

BTI LITIGATION OUTLOOK 2021 THE PANDEMIC-LED MARKET

CHANGES, TRENDS, AND OPPORTUNITIES FOR LAW FIRMS

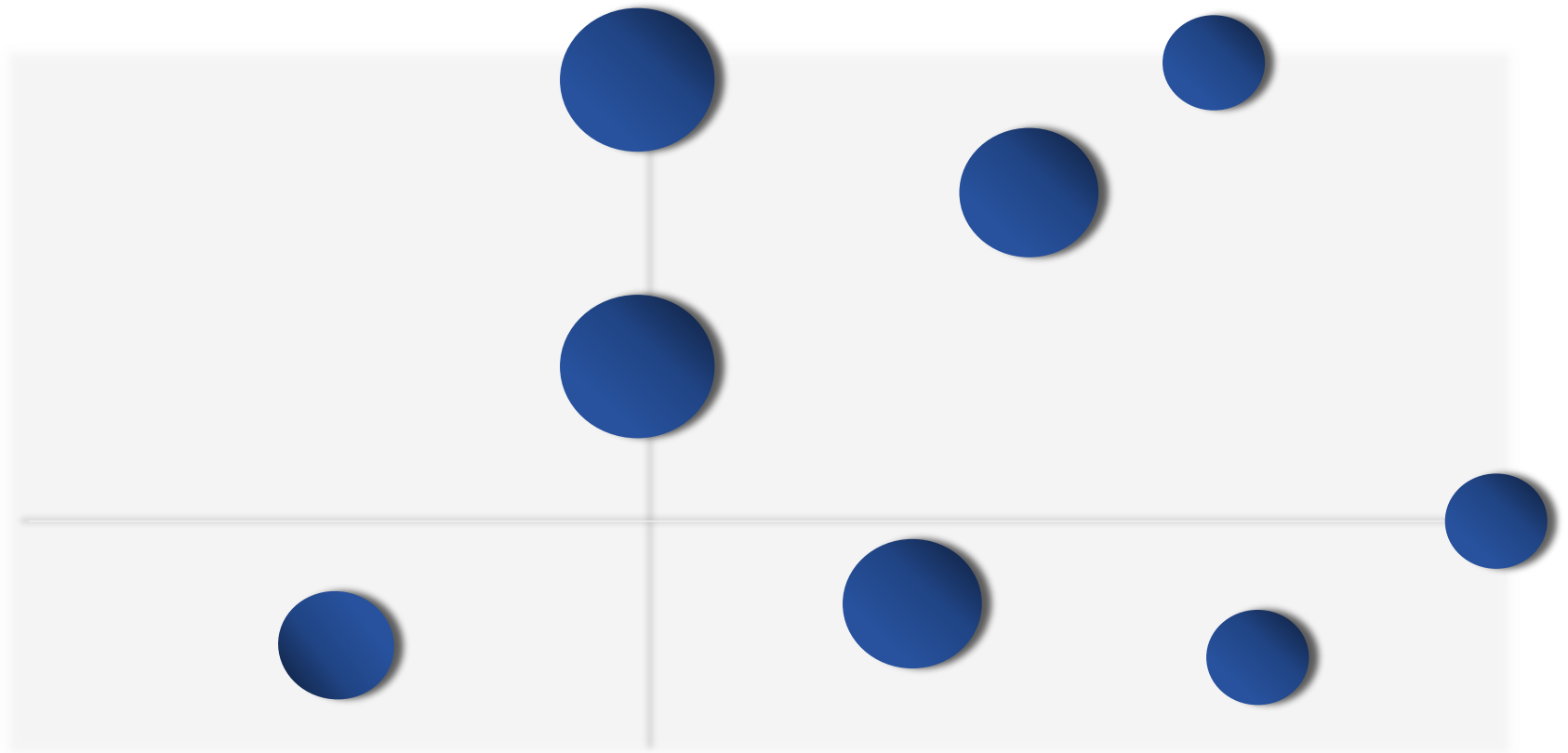


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AT A GLANCE

- Litigation Spending to Continue at Current Levels, Grow Next Year
- New Matters Climbing Well in Excess of Spending
- More Companies to Face Litigation

Clients will continue to spend on litigation. The number of matters clients face is soaring. In addition, companies expect more litigation than ever before — meaning new clients will come into the market and existing clients face new needs.

Top legal decision makers expect their litigation portfolios to be split by risk. The majority of the spending is earmarked for complex matters but falls short of bet-the-company. The remainder of the spending goes to lower risk matters and faces severe rate pressure. Clients are looking to settlements and new defense strategies to dispose of these cases. Top legal decision makers expect Alternative Fee Arrangements (AFAs), especially fixed fee arrangements, to help keep the spending equation balanced. Some are going to bring more work in house.

Look for spending in 2020 to be the same as last year. Clients expect an increase in spending for 2021 as they expect new matters and courts to move faster.

Our 11th BTI Litigation Outlook may be the most important ever. Top legal decision makers are managing the biggest caseloads they have seen — and have limited budgets. They expect new and novel cases and are looking for the law firms who can help sort this out.

BTI Litigation Outlook immediately helps you identify the most current and vexing client needs — and helps you meet these needs before competitors realize there is new work for the taking.

9 Trends Shaping Litigation in 2021



9 industries expect to pay higher rates and increase spending



Only 15% of companies plan to cut spending



4 of 8 major areas of litigation have bigger budgets this year and next



Employment litigation is surging faster than all other areas



Complex commercial litigation is up in 9 industries



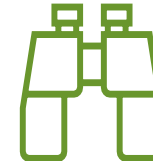
Settlements will soar in 2021



AFAs are becoming an essential budget management tool for clients



Clients see risk growing more than 10% in the next year — the most challenging work is yet to come

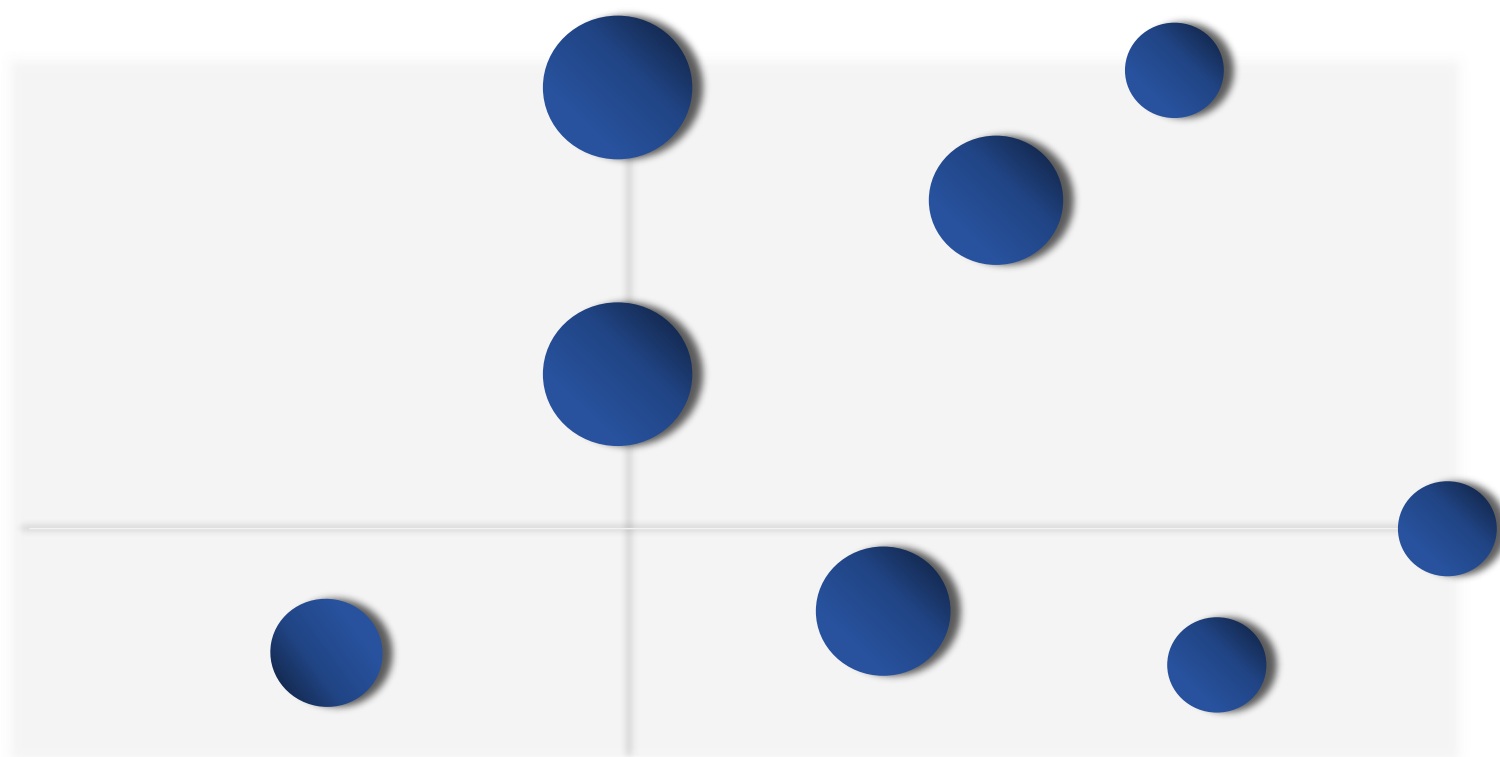


Top legal decision makers are actively looking for new law firms to help

9 Trends Shaping Litigation in 2021

BTI Litigation Forecast 2021

OPPORTUNITY ROADMAP



How to Use BTI's Litigation Forecast 2021

Identify Growing (and Shrinking) Market Segments

Vertical axis measures 2021 growth potential

- Practices above the projected average growth line will grow faster than the overall market
- Practices below the growth line are growing slower than the market

Pinpoint Premium Rate Opportunities

Horizontal axis identifies relative average rates

- Practices on the right side of the chart garner higher average hourly rates
- Practices on the left side of the chart experience greater rate pressure

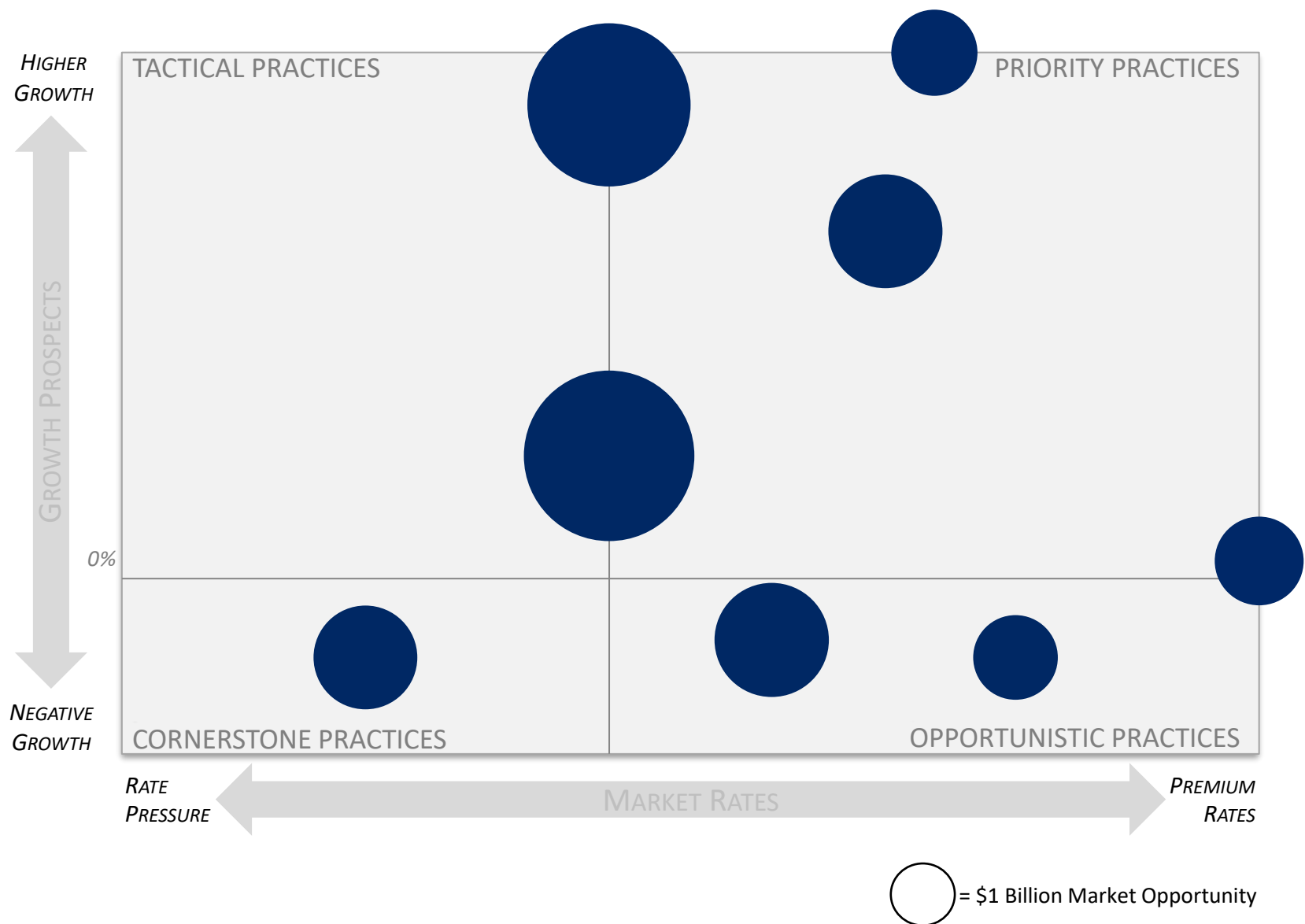
Understand Extent of Opportunities

Bubble size measures market size

- The size of each practice bubble measures the total corporate counsel spending in the litigation segment

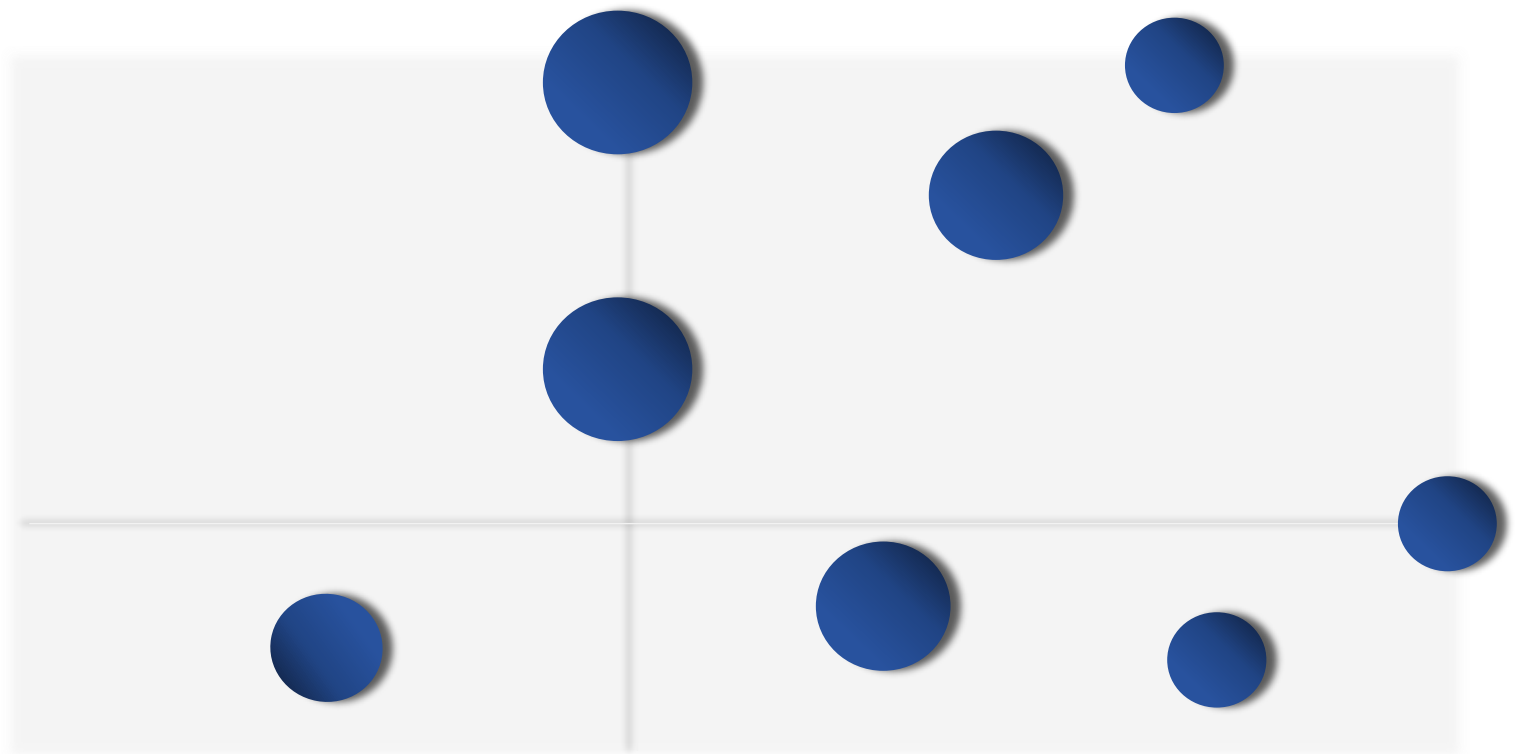


BTI's Litigation Forecast 2021



Industry Assessment for 2021

BTI OPPORTUNITY ZONE



How to Use BTI's Opportunity Zone Chart

The BTI Opportunity Zone chart is a comprehensive look at growth prospects by cross section of industry and litigation segments. This chart is your roadmap for understanding how different client organizations will react to service offerings and rates in the upcoming year. Use this guide to better leverage resources, assemble right-sized pricing structures, and target hot opportunities.

BTI Hot Opportunities

The intersection of industries and litigation segments tagged for prime growth and higher-than-market rates

Market Neutral

The intersection of industries and litigation segments expected to see average or neutral growth

Pressure Points

The intersection of industries and litigation segments expected to experience price sensitivity or pushback

BTI Opportunity Zones 2021: Opportunities by Industry and Litigation Segment

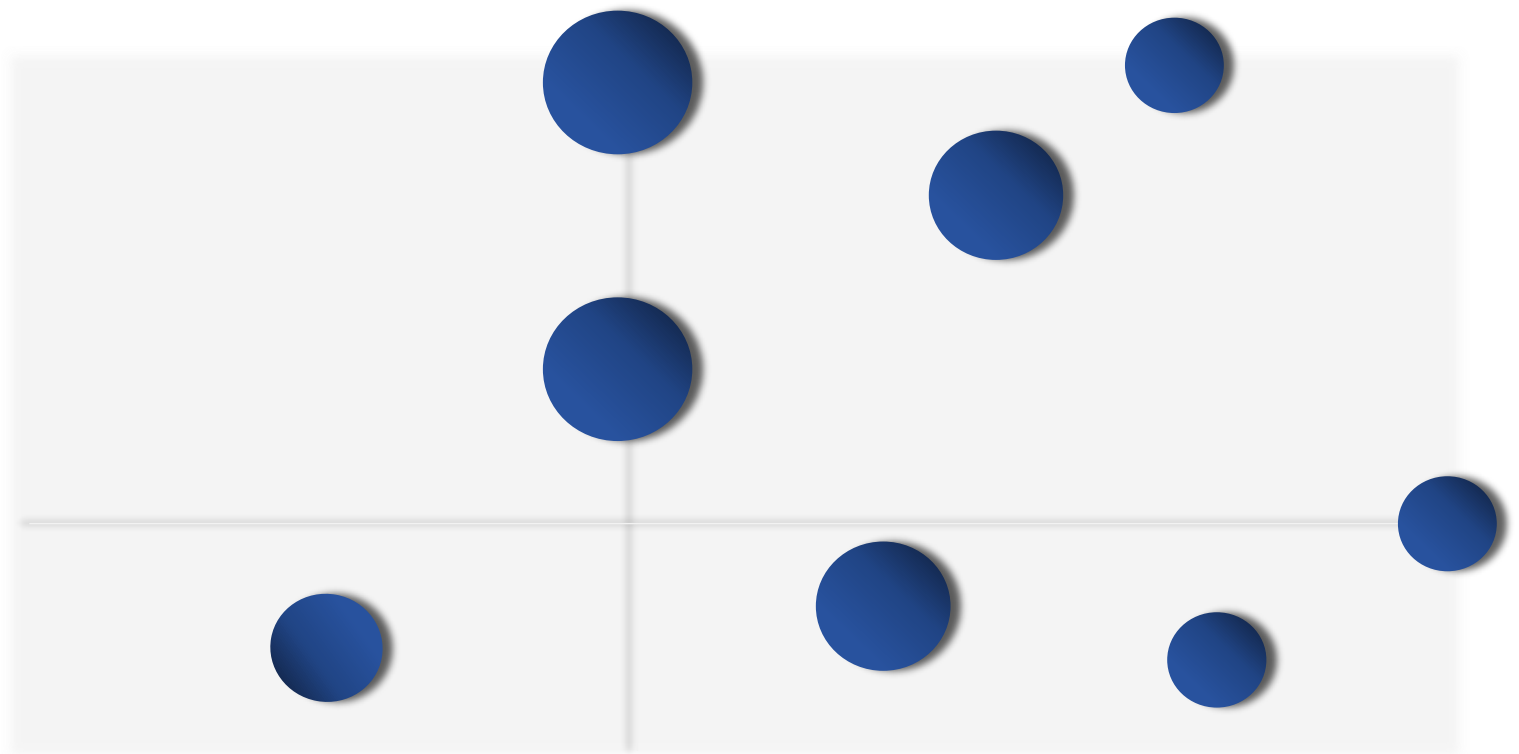
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BTI Hot Opportunity: *Higher Need, Higher Rates*

Pressure Point:
Pressure on Rates

How Clients Use Law Firms for Litigation

TRENDS AND LAW FIRM LEADERS



Litigation Powerhouses: Law Firms Leading the Litigation Market

As litigation (of all types) is starting to pile up in what is expected to be a tsunami of litigation, corporate counsel reevaluate their options of law firms based on:

- Current performance
- Response-to-date to the pandemic
- Ongoing interactions
- Prior performance

Top legal decision makers identify the firms best suited to meet their most pressing litigation needs.

Congratulations to the 143 firms for this impressive performance — singled out by clients with no prompts or suggested names.

IP Litigation | 39

Class Actions Litigation | 41

Cybersecurity Litigation | 43

Securities & Finance Litigation | 45

Complex Employment Litigation | 47

Employment Litigation | 49

Product Liability Litigation | 51

Complex Commercial Litigation | 53

Commercial Litigation | 55

The BTI Fearsome Foursome | 57

The BTI Fearsome Foursome

The litigation landscape is constantly changing and this includes which firms clients see at the top. These are the firms striking the utmost fear into the hearts of seasoned general counsel and legal decision makers. The BTI Fearsome Foursome are the firms clients tell us they least want to see on the other side of the table in litigation because they are relentless, very smart, and play to win — and win big.

Congratulations to The BTI Fearsome Foursome of 2021 for their intense approach and fierce tactics in today's complex legal market.

Jones Day

Kirkland & Ellis

Latham & Watkins

Quinn Emanuel Urquhart & Sullivan



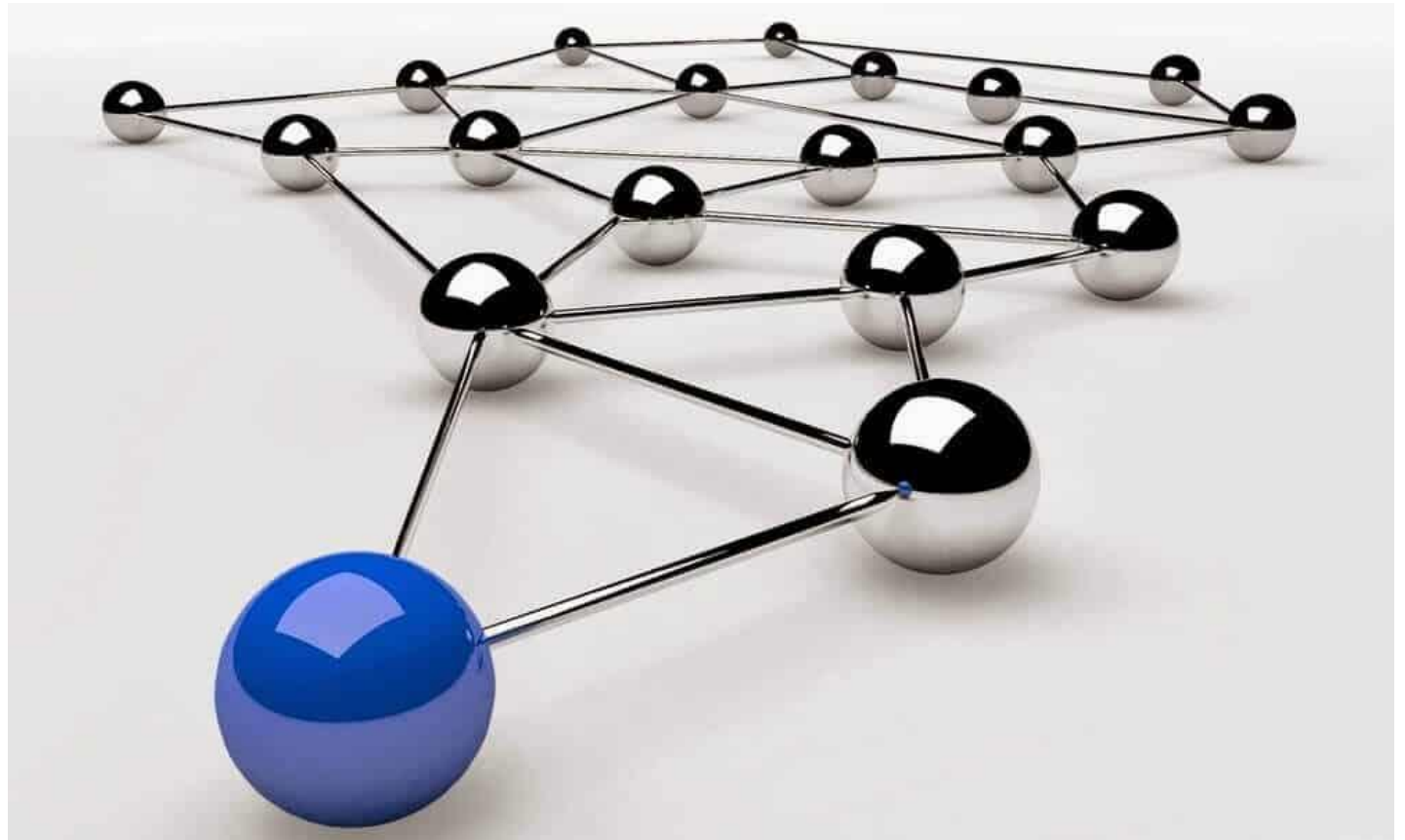
FEARSOME FOURSOME

2021

See pages 58–59 for the full list of law firms legal decision makers say they want to steer clear of during disputes.

BTI Litigation Outlook 2021

METHODOLOGY



Our Methodology and Approach

INDEPENDENT, UNBIASED RESEARCH, BASED SOLELY ON CLIENT FEEDBACK

2021 Survey Participant Demographics

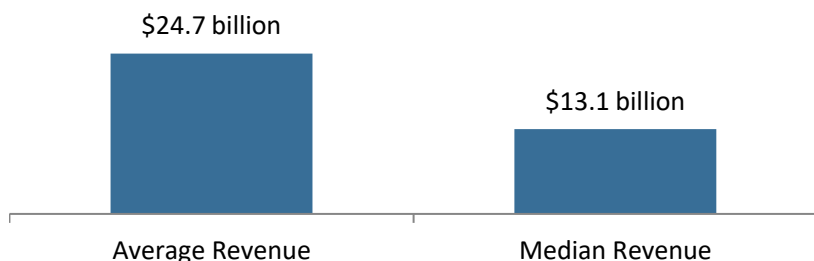
OVERVIEW

Interviews	More than 240 in-depth telephone interviews
Time Frame	Conducted between February 12, 2020 and August 12, 2020
Incentives	Respondents receive a complimentary report of legal benchmarks and metrics

LEGAL DECISION MAKERS RESPONSIBLE FOR LITIGATION

- Head of Litigation
- Chief and Vice President of Litigation
- General Counsel/Chief Legal Officer
- Direct report to General Counsel

ORGANIZATIONS WITH HIGHEST LEVELS OF LEGAL SPENDING



REPRESENTATIVE OF MORE THAN 15 INDUSTRY SEGMENTS

Banking

Chemicals

Consumer Goods

Energy

Financial Services

Food & Agriculture

Health Care

High Tech

Insurance

Manufacturing

Pharmaceuticals

Professional Services

Retail Trade

Telecom

Transportation

Utilities

Wholesale Trade

BTI Litigation Outlook 2021 is based solely on in-depth telephone interviews with leading legal decision makers. This comprehensive analysis trends data from more than 9,000 corporate counsel client interviews conducted over the span of 20 years.

This research is independent and unbiased — no law firm or organization other than BTI sponsors this study.

Each year, BTI reaches out to a strategically designed group of top legal decision makers at large organizations with \$1 billion or more in revenue. We target the decision makers in the industries who spend the most on legal affairs as well as thought leaders and innovative Chief Legal Officers. Our survey also includes Chief Legal Operating Officers and business executives who hire and influence the selection and hiring of law firms.

Participants are granted confidentiality at the individual and organizational level.

BTI Consulting Group

ABOUT US



What We Do

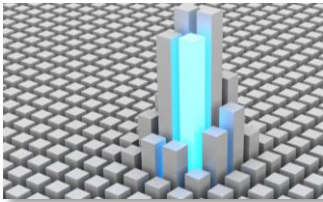
For 30 years, we've successfully helped our clients strategically drive revenue, boost performance, attract and retain clients, develop more business in new and existing markets, and create enduring relationships with our data-driven customized programs and solutions tailored to meet each client's specific and unique needs. We examine the market from your client's perspective with a measurable, innovative, and high-impact approach.

From in-depth independent research to one-on-one interviews with C-suite executives, top legal decision makers, and market leaders, our expertise and insight will help you understand — as well as benchmark — how clients acquire, manage, and evaluate their professional services providers.



Client Feedback Programs

We help you reveal powerful, defining client insights you simply can't get anywhere else through innovative, world-class feedback.



Business Development Training

We help you and your firm catapult your business development skills, culture, and mindset, fast.



Client Service Excellence

We help you redefine how clients think about you and your firm for the short- and long-term.



Market Research and Insightful Client-Centric Reports

Authoritative, innovative, and practical advice from our research. BTI's client service rankings, brand health assessments, market forecasts and more are the industry gold standard.

Market Research, Expertise, and Insights

Authoritative, innovative, and practical advice from our research

Law firms who would otherwise have little insight into corporate counsel hiring decisions, goals, law firm preferences, market positions, and detailed recommendations can now gain access to the same research used by the largest and best performing firms in the world. The data and insight found in BTI's reports are used to train attorneys, guide business development, inform strategy, and calibrate market trends against firm tactics. In short, you get many of the benefits of a custom study commissioned for your firm, at a fraction of the cost. These insights are proven to drive growth and client retention and protect fees.

All of our reports come with a 100% satisfaction guarantee and complete telephone support to help you maximize the value from our publications.

Order today at bticonsulting.com

BTI Cybersecurity & Data Privacy 2020



Cybersecurity & Data Privacy is the fastest growing practice of any area of law. The opportunities for law firms are enormous. Our in-depth conversations with more than 250 top legal decision makers have revealed groundbreaking and compelling insights law firms need to know today to deliver excellence to your clients.

Order Now

BTI Client Service A-Team 2020



Clients identify *Dealing with Complexity* as a core attribute of the best client service. This change means every law firm is subject to new evaluation criteria and new testing of your client service. 30 law firms stand above their peers, earning unmatched recognition in new factors driving superior client relationships.

Order Now

BTI Practice Outlook 2020



Companies are projected to add billions more to their spending on outside counsel in 2020, particularly in the areas of cybersecurity and litigation. More complex, high-stakes work has corporate legal decision makers turning to law firms to fill gaps in expertise.

Order Now

Questions? Comments?



Michael B. Rynowecer, President

For questions, research inquiries, and information on BTI's client feedback programs, market insight research, seminars, training, or workshops, please contact us via email or by calling **+1 617 439 0333**.

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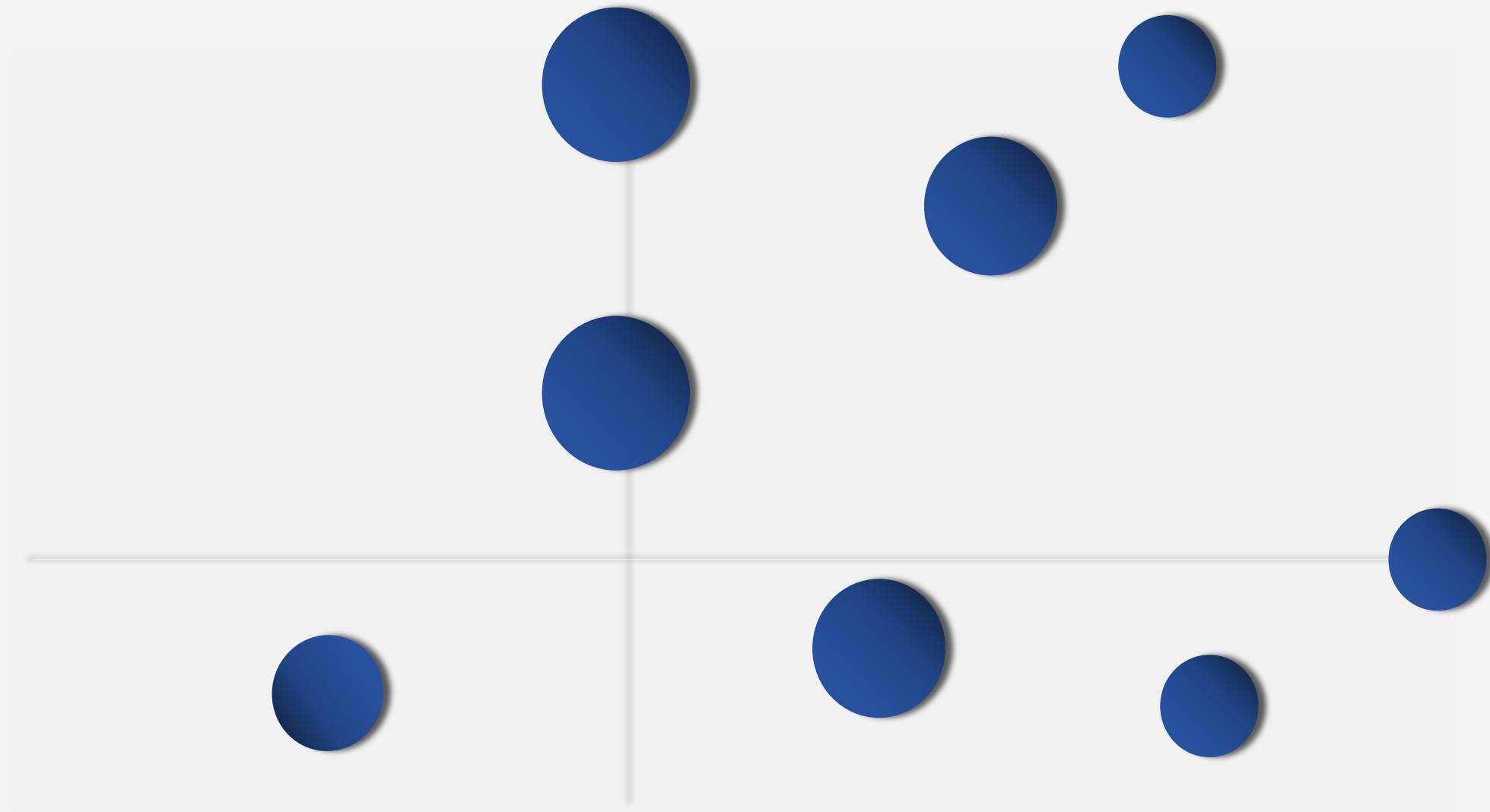
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