

## my experiences of serving foreign clients as a Chinese lawyer in Shanghai

### Description

Getting engaged in foreign-related legal services for years here in Shanghai, I have found it an interesting topic to discuss how to get connected, and build good chemistry with foreign clients. In a word, never an easy job!

Based on my personal observation, the biggest insurmountable obstacle between foreign or expat clients and Chinese lawyers is the mistrust or the lack of trust, which is, though unpleasant, very natural in my opinion, because:

(1) from the macro perspective, as foreigners, they grow and live in very different culture which may give rise to tremendous cultural clash or cultural shock. Even though, lawyers like me who can speak and write English quite well, still cannot feel easily connected with foreign clients. Due to such estrangement, it is obviously not easy to win and gain trust from them. Without trust, people cannot work together.

I always think that foreign clients esp big international corporations go to big international law firms for help at much higher cost, not because they think Chinese lawyers cannot do the job well but because they find it more trustworthy and more comfortable with people who share the same culture with them.

(2) the Chinese social ecology in today is not good. Chinese people are live in an era where traditional social values are collapsing and eroding. People can and acutally want to make money without principles, morals and ethics thanks partly to this country's hypocritical political culture. In such a context, it is not a surprise for clients to be more cautious when choosing a Chinese lawyer.

Once approached by an American lady who is actually a Chinese migrating to USA at nine years old, in relation to deal with a real estate dispute and then sell the house, as always, I want her to grant a power of attorney to me so that I can legally work for her when negotiating with counterparties. To my big surprise or shock, while she expressed her need and gratitude for my legal help, she just did not want to give a POA to me. Main reason is that she had found online a lot of fraud scandals in Chinese real estate market in Shanghai in which property owners were cheated or defrauded and she were scared. She even questioned why I made the POA so long and "complicated" (I cover representation powers in several steps from negotiating with occupants in the house, signing property sale and purchase contract with buyers, and wiring sale proceeds out of China back to her bank accounts in USA), I got no answer.

(3) in some cases, foreign clients may seem not to trust Chinese lawyers because they think Chinese lawyers are not well trained and not professional esp with respect to international legal issues such as cross-border M&A, anti-dumping.

So, how come a Chinese lawyer can win the hearts of foreign or expat clients?

I have got no ready answer at all, as I myself is still on the way to find good answers. But I do have

some experiences that may make good sense.

(1) be honest. This is something very important between attorneys and clients, especially so when a foreign client is involved. In one of cases in which a commercial dispute was to be settled through court proceedings, the client in the end chose me as his attorney at law simply because he found that I was the lawyer who was honest with what his legal fee actually covered.

It is a small but often effective trick played by lawyers to their clients. Many clients, foreign or domestic, don't really know what a lawsuit is like in China courts. A "smart" lawyer may not explain what procedures are involved in the lawsuit and just telling clients that he would represent them in court for the legal fee charged. Meanwhile, in the retainer agreement or contract, it was clearly stipulated that in consideration for the legal fee paid thereunder, the lawyer will represent clients in court trial of first instance which means that additional fee will be charged (as a customary practice here) if one party to the case appeals to the appellate court, but in the mind of the clients, he is actually thinking that for the legal fee he pays, the lawyer will represent him in the court proceedings to the end.

Immediately, after the client discovered that the other lawyer was hiding something, he decided to use my service.

(2) Be loyal. Loyalty is the most fundamental factor that underpins a good relationship between attorney and client. Client is often worried that their Chinese lawyer while dealing with the other party who is often a Chinese person may betray him or be bought by the other party.

Foreign clients in such situations are very easily getting suspicious about their Chinese lawyer's loyalty. This is a subtle feeling. Once I represented a German client in purchasing a villa in Shanghai at a time I just started my legal career on my own, in the course of transaction, in order to get the Chinese seller to agree to hand over the house to my client earlier, I tried to be nice to that man by talking about a lot of funny things to please him, while neglecting my client who was standing at my side, puzzled. He later expressed his groan over my behavior at that time which made him very uneasy to see his lawyer laughing and joking with his deal opponent.

Another positive example is a long-term client who has always turned to me for legal help. I was initially hired by her in equity interests transfer dispute. After winning that case, she started to use my service for other investment projects. Over time, she has tested me out to be a loyal attorney, and once confided that I am probably the only lawyer she may feel comfortable working with.

(3) Be diligent and do a good job in providing services, small or big. This is aimed to build and boost attorney's reputation gradually through mouth to mouth marketing by clients. This takes time, but once you seed trust in your old clients, they will then introduce more clients in their circle to you.

Lately, an old South Korea client to whom I offered a labor service once introduce to me SK company that is seeking legal counsel from China. I am so happy that I am recommended by my old client, which is really an unexpected gift from god.

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