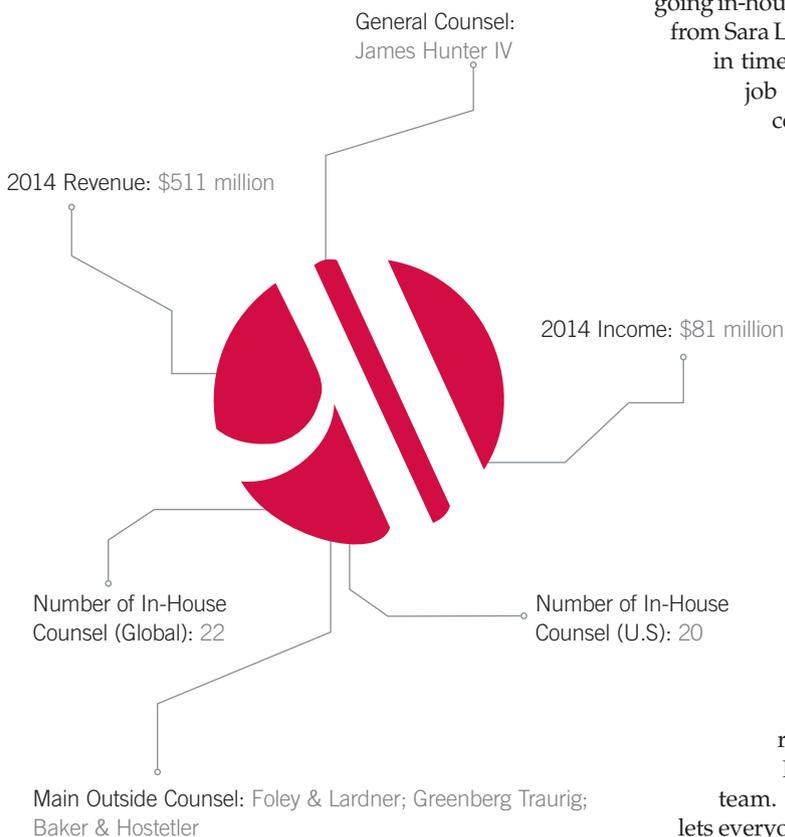
But the judge dismissed all claims but one on motions. The successful strategy was shaped by Nagle and Hunter, others on the in-house legal team and outside counsel Greenberg Traurig. The dismissals "dramatically scaled back the exposure the company faces in the litigation, reduced the scope of proper discovery, and posed additional challenges for the plaintiffs in getting a class certified," Nagle says.

Another expert in her field is Catherine Meeker, associate general counsel for corporate affairs and finance. She previously was a partner at Alston & Bird in Charlotte, before going in-house with Hanesbrands Inc., just before its spinoff from Sara Lee Corporation. She joined MVWC in 2011, just in time to help once again with a spinoff. Meeker's job entails securities laws compliance as well as complying with all the new financial regulations Congress has recently enacted.

Because of Marriott's business, her job can get confusing and complicated. Some regulators, for example, consider Marriott a financial institution as a mortgage lender or originator. But regulators in others areas do not classify it that way. "It depends on the regulation," Meeker says.

She keeps a sense of humor while dealing with huge numbers. In 2014, for instance, her department securitized hundreds of millions of dollars worth of vacation ownership notes, while amending various revolving and credit facilities on terms more favorable to the company. While securities laws are old hat to Meeker, the mortgage part of the business was a new challenge. At Hanesbrands, she jokes, "we didn't need to refinance underwear purchases."

Meeker appreciates being part of this legal team. She likes the collaborative environment that lets everyone debate "but not butt heads in a nonproductive way." And she enjoys the opportunities to work closely





JAMES HUNTER IV CAUGHT THE GLOBAL WORK BUG EARLY ON.

with senior executives, outside counsel and board members. Unlike some bosses, Hunter encourages his team leaders to develop these relationships.

Another expert is Barbara Egolf, associate general counsel for global resort operations and owner services. Before joining Marriott in 2003, Egolf worked at Baker & Hostetler on an array of corporate matters, including hospitality industry financing and timeshares. And since MVWC resort operations are 24/7, Egolf has her hands full. She says she begins her day by going through emails from around the world.

No two days are the same. Each morning she prioritizes legal issues with fire/life/safety issues at the top. Then come license and contract requests for everything from a liquor license to a hair braiding contract to a deal for a \$750,000 fire alarm and sprinkler system.

Three attorneys report directly to her, with dotted-line authority for another Marriott lawyer in London and one in Singapore. She also collaborates with sales and marketing and operations folks at the various resort sites. "They are the creative people who come up with ideas to help vacationers have fun," she says. "It's a breath of fresh air to work with them."

DAN ZANINI HAS BEEN ESPECIALLY BUSY LATELY. AS ASSOCIATE general counsel for development, real estate and entity management, he leads two lawyers and three paralegals in handling real estate acquisitions, development and disposi-

tions. And as the country recovers its financial vitality, so is MVWC—seeking growth after several years of holding steady. So Zanini has been visiting other countries, building relationships with counsel and negotiating to acquire two new projects in Japan and two in Bali. "The growth of this company will come from adding more properties, expanding the network," Zanini says, "especially in Asia—areas where people want to go."

He is a legal team veteran, with 17 years at Marriott. Before joining the company, Zanini was a partner in Parker Duryee Rosoff & Haft in New York, where he launched a transactional real estate practice for the firm and represented New York real estate developers. "I'm essentially a real estate contract lawyer," he explains. "We follow up on due diligence, prepare for closings and handle post-closing matters."

In addition, the company has continued its spinoff efforts into 2015. That includes establishing its own information technology systems, along with independent payroll and related finance organizations, according to its form 10-K annual filing with the U.S. Securities and Exchange Commission. It hopes to complete the separation efforts this year.

All this means more work for everyone. Zanini and the company completed the sale of land, a golf course and related assets in Kauai and the Abaco, Bahamas for \$50 million, according to fourth-quarter financial results. It also committed to purchase inventory in the future in Miami Beach, San Diego and the Big Island of Hawaii. And it just entered a deal to develop and acquire more units at its resort on Marco Island, Florida. "The legal team's productivity was off the charts in the fourth quarter of 2014," Hunter notes.

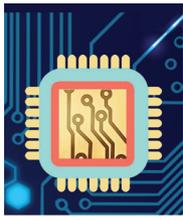
Somehow amid all the hustle, the legal team finds time for pro bono work and commitment to diversity. For the last 10 years MVWC has partnered with an Orlando high school as part of its sponsorship of the Street Law Corporate Diversity Pipeline program. Their work includes in-classroom teaching, and an annual workshop and two summer internships for selected students.

The department also practices diversity in its own ranks. Of the 20 attorneys based in Orlando, 55 percent are women and 25 percent are minorities. Of the 10 senior counsel, five are women; and of five associate general counsel, two are women (and one post is vacant).

As the company grows, so will the legal department. Hunter says he has plans to add another lawyer in 2015. He also is seeking to fill a current opening for a fifth associate or assistant general counsel to work with sales and marketing. The busy GC has taken on the job on an interim basis until it's filled.

Hunter says MVWC's future may include more collaborating—this time with competitors. He explains, "As we negotiated [the spinoff], we saw opportunities, some of which are still out there." While he doesn't elaborate much, the GC adds: "We are not constrained to only sell Marriott time shares. We could do Hilton, Starwood or any competitor. We haven't done it yet, but ..."

The idea is clearly percolating. And that means that MVWC's legal team can expect the job to just keep getting more complicated. ■



BEST LEGAL
DEPARTMENTS 2015

INTEL

BY REBEKAH MINTZER

Practicing Law At the Speed of **Relationships**

A LAW DEPARTMENT THAT KNOWS WHEN TO SLOW
DOWN IN A HIGH-SPEED WORLD.

IT MAY SEEM STRANGE that at a leading Silicon Valley company, the head of the law department calls himself “a bit of a technology skeptic” when it comes to his profession. But Steven Rodgers, general counsel at Santa Clara, California-based Intel Corp., isn’t kidding. “I don’t ever want to get to a point where, when my CEO wants legal advice, he goes to a website,” says Rodgers. “I want him to call me or walk down the hall to talk to me.”

It’s not that the 281 attorneys around the world that make up Intel’s law and policy department don’t care about the gadgets. They use cutting-edge technology every day to work

more efficiently and enable Intel to create and sell its products. But what makes the team unique is that they recognize the importance of balancing speed and innovation with the slower and decidedly less high-tech process of building relationships. Whether it’s forming meaningful ties within the department or with outside lawyers and pro bono clients, Intel’s focus on the connections that go far beyond computer circuitry make it an organization deserving of recognition as one of our Best Legal Departments this year.

Intel’s lawyers are so intent on cementing their internal relationships

that they’ve dedicated a whole team to the task. The department’s “proximity team” currently organizes about 20 events per quarter at Intel offices across the globe. These social or pro bono-related activities allow legal staff to strengthen relationships and trust, and give younger in-house lawyers the chance to interact with senior lawyers in a relaxed environment. Proximity events, as well as Intel’s customized educational sessions for younger staff, which are often designed and delivered by more senior attorneys, go a long way in building young talent and making new lawyers feel at home.

Connections between members of





GENERAL COUNSEL STEVEN RODGERS (STANDING) AND HIS TEAM OF TOP LAWYERS

PHOTOGRAPHY BY WINNI WINTERMEYER

the legal team are built through knowledge management tools as well. Intel uses a legal portal that was originally built to focus exclusively on sharing memos and legal information. "We've found, somewhat to my surprise, that perhaps the best use of the portal is to help build relationships," says Rodgers. For example, an Intel lawyer at one location who needs help drafting a particular document might post a note in the portal, and then another Intel lawyer he or she has never met from a faraway country may immediately volunteer to help out. The portal has also developed into a sort of informal social networking site, where the

legal department holds photo contests and facilitates conversations between members.

THE SAME FOCUS ON BUILDING RELATIONSHIPS has helped the lawyers build strong, mutually beneficial ties with outside counsel. Intel keeps a "relaxed preferred list" of go-to law firms and regularly identifies promising outside attorneys. "We're very aggressive in steering matters to particular lawyers or particular teams because we've decided we want to build a better relationship with their lawyers or their team," says Rodgers. "We definitely take the long view."

The long view means that Intel's legal department takes special care to nurture promising young associates and partners continually, rather than just walk away once the matter is done. William Lee, a partner at Wilmer Cutler Pickering Hale and Dorr, has been representing Intel for more than 20 years, and has seen this dynamic firsthand. "They put their money where their mouth is, and they give opportunities to young people to lead on cases, to do the cases without an older guy like me hovering around, to get first-chair responsibilities that other clients wouldn't give them," he says.

Just in the past year and a half, Intel



WE LIKE: Relationship Building, Technology, Pro Bono, Litigation Strategy

COULD DO BETTER: Diversity

has encouraged several of their rising outside attorney stars to strut their stuff by allowing them to argue their first cases ever before federal circuit courts on Intel's behalf. The legal department also pays young outside lawyers to write white papers on relevant legal topics that they will then discuss face-to-face with high-ranking department members.

Of course, it isn't just about the young guns. The legal department holds an outside counsel summit every year where Intel's preferred litigation firms gather. Intel sets up outside counsel panels to speak about the legal matters they handled for the company throughout the year. Letting lawyers from different firms talk with each other and with Intel, says Allon Stabinsky, associate general counsel for Intel's litigation, licensing and patents group, helps solidify the larger Intel team. "It's another way we have continuous improvement and knowledge sharing," he notes.

The efforts to strengthen the inside-outside connection extend to the very structure of litigation teams. In-house litigation counsel at most companies have to oversee a large number of matters, meaning that they tend to delegate a lot of strategic and day-to-day responsibilities to outside counsel. According to Darren Bernhard, assistant general counsel and director of antitrust and commercial litigation, Intel

gives its litigation leaders smaller dockets, and has gotten great results. "We do it very differently. Our team leaders manage the case," says Bernhard. "They act both as client and team participant. They are involved in the daily matters in the case, the case strategy decisions, the key evidentiary decisions. They review written work product, they attend mock trials and mock events. They go to all the hearings."

INTEL'S FOCUS ON OUTSIDE COUNSEL RELATIONSHIPS appears to have paid off last year in the form of several big courtroom victories. The company defeated class certification in a microprocessor antitrust case that had been in the works since 2005. The lawyers had to try the case not once, but twice (the original judge retired, and the new judge wanted the case reheard). Known as *In re: Intel Corp. Microprocessor Antitrust Litigation*, it had one of the largest document records in the history of antitrust class actions, and Intel leveraged its very own in-house e-discovery team to sift through it.

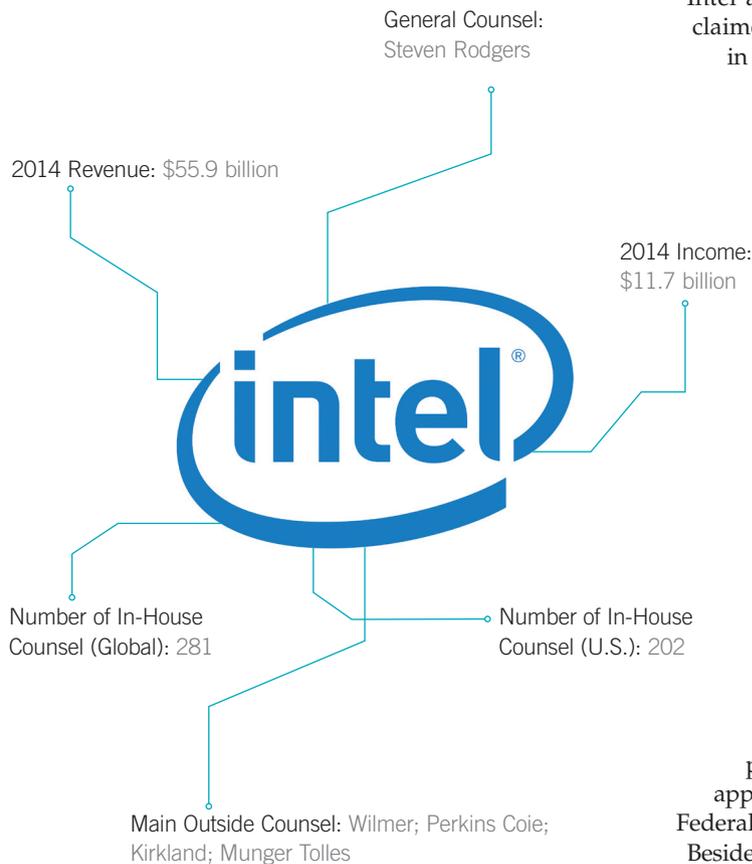
Then there was the onslaught of patent litigation that Intel beat back in 2014. In *Stragent v. Intel*, Intel's legal team won a patent infringement suit from a nonpracticing entity, using dramatic testimony from company engineers to win its first-ever jury trial in the notoriously plaintiff-friendly Eastern District of Texas.

Intel also shut down X2Y Attenuators, an NPE that claimed that Intel's x86 microprocessor—a mainstay in devices for years—infringed an X2Y patent. X2Y tried to coerce Intel into a massive settlement by threatening to bring the case to the International Trade Commission, which has the power to issue injunctions preventing items manufactured overseas, such as parts of the x86, from entering the U.S.

Intel didn't take the bait. The company convinced the ITC that it hadn't infringed X2Y's patents. More than that, though, it took groundbreaking steps in adopting a little-used defense argument. As Wilmer's Lee, who worked on the case, explains: "It was one of the first cases where the ITC decided to take evidence on what's called the public interest factor, which is: 'Is it in the public interest to have an exclusion order issued?' And that was a big, big part of the trial."

The public interest defense involved marshaling testimony from experts who could prove how essential Intel's microprocessors are to the functioning of the U.S. economy. After prevailing at the ITC, Intel's team fought off an appeal from X2Y at the U.S. Court of Appeals for the Federal Circuit.

Besides protecting Intel's proprietary technology, the law





and policy team uses plenty of technological innovation to work more efficiently. A group of experts brought in-house by Intel have helped dramatically streamline matter management and discovery, getting rid of manual intervention in more than 85 percent of the company's e-discovery. The legal department also recently began using a new process to automate and put online aspects of nondisclosure agreements, reducing the average time to generate, e-sign and file from 17 days down to six minutes, and reducing the cost of processing by up to 70 percent. Intel also trimmed down its NDA negotiation process, decreasing average negotiation time from more than a month to around five days, and eliminating middlemen by automatically matching those seeking to negotiate NDAs with trained outside counsel. Intel has also created a time-saving algorithm to determine whether an employee who is leaving the company needs to be interviewed about disclosure of proprietary information before walking out the door.

ON ANY GIVEN DAY, THERE'S A GOOD CHANCE OF FINDING AN

Intel lawyer studying a patent or vetting a new product, but they can also be spotted in their communities doing very different kinds of legal work. The law department runs an award-winning pro bono program that began in 2006 and has since resulted in more than 1,000 client engagements by the U.S. staff alone. Their work varies from debt and housing clinics, to family guardianship and educational advocacy, to counseling low-income entrepreneurs (that is, as long as the entrepreneurs aren't planning on designing and selling microprocessors).

Larry Bennett, a patent attorney who helps lead the program, explains that Intel has learned a lot about what draws people to projects, and is shaping its pro bono strat-

egy accordingly. "The biggest influencer I find is not that somebody thinks it will impress their boss, it's that they have a personal connection in their life to that kind of an issue," says Bennett. Knowing this, he adds, Intel has supported a "cafeteria approach" that provides a wide variety of opportunities designed to touch personal nerves and inspire lawyers to volunteer.

The year 2014 was a big one for pro bono, as the legal team expanded into international work, mostly along the lines of legal research and legislative issues. Intel lawyers in the Europe, Middle East and Africa region won an award from Trustlaw, the Thomson Reuters Foundation's global pro bono program, for a project that centered on regulation of self-testing for HIV in certain African jurisdictions. They won another from law firm CMS for their collaboration with the firm on legislation to prevent domestic violence in China. Intel's pro bono attorneys are now looking for opportunities to use their tech savvy to boost virtual pro bono legal services to those in more isolated areas of the U.S. that lack access to legal help.

As Intel evolves, its legal team plans to be there every step of the way. Recently the company appointed a new CEO, Brian Krzanich, and made other changes to senior management. It is also investing heavily in emerging technologies, such as wearable devices and the Internet of Things, while sourcing its raw materials in a more sustainable manner. No matter what the future brings for Intel, though, its lawyers know that people and relationships will remain essential. "Change is good," says Jo Levy, Intel's chief compliance officer. "We want to stay fresh and innovative, and we want to be a faster, more nimble, high-tech innovative company. But there are some ways we're not going to change." ■