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HD **King's men build PwC practice**  
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Tony O'Malley and Tim Blue will **lead** the regional outfit

GLOBAL accounting giant PricewaterhouseCoopers has recruited two former managing partners at King & Wood Mallesons to build a \$100 **million** legal practice.

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The move, which aims to disrupt the current structure of the Australian legal services market, will be led by Tony O'Malley, who is a former Australian managing partner of KWM as well as a former deputy global managing partner of that **firm**.

He will **lead** PwC's legal practice in Australia and the Asia Pacific and has been appointed to the accounting giant's global legal services board.

Tim Blue, who is a former managing partner of KWM's corporate mergers, acquisitions and tax practice, will become Mr O'Malley's deputy and will **lead** PwC's corporate and commercial legal practice.

Their recruitment is part of a plan outlined earlier this year in which PwC aims to become one of the world's top 20 providers of legal services.

Globally, PwC has revenue from its legal practices of \$US500 **million** (\$537m) but plans to increase that to \$US1 **billion**, which would still be a small part of the **firm**'s total revenue of more than \$US30bn.

Mr O'Malley and Mr Blue are due to start at PwC on Monday week, four months after they unveiled their own boutique corporate advisory practice in Sydney, LCR Advisory. One year earlier, the pair had resigned from KWM amid leadership tensions.

They plan a selective recruitment drive in Australia and Asia in order to increase the revenue of the Australian legal practice from about \$15m to \$100m in three to four years.

"We have not settled on a hard and fast number as to how big it is to be," Mr O'Malley said.

"But I think we would probably look to something around 20 to 25 partners of the right calibre in the right areas," he said.

The practice would focus on high-end corporate advisory work and transactions in areas that meet the needs of PwC's client base and which align with the strengths of a multidisciplinary practice, he said. "You will see us very present in the mergers and acquisitions space, in private **equity**, projects and regulatory," Mr O'Malley said.

They do not propose to establish a commercial litigation practice but they do plan to be active in regulatory disputes, contentious tax disputes and contentious regulatory matters. They intend to build what Mr Blue described as "a significant transactional capability" that would work alongside the deal teams in other divisions of PwC.

Tom Seymour, who is managing partner of PwC's tax and legal business in Australia, said Mr O'Malley and Mr Blue would be responsible for rebuilding the Australian legal practice by focusing on the provision of premium legal services.

The decision to relaunch its Australian legal practice comes more than a decade after most of the big accounting firms tried to take a major position in the legal services market.

Mr Seymour said PwC had learned from that episode and this time would recruit leading individual lawyers and teams instead of seeking to **merge** with entire firms. PwC already has legal practices in Singapore, Vietnam and **China** and is in the process of adding a legal practice in Malaysia. Mr Blue, who has just returned from talks with the legal team in Singapore, said he and Mr O'Malley aimed to develop a beachhead in Australia and then establish complementary practices in other countries. "Tony and I have a lot of experience in Asia, we have a lot of great relationships and we think we understand those markets pretty well," Mr Blue said.

**CO** prwth : PricewaterhouseCoopers

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