



## Coming back to reality

The French economic environment in 2015 is astonishing. Companies are doing quite well, overall, as indicated by their stock market quotations, their 2014 earnings, their innovations, their investments in France and abroad, etc.

Nevertheless, our unemployment rate has increased to heights never seen before. What's going on? Why is a period of good business activity not bringing about a lower unemployment rate?

According to diametrically opposed arguments, the fault lies either with those people who think of nothing but profit and who refuse any additional hiring within companies, or with the unemployed themselves, who refuse to truly return to the labour market, protected by their benefits and their "status".

It goes without saying that such extreme accusations make no sense, since they don't correspond with reality. Of course abuses exist, both amongst people with a false view of profit and those who don't want to work. But this is truly marginal.

The fact that our laws and justice system, within an adversarial setting, prevent and punish abuse is a beneficial factor of our civilisation.

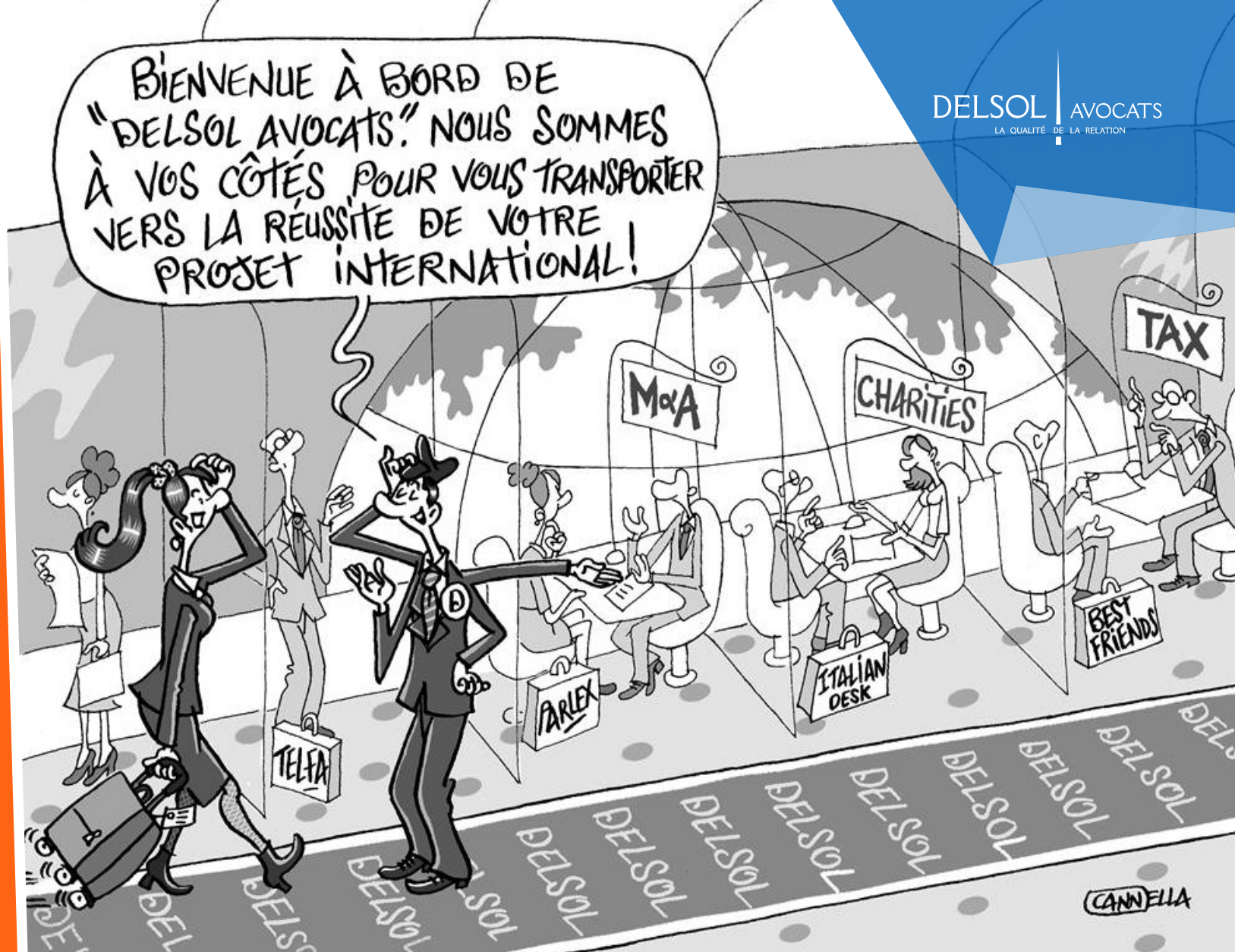
It is nevertheless true that lawmakers go too far when they consider abusive behaviour as though it were the norm. With this ideological posture, far-removed from the reality of persons and property, lawmakers give an overwhelming and counterproductive place to the law itself.

The Hamon law is a good example of this. Of course it's true that some very small companies close due to an inability to find a buyer, despite the fact that they could have been sold to their employees. As such, it's a valid idea to forewarn them before a disposal project. End-result: this law makes it mandatory to inform employees prior to disposals of companies with fewer than 250 employees, i.e. virtually all French companies, in the absence of which such disposals can be simply nullified.

Completely divorced from economic reality, the French government has produced a staggering law. It violates the freedom of assignors, notably through the absence of confidentiality. It complicates and slows the transfer of virtually all companies. Employees acquire nothing as a result of it. QED.

The law must move away from ideological stances and deal with the reality of things, otherwise it produces the opposite effect to what was intended. In any event, our firm can help you as the reality of your activities comes face-to-face with legal or regulatory texts.

**Amaury NARDONE**  
Chairman of the Board of Directors



# DE LA RELATION

DELSOL Avocats newsletter - N°12 - July 2015

## “Think globally, act locally”: a successful challenge for DELSOL Avocats

Assisting their customers as part of their international expansion projects is a true challenge for business law firms, if they want to be sure of providing safe, quick and efficient support despite any local specific features, whether of a legal or cultural nature.

The key to successful accompaniment lies in perfectly controlling the coordination between the French lawyer and the foreign counterpart. With that in mind, practitioners recognise that just a knowledge of the foreign language – even if on a very good level – and of the particulars of an on-site colleague – even one of very good renown – do not suffice to implement and secure, for example, the lasting establishment of a French company in a foreign country, or the signing of a commercial network contract involving several countries.

For their parts, the lawyers of DELSOL Avocats devote approximately 40% of their activity to the international operations of their customers. A key element is recommending local correspondents with whom they are personally familiar, who resemble them in terms of working methods and fees, and who share the same requirements relating to technical quality, proximity and efficiency.

As such, over and above an informal network of foreign correspondents (“Best

friends”) encountered during foreign projects and missions, the lawyers of DELSOL Avocats can also turn to the members of two established networks: PARLEX and TELFA.

DELSOL Avocats joined PARLEX in late 2008, and then TELFA in 2013. Several times each year, these two networks organise seminars and working groups that help their members to benefit from a trans-national approach to legal issues that are of direct concern to their customers in all legal fields. DELSOL Avocats is preparing to host the biannual meeting of the TELFA network in Paris in November 2015, while it will also be accommodating one of the two annual seminars of the PARLEX network in Lyon in the spring of 2016.

Far from being redundant, the TELFA and PARLEX networks and the “Best friends” are very complementary, in that they allow the firm's various departments to provide their customers with support and to choose the foreign partner best suited to the particular features of their requirements.

*“Over and above our ability to work with our customers in different languages and our know-how in terms of international coordination, we're proud of our networks and of our “Best friends”, since they allow us to offer an overall service, one that complies with the quality levels that we always strive to provide and that*

*conforms with the firm's multi-disciplinary positioning”, indicates Anne IMBERT and Emmanuel KAEPPÉLIN, both of whom are very active and involved in each network's coordination and promotion.*



### THE PARLEX GROUP

**Anne IMBERT**  
Partner in the  
“Labour law – Social  
protection”  
department and  
Chairwoman of the  
PARLEX network



**Emmanuel KAEPPÉLIN**  
Partner in the  
“Company law  
Mergers-acquisitions”  
department and  
member of the  
TELFA network  
board





# Lawyers in the service of their customers

## Cross-border and cross-disciplinary support



### Testimonial

Rémi WEIDENMANN,  
PSB INDUSTRIES group  
finance director



PSB INDUSTRIES, an innovative industrial group based in Annecy (74), is the leader in packaging and specialty chemical businesses. "As part of our strategic Ambition 2020 plan, the group has initiated an acquisition process in France and abroad. In 2014, PSB Industries approached a French group with significant subsidiaries in Poland and Mexico. It was therefore strategic for us to access to acquisition

audit reports in legal and social fields all in an identical format, and to ensure good coordination between the legal contributors in each country, in order to be sure of the necessary responsiveness throughout the process.

DELSOL Avocats knew how to coordinate the project for producing all of the reports in English in an identical format, while complying with the required time schedule and it then worked with us throughout the process including with regard to the foreign post-closing provisions. We therefore successfully finalised the acquisition of the Plastibell group on 10 March 2015.

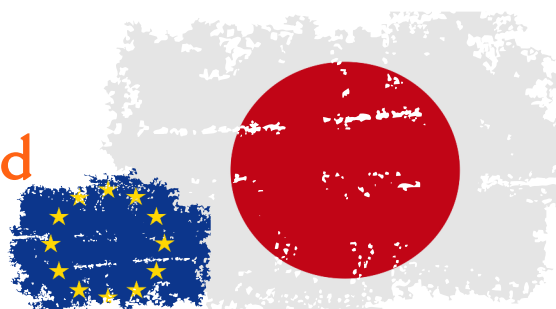
We were also able to use the expertise of DELSOL Avocats in several other projects, particularly in the United States, where the firm introduced us to the LECLAIR RYAN firm in New York, while ensuring good coordination between the teams.

Emmanuel KAEPELIN coordinated the various missions, together with Anne IMBERT for the labour law audit. Our teams considered his experience with operations of the type and in international circles to be very useful."

## Not-for-profit organisations

## Know-how that can be exported

Not-for-profit organisations, whose missions don't stop at the borders, also have a need for structured support adapted to their philosophy.



Within this framework, the partners in the "Not-for-profit organisations" department advise many French organisations with regard to their international development, whether this involves structures wishing to set up shop abroad, or ones that have already opened establishments.

For example, Xavier DELSOL works with the "Mission laïque française" (MLF). Recognised as a public interest association, it manages more than 120 educational facilities in 45 countries, providing education in French (based on the "three languages, two cultures" principle) to more than 52,000 students worldwide, outside of France. DELSOL Avocats has therefore been involved for many years, in many European or other countries, advising the MLF regarding the management of its foreign establishments (creation or takeover of new schools; relations with the State on the establishment site; legal, fiscal or social questions; crisis management; local disputes...).

Laurent BUTSTRAËN is also very involved in providing support to his



Laurent BUTSTRAËN, Xavier DELSOL and Lionel DEVIC

French customers as part of their international actions. For several years, he has been working with Solidarity Accor, the Accor group's endowment fund. Created in 2013, Solidarity Accor took over from the Accor company foundation created in 2008, and is devoted to the education and social / professional integration of groups experiencing exclusion and a lack of social ties. With the objective of building links between cultures, this endowment fund encourages and supports all Accor group employees in their efforts to demonstrate solidarity for the benefit of NGOs, communities or socially-oriented companies within the countries in which they reside. As such, since its creation, the fund has supported 212 projects in 41 countries, involving more than 9,500 employees. Laurent BUTSTRAËN therefore helps with the selection of projects, in order to validate their tax deduction eligibility within the sponsorship framework.

Lionel DEVIC also regularly advises French organisations with regard to the performance of their foreign actions. In particular, on a tax level, for example, he has been able to assist Entrepreneurs du Monde, the Fondation Valentin Hauy and the Demeure Historique, whether with regard to securing their collection of foreign gifts, or in terms of the set-up of their activities financed by gifts originating in France. He also works with organisations promoting CSR, such as the Bolloré group's Earth Talent network.

## More than language proficiency, a good knowledge of the culture

The viewpoint of Henri-Louis DELSOL, partner in the "Company law – Mergers-acquisitions" department, lawyer at the bar of Paris and New York (USA).

The clauses that we usually negotiate in merger-acquisition operations very often derive from the practices in English-speaking countries, particularly North America.

Beyond the differences between our civil law and the common law system, a good knowledge of customs helps to optimise the conditions for negotiating a transatlantic operation, thereby avoiding any misunderstanding of a cultural nature.

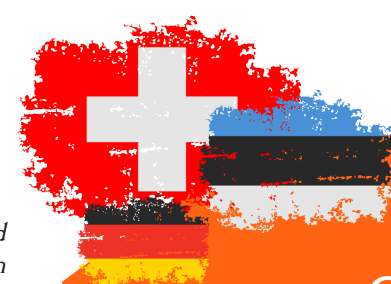
For example, it's useful to be aware that:

- in the United States, most combination operations are carried out in the form of asset deals ("cession d'actifs"), or as a merger ("fusion"),



- most American operations are structured to include earn-out clauses ("complément de prix"),
- a very large proportion of American operations include a MAC ("material adverse change") clause that allows the buyer to pull out in case of the occurrence of a significant unfavourable event, between the contract signing date and the date of the operation's completion,
- the compensation ceilings under the guarantee of assets and liabilities are generally higher in Europe, with most American guarantees of assets and liabilities including a ceiling of less than 20% of the disposal price.

In June 2015, Henri-Louis DELSOL advised the American PERFECT COMMERCE group with regard to its takeover bid for the shares of the HUBWOO company, listed on Euronext Paris.



Save the date

TELFA  
General Meeting  
Paris 20,21 November 2015

WHY & HOW  
INVEST  
IN FRANCE

Founded in 1989, TELFA has become one of the largest European networks of independent legal firms, currently with some 30 structures of significant size and 700 members. TELFA is also strongly present in the United States, in Central Africa and in Eastern Africa thanks to its affiliation with the USLAW network and the Africa Legal Network.

## A solid and loyal network of "Best friends"

In addition to the more institutional TELFA and PARLEX networks, the lawyers of DELSOL Avocats rely on a network of internationally established firms with which they have built up trusting professional relationships, while sharing the same requirements in terms of service quality. As such, this "Best friends" network includes competent lawyers in all legal fields, established in many countries such as Germany, Belgium, China, Great Britain, Italy, Mexico, the Netherlands, Switzerland and the USA.

## Italian Desk A multi-disciplinary cross-functional skills for tail



Led by Camille ROUSSET and Philippe DUMEZ, the two partners who launched it, the team making up the DELSOL Avocats Italian Desk works with customers in various fields of business law, primarily including the development of a company in Italy and the establishment of Italian groups or companies in France. Camille ROUSSET, partner in the "Labour law social protection" department and Philippe DUMEZ, partner in the "Company law Mergers-acquisitions" department, are backed by Candice LOSADA and Aurélien PROVENÇAL in "Company law Mergers-acquisitions", Delphine BRETAGNOLLE



# for international support

## Internationally :

### day-to-day actions

Stéphane PERRIN

Partner in the "Litigation" department  
Director



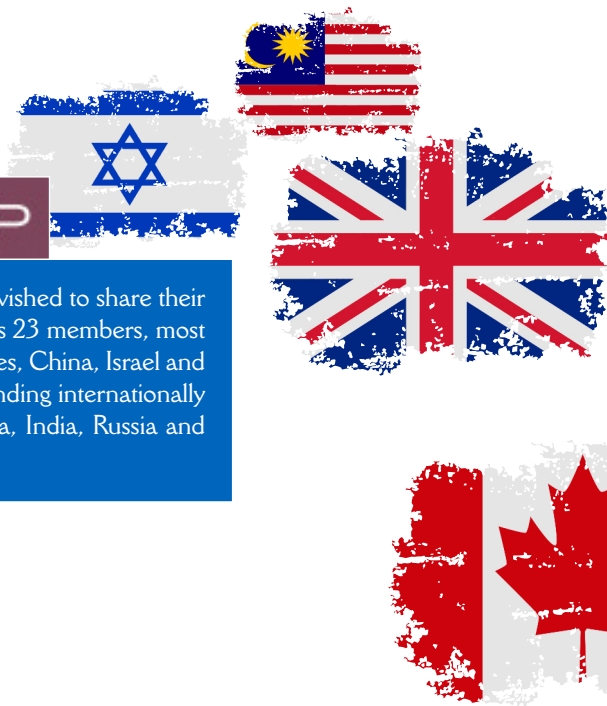
With the help and support of the TELFA and PARLEX networks, of the "Best friends" or of the Italian Desk's partner firms, each partner of DELSOL Avocats has an opportunity to bring his or her expertise in handling subjects with cross-border aspects, on behalf of French or foreign customers, whether this involves acquisitions, restructuring efforts or the management of complex disputes.

"We always keep the international side in mind. We owe it to our customers to be irreproachable when it comes to referencing our foreign correspondents and coordinating the relationship", highlights Stéphane PERRIN, partner in the "Litigation" department and member of the Board of directors assigned to monitor this subject. The working group on international aspects focuses on several topics of reflection, including 3 major subjects:

- structuring the internal databases so that each person has access to information and may select the most appropriate colleague on the basis of the issue raised by the customer,
- maintaining relationships with the networks and our foreign colleagues, by encouraging exchanges as well as formal and informal meetings, in an effort to maintain the service quality,
- developing new partnerships and opening up new development horizons.

## THE PARLEX GROUP

Founded in 1971 by three European business law firms that wished to share their best practices in terms of trade law, this network now includes 23 members, most of which are European, and 4 associate members (United States, China, Israel and Malaysia). Made up of medium-sized firms, PARLEX is expanding internationally with the upcoming arrival of new members in Brazil, Canada, India, Russia and Romania.



Camille ROUSSET et Philippe DUMEZ

in "Labour law - social protection", Fabio BONAGLIA and Eleonora BUFALINI in "Real estate law" and Gaëlle RUSSO in "Not-for-profit organisations". This collection of skills allows them to provide complementary support with regard to issues involving competition, distribution, acquisitions, the status of directors or even dispute resolution, and in general with any other legal and fiscal issue related to corporate development, reorganisation or restructuring projects.

The Italian Desk works with 15 or so firms located across northern Italy (primarily Milan and Turin, but also notably Bologna, Rome, Treviso and Venice). Its simultaneously cross-

## CEGID out to conquer the West

A major actor in the digital transformation of companies, CEGID provides to companies and the Public sector with Cloud services and management software programs. The group has just acquired JDS Solutions, a California-based software editor specialising in retail distribution, in an effort to strengthen its presence in North America.



Patrick BERTRAND, General Manager of CEGID and Dan FRIEDMAN, founder and director of JDS Solutions.

### What are the main objectives and key challenges of this acquisition operation?

CEGID wishes to accelerate its international development around its business targeting the retail sector. We were already established on the East Coast of the United States. There were many objectives behind the acquisition of JDS Solutions: building up CEGID's teams

within this territory (thereby increasing from 10 to 40 employees), covering the entire American territory through local relationships (JDS is established in San Diego) and strengthening our installed customer base in the retail sector. The main challenge, of course, is to make CEGID Corp and JDS into a single entity, not only legally but also operationally, such as to accelerate our establishment in this country that offers a very great potential in this sector.

### Why did you turn to DELSOL Avocats

For a long time, we've been working with DELSOL Avocats for all of our M&A operations. True familiarity with the firm is essential, since it allows the adviser to truly grasp the customer's strategy, how it negotiates, and the negotiating points that represent essential areas of concern for its acquiring customer. Between value and price, there is room to negotiate. The legal counsel is an essential actor in the negotiations, rather than just a provider of technical responses.

### What was the firm's involvement?

The first point was the ability of DELSOL Avocats to work in close cooperation with its correspondent in NYC. The effectiveness of this "triangulation" (DELSOL Avocats, Pepper Hamilton and CEGID) was certain: Pepper Hamilton for its "US" contribution, DELSOL Avocats for looking after the tie-in with our concerns as a French listed company and the cultural dimension of CEGID with regard to these operations, and the CEGID teams for taking the lead on the negotiations.

### How did its approach and the provided solutions correspond with your need?

The ability to have a good network of correspondents: technical competence of the correspondent, but also profiles of US advisers in sync with the CEGID culture.

## A lawyer at the Quebec bar in order to support the development of French companies in North America



The viewpoint of Thomas ROCHE, partner in the "Life sciences" department, a lawyer at the bar of Lyon and Quebec (Canada).

Since the 2008 signing of the France-Quebec Agreement on the mutual recognition of professional qualifications (ARM), access to a legal career in Quebec for a French lawyer, and vice versa, has been greatly facilitated.

If a French lawyer wishes to join the Quebec bar, it's because of an existing interest in Quebec and, beyond that, in the rest of Canada. In my view, it's the final step in an initiative intended to increase one's involvement in the development of commercial exchanges between two territories.

This double membership to the bars of Lyon and Quebec (Montreal Section), the knowledge of the local networks and of French economic development structures, both in Quebec and in the rest of Canada, make it easier to provide support to companies moving into Quebec, the rest of Canada and more broadly all of North America, for which Quebec is a natural entry point.

This involvement was also illustrated by the December 2014 organisation in Lyon, in partnership with the Canadian Embassy and with partners in Quebec, of a "Canada Workshop" during a lunch that brought together some 20 companies in the life sciences sector interested in the Canadian market and, beyond that, in the American market.



# To find out more

## Appointment of two new partners

1 January 2015: Alexis CHABERT in the "Litigation" department in Lyon and Henri-Louis DELSOL in Paris in the "Company law Mergers-acquisitions" department in Paris were appointed as partners of the firm. These two appointments confirm the development momentum of DELSOL Avocats and strengthen its positioning both in Lyon and in Paris.

### Litigation

## Appointment of Alexis CHABERT in Lyon

Alexis CHABERT (36 years) is a graduate of the University of Lyon III where he obtained a master's degree in business law and a DESS (post-grad diploma) in Community legal law.

He joined the Lyon offices of DELSOL Avocats in 2007. An "of counsel" lawyer in the "Litigation" department since 2012, Alexis CHABERT also works closely with the firm's "Company law Mergers-acquisitions" department.

Specialist in legal procedures applied to commercial litigation, Alexis CHABERT has developed a solid experience in the area of conflicts between partners, liability of company directors, unfair competition, compliant delivery, tainted materials, etc.

He is also active in business corporate law in order to assist directors that have been the victim of criminal activity (fraud, breach of trust, forgery and use of forgery, etc.) or in order to defend them on a personal basis in the event of complex financial offences.

Alexis CHABERT is also the chairman of the "Legal profession" commission for the Lyon bar.



### Company law Mergers-acquisitions

## Appointment of Henri-Louis DELSOL in Paris

34 years of age, Henri-Louis DELSOL holds a master's degree in business law obtained from the University of Lyon III, and a DESS-DJCE (post-grad diploma) in international business law from the University of Aix-Marseille 3. He also holds a LL.M degree in business law, obtained from Georgetown University (Washington D.C., United States).

He joined the "Company law Mergers-acquisitions" department of DELSOL Avocats in Paris in 2010, where he has been an "of counsel" lawyer since 2013.

Lawyer at the Paris and New York bars, he has developed a recognised practise in mergers-acquisitions, restructuring, market operations and fundraising. He also takes part in cross-border operations, notably transatlantic, on behalf of French companies setting up shop in the United States, or for American companies investing in Europe.

Henri-Louis DELSOL also coordinates seminars (EFE and LexisNexis) for lawyers on the topic of asset and liability guarantees, and shareholders' agreements.



## DELSOL Avocats, partner in the 9th edition "Esprit d'entreprendre" prize

Organised by the magazine Acteurs de l'Economie, La Tribune and by the University of Lyon III, the 9th edition of the "Esprit d'entreprendre" prize was held on 18 May of this year. The gala dinner for the distribution of the prizes was chaired by Pascal PICQ, paleoanthropologist and ad hoc chair of the Collège de France, and attended by more than 200 personalities from the economic world of the Rhône-Alpes region, who came together in the very modern setting of the Musée des Confluences in Lyon.

This initiative, which aligns with the firm's

deeply-held convictions, is dedicated to entrepreneurs, men and women, whether directors of associations, company directors or researchers, working alone or collectively, and regardless of their business domain.

11 entrepreneurial accomplishments were rewarded that evening, including that of Laurent and Olivier de LA CLERGERIE, directors of the company LDLC.com (IT hardware e-commerce), to which the firm presented one of the reward as recognition of its exemplary nature.

### "Free ladies and gentlemen, become entrepreneurs!"



Photo credit © Laurent CERINO/Acteurs de l'économie.

## In the press...

Frédéric SUBRA, partner in the "Tax law" department, was interviewed as part of an article published on 4 June, on the topic of "What happens to a family business in the event of divorce?"



In June, Jean-Baptiste AUTRIC, an associate of the firm, provided the magazine Juris Associations with comments regarding taxation of no-cost transfer duties.

Jean-Philippe DELSOL, partner in the "Company law - Mergers-acquisitions" department, wrote an article for the newspaper Les Echos on 18 May, regarding the possible creation of a special taxation regime for actors in the digital field.

In an article published on 5 May on the site chefentreprise.com,

Anne IMBERT, associate in the "Labour law Social protection" department, analysed a draft law intended to prohibit vaping



in the workplace.



Laurent BUTSTRAËN, partner in the "Not-for-profit organisations" department, provided Patrimoine Magazine with his views regarding the tax benefits for associations and congregations resulting from investments within a REIT.

Xavier DELSOL, partner in the "Not-for-profit organisations" department, was queried by the Tribune de Lyon magazine for its 29 April issue, on the question of "Why decide to set up a foundation".

### The firm's breakfasts

On 5 March in Paris, Henri-Louis DELSOL, partner in the "Company law Mergers-acquisitions" department, organised a breakfast on the issue of shareholders' agreements.

On 12 February in Paris, Benoît BOUSSIER, Mathieu LE TACON and Nathalie PEYRON, partners in the "Tax law" and "Real estate law" departments, organised a breakfast / debate on the topic of the real estate aspects of finance laws.

On 20 January in Lyon, Camille ROUSSET, partner in the "Labour law - Social protection" department, organised a presentation / debate on the 2014 current legal events and case law.

On 13 January in Paris and on 15 January in Lyon, Frédéric SUBRA and Mathieu LE TACON, partners in the "Tax law" department, Laure GAYBELLILE, "of counsel" lawyer in the same department and Diane LASKE, organised a breakfast / debate on the topic "2015 Finance law: Comments on the main measures".

## Shareholder foundations

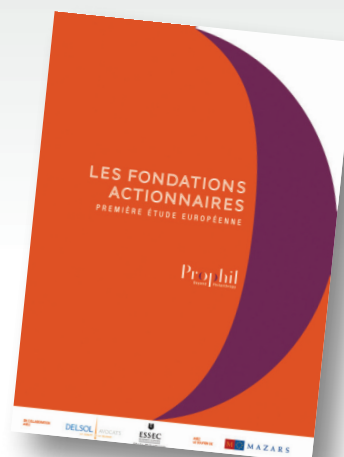
Publication of an initial European study co-piloted by the DELSOL Avocats

On 31 March of this year, Xavier DELSOL, partner in the "Not-for-profit organisations" department, presented the first European study on shareholder foundations.

Produced by PROPHIL, in collaboration with DELSOL Avocats, the Philanthropy chair of the ESSEC, and with the support of MAZARS, this is an initial European roundtable (France, Denmark, Switzerland and Germany in priority) on shareholder foundations, a governance method with a double economic and philanthropic purpose, that should inspire France.



Xavier DELSOL, partner in the "Not-for-profit organisations" department



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