# On Tax—Susanne Schreiber of Bär & Karrer

**Len Teti:** Welcome to On Tax—A Cravath Podcast. I'm Len Teti, a partner in the Tax Department of Cravath, Swaine & Moore, a premier U.S. law firm based in New York City.

On each episode of On Tax, I talk to professionals in the Cravath network about their life and work in the world of tax. We focus on the human side of tax law, highlighting the people, connections and stories that make the space such a fascinating and dynamic area of practice. I hope you enjoy this episode.

Today at On Tax, we're going international again. Our guest is Susanne Schreiber. Susanne is the Senior Partner and the Co-Head of the Tax Department at Bär & Karrer, the Swiss law firm in Zurich.

Susanne, welcome to the podcast, and thanks for being here.

**Susanne Schreiber:** Thank you very much—it's a pleasure.

**Len:** So, Susanne, in the last five or six years, we've worked together on a few things, and I know a little bit about that part of your career. But I want to start by going back further in time, and I'd like you to tell us—how did you get put on a path to practice in the world of tax? Where do we have to go in your life to start that discussion?

**Susanne:** Oh, we have to get back very far—to the 2000s. When I took my bar exam back in Germany, I really didn't know what I wanted to do. But I had the grades to start in an international law firm, so I thought, "OK, let's give it a try."

And I started in the M&A corporate field, which was really interesting. But after one year, they asked me to join the tax department. And then my eyes started to sparkle because I really noticed during my studies that I liked tax. But it was also quite a challenge—because for me, it was like a totally different world.

It was like going from two-dimensional M&A into three-dimensional—thinking about all different kind of taxes and shareholder, company, counterparty. So, it was really very complex, and I felt like a beginner.

So, I tried to learn as much as I could in Germany—the tax advisor, switching to an accounting firm to get more into the tax work. And then, by coincidence, I switched countries, which was not intended. So, I started all over in Switzerland again.

**Len:** So, you were born and raised in Germany?

**Susanne:** Yes.

**Len:** So, let me ask you this question. After one year in an M&A group, you're obviously still learning—but when you switched to tax, did you know that much about tax? I mean, had you taken tax classes? Had you had exposure to tax? Or were you really starting from zero?

**Susanne:** I had to take one exam in tax law in Munich, where I did my studies. So, everyone was complaining because you have to study a whole area, which was really quite broad for one exam—but I liked it. So, that was all I knew.

**Len:** Tell me what that was like. I mean—when you got an assignment, how did you begin to figure out how to tackle it when you don't really have a broad sense about how the whole regime works? What did you do?

**Susanne:** Really, asking my colleagues: "In which law books do I have to look? What are the most important ones? Which are the areas that I have to tackle?" And then it was really on the job.

So, certainly we learned income tax, we learned a bit of VAT, procedural law, accounting, for the exam—but the rest was on the job. And that's also why I always thought, "I have not as much tax experience as the others," because I started only in my second year.

**Len:** Do you remember when you started to get the feeling that you were getting traction in this field? That you were good at it? That you were enjoying it? Was it a matter of mentors or supervisors continuing to encourage you? Or was it some experience you had with a client or some other kind of experience that you remember?

**Susanne:** I worked a lot on the M&A tax area—an area where I was comfortable.

So, I think the rest came then also with the exams, because as a German lawyer, usually everyone passes the—or tries to pass—the German tax advisor exam, like you heard from Ocka [Stumm] and Matthias [Scheifele] on the other podcasts.

Then I also know that I wanted to stick to tax—it was an area that I always liked. And corporate tax—so that was clear very early.

**Len:** And tell me a little bit about the decision to go from a law firm in Germany to an accounting firm in Switzerland. Was that primarily a professional decision? Was it a geographic decision? How did that all come about?

**Susanne:** Actually, it was first to the accounting firm in Germany—because after the tax advisor, I thought, "OK, now I really want to work in the tax area also from a different perspective."

And that was really a great experience—because you were then a manager, and clients called you directly and you were in the front.

I was in the M&A tax department in Munich, and I really liked it. And then my husband took a job in Switzerland, and that was why I changed countries and started from scratch.

I could then come to the same accounting firm—which was not a given, because in the beginning they said, "What shall we do with you? You can do German high net worth tax." And I said, "Well, that's not really the area that I'm good at. I want to do corporate M&A."

So, I sneaked in. After one and a half months, I was suddenly sitting in the Swiss corporate tax team and working with them, and starting also with the education.

**Len:** So, then again, you're coming from a German tax practice. Did you have to basically learn Swiss tax law on the job?

**Susanne:** Yes. And in this school for the tax expert—the one that Gabriela [Schwarz] also did in Switzerland. On the job and in school. I always had the hope that in school you learn everything, but we have 26 cantons and so much practice. Coming from Germany, where you have so much literature and so many court cases, you can look up everything.

And in Switzerland, you come, and then everyone said, "Well, that's practice. That's what we negotiated with one of the tax authorities." And I thought, "Well, I have no chance. I can never learn this because it's nowhere written."

**Len:** Let me take a moment to draw that out a little bit, because I think our audience will find it interesting. And mainly, I'm speaking from my own experience talking to you and other lawyers in Switzerland, but also in Germany.

In Germany, there's a pretty rich body of law—as you say, court cases, or what we would call common law. And the answer is almost always legal. It's out there somewhere and you can look it up and find it.

In Switzerland, there are rules and laws, but a lot of times, companies will go to the taxing authorities—whether it's the federal tax authority or the local cantonal taxing authorities—and they will discuss their transactions, well in advance of doing them. And they will agree on how that transaction should be taxed.

And, therefore, the process of practicing law is more practical. It's a little bit more of an open discussion, as opposed to a private legal research and communication exercise with clients. Is that a fair way to think about it?

**Susanne:** I think you do the same technical work before you approach the tax authorities—so all the arguments, the technical analysis. You present your analysis, and then you just get certainty whether the tax authorities follow or not.

And I think that's the main benefit. And that's also what I liked when I came to Switzerland—that you have this possibility that you can get a binding confirmation from the tax authorities.

**Len:** One observation about how that differs from the U.S., too, is that, while it is certainly possible to get advanced clearance in the U.S.—we call those private letter rulings, and that's a part of my practice (we do that). It is much more common to do transactions, to report those transactions on a regular return, and then to deal with the tax administration—the IRS or local taxing authorities—years later when the transactions or the taxable years are audited.

And, therefore, a lot of U.S. companies are dealing with taxing authorities for past years. And I think more commonly, in Switzerland, companies are dealing with taxing authorities for things they are going to do, or things that they want to do.

There's all sorts of interesting questions, I think, about what that means for public disclosure, and how companies feel about their tax position given their discussions with the taxing authorities. But that is a notable difference in practice, I think, between the two countries.

**Susanne:** That's true. I think here it's really more real-time that you discuss the topics with the tax authorities. And sometimes it's not, because it's so complex or so disputed. But it's also kind of good governance, that you inform the tax authorities about what the client intends to do—that it's easier for them also to audit, and that they are not surprised three years later that something has happened.

It's this cooperative compliance—horizontal monitoring—that you have in some countries as a process.

**Len:** I want to ask you a question that I've asked many of our guests, and that is: What do you think the best tax practitioners do well? What kind of common characteristics do you think they have?

**Susanne:** For me, one is cutting through complexity. I know it's a KPMG slogan, but I like it. I think really breaking complex transaction structures down to the point—also to come to the economic background and the reasoning behind a transaction. A certain creativity—that's also what I like. That's what you need as a good tax lawyer. You need to have a very strong legal and economic understanding.

I think that's also the privilege of a tax lawyer—that you can ask stupid questions. "So, why do you do this? What is the rationale?" Because we need this in order to assess the tax analysis, but this is sometimes also very beneficial for all sides.

**Len:** I love that slogan you just used: privilege of a tax lawyer. The privilege of a tax lawyer is the ability to ask questions.

And I've spoken before, I think, on the podcast about how, as a young lawyer, watching very senior partners ask simple questions on calls was totally liberating for me. Because first of all, it revealed that they were confident enough to look silly or simple on a call—but it also always was productive. It almost always helped the group understand the problem, or the goal or the legal principles in a clearer way.

I think for young lawyers, too, it's important to understand that while tax is often hard, it is often only hard in the really complex cases. And if you can learn a tax concept in a simple way—"We're paying $100. Do we get a deduction in this year or next year? How do we attack that question?"

Then maybe the actual question for the client is—in any given calendar year, there's three different short taxable years. So, we have three years that we're working with—and it's complicated. We have to read these complicated rules. But if you start with the simplest case, then you can find the exception for how your rule is different. And you wouldn't have been able to understand the exception if you had found it right away, because you didn't understand the simple case first.

So, it's important to understand the simple case. And I think that's liberating for young lawyers, too, because when you are encountering a difficult question, the way to attack it is not to dive into the difficulty, but instead to understand the easier fact patterns first—how the law developed around the easy cases in order to then understand why these complicated exceptions—and exceptions to exceptions—are necessary, or wise, or there. And I think that's something for young lawyers to really take to heart.

So, Susanne, tell me about the decision to leave the accounting firm and go back into private practice at Bär & Karrer.

**Susanne:** Oh, yes, that was a difficult decision because I really liked my experience in the accounting firm, and I was very glad that I could work on so many international cases—at that time, really high-profile transactions. But the law firm really also pulled me because it was more on the technical Swiss side again.

So, there were two souls in my heart: more the management, big teams, big transaction, project management, efficiency tools; and the manual, technical, Swiss tax work. And I think it was a once-in-a-lifetime chance that they were looking for a person for corporate and M&A in a law firm with which I already worked in the past—and a good match.

**Len:** And then, Susanne, it was around that time, actually, that you and I started working on some very complicated transactions together. But then I know that you've also gotten more involved in the management of your firm—co-heading the tax group and, even more recently, becoming the senior partner—which, for members of our audience who don't know, means you're running the firm and kind of in charge of mobilizing the firm.

As the senior partner, I'm curious about what that means for you in terms of the role itself and how that operates.

And then I want to focus a little bit on that growth in your career, where you're not merely doing tax work anymore but instead managing, and what you've learned from that.

**Susanne:** Well, first of all, it was a huge honor for me that I was asked whether I want to become senior partner, because that was not really on my agenda. I was happy with co-leading the tax team, growing and so on. And that was also my requirement for taking the position—I said, "I want to continue to work 100 percent for the clients and for the team."

We have a strong management team. It's really great that I get much more insight into the firm—I think I also have a different identification with the firm in this role. But on the normal day-to-day work for the clients, for the mandates, nothing has changed. It's just, in addition, there is this role as senior partner.

**Len:** I see. And so then, over time, in addition to managing your firm, you've been co-head of the tax group. How have you thought about developing talent among, say, associates in the tax group and younger partners, but also developing talent across the firm's practice areas?

**Susanne:** I always liked to work with younger people—to see them grow, to get more experience, to challenge me.

So, I think that was also a drive, and I get a lot of motivation out of this—you can share the pain, bounce ideas. And for me, it's really a satisfaction to see young partners coming up, be it at KPMG or be it now here at Bär & Karrer—yeah, that you develop something.

I hope that I can convey my passion for tax to them—to motivate them to go the extra mile but also to give them a lot of room that they can develop.

And I think that's what I try to give everyone in the team: that they find their way to communicate, to attract clients, to solve problems. But we have a common goal. With the other partners, I think we are a very diverse crowd. That's good, but with the same intention and goal that we want to solve complex problems for our clients.

**Len:** That resonates with me. It's dawned on me recently in my career that for many years, as a young up-and-coming lawyer, one is—or at least I was—you're just very focused on yourself. What are you doing? Where are you getting work from? What do you have to get out the door today? How are you growing? How are you positioning yourself to succeed?

And then as you get to the end of your associate time, how are you ensuring that you're in the best position possible to make partner? Then you make partner and the question is: What do you have to learn to be a successful partner? What are the new skills you have to learn? Who should you be networking with? And it's all very much about your own individual growth.

Obviously, there's a social aspect to it where you need the support and help of other people, notably your clients. But at some point that really changes and you're not the up-and-comer anymore. You have a fully formed professional life that you're trying to grow. And you're also trying to, at the same time, understand that part of your new job—part of your new role for the firm—is growing talent and giving people an opportunity to develop in their own way.

And once I realized—I mean, I liked doing it, too—but once I realized that was actually part of my job description, it got easier to make time to do that.

When you think about talent development as part of my work, it becomes easier to make time for and easier to lean into with the same sort of energy that you've gotten used to embracing your other work tasks.

And I agree with you that it is a very rewarding part of a career. But it's also critical for firms like ours—which, 40 years from now, firms like ours aren't going to have us.

So, it's important that we really think of ourselves as stewards who are passing the firm and its goodwill onto future generations.

**Susanne:** Yeah, that's also what I discuss with my fellow partners. And it's not an easy task to hand over business and to be not the person that is called because now maybe your team members are called. And I think this is also a process in the succession planning where you also need some understanding.

The most important part of a successful partner is to make additional partners. So, I think a partner who has not made one or ideally two partners is, for me, not successful in a law firm. He can do as much work and successful transactions or mandates, but the law firm relies on the fact that you grow and that you continue your business with young people.

**Len:** That's a really interesting way to think about it. And as you say, it is tough because one doesn't get to be a partner at law firms like ours without being the point person on everything and being responsible for everything. And it's a tough shift. And I see your point that it's part of your role as a manager to encourage that to happen when it's not happening more naturally.

**Susanne:** And also to remember myself because sometimes I say to my colleagues, "OK, stop me when I talk too much because you should take over." And it also gives more freedom to the others that they run the show. They make their experience. And sometimes I'll say, "Good. I think you did better than I would've done."

**Len:** That's really useful, too. I catch myself sometimes saying, "If it were me, I would…" and then I stop myself. And instead, what I'm trying to learn to say is: "How do you think we should handle the next step? What are you thinking of doing?" And the reason is because it's not me, so, "If it were me" isn't that useful as a framework.

**Susanne:** But I think it's also very difficult in our job because we're used—as advisor—to always have an answer, to be the one who has an answer. And then to step back and say, "OK, now I'm not the one who's answering, but my colleague can do better."

**Len:** Well, I'm sure you've experienced, too, that this seeps into my personal life because when you give advice for a living, you feel like you're good at giving advice—you should give advice everywhere. And so, with family members or friends, you end up sort of catching yourself giving advice when you haven't really been asked.

So, in any case, those are some useful lessons for people to think about as they grow into different roles.

**Susanne:** That's true.

**Len:** One of the things I've observed in working with you and other partners at your firm is that Cravath and Bär & Karrer have very similar cultures. And I wonder if you would take a moment to talk about how you think about your firm's culture and what you do on a day-to-day basis to strengthen and maintain it.

**Susanne:** I think we have a similar culture—that we really work together. In particular, in our tax team, we really put the best partner to the client.

And I'm so glad that I have so many skillful partners who have experience in VAT, in real estate tax, in crypto, in financial services, in transfer pricing, so that I can go to the client and say, "Hey, I have a better person for you," and that this is really seamless—or that I have someone in Lugano for the Italian-speaking tax authorities.

And I think that shows also that you are sharing culture. That you share knowledge. That you work together. And this is, I think, also what really helped to grow our team—that they know there is no ego and fighting between the partners, but we really try to work together.

**Len:** One of the challenges, of course, is that there are going to be very prominent public-facing practitioners in any firm, and then there are going to be more internal partners who are integral to the success of the firm, but maybe less publicly known. That's natural, I think, in any professional services practice.

But the challenge, I think, in firms with cultures like ours is it's important that we all understand that the firm is the star. The firm is trying to deliver a seamless product to the client.

And so, every firm has a slightly different take on this. But I think your firm and ours at Cravath are similar.

**Susanne:** I think it's good to have some stars. That's also important. But I think every star that we have values the others and knows that he would be nothing without the others—that we need each other and are better together. But that's really how we are, because if I can't bounce my ideas—if I can't challenge them with a corporate partner—I would be half of what I could.

**Len:** That's very true.

Susanne, in the few minutes we have left at the end of our podcast, we like to talk to our guests about what they do when they're not working. So, tell me, how do you fill your spare time? What do you like to do?

**Susanne:** I certainly like to spend time with my husband and our dog. We like traveling, skiing. And one big hobby is my dog—or our dog. Actually, it should be my dog. Now it's more of my husband's dog because she chooses to follow my husband.

We are also allowed to bring our dogs from time to time into the office. And it was really funny sometimes in the team meeting when we discussed a very difficult technical task, and she was just snoring or sighing and everyone had to laugh.

**Len:** What kind of dog is your dog?

**Susanne:** It's a pug.

**Len:** A pug?

**Susanne:** Yes. She's really very sporty and healthy.

**Len:** That's terrific.

Well, Susanne Schreiber, the Senior Partner and Co-Head of the Tax Department at Bär & Karrer in Zurich, has been our guest. Susanne, thank you so much for being with us, and I'll see you soon on a deal, I hope.

**Susanne:** I hope so, too.

**Len:** That's all for this episode of On Tax—A Cravath Podcast. You can find us online at cravath.com/podcast. And don't forget to subscribe on Apple Podcasts or Spotify.

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