

BY FELICE C. WAGNER

A Talent for Prescience

Former scientist Jorge Goldstein understands the biotech industry and knows what's coming next.

**Business
Development**

Jorge Goldstein is not your typical rainmaker. He freezes at networking events, won't approach people he doesn't know, and doesn't schmooze with strangers. How, then, has he become one of the top rainmakers in his firm and a leading lawyer in the biotech industry? What Jorge does is build his profile, hone his expertise, and stay ahead of the curve.

In this second installment of our rainmaker series, you'll hear from Jorge, managing partner of D.C.'s Sterne, Kessler, Goldstein & Fox. A scientist-turned-lawyer, he has parlayed his expertise into a booming biotech practice by focusing on marketing activities that fit his personal style. He does what comes naturally.

Tell me how you got to where you are today.

I started off as a scientist. But I learned pretty quickly that my temperament was not that of a scientist. I need much quicker gratification. I also realized that I enjoyed interactions with people a lot more than sitting in a lab. I love science, but I did not enjoy being a scientist, and nobody bothered to tell me what scientists did until it was too late. By the time I realized what being a scientist meant, I was already a scientist.

I also learned that I liked teaching. At Harvard, I learned that I could get up in public and talk and teach with a sense of humor. It made me realize that I wouldn't be satisfied with the career that had been laid out for me by all my mentors.

Then fate intervened. I saw an advertisement in a magazine for a big firm in

Washington. They were looking for a Ph.D. I made a completely blind call and the next thing I knew, I was in Washington. They interviewed me, offered me a job, and gave me the idea that maybe this would lead to some interesting career choices—and it did. Eventually, I went to law school.

How did you come to this firm?

Rob Sterne and Perry Saidman started the firm in 1978. At the time they did not have a chemical or biotech practice. I turned down their first job offer in favor of a more established firm. Sterne actually came to my home and told me that I'd be making the biggest mistake of my life if I didn't come with them. He sold me on the firm, and I came on to start the biotech practice.

Weren't you a fairly junior lawyer at the time?

I had only four years of experience, but I was very fortunate to be the right guy at the right time. I was starting in law in the late '70s with the right kind of degree when the biotech revolution was starting. There were not many lawyers who had a knowledge of science deep enough to be able to talk to the scientists who were the founders of these

new companies.

At the time, too much experience almost counted against you. If you had a lot of experience, you probably didn't have experience in the latest science. Being young helped me to get in the door with a number of scientists and, having been a scientist, I already had a network.

One of my first big clients was Mass General Hospital, the teaching hospital at Harvard Medical School. I had buddies there with whom I had gone to Harvard. When they started to think about biotechnology and the lawyers they should use, they thought of me. I may have been an inexperienced lawyer, but I knew my science. Also, for many companies, working with a junior lawyer at a new firm went right along with the risk-taking mind-set of entrepreneurs.

How did your practice grow from there?

I had a good friend at Mass General who had lots of contacts in the academic world and in the technology transfer business of universities and research centers. When universities started to recognize the possibility of exploiting their own intellectual property, my friend was a key player in that community. Once his colleagues started seeing Mass General filing patents, they started asking him whom they should use to do similar work. He became a key referral source.

I was, in many ways, very lucky. I was riding this wave, and it kept getting bigger. As the market expanded, there was a hunger for lawyers with scientific expertise in biochemistry and molecular biology, and there weren't that many

lawyers out there. So it was just the right combination of relationships and timing.

How have you grown your practice?

My strategy has always been to make sure that my name and the name of the firm are in front of as diverse an audience as possible. I never turn down an invitation to speak. I have spoken before hundreds of people in Buenos Aires, and in front of four sleepy CEOs in Montgomery County at breakfast. It doesn't matter—I will take any opportunity to get up and say something. Name recognition and referrals have been the main source of growing the practice. I don't believe, however, that it's all name recognition and giving lectures. Getting a client to send you work is just the tip of the iceberg. What ultimately matters is keeping clients happy so that they send more work and refer other clients to you. It's almost easier to bring them in than to keep them happy and growing.

How have you ensured and maintained the institutionalization of your clients?

It's a huge challenge and the secret of

We also make this clear to clients. I explain to the client—almost on Day One—that while I will be their lawyer, I will not necessarily do their work. I may do their really extraordinary work, but a midlevel partner will do the day-to-day, and two or three associates will be on their team. I will supervise the team.

We also have a long-standing compensation plan within the partnership that fosters the sharing of client origination. If I bring in a client, a midlevel partner may share in the origination credit from the start. We work to grow the client together, and we both benefit. Our compensation plan rewards much more than just origination. People who don't bring in new clients can still benefit. And the originator benefits because there's always a residual amount of origination that accrues to him or her.

We recognize that not everybody can bring in clients. So we've fostered both a very strong culture of institutionalization of clients and a strong financial incentive for everyone who plays a role in growing and servicing our clients. It's what we call "multiplier effects," and the multipliers are well-compensated.

use microbial depositories because the Supreme Court had just declared microbes patentable. Very few people were talking about it. A few years later I started talking about patenting animals and plants. People looked at me like I had four heads. Then I started talking about the scope of biotechnology patents. Then on patenting bioinformatics. There were all these problems that I could see coming, and nobody was talking about them. I wrote some pretty "out there" papers.

How do you know what's coming next?

I start seeing things in my practice. Clients start worrying about things. For example, I've noticed over the last few years a whole new generation of technologies dealing with drug discovery. Pharmaceutical companies are becoming more focused on drug development, licensing, and marketing, but the basic research to discover new drugs is being left to a whole new generation of drug discovery companies.

I read a lot about the industry, so I know it very well. To see what's coming, you have to know the industry. So in the last few years, I've been talking about patenting research tools such as drug discovery tools and drug screening software. I'm always trying to figure out what the next thing could be. I pick my topics carefully, and I pick where I lecture and publish just as carefully.

How do you pick where to lecture and publish? How do you market?

I generally avoid lecturing or writing for lawyers or legal associations. I focus on magazines and conferences that cater to scientists, directors of research, vice presidents for research and development, and CEOs.

The way I like to market is to sell myself as an expert. I like to get in front of an audience and demonstrate my knowledge, not only theoretically but also through examples from my clients. I tell war stories: A client came to us worried, and here's what we did for them. I don't name names; I don't give too-detailed examples. I present a theoretical framework and then talk about how I've applied this framework to real clients. What I think gives me an edge is the ability to say, "If you are ever confronted with this problem, I've done it 10 times—I know how to solve it."

I'm not your typical rainmaker type. If you put me in a room full of potential clients, I freeze. I think, "There's no way I can do this." Someone else would walk out with tons of business cards; I



STRAIGHT TALKER: Jorge Goldstein of Sterne, Kessler, Goldstein & Fox says he won't compromise his views, how he practices, or his fees. His advice: Present yourself as a truth-telling counselor.

our success. We have a very strong institutional identity. It transcends individual performance. We say things like, "These are not *my* clients—they are *the firm's* clients." And if one of our partners becomes too possessive, I take them to lunch and have a long talk.

How have you dealt with the ups and downs in the economy?

The key for me has been to always stay ahead of the curve. Over the years I have tried to address topics that are on the cutting edge. In the early '80s, I started talking about how to properly

will probably get stuck with one guy all night. In spite of my ability to get up and talk, I'm not that aggressive. I'm not comfortable going over to someone I don't know. I just don't do that. What I do is make myself, and then present myself as, an expert in whatever field I happen to be talking about.

It's hard for me to say, "Here's a set of things that you need to do." What I end up saying is, "Here are things that have worked for me." I have lectured a lot; I have published a lot. When I talk to potential clients, I listen to them carefully. I try to figure out what their problems are and I address their problems. But a lot of marketing success depends on who is doing the marketing.

A lot of lawyers are uncomfortable with business development. How have you overcome that discomfort?

Who says I've overcome it? I just will myself to do it. But I have also picked

ways of doing business development that fit with my temperament. I've never overcome it entirely, and therefore I take approaches that are different. I stand in front of 500 people and lecture, or I write a paper and publish it. That is really the extent of my active marketing.

And the clients come to you?

They come to me. In the last 20 years, I've developed a huge network of people who refer clients to me. It's exponential and it's come from providing good service and trust. When a client contact moves on or a venture capitalist sits on a new board, they send work to me. I do very little active marketing other than what I've always done—publish, write, and lecture.

What advice would you give to lawyers starting to develop a practice today?

I've always been a very straight talker and that has always served me well. I approach potential clients with a sense that if I get them, I get them—if I don't,

I don't. I'm not going to compromise my views, how I practice, what I charge. Earlier in our practice, the need to grow sometimes meant that I had to compromise. As the years have gone by, I've become firmer in my views.

So, what I would say to lawyers who are starting to develop practices is: Don't compromise your principles. Hone your legal and business judgments and then present yourself as an absolutely straight, truth-telling counselor. Your reputation will grow and the clients will come.

Felice C. Wagner, a former practicing attorney, is CEO of Sugarcrest Development Group Inc. (www.sugarcrest.com). Her Washington-based firm gives seminars and training programs throughout the country on business development and client loyalty. She is also program chair of the Legal Marketing Association's Mid-Atlantic Chapter. She can be reached at (202) 462-7046 or felice@sugarcrest.com.