

Member Spotlight: José María Dutilh

A Very Modern Capitalist



José María Dutilh is Managing Partner at LeQuid, Social Enterprise and Business Law Firm. He specialises in social enterprises, restructuring and distressed M&A.

He is a law and economy graduate from ICADE (Universidad Pontificia de Comillas) and has an LLM in Business Law and Tax Law from the Instituto de Empresa and an MBA from Esden. He also has an LLM in Corporate Insolvency and Restructuring from CEU (Universidad San Pablo/CEU), and is a lecturer in distressed M&A on the Master of M&A Expert Course at ISDE.

A desire to move away from the hierarchical nature of large law firms and a passion for social enterprise are the driving forces behind LeQuid, a Madrid-based business law firm and IR Global member.

LeQuid specialises in corporate and tax law, including restructuring, insolvency and mergers & acquisitions - all of which sounds very routine – except for the modern approach to law and capitalism adopted by its Managing Partner, José María Dutilh. After many years working for large international law and consultancy firms, including Stephenson Harwood, PWC and Ernst and Young, José decided he would prefer to tread a different path.

In 2006, he established LeQuid, which he calls a social enterprise and business law firm. The social enterprise aspect of the business is extremely important to him, influencing his style of operations and client base.

He says: “The big firms I have worked for, tended to be hierarchical and bureaucratic. The partners were often static, profiting from the multinational

brand power, but eschewing the partnership spirit. In some cases, their idea of partnership became distorted and they just wanted to personalise the firm under their own name.

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“LeQuid is a cooperative firm with a horizontal structure, we have 15 fee earners and I am in the process of adapting the fee structure into three columns - professional, non-profit and training and development. I am asking for existing partners to split the client portfolio to lessen bureaucracy and to commit to train and develop younger staff into new partners.”

Beyond its forward-thinking structure, LeQuid employs social enterprise thinking in the work it does for clients. The firm is a founding member of the New Economy and Social Innovation Forum (NESI), which has a mission to create 'a more sustainable, fair, democratic and people-centred economy.' The forum is held annually in different locations around Spain and LeQuid offers corporate governance, litigation, compliance, restructuring, tax and M&A services to member firms who are involved in social responsibility.

José says: "Ten years ago, social responsibility was just a marketing idea, but now companies are integrating these techniques and values throughout the whole value chain. They are private companies set up for profit, but economic and social impact are at the centre of their strategy. This is something that touches my heart and I want to apply my knowledge for these clients."

Some of LeQuid's recent work emphasises this policy, including a merger they completed between two architect firms specialising in social housing and construction. One had expertise in co-living spaces and another in co-working spaces and they were seen as a good fit. LeQuid has also recently helped with the merger of three pet food manufacturers, specialising in Biologically Appropriate Raw Food (BARF) for dogs. In both cases, post-merger, LeQuid was able to assist in fundraising to support the enlarged businesses, via crowdfunding or investment from existing clients and suppliers.

There is also a social angle to the work LeQuid does in the area of restructuring and insolvency, despite this being an area not well known for creating value. José always works to mediate and negotiate between shareholders, directors and creditors to find the best possible outcome for all parties. This may involve collective creditor agreements, debt renegotiation terms or postponement

of payments. The idea is to maintain the wealth of the workers, perhaps by selling business units to them under a pre-pack arrangement or motivating existing clients to acquire companies together with existing management. In many cases this can be done under a cooperative structure or a limited labour company (Société Laboral), designed to benefit workers.

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One of the key elements of social responsibility is the use of technology to find more efficient and fairer ways of doing things. LeQuid has embraced technology and is using this knowledge to expand its business into new areas. A good example of this is audio-visual, which is experiencing a boom in Spain.

José says: "Cinema and audio visual is a growing sector in Spain, as demand for Spanish language content increases. The growth of the global Spanish population, plus streaming services such as Amazon and Netflix have influenced this, as has social media. Many traditional producers are entering bankruptcy, while new innovative producers need to find funding in the private sector for their projects, take advantage of tax incentives and structure their cross-border tax affairs efficiently. We can help clients with this, as well as with production contracts governing intangible assets such as intellectual property, actors or technicians."

He adds: "We are also working closely with a consultancy business to offer legal and consultancy services to boards of directors on areas we believe

they must address to remain successful in the new circular economy. We have identified five areas; which are, sustainability, digital transformation, cyber security, internationalisation and restructuring."

José's ambitious plans for LeQuid don't come without significant effort, which means he is not afraid of a long working day. He generally gets up at 6am and doesn't return home until 8.30pm, but he says this is acceptable because he has flexibility built into his schedule, allowing him to follow his own interests and spend time with his family.

He says: "I am now a level one yoga teacher, after three years of training, which allows me to teach a class each Saturday and practice yoga each morning. I work at home in my study before heading to the office to see the team, or to court for a case. I'll leave the office at 7pm and often go to an after work event, for networking or training.

"Flexibility is key, since it allows me to have breakfast with my wife and son, who is also a lawyer. I might also meet them for lunch, or break off to help my 90-year-old father with something he needs. My family is fairly large, and we try to meet up every two weeks for lunch on Sunday, including cousins, brothers and sisters. And, of course, my father, who has a house in the mountains, but is very fit and active."

José says practising yoga keeps him inspired, intuitive and calm, reducing stress and allowing him to be more tolerant of other people's problems. His work in the area of social responsibility certainly reflects that and is an example of how to make modern capitalism work; combining a profit motive with fairness, respect and sustainability – but without greed.

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LeQuid consists of a team of professionals with solid training and track records as well as extensive experience in the provision of legal advice to national and international clients.

The team is made up of experts from diverse specialities and nationalities, making it possible to provide a truly comprehensive advisory service, responding to clients' needs quickly and effectively.