

IN THE SUPREME COURT OF FLORIDA

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THE FLORIDA BAR,

IN RE: PETITION TO AMEND

THE RULES REGULATING THE

CASE NO. 75,716

FLORIDA BAR -- CHAPTER 15.

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COMMENTS OF WALT DISNEY WORLD CO.  
REGARDING PROPOSED CHAPTER 15 (Authorized House Counsel)

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Walt Disney World Co. joins the brief submitted on behalf of CSX and UTC, adding this comment to amplify on the argument that the proposed Chapter 15 fails to take account of the nature and operations of multistate and multinational corporations and, in fact, discourages these businesses from locating in or remaining in Florida. (See CSX, UTC brief, pages 16-21.)

Walt Disney World Co. is a Delaware corporation qualified to do business in Florida. Walt Disney World Co., along with its related and affiliated companies, (hereinafter collectively referred to as "Disney"), is engaged in a variety of businesses involving tourism, recreation, real estate, hospitality and consumer product distribution. House counsel employed by Disney are responsible for providing and managing legal expertise in Florida and elsewhere regarding all areas of the companies' business. Over 35,000 employees of Walt Disney World Co. and its related and affiliated companies reside in and contribute to the economic and cultural success of Florida.

Today's corporate and legal environments are far removed, in both technological and substantive sophistication, from what existed only twenty years ago. Corporations are widely diversified with numerous subsidiaries and affiliates helping to form complex business relationships, sometimes across continents. See, e.g., Stein, Go East, Young Lawyer, 75 A.B.A.J. 74, 75-76 (Sept. 1989).

The representation of corporations has also changed in character with most large corporations relying on two types of representation, house counsel and "outside" counsel, each

· serving a distinctive role. House counsel must have a comprehensive view of corporate matters so they can participate effectively in a great variety of matters.

To keep up with the increasing challenges of today's business world, corporations like Disney have had to ensure that they have knowledgeable and sophisticated in-house lawyers who can deal with matters that generally transcend local problems. Accordingly, the in-house lawyers who work for multistate and multinational corporations today are well-trained and well-respected. As one commentator recently wrote, "[i]nside counsel at major corporations are no longer depicted as second-rate lawyers dependent on the guidance of outside counsel. . . . Inside counsel now are characterized as possessing the knowledge and training necessary to handle complex and important legal matters." Rosen, The Inside Counsel Movement, Professional Judgment and Organizational Representation, 64 Ind. L. J. 479, 483 (1989).

One of the consequences of the fast-paced business world of today is the constant relocation of corporate employees, including in-house lawyers. Multistate and multinational corporations like Disney may routinely rotate its lawyers to give them exposure to more aspects of its business, or may decide to send its lawyers from one office to another temporarily or indefinitely to work on given projects. If proposed Chapter 15 is adopted, forcing all in-house lawyers in Florida to take and pass the Florida Bar examination after a three-year period, corporations may reevaluate their continued

presence in Florida. It is cost-prohibitive and disruptive to require a corporation to have its in-house lawyers prepare for and take the Florida Bar examination just because they will be in Florida for three years or more.

Moreover, corporations will be discouraged from relocating or staying in Florida because proposed Chapter 15 would prevent them from hiring recent law school graduates as in-house counsel. The young lawyer would be barred from employment in a corporate legal department after being transferred or relocated to Florida if he or she has not been a member of another state bar for two years. This prohibition destroys opportunities for both the corporation and the young lawyer seeking to use his or her skill in the corporate environment.

Corporate law operations are significant in their own right as well as for their importance to corporations they serve. Disney plans to expand its Florida legal department in the future as the growth of the Disney organization continues worldwide. Disney presently maintains construction and real estate nerve centers in Florida. Counsel assigned to these groups are responsible for multi-billion dollar construction projects and real estate developments around the world. If Chapter 15 is implemented, an incentive is created to relocate these groups to a state where the multistate and multination legal affairs of these business groups may be efficiently handled. Had Chapter 15 been in place when Florida was chosen as the site for the worldwide construction and real estate

groups, a different state might have been chosen whose law facilitates rather than impedes success and Chapter 15 would be a significant negative in such a corporate decision.

The Florida Supreme Court has no motivation to stifle growth opportunities of Florida based corporations and their law departments by creating artificial barriers not reflective of today's multinational society.

For the reasons set forth in the brief submitted by CSX and UTC, this Court should reject proposed Chapter 15.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Comments of Walt Disney World Co. Regarding Proposed Chapter 15 has been hand delivered this 25th day of May, 1990, to (1) John F. Harkness, Jr., Stephen N. Zack, James Fox Miller, and John A. Boggs, all of the Florida Bar, 650 Apalachee Parkway, Tallahassee, Florida, 32399-2300; (2) Wayne D. Clance, Florida Department of Commerce, 107 West Gaines Street, Suite 510H, Tallahassee, Florida 32399; (3) DuBose Ausley and Timothy Elliott, Ausley, McMullen, McGehee, Carothers & Proctor, 227 S. Calhoun, Tallahassee, Florida 32301; and delivered by Federal Express to (4) Scott Baena, Strook & Strook & Lavan, 200 South Biscayne Blvd., Miami, Florida 33131-2385; (5) Nancy A. Nord, American Corporate Counsel Association, 1225 Connecticut Avenue, N.W., Washington, D.C. 20036; (6) Thomas G. Garwood, Jr., Garwood & McKenna, P.A., 322 East Pine Street, Orlando, Florida 32801; and (7) John Farrell, Steel Hector Davis Burns & Middleton, 1200 Northbridge Center, 515 N. Flagler Drive, West Palm Beach, Florida 33401.

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