

The thing about ...

Recently in Seoul, Asian-mena Counsel's Patrick Dransfield photographed *Sai Ree Yun*, one of the six founding partners of *Yulchon*, and also asked him a series of questions on behalf of the *In-House Community*.

ASIAN-MENA COUNSEL: Sai Ree, you shared with me the Korean phrase "blue seas where once was mulberry fields" to illustrate the changes that you have seen since the founding of Woo, Yun, Kang, Jeong & Han (since renamed Yulchon) in 1997. What are some of the most salient developments you have seen since then?

SRY: That famous ancient idiom refers to great changes occurring with the passing of time, as the wheels of fate turn. Considerable change has occurred in the Korean legal service industry over the past two decades.

First of all, the number of legal practitioners in Korea has increased by more than five-fold. We now have almost 2,000 new lawyers each year. With this growing supply of lawyers, corporate clients can afford to hire more in-house counsel than ever before. Over time, the principal point of contact between client firms and law firms has shifted from business managers to in-house counsel. Moreover, general counsel tend to have greater prior background at major law firms than previously, and they understand law firms inside and out. Dynamics between clients and outside counsel have changed accordingly.

Second, the growing number of legal practitioners also has led to the proliferation of law firms. In particular, we saw a number of second-generation law firms founded by those lawyers who had worked for major law firms. These second-generation firms have geared up to climb the ladder, posing significant challenges to existing major firms.

Third, as the Korean legal service market has reached its last stage of liberalisation, 27 international firms have already opened offices in Seoul, seeking to solidify their presence in the Asia-Pacific region. Competition has intensified all around, among Korean law firms and among international firms, as well as between Korean local and international firms in Korea.



Photo: Patrick Dransfield

The last important development to note concerns dynamics inside major law firms. As a result of narrowing chances to become a partner, we see many lawyers leave law firms and found their own smaller firms; join clients or the government; or set up venture firms. As seen in other markets, we are witnessing diversification of career paths of the legal profession in Korea as well.

AMC: Yulchon was founded on “democratic, open and collaborative” principles. What is the corporate governance structure and culture of the firm today? How have you managed to retain these founding principles given that the firm has grown from 10 lawyers to four hundred professionals?

SRY: Yulchon has very different roots to other firms. It was founded as a collaborative venture by six partners who were more or less colleagues in the same generation and shared a common goal of building a premier Western-style law firm. With those important common denominators, it was quite natural for us to form the culture of openness, democracy and collaboration. Furthermore, the very limitation of scarce human resources in the early days of the firm worked to our greatest strength, bringing us closer in order to compete against bigger firms. Since we, the founding partners, already had significant expertise and still actively practiced rather than delegating to juniors, we won big projects as well as client trust faster than other competing firms.

Another important feat that helped us maintain our culture and principles despite rapid growth lay with our pursuit of organic growth. We have made a conscious choice not to merge with other firms. Instead, we laterally recruited top-tier lawyers from diverse backgrounds whom we thought shared our commitment towards a collaborative, collegiate culture. If we had chosen merely to grow the size of the firm, we surely would have grown faster, but that has never been our goal. Even today, we try to control the pace of growth in order to not compromise our corporate culture and values along the way.

AMC: How does Yulchon’s approach to client service differ from the traditional Korean attitude?

SRY: Traditionally, lawyers react to clients’ needs from a narrow legal perspective. Our clients, on

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the other hand, proactively operate within a business model that does not distinguish legal issues in isolation from other real-world dynamics. We believe the best way to understand and solve clients’ problems is to use this latter business model and put ourselves in our clients’ shoes. The practical approach to do so has been to create in the firm a mini-ecosystem similar to clients’ ecosystem in the form of R&D centres.

We employ unique individuals from diverse sectors of government, industry, and academia. Some of them are not lawyers, but most of them are former senior members of government agencies, the judiciary, university professors, PhD scientists and economists, C-suite business executives, investment and finance professionals, and even former ambassadors. We have organised these talents into specialised research centres within each of our practice groups. Moreover, we have created a centralised firm-wide think tank headed by the former head of the Hyundai Research Institute. It conducts its own research, and coordinates and compiles the research undertaken by the practice groups. Through such an effort, for example, we recently completed a VR-related regulatory framework project with a multinational IT company, as well as an external audit system reform project.

AMC: Richard Susskind has challenged leading law firms to be on top of technological advances to best provide value service to clients – how does Yulchon effectively use technologically-advanced solutions in its services to clients?

SRY: We have created a general purpose platform to provide both RegulatoryTech as well as LegalTech services to clients. The goal is to create a suite of applications for various clients that achieves legal product from the users’ perspective, incorporates feedback from

a wide group of users to remove misleading or ambiguous statements, and provides innovation that provides not just information but solutions. One concrete example is a Korean Anti-Corruption Law app that is currently provided to some clients by us.

AMC: How does Yulchon work with new clients?

SRY: Working as a team with our clients, we share all the information and best mobilise our resources to ensure the best result. At the same time, we also encourage our clients to proactively involve us in their business strategy formation. What sets us apart from other law firms again is our belief in providing value to clients not only by solving their legal problems but also achieving their business objectives together.

In assisting our clients toward achieving their business goals in a holistic manner, we recognise the need to utilise the entire firm – lawyers specialised across different practice areas as well as non-lawyer experts with diverse background and expertise – as a team. When it comes to a multidisciplinary approach, Yulchon definitely stands head and shoulders above the competition. That is the reason why clients repeatedly come to us with complex issues knowing that they can rely on Yulchon to mobilise the best available talent in this market to yield the best possible outcome.

AMC: On training, what qualities do you think make a good Yulchon lawyer and how does the firm attempt to mould such a person?

SRY: Lawyers should understand business as well as law in order to effectively assist business clients. We encourage our lawyers from the outset of their career to equip themselves with a wide breadth of knowledge into clients’ businesses so that we can always be on the same page and speak the same language as our clients. We also stress heavily that Yulchon lawyers are expected to adhere to the highest level of professional ethics and integrity as a corner stone to guide us in practicing law. This philosophy is epitomised in Onyul – the public interest corporation Yulchon established in 2014, meaning “warm law” in Korean. Onyul embodies our commitment towards building a more caring society through compassionate application of the law. Through Onyul, Yulchon provides legal advice to the

underprivileged, collects donations for philanthropic causes, and establishes a legal culture supportive of public interest law.

Of course, many law firms are engaged in pro bono activities, but we wanted to do it differently. We didn't want our efforts to end up as a one-time activity or used for publicity purpose only. We wanted to create a real, long-lasting impact on society. For example, instead of just offering financial assistance to international students studying in Korea, we launched a project team of international students, a university professor, and a Yulchon attorney, and then we funded the team's research projects. Through such programs, we create knowledge, foster cultural exchange, and instill a new vision to both students and our lawyers. It is an example of our collaborative culture at work even outside the parameters of the law.

So, for Yulchon, Onyul is like a compass that keeps us on track towards an even more ethical and compassionate practice of law. It's a reminder that what we do does make a positive impact on society.

AMC: Where do you hope the firm will be in five years?

SRY: I hope that in five years Yulchon will become a truly international law firm with a strong culture of collaboration and innovation. We have foreign offices in Vietnam, China and Myanmar, and I hope to enlarge our global footprint in new markets and opportunities. To do so, the entire firm will need to share a common vision under the leadership of the second-generation partners. For this, a group of next-generation leaders in the firm is already involved in key decision-making processes with a clear objective of harmonising stability and innovation as an anchoring principle of the firm. Our principles of collaboration and the relentless pursuit for innovation will continue to hold the firm together and take us to the next generation and beyond.

AMC: What are your interests outside of the firm? How do you control your time so that you can pursue them?

SRY: I like to read and study various topics, mainly in humanities such as history, philosophy, religion and literature. I enjoy attending seminars and social gatherings on these topics and freely exchange ideas with anyone who

shares similar interests. I find it intellectually stimulating. Aside from reading, I'm very much into public interest work and mentoring young lawyers. I guess this is one of the common interests I share with many senior partners at Yulchon. That probably played a large part in the founding of Onyul and Yulchon Academy, our internal training organisation. I guess you could say that I've managed to find a way to pursue my personal enjoyment and interest within the firm.

Yun, one of Yulchon's founding partners, is the managing partner of the firm. He also practices primarily in the areas of international taxation, corporate (with an emphasis on M&A), antitrust and government relations.

His innovative leadership, for which he was recognised as managing partner of the year by Asian Legal Business in 2015, has led to Yulchon being one of the fastest-growing and most successful law firms in Asia. In fact, under Yun's leadership, Yulchon has consistently been recognised as a leading law firm in both Korea and Asia, and has won multiple prestigious awards, including the 2016 Asian Law Firm of the Year award by the American Lawyer, The Most Innovative Korean Law Firm award by the Financial Times for both 2015 and 2016, and from 2009 through 2016 being named as the Employer of Choice by Asian Legal Business.

Yun earned this reputation by successfully representing numerous major corporations in many important deals and projects, including Goldman Sachs, Carlyle, Citi, AMD, LVMH, RealNetworks, Samsung Electronics, SK Telecom and Hyundai Motors, among others. Yun has also served as outside legal adviser to various government agencies, such as the Korea Fair Trade Commission (KFTC) and the Ministry of Trade, Industry and Energy, and was a member of the Competition Policy Advisory Board for the KFTC and the Financial Industry Development Deliberation Committee of the Ministry of Strategy and Finance.

Yun is also active in public interest work, chairing Yulchon's Public Interest Committee, and serves as director of the Korea Foundation and the Korea Foundation for Advanced Studies.

Yun began his career as a public prosecutor and later worked as an associate with the law firms of Lee & Ko in Seoul and Baker & McKenzie in both Chicago and New York. Before founding Yulchon, Yun was a partner at Yoon & Partners. He is admitted to practice in three US jurisdictions (New York, Illinois and Washington, DC) as well as Korea.