



Jacksonville Business Journal - December 10, 2001
/jacksonville/stories/2001/12/10/story2.html



JACKSONVILLE Business Journal

Friday, December 7, 2001

Local, Chinese firms are now legally bound

Jacksonville Business Journal - by Lisa R. Schoolcraft

The largest law firms in Jacksonville and China, which until 1992 banned private attorneys, became allies Dec. 1.

Rogers Towers Bailey Jones & Gay formed an alliance with Beijing-based **Lehman**, Lee & Xu.

"A big part of our focus of establishing our Asian operations is helping Florida businesses to start business opportunities in **Greater China**," said **Jim Valenti**, an attorney with the 95-year-old firm. Valenti is also CEO of World Trade Group, LLP which provide China project consulting and product sourcing to US customers.

With 150 attorneys, Lehman, Lee & Xu is nearly twice as big as Rogers Towers (78 attorneys).

"The aviation parts business is concentrated in Florida, and opportunities for American logistics and distribution and shipping companies are opening up in China for the first time," said William A. Wright, senior attorney at Lehman, Lee & Xu, via e-mail.

TNT Logistics, for instance, recently bought a 50 percent stake in An Ji Auto Logistics Co. as part of a joint venture with Shanghai Automotive Industry Corporation Group.

It took nine months for TNT, which has its North American operations based in Jacksonville, to negotiate the deal, said Bob Schotman, the company's director of marketing and e-business.

What others do

"For major law firms, almost all of them have offices in Beijing," said Zhao Xiaohua, an attorney at Holland & Knight's Washington office who specializes in China. "The Chinese legal market is quite different from the U.S. The whole legal system is not very well established."

U.S. law firms cannot go before Chinese courts or work up legal documents. So they hire Chinese law firms.

"For most of our business transactions, we could handle it by ourselves [in the China office]," Zhao said.

For a smaller firm, however, a strategic alliance is probably a better choice than a satellite office, she said.

Joint ventures

"This will also help us help companies find the partners they want to do business with in China," Valenti said.

Lehman, Lee & Xu is "one of the rare local Chinese firms with experienced American practitioners," Wright said.

One of Lehman, Lee & Xu's strengths is its intellectual property division.

"Western companies always have something of a fear factor in bringing their technologies overseas -- and Asia in particular -- because they are afraid of being pirated," Valenti said.

"To our knowledge, there is no other U.S. firm that has a similar affiliation with any Chinese law firm," Valenti said.

Rogers Towers already is meeting with area businesses about setting up joint ventures in China, Valenti said. He declined to disclose the firms' names.

"The main types of projects we're already involved in is manufacturing imports and exports and distribution of consumer goods, industrial goods and technology," Valenti said.

