

In-House Master Class: At Columbia, Former GC of Facebook Is Bringing the Real World Into the Classroom

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By **Sue Reisinger** and **MP McQueen**

If the purpose of law school is to train eager minds to “think like a lawyer,” then the purpose of a Columbia Law School seminar taught by former Facebook Inc. vice president and general counsel Colin Stretch is to teach them to think specifically like an in-house lawyer.

Stretch is teaching a seminar on the role of the general counsel in the modern economy as part of Columbia Law School’s recently established In-House Counsel Lab. The program, designed to help students better understand the role of today’s general counsel as a corporate strategist and risk manager, is supported by the Reuben Mark Initiative for Organizational Character and Leadership, a joint venture between Columbia Law and Columbia Business School.



Colin Stretch, former General Counsel of Facebook, leads a Columbia Law School In-House Counsel Lab, on February 6, 2020 in New York City.

On this day, about 17 mostly third-year students gather around a long table at Stretch’s

weekly seminar in Columbia’s Greene Hall. Stretch, who left Facebook last September, assigns readings and presents case studies torn from the headlines. He asks if anyone has read anything they’d like to discuss.

One young man brings up Clearview AI. The U.S. tech company was recently profiled in the New York Times for its facial recognition technology, which the company said is being tried by some law enforcement agencies. Clearview said it had assembled its vast database by scraping images from social media platforms, including Facebook.

“You are not allowed to scrape without permission or to sell to other parties information from Facebook, so that is a violation of terms of service,” Stretch says. He asks the class, “What would you do?”



A student tentatively suggests the in-house counsel should investigate.

Right idea, Stretch says, adding that the next move would be to try to shut down Clearview's scraping activity. He notes that a Ninth Circuit decision in a LinkedIn case cast doubt on the right to forbid scraping, but "my view on that is that it doesn't matter," he says.

He tells the class that Facebook has, in fact, taken legal action to try and shut down Clearview's scraping within the previous day or so, along with Google, YouTube, Venmo, LinkedIn and Twitter.

The goal of the class, Stretch says in an after-class interview, is

“ To talk about issues that in-house counsel routinely face and give them practical opportunities to think about how you analyze and make decisions, a combination of substantive issues and what it is like on a real-time basis. ”

Speed Is The Issue

Stretch says the trend in fast-moving industries like Silicon Valley startups is toward increased use of in-house lawyers, so there's a need for this kind of training. Challenges arise from trying to scale and grow quickly while grappling with novel issues for which there is little precedent. "I think the velocity of decision-making is such that the [decisions] have to be made so quickly," he says. "You have to have such an intimate knowledge of the company, you need robust in-house lawyers [because] there is no time to go to outside counsel. Speed and context require more and more robust in-house counsel function—that is the trend and it will continue," he says. "It is not a cost issue, it is a speed issue, in the context of living and breathing company issues every day."

Stretch—a tall, lean man with a slight tan and a soft-spoken manner—prods students to think deeply about matters like corporate compliance, public policy, lobbying, taxation, privacy regulation and other issues that are the daily business of in-house counsel at major companies. Stretch himself grappled with those issues and more at the controversial social media company founded in 2004 by CEO Mark Zuckerberg. The world's foremost social media network has about 2.45 billion monthly active users and reached \$21.08 billion in global revenue last year. The now-global company includes Facebook, Instagram, Messenger, WhatsApp and Oculus, a virtual reality platform.

But on this day, Stretch left all of that behind him while he was distilling his experience for a new crop of future business and legal leaders. His biggest takeaway for future in-house lawyers: "There are always rules." It's a theme he returns to again and again in the class. "Your job is to make sure people know the rules and follow them," he says.

One of the challenges for Stretch is to lead the students to think about issues from a company perspective as opposed to a theoretical one. One writing exercise he assigns, for example, is to "write an email to your CEO with very sharp word limits, and your CEO is going to read this on her phone in 15 minutes. That is very different from most legal writing assignments," he says. Students say they appreciate that approach.

Third-year law student Josh Meyer says he took the class "because I am interested in becoming a general counsel and when I saw it was taught by Colin Stretch, that was my main motivation," he says. "Because I will

be working for a law firm, it is a good way to figure out what in-house counsel is actually looking for, especially if there is a disconnect between what outside and inside counsel expect.”

Tricia Reville, another third-year student and one of five women in the class, says she worked for six years at the General Electric Co. in finance before deciding she wanted to become a lawyer, after working closely with in-house counsel. “Foundational classes are really important but it’s nice to take a class like this which is where the rubber meets the road with being a real lawyer for a company,” she says.

“One of the big takeaways for me from this class is that everything is not black and white,” adds Reville, who will join Debevoise & Plimpton as a litigation associate when she graduates this spring. “I have a renewed respect for just how complex some of these issues are.”

How It Began

The in-house counsel program at Columbia Law School began last fall after two passionate leaders—law school Dean Gillian Lester and Reuben Mark, former chairman and CEO of Colgate-Palmolive Co.—came together with visions of teaching leadership, character and values to a new generation of C-suite leaders. The Reuben Mark Initiative for Organizational Character and Leadership is supported by what the school calls “a generous gift” from Mark.



Gillian Lester, Dean of Columbia Law School. February 6, 2020.

The former CEO first took his idea to the business school. But because Mark built a strategic 16-year partnership with Andrew Hendry, then the vice chairman and general counsel at Colgate, he also wanted to extend the initiative into the law school.

As Mark sees it, “The most important partnership in any successful enterprise is that between the general counsel and the CEO. The character of the organization is largely determined by the success of that relationship. The purpose of the Organizational Character and Leadership initiative in both the law school and the business school is to help future general counsel and CEO’s to develop tools to build this key partnership.”

Lester jumped at the chance. An employment lawyer herself, Lester recalls when Mark approached her and spoke, for example, about how employment discrimination could be seen as a burden of compliance, but how one could look beyond that and see a higher purpose. “Working with Andy [Hendry], this is what we did. Can we teach that?” she says Mark asked her.

Lester replied, “Absolutely we can teach that.”

The dean says she was already pondering how to enhance the school’s in-house counsel offerings before Mark came to her. “In-house careers are increasingly part of the professional pathway of lawyers,” she explains. “Legal departments are dynamic, expanding in size and responsibility, taking on more central roles in decision-making.”

Lester adds,

“ We have a responsibility as educators to prepare students for careers in the modern legal profession. So bringing my idea together with Reuben’s was a perfect match. ... I think we will see that this is increasingly what law schools will build. ”

Lester also sees the in-house counsel role as a way to bring more women and minorities into the C-suite. “Law firms are working hard,” she says, “but the glass ceiling is still really tough to break through.”

At the same time, Lester says she has seen “the role of in-house counsel providing great opportunities for women and people of color to assume leadership positions. I’ve seen very successful women in top roles in private industry, sometimes becoming CEO, who have come up through a path in law, often starting as an in-house counsel.”

The law school’s in-house program has three key components:

- ◆ The leader-in-residence program that brought Stretch and two others to campus to teach intensive short courses. “These are in huge demand,” Lester says, “with more student applicants than we have spaces.”
- ◆ An in-house counsel externship program, where students serve as legal interns at corporations and non-profit organizations. Recently 70 students applied for 19 intern slots. Participating organizations include Betterment, BounceX, Brooks Brothers, CBS, Chobani, Danone Ventures, Glossier, J.Crew, Mastercard, Quartz Media, TowerBrook, Tom Ford, and four nonprofits—Lincoln Center, The Whitney Museum, New York Public Library and Major League Baseball Players Association.
- ◆ Several new courses designed with in-house counsel in mind, such as Advising Complex Corporations: An Inside Perspective; and Organization Misconduct: Advising Clients on Ethics, Governance and Compliance.

Lester says the joint venture also includes other projects coordinated by the two schools, including conferences and symposia where the leaders-in-residence often speak, development of business cases to be used in classes, and public events featuring high-profile corporate counsel.

All three general counsel she has brought to campus carry some controversial legal baggage with them. Stretch, for instance, was general counsel at Facebook when it grappled over major privacy and antitrust matters. The company finally reached a record \$5 billion settlement in July 2019 for allegedly violating the terms of a 2012 consent agreement over privacy controls. The government’s privacy probe was triggered by the Cambridge Analytica data usage scandal during the 2016 presidential election campaign.

Lester’s attitude about a controversial speaker: Bring it on. “We’re not talking about compliance with a dairy code here,” she says. “We’re talking about big public issues. “These are the situations where those sitting in the role of an in-house lawyer are having to ... make hard choices and draw on the principles and values they bring to the table,” she continues. “This is what being a law school at a great university is. We bring our best selves to the table and wrestle with the hardest questions. We want people who have been in the trenches. I feel passionately about this.”

Hearing From Apple’s Bruce Sewell

Lester brought two other general counsel into the program despite some corporate controversies: Bruce Sewell, who served as general counsel at Apple Inc. from 2009 to 2017, and Hilary Krane, current general counsel, executive VP and chief administrative officer of Nike Inc.



Bruce Sewell in conversation with Professor Eric Talley at Columbia Law School in February of 2019.

Sewell was the first to serve as leader-in-residence last fall. At Apple, he oversaw 400 in-house lawyers and helped lead the company's efforts during antitrust investigations as well as law enforcement challenges over its refusal to unlock encrypted phones.

In fact, one evening event at Columbia presented Sewell talking about Apple's legal confrontation with the U.S. Department of Justice over encrypted phones after the 2015 San Bernardino terrorist attack that killed 14 people. Presenting the other side was the assistant attorney general who argued the case against Apple. Both spoke of where they thought the law is headed with respect to privacy and device encryption. Sewell says he also participated in two think tank events at Columbia's First Amendment Center.

His four-hours-a-week law school seminar focused on Leadership and Organizational Character: The Role of the Inside Counsel. "It was really about lawyers inside large company law departments," he says. "How do you run one, how do you staff it, what are the roles and functions, how does it fit into the corporation? What does it mean to be a socially responsible corporation?"

Sewell says the three key lessons he tried to teach the students were:

- ◆ The experience of an in-house lawyer "is very different from the experience of a practitioner in a law firm or in government. The issues are different, the approach to the law is different, and the life experience is different."
- ◆ The dynamic between outside counsel and in-house counsel has changed radically in the last 25 years. He explains, "Compensation and quality of work at a place like Apple are second to none. And its lawyers are working on groundbreaking cases."
- ◆ If one wants to work in-house, then they should make the decision early. Since law departments generally don't hire right out of law school, he advises students to think about what to do in the first three to five years of their careers to make them eventually attractive to in-house departments.

He says a handful of students have stayed in touch with him on a regular basis.

Sewell currently serves on two boards of directors: the resort company Vail Resorts Inc., and a California tech startup called C3. He says his alma mater, George Washington University Law School, reached out to him and he is in discussions with them to teach a basic course similar to the Columbia seminar, with an emphasis on ethics and compliance.

"It's incredible for law schools to start paying attention to the third leg of the stool," he says.

“ The challenges in large corporations are just as cutting edge and complex as in any other commercial or legal practice. Law schools that want to succeed in their mandate ought to be thinking more about ways to prepare students. ”

Lessons From Nike's Hilary Krane

Krane, general counsel at Nike Inc., so far is the only active general counsel to accept Columbia's residency. She says she compressed 16 hours of class sessions into six weeks, while she continued working on Nike issues by phone every day.



Hilary Krane, Nike General Counsel, teaching In-House Counsel Externship at Columbia Law School on Oct 17, 2019.

"There were real things happening every day," Krane says, pointing to the pro-democracy protests that began in Hong Kong last June and continued for months. The company is the largest athletic gear marketer in China. There was also a monsoon in Japan that threatened Nike employees and the business there.

"So I would take the first 20 minutes of each class and say here's a list of things happening in the world that I have to pay attention to," she says. Amid the Hong Kong protests, Nike ended up pulling some products from China because of a backlash after a fashion designer spoke in support of the Hong Kong protesters.

"The students would ask provocative questions," she recalls, "and we had some really good discussions. I got a lot from their point of view, and they got a much more realistic sense of the breadth of challenges in running a multinational corporation today."

Krane adds that the

“ Students in the room are the age group of our target consumer. ... Being able to have them noodle through issues with me is like doing it with target consumers. That's invaluable. ”

The theme of Krane's seminar was Becoming a Trusted Adviser: The Role of the General Counsel in the Modern Multinational Corporation. She explains that she sought to teach the core of the work—that is, "what is really the substance you have to deliver as a general counsel."

But she also taught how to be effective in that role, which "requires a lot of interpersonal skills and intangible skills that are about trust-building. And one of the most important is trust-building between the general counsel and CEO, but also with colleagues in the company, your legal team, federal regulators or investigators if they come to look at your company." Law schools, she says, don't teach enough about such soft skills that are important in succeeding in the business world.

She says the three most important lessons she taught were:

- ◆ How to be business savvy and business curious so one can understand the context in which they are providing advice.
- ◆ That legal analysis for an in-house counsel is the beginning of the conversation. Then come the rest of the steps, including analyzing the impact on the brand, business implications, and public relations moves.

"It's seldom here's the legal answer, now we know what to do," she explains. "It's here's the legal framework and rules that apply—so how do we achieve what we want to achieve while being mindful of everything else?"

◆ Being a general counsel is not about the individual; it's all about the team. One's success depends on "your ability to surround yourself with the right people with the right capabilities, and their ability to work together," she says.

To stress that point, Krane brought six members of her team to campus to appear at a moderated lunch talk before a couple hundred business and law students and faculty. The speakers included Krane, four of her senior lawyers, the head of Nike's government affairs, and the head of social and community impact.

"It gave the students 60 minutes of insight into the real dynamics of how we interact," she says, including "joking, cutting each other off, making more complete answers of what each other said. It was standing room only."

The general counsel says the whole experience "was so much fun." She says a surprising number of students have stayed in touch with her by email, asking for career advice, or a reference, or advice on a specific issue.

Krane says she thinks other law schools should pursue courses on how to be an in-house counsel. "It's good for students to get some perspective on what it really means to be an in-house lawyer as distinct from being at a firm," she says.

"And it's really good to hear someone talk about the soft skills, and the role of emotional intelligence for success in the law. Even more emotional intelligence is required in the in-house practice," she adds, "where you have one client all the time."

 Columbia Law School

