

## Nishith Desai opens in New York City after fairly painless 6-month process to secure licence



*New York New York*

Nishith Desai Associates has opened an office in New York - its fourth office overseas and second in the US – hoping to tap the increased activity of private equity houses in that region of the US.

The firm has had an office on the West Coast, in the Silicon Valley's Palo Alto for 15 years now, but managing partner Nishith Desai said that almost all the largest private equity funds were on the East coast now. "In early 2000 it was all about technology and venture capital for start up in Silicon Valley, post dot com bust it was about growth capital and private equity out of East Coast and now it's on both the coasts. US is three times larger than India and hence justifies offices on both sides."

The office will be headed by Mansi Seth, who had graduated from NLU Jodhpur in 2007 after which she had worked at Nishith Desai Associates in Mumbai for five years, then completing an LLM in international taxation at Georgetown University by 2013. She has now rejoined the firm from PwC in New York where she had worked between 2013 and 2015.

She specialises in international tax, funds and M&A work, while also working on legal advice to the financial services, technology, media, communications and pharmaceutical sectors.



“We train our people and practice law following the Google model - of the total time spent we expect everyone to spend 70% time on core speciality, 20% on something related to core, and 10% something unrelated. To be innovative and creative one needs to have deep vertical knowledge( or speciality) but must have horizontal or more of lateral thinking- then only you can think out of box,” noted Desai.

## 24-hour service; the rise of robot lawyers

The new office would partly be a business development centre, said Desai, but importantly it would also be a delivery centre of Indian law, allowing large projects of the firm to be serviced around the clock “without imbalancing personal lives”, said Desai. “If the project starts for example in India during the daytime, it seamlessly moves to Munich, then to New York, then to Palo Alto, then to Singapore. This is mainly possible because we are a one firm, firm and our model is not 'eat what you kill'- therefore everyone collaborates. Technology is second greatest enabler.”

The office would scale up its headcount in future said Desai, but added that he visited New York at least monthly in any case and that the firm “always believe[d] in brain count rather than headcount”.

“We believe that in the next five to seven years, because of robotics and automation, 30% of the workforce will be redundant. Lawyers too will be definitely affected especially those who are more into compliance work than those who are creativity driven. But a lot more use of artificial intelligence and robotics, will create a lot more redundancy - therefore we are cautious of [increasing] headcount.”

## Set up costs

As in other global cities, the New York office is a serviced business centre. It is based in Manhattan’s 375 Park Avenue that would allow the firm to scale up if required and avoid the bigger overheads of a bespoke office space for a small headcount (the firm has one lawyer in Munich, **where it set up in 2013**, and two lawyers each in its Palo Alto and Singapore offices).

“No doubt it's expensive (New York), easily both rent and the people cost [and] we can't afford to even cut corners anyway, because there's a reputational issue,” commented Desai.

“When you set up a foreign branch, will be seven year horizon before you really settle down - most people want immediately - if you focus on select clients and verticals, it takes time to build a foreign office. The Palo Alto office in Silicon Valley was one of the most expensive places in the world but you have to bear that kind of thing and create sustainable relationships.”

Securing a licence from the New York City state bar to practice Indian law in the city “took quite some time”, said Desai. “Six to eight months it took, a lot of formalities were there, they needed a lot of paper work: recommendation letters from India and in the US, we had to go through [an]interview process, it takes several months, they ask you many questions there. They want to know what is your legal system like, how are you taught ethics, they asked a lot of questions.”

Local requirements also mandated payment of a small fee and adequate local insurance coverage, which required an extension of the firm's existing policy to New York, as it had also been required to do for its Munich and Singapore offices.

"If your paperwork is good then there is no problem," Desai commented on the accreditation process.

Non-Indian law firms are **not permitted under current regulations** from having any permanent office in India.