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The In-house Strategy

Interviews and Profiles





Gordon McCue

ASSOCIATE GENERAL COUNSEL, GLOBAL LITIGATION

SHELL

CALGARY, ALBERTA, CANADA

Gordon McCue had spent eight years at a small boutique firm, and at a top Calgary litigation firm, and was preparing for partnership. But, he admits, he was burned out by the workload and the lifestyle. Some law school friends had recently moved in-house and they were adamant that it was a rejuvenating career move. A casual mention of an open position at energy giant Shell was enough for him to take his chances. McCue went through a rigorous interview process for a downstream solicitor position. Downstream refers to anything from the refinery gate down to the gas station. He supported the commercial fuels group, which operated Shell's truck stop network and sold bulk fuels to large commercial customers. The general counsel and associate general counsel who interviewed him thought his litigation experience could be an advantage, as he'd bring a different perspective to the negotiation and drafting of commercial contracts. At the time, Shell's structure meant that the lawyers supporting each business unit would handle any litigation that occurred relating to that business. But McCue was only putting litigation on hold for half a decade.

In 2012, Shell decided to create a litigation department that would handle the company's global litigation portfolio. The idea was that the company would handle litigation in the same manner, no matter where it happened. McCue applied for the job and became managing counsel for litigation in Canada.

"As I got involved and started working on it, I discovered that in-house litigation management involved me in what I saw as the best parts of the litigation process," he says. "Working on the individual case strategy, and considering how we'd addressed similar litigation that came in against us in Canada and looking at how it all connected together on a regional or global scale was really interesting." He spent three years managing litigation and a team of four lawyers in Canada before he moved to his current role of associate general counsel for strategy and coordination.

Reassessing Shell's needs

McCue's new, high-level strategy role builds upon his former position. He now manages a global team that spans the United States, Malaysia, Canada, and the United Kingdom. Most of his team of 25 is based in Houston TX, with a significant portion of the team focused on e-discovery matters, handling all document retrieval for Shell's litigation around the world.

The benefits of a global litigation group are manifold, as a fresh set of eyes reviews every issue that arises. Instead of a commercial lawyer occasionally managing litigation work, a team of dedicated litigation specialists can assess the dispute and move the company's goals forward. In the prior model, it was possible that past involvement in the business line clouded judgment. However, Shell modeled its new approach to litigation on other industry's methodology. Industries like banking, insurance, and pharmaceuticals pioneered this concept because they were frequently exposed to litigation risk.

Shell's sourcing team, which also reports to McCue, works to create innovative appropriate fee arrangements (AFA) with its law firms. McCue and his team hired Vince Cordo from law firm Reed Smith to improve on their AFA program. In hiring a pricing specialist, McCue wanted someone who understood the law firm compensation models and pricing practices — in essence the “poacher turned gamekeeper” model. “We followed that model as we built out the team because the perspective they bring to scoping a piece of legal work and pricing it appropriately is different than your typical corporate procurement professional,” McCue says.

The reaction from law firms was mostly positive. A lot of the larger firms were already moving toward AFAs, McCue says. Some had already hired pricing teams, which often aligned with legal project management and tended to result in better and more efficient outcomes.

In order to manage his global team, McCue spends a lot of time on the phone. He has weekly or biweekly calls or video conferences with his direct reports. When his teams were first assembled, he spent six months in Houston, working alongside most of them. Now, every two months he travels to Houston for a full work week. “Even though I talk to them once a week at a minimum, when I get down there for the face-to-face meetings, it seems like an unending stream of people coming in to visit and talk,” he says. “There’s something about the face-to-face connection that people enjoy.” After the first day or two, things typically settle down.

The new litigation team structure and AFA program has been a success. McCue can't go into exact numbers, but he can say that the company cut external litigation spend by about 30 percent. “When we had our first full year of results, we were really happy, but you’re thinking ‘it’s only one year’ and you don’t want to get overenthusiastic,” he remembers. The team maintained the savings over the second and third years and the company knew that its approach with the AFA program was producing results. “We’ve focused [our firms] in on what is really the necessary work to be done, and they are staffing up to the appropriate level and being as efficient as they can,” McCue says. “So, it’s been a really good change for us.”

Getting off the island

McCue didn't start out with a grand plan to run the strategy arm of a global litigation practice for the sixth-largest company in the world. All he wanted to do was get off his beautiful island home. Growing up in Victoria, on Vancouver Island, just off the coast from Vancouver and north of Seattle, he knew he had an obligation to go to university, in part because his father was a history professor. When he

was in high school, he decided the best course of action would be to follow his older brother's path, which meant going to law school. By the time he was enrolled at the University of Calgary, he had more coherent plans.

After three years of undergraduate work studying English, he got a good enough LSAT score to enroll in law school at the University of Calgary. While in-house positions did exist back when he was studying, he wasn't particularly aware of them. His plan was always to join a firm after law school.

Litigation was a natural fit for the opinionated would-be lawyer. During his second year of studies, he was given a position at the Court of Appeal in the court of Queen's Bench in Calgary, the equivalent of clerking for federal court in the United States.

As a junior associate at Fraser Milner Casgrain LLP, he remembers being approached by a senior litigation partner for a task and how important he felt it was to make a powerful first impression. "The quality of what you deliver on that first piece of work really shapes how your relationship with that particular partner would develop," he says. It's something he tries to do to this day.

When he moved to Shell, he was reinvigorated by the challenges of a new industry, and later, the challenges of helping to manage a global litigation portfolio. It's why being an in-house lawyer is a good strategy in itself.

Getting to know... Gordon McCue

When your work's over, what's your passion? What do you like to do?

I've got five kids so typically my passion is whatever they're into at the moment. It's a lot of sports and outdoor activities for the most part, which coincidentally I enjoy. I still have small children or smaller children at home, so it's busy!

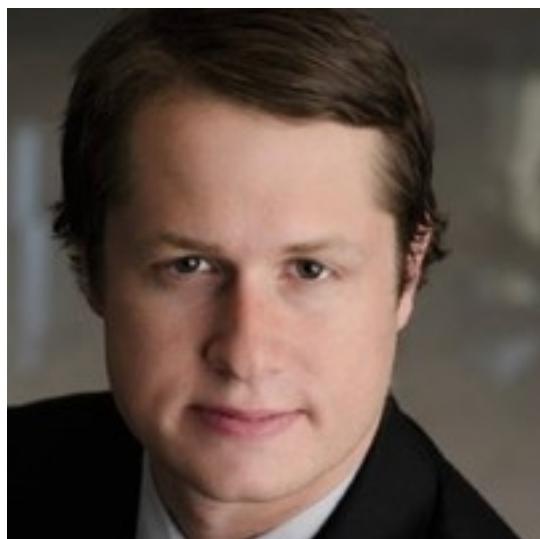
What type of sports are they into? Are they skiers?

Yeah. So, my boys are into basketball, volleyball, and any sport really. My daughters are into music more than sports, but they are all very active in outdoors activities. All of them are enthusiastic downhill skiers, and they also like to hike and fish. We live on a lake here in Calgary and we get out kayaking and swimming and fishing during the summer months, and then ice skating, playing hockey, and going skiing during the winter.

Do you have any time to read a book or anything right now?

I'm not reading anything right now. The last non-work-related type book I read was [A Man Called Ove](#). It's a fantastic book.

[Joshua H. Shields](#)



Editor

Association of Corporate Counsel