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## Brazilian geologist goes global with law firm

BY MONICA PERIN  
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Thompson & Knight LLP describes a new global energy consulting subsidiary as unique for a U.S. law firm.

Thompson & Knight Global Energy Services LLC is based in Houston and headed by Renato Bertani, former president of Petrobras America Inc., the U.S. subsidiary of Brazil's national oil company.



Ancillary businesses are a growing trend among large law firms, primarily in information technology, investment management and public affairs.

Pete Riley, managing partner of Thompson & Knight, calls global energy consulting a "logical outgrowth" for a law firm that has spent the past decade expanding internationally, particularly in South America.

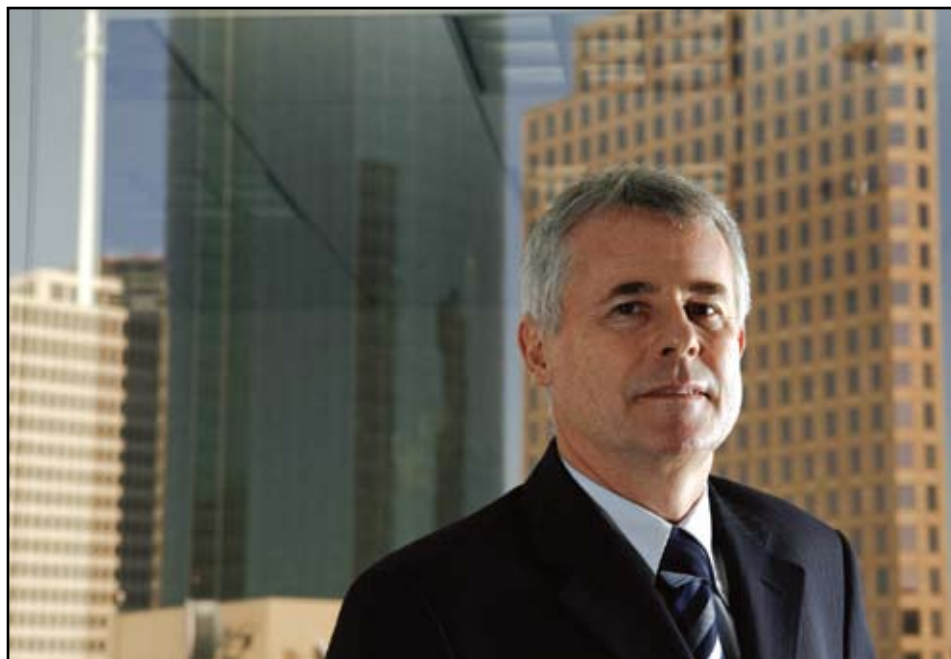
Energy companies, including government-owned national oil companies, account for about one-third of the firm's practice.

Riley says client needs for international energy consulting expertise were fulfilled with the coincidental availability of Bertani, who is a geologist.

With Bertani at the U.S. helm of Petrobras for the past five years, the Brazilian national oil company has been active in the Gulf of Mexico.

In addition to securing 287 leases, Petrobras received the first-ever approval from the U.S. Minerals Management Service to use a floating production, storage and offloading vessel in developing two large deepwater oil fields in the Gulf.

In December, Petrobras promoted Ber-



MICHAEL STRAVATO/HBJ

### Renato Bertani: 'A new concept.'

tani to executive manager for the Americas, Africa and Eurasia — a position that would have required his return to Rio de Janeiro.

Bertani opted to head the new Thompson & Knight operation in Houston. In an interview with Houston Business Journal, he talked about his reasons for remaining and challenges ahead in the global energy arena.

**HBJ:** Why did you decide to accept this position right after being promoted by Petrobras?

**Bertani:** That was a very important decision in my life after 31 years with an extraordinary company. I decided to leave because of a combination of reasons, most importantly my family who are here.

Going back to Brazil now would have created disruption. I also thought it was a good time in the industry to pursue new challenges. I felt I had accomplished my

mission with Petrobras.

I'm very happy with the decision. I left Petrobras on excellent terms and hope to have an opportunity to continue to cooperate with Petrobras.

**HBJ:** What are the challenges of this new job?

**Bertani:** What attracts me most is that we are trying a new concept. Thompson & Knight is a law firm and it focuses on the legal structures of deals.

I'll try to bring a new dimension of assessing opportunities from a technical point of view and integrating that with the economic, fiscal, accounting and financial aspects.

It will be a complete package covering all aspects of an acquisition. The idea is to assist clients in developing new business by providing integrated services, assisting clients who are participating in bid rounds, divesting or buying assets.

# LAW FIRM: Trying to bring a technical dimension to assessing opportunities

**HBJ:** Where will your focus be initially?

**Bertani:** There are still enormous opportunities to explore for oil and gas in mature areas like the Gulf of Mexico by bringing new ideas and technologies. It takes innovative thinking.

My background is geology and exploration and I am very familiar with the cultures and geology, as well as the fiscal environment, in the United States, South America and West Africa. I used to run Petrobras' international E&P (exploration and production) operations in Latin America and West Africa. That familiarity is the asset I am bringing to this position.

**HBJ:** One challenge, no doubt, will be assisting clients in working with national oil companies. That's a sticky situation in a lot of places right now.

**Bertani:** National oil companies want to put together fiscal and contractual terms that are reasonable and will attract investors while protecting the best interests of the country.

We have seen significant changes in fiscal and contractual terms in a number of places, mostly because these systems were

put in place when oil prices were \$15 to \$20 a barrel.

Now, with oil at \$50 to \$60 a barrel, these governments are thinking that they are not getting their fair share. But there are opportunities to develop fiscal and contractual terms that would be fair for both sides and would keep a balance. If they are unbalanced, there is going to be trouble.

We will be able to help exploration and production companies work with national oil companies and governments in revising these contractual systems, which will determine how attractive these places are to investors.

**HBJ:** Do national oil companies care about what's fair or balanced?

**Bertani:** I think governments and NOCs and other companies are looking forward and would be interested in discussing new terms that would reflect changing oil prices, like a sliding scale. Some PSAs (production sharing agreements) and concession terms have this now.

We could go a step further. These agree-

ments are usually applicable to production levels. You could incorporate that concept into returns, which depends on oil and gas prices.

**HBJ:** Do you have any clients yet, and who will be working with you?

**Bertani:** I am talking to several companies. I'll be working with four or five to begin with. We'll have to form a team. I'm currently looking at internal resources in the law firm. We are also considering partnerships that could bring in technical expertise.

As things progress, we will have to consider adding staff. It is a totally new experience for me and for Thompson & Knight. Already it is very exciting. We've seen a demonstration of interest by a number of companies in the U.S. and Latin America, and we are looking forward to growing.

It's an innovative concept for a law firm.



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