

MANAGED DISCOVERY

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Lessons Learned and Best Practices for Doing Document Review in China

By Michael Vella, Managed Discovery



Managed Discovery understands the needs of lawyers because we have walked in your shoes, including down the unusual paths of the People's Republic of China. Our team of legal specialists has more than a decade of experience handling litigation and investigations involving documents and witnesses residing in China. Through this experience, we have formed definite views about how PRC document review can be managed efficiently, qualitatively, and in compliance with local law.

In connection with the launch of our China Document Review Service, we are pleased to share the top four lessons we have learned about the China review environment in this series of articles.

Lesson 1: Costs Can Be Controlled

Challenge: Unlike the United States, China does not have a large reserve of competent contract attorneys available for discrete document-review projects. And if you hire an attorney as an employee to assist in a review, the Chinese labor law makes it difficult to release them when their services are no longer needed. For this reason, clients may assume their only options are to hire either an international law firm or a large Chinese

law firm to conduct the review. But neither option is ideal given the prohibition against foreign firms practicing Chinese law and the expensive rates charged by such large law firms, including large Chinese firms. Fortunately, there are other options.

Solution: Although large Chinese law firms are now charging rates that are quickly approaching their international counterparts' prices, there are

other options in the market for retaining Chinese document-review attorneys at reasonable prices. These include smaller law firms, local accounting firms with legal departments, and various local service providers with Chinese attorneys on staff. Managed Discovery works with such companies as a source of review talent, and we charge a very modest (and completely transparent) markup of their fees. This solution provides the closest alternative to contract attorneys for document review. Their rates are reasonable and they are happy to work under the supervision of your international counsel without any competitive jealousies. And as discussed in Lesson 3, we ensure that these reviewers are trained and supervised on Chinese law issues by a respected senior leader of the Beijing Bar who has a deep understanding of the PRC legal and regulatory environment. In this way, Managed Discovery's solution is both cost effective and compliant.

Just One More Thing

Managed Discovery takes document review to the next level of quality wherever we go. Our China Document Review Service is the result of more than a decade of experience that our China team leader gained while working at two international law firms in Shanghai. As a result, we believe our service offers a unique combination of quality, compliance, and cost.

Watch for future papers to learn...

Lesson 2: Don't Let the Tail Wag the Dog

Lesson 3: Compliance Review Is Not Just About State Secrets

Lesson 4: Not All Local Lawyers Are Created Equal

We invite you to contact us for more information.

MICHAEL VELLA

Vice President of Business Development

Having lived and worked in China for more than 10 years, I understand the full range of risks and opportunities of doing business here. In addition to handling IP risks, I have helped companies handle some of their most sensitive operational issues in China, including resolving matters involving theft, fraud and corruption. I have handled compliance investigations involving the Foreign Corrupt Practices Act (FCPA), Chinese anticorruption laws, the UK Bribery Act, U.S. securities laws, and the Office of Foreign Assets Control (OFAC).

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