

# Could your firm pass the Wachtell marketing challenge?

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## In December 2005 New York premier law firm Wachtell, Lipton, Rosen & Katz issued a nine point memo to its clients entitled 'Be Prepared For Attacks By Hedge Funds.'

The memo is an outstanding example of clarity of thought and purpose. In it Wachtell recommends to clients that they "consistently articulate the company's business and financial strategy in a way that is meaningful and

understandable." It also suggests that they "ensure that the company's investment bankers, lawyers and public relations consultants are at the ready with state-of-the-art programs for responding to a potential attack."

The memo also recommends that companies be aggressive and prepared to litigate or seek regulatory action if there is any evidence that hedge funds have broken any securities laws, as well as not allowing the attackers to achieve the moral high ground by wrapping

themselves in the cloak of good governance. Says the memo "Expose the attackers for what they are, self-seeking, short-term speculators looking for a quick profit at the expense of the company and its long term value".

Wachtell is no stranger to controversy; it invented the poison pill defence for corporates to use to ward off unwelcome hostile takeover bids in the 1970s and 1980s.

Ask yourself this question: Would my firm have the confidence and clear sense of vision regarding its clients to issue a memo such as this?

If the answer is 'yes' then you have passed the Wachtell marketing challenge.

If the answer is 'no' then you need to consider why. Perhaps the firm lacks the confidence

to make such a statement, preferring to hedge its words so that it offends no one (and means nothing to anyone). Perhaps it lacks people with sufficient skills to stake their careers and reputations on taking a position and sticking with it. Perhaps it is unsure of its own market position that it dare not do something that smacks of leadership.

Leaders – obviously enough – not only have to lead, they need to be seen to be leading. That means taking a position and expressing a point of view. Having the courage to say what you believe in because you know that it is the right thing to do for your clients and the firm.

If you can, try and get a copy of the Wachtell memo. Send it to your partners and then frame it and put it on your wall.