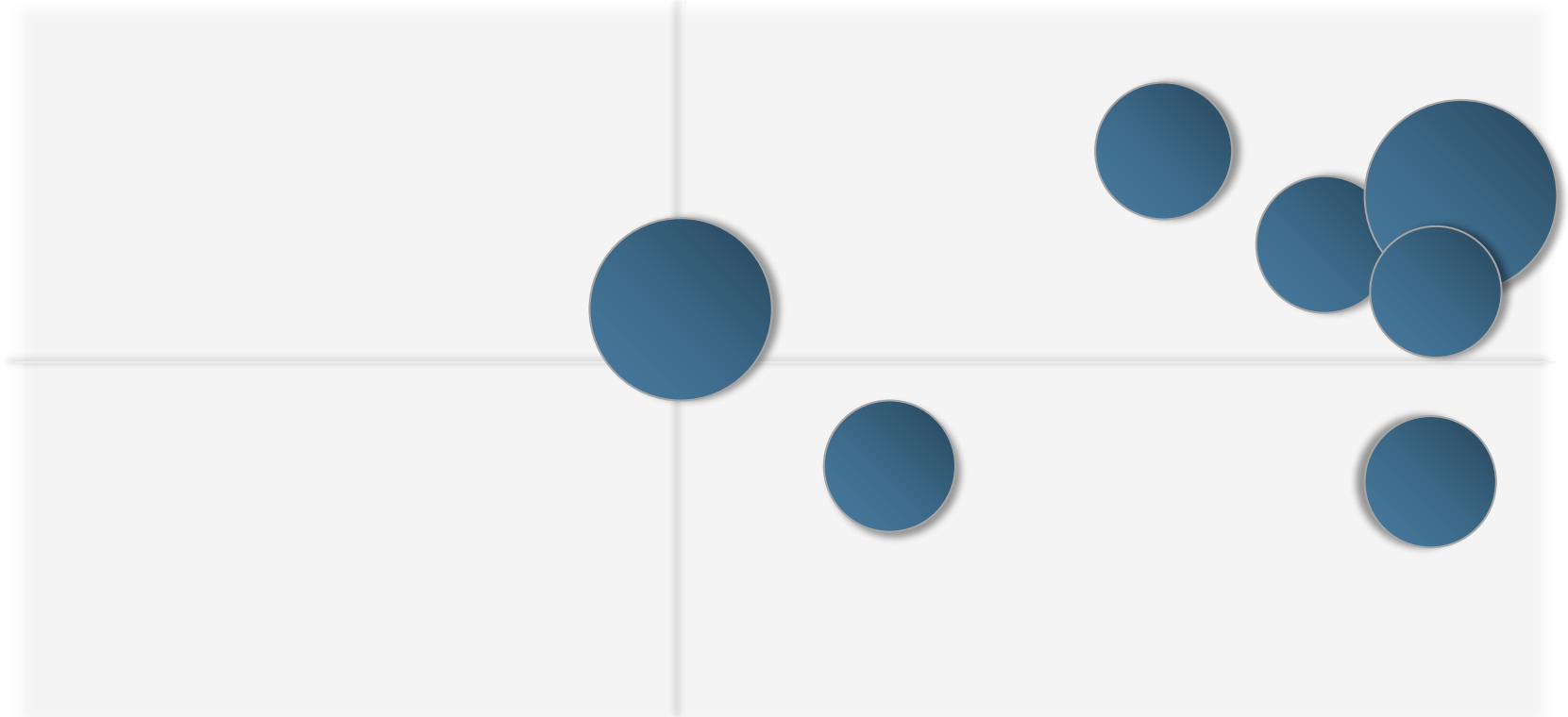


# The BTI M&A Outlook 2022: *A Whole New World of M&A*

*Changes, Trends, And Opportunities For Law Firms*



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# At a Glance

- M&A will Hit Record Levels through 2022
- Small, Large, and Mega Deal Activity Expected to Grow
- Current Valuations Fair Now, Expected to Become Over-Valued by End of 2022

The number of companies pursuing transactions will hit a record high before 2021 is over at 71%. This pace will carry into 2022.

These companies are going to be aggressive as they seek to improve their market positions, create scale, drive new product development and take advantage of perceived lower valuations.

The pandemic had made companies less patient in building their profits and stock price. They see mergers and acquisitions as the fastest route to better performance.

Joint ventures are also enjoying a record boost. Disrupted industries are using joint ventures to access technology and reduce capital and risk. These companies are looking to their M&A law firms to help.

The typical client uses a panel of 8 law firms — but 41% will consider new counsel. They don't plan to expand the panels, but every large law firm is trying to move into this market. Clients can see the networking and pitching ratcheting up — and these same clients have a concern about their law firm panel's capacity. Now is the time to double down on client relationships — as the boom is just getting started.

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***The BTI M&A Outlook 2022: A Whole New World of M&A*** covers what may be the most robust legal market in the last 30 years. Top legal decision makers are expecting M&A activity to rise and stay at peak levels through 2022.

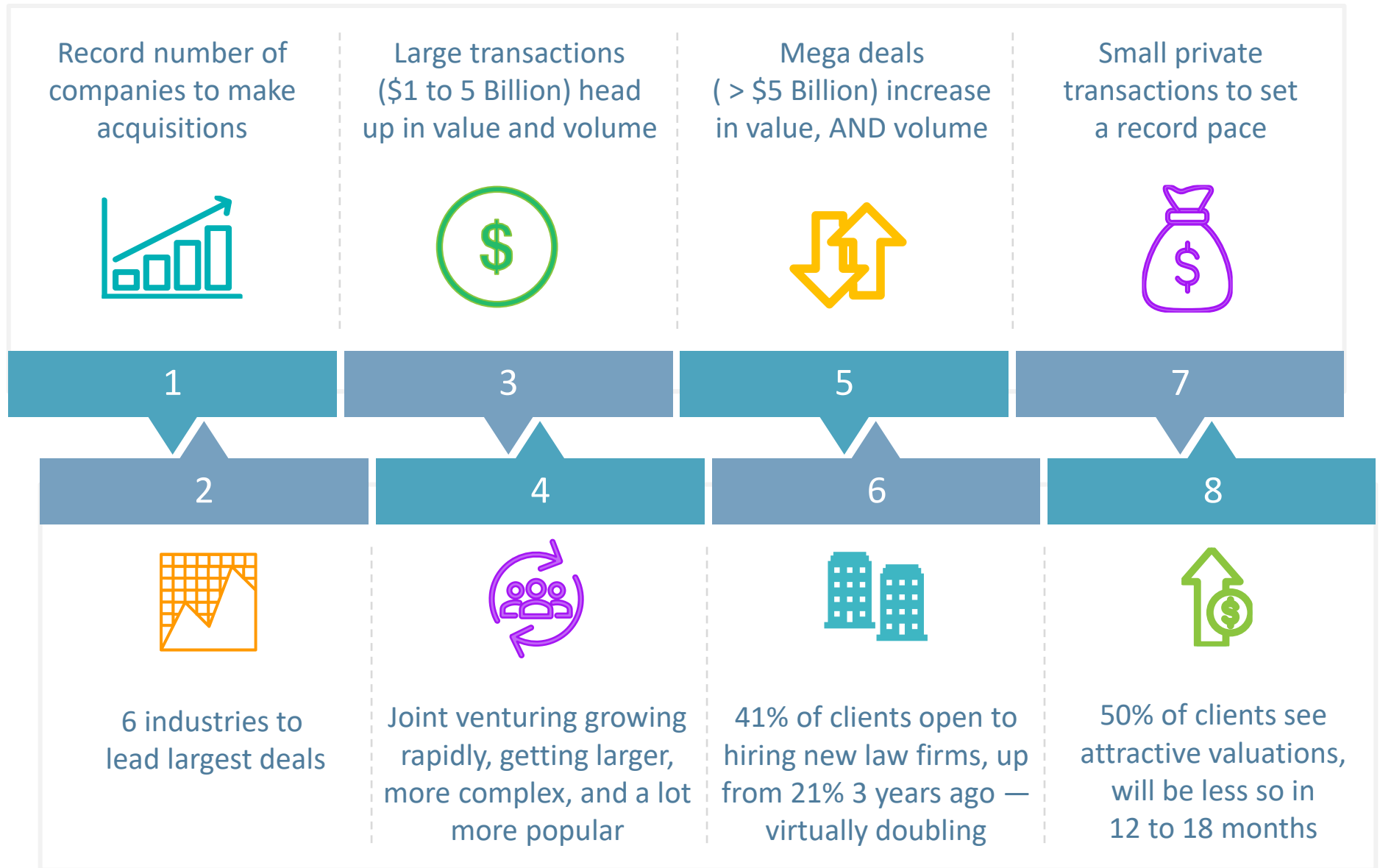
*Joint ventures, which clients increasingly handle with their deal lawyers, will hit peak levels as well.*

*This report immediately helps you spot the industries where the deals are, and what clients want from their law firms in 8 types of transactions.*

*This is your road map to secure the largest deals, the midsize deals, and the smaller deals — and see exactly where you stand and how clients brand your firm.*

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# 8 Key Trends and Findings



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# BTI's Corporate M&A Forecast through 2022

# How to Use BTI's Corporate M&A Forecast

## Identify Growing (and Shrinking) Market Segments

*Vertical axis measures growth potential*

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

## Pinpoint Premium Rate Opportunities

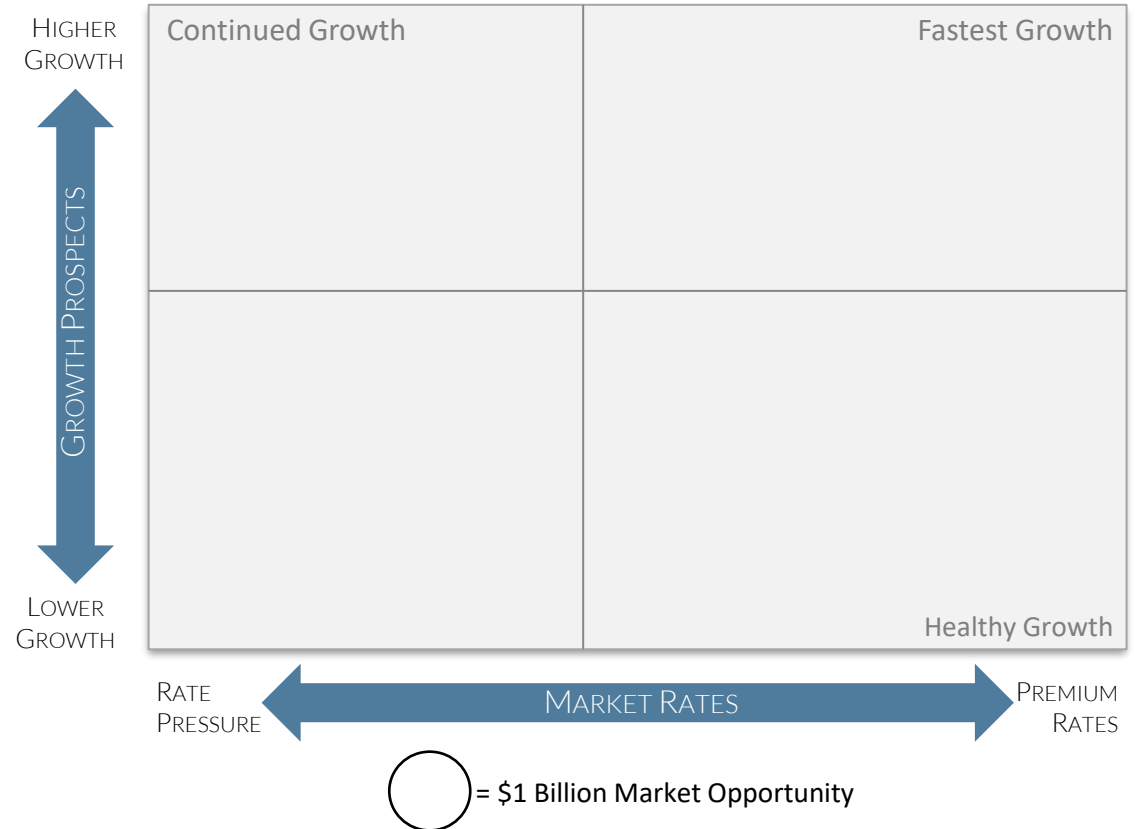
*Horizontal axis identifies relative average rates*

- Areas on the right side of the chart garner higher average hourly rates
- Practices on the left side of the chart experience more rate pressure than the practices on the right

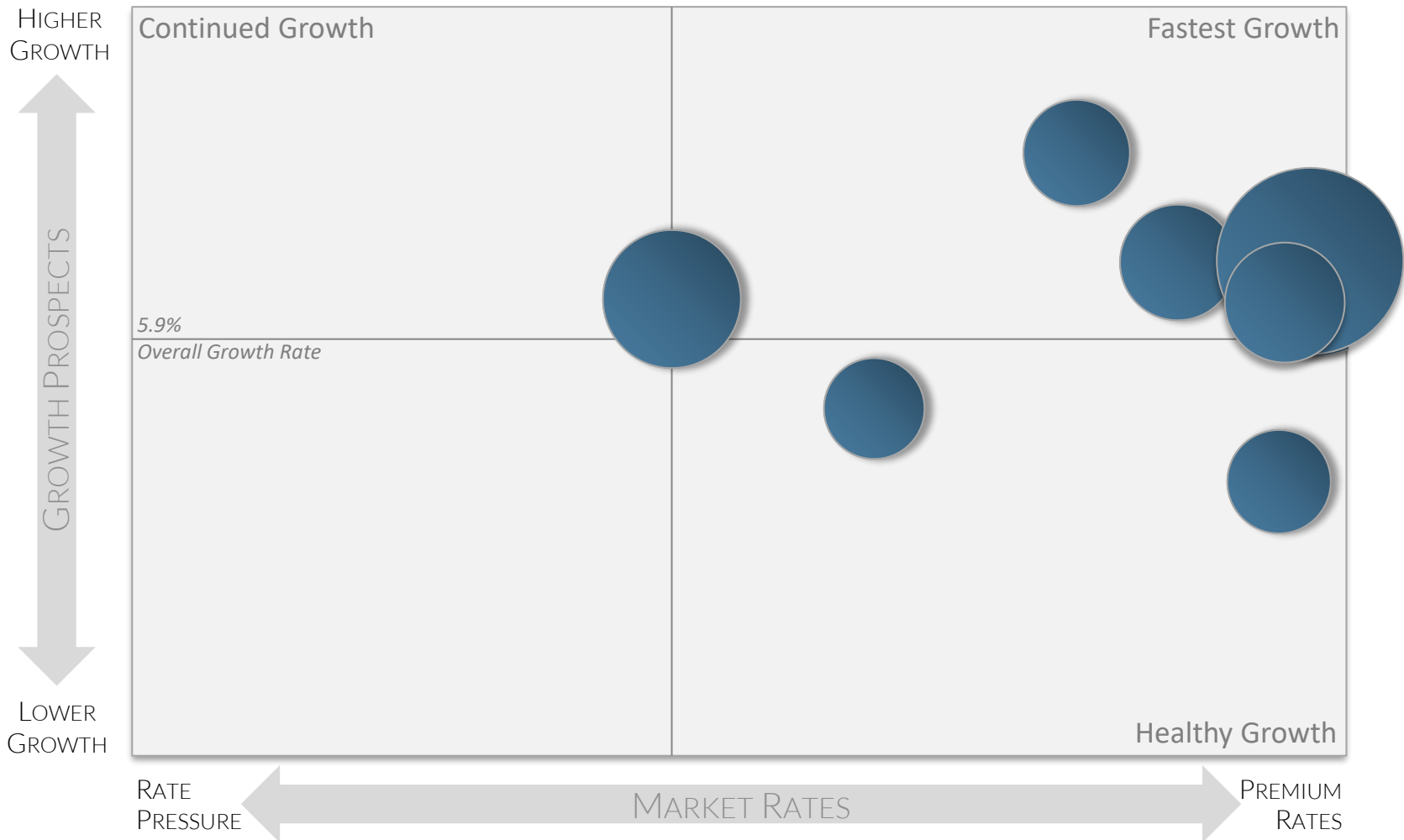
## Understand Extent of Opportunities

*Bubble size measures market size*

- The size of each practice bubble measures the total spending on outside counsel spending in the area of transactions



# BTI's Corporate M&A Forecast 2022



○ = \$1 Billion Market Opportunity



# Industry Assessment for 2022

## BTI Opportunity Zone



# BTI Opportunity Zones through 2022: Opportunities by Industry and Segment

	Straightforward	Mega Deal	Small Private	Medium Private	Large Private	Large Public	Joint Venture	Transformative
							Hot	
							Hot	
	Hot		Hot	Hot				
	Hot		Hot	Hot				
		Hot			Hot			
	Hot		Hot	Hot		Hot		
		Hot			Hot	Hot		Hot
					Hot			Hot
				Hot				Hot
					Hot	Hot		
		Hot						Hot
	Hot			Hot	Hot			
	Hot	Hot	Hot	Hot	Hot	Hot	Hot	Hot
								Hot
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		Hot		Hot	Hot	Hot	Hot	
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	Hot	Hot	Hot	Hot	Hot		Hot	
							Hot	
				Hot		Hot	Hot	

**BTI Hot Opportunity:**  
*Higher Need, Higher Rates*

Market Neutral

# BTI M&A Powerhouses

## Law Firms Leading the M&A Market

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# BTI M&A Powerhouses: Law Firms Leading the M&A Market

The number of companies pursuing transactions will hit a record high before 2021 is over. This pace will carry into 2022.

These companies are going to be aggressive as they seek to improve their market positions, create scale, drive new product development, and take advantage of perceived lower valuations.

Top legal decision makers identify the firms best suited to meet their transaction related needs.

Congratulations to the 110 firms for this impressive performance — singled out by clients with no prompts or suggested names.

**Transformative Transactions Dealmakers | 27**

**Mega Deal Transactions Dealmakers | 29**

**Difficult Transactions Dealmakers | 31**

**Regulatory Transactions Dealmakers | 33**

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**Public Transactions Dealmakers | 37**

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**Straightforward Transactions Dealmakers | 41**

**The BTI Dauntless Dealmakers | 43**

# The BTI Dauntless Dealmakers

Anything can and will happen. Black swans are no longer anomalies. Clients now routinely think of all the internal and external factors which could even remotely impact a deal. This includes everything from pandemics and natural disasters to hairpin turns in public policy. Not to mention stock market volatility and work from home rules.

Clients point to 32 law firms who can get the deal done no matter what. Clients say they will find a way and make it happen — no matter what the obstacle. Please join me in congratulating these BTI Dauntless Dealmakers — who can handle whatever the world throws at them.

**Cravath, Swaine & Moore**

**Latham & Watkins**

**Skadden**

**Sullivan & Cromwell**

**Wachtell, Lipton, Rosen & Katz**



See pages 43 – 45 for the full list of law firms legal decision makers say they count on to always get the deal done.

# BTI M&A Outlook 2022

## Methodology

# Our Methodology and Approach

INDEPENDENT, UNBIASED RESEARCH, BASED SOLELY ON CLIENT FEEDBACK

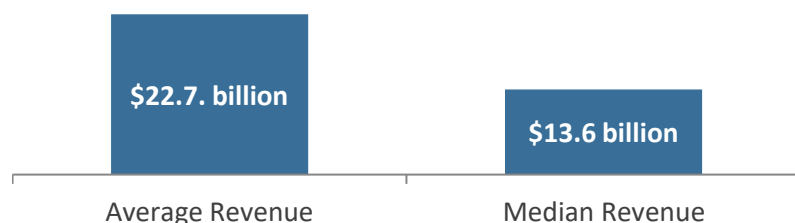
## Survey Participant Demographics

Interviews	More than <b>325</b> in-depth telephone interviews
Time Frame	Conducted between <b>March 20, 2020</b> and <b>July 16, 2021</b>
Incentives	Respondents receive a complimentary report of benchmarks and deal activity

## Legal Decision Makers Responsible for Transactions

- EVP – M&A
- General Counsel
- Transactions Counsel
- Chief Legal Officer
- Associate Counsel
- Senior Counsel

## Organizations with Highest Levels of Legal Spending



## Representative of more than 15 Industry Segments

- Aerospace
- Automotive
- Banking
- Biotech
- Chemicals
- Consumer Goods
- Engineering
- Financial Services
- Forest Products
- Healthcare
- Infrastructure
- Insurance
- Manufacturing
- Pharmaceuticals
- Metals
- Real Estate
- Telecom
- Transportation

## *The BTI M&A Outlook 2022: A Whole New World of M&A*

*is based solely on in-depth telephone interviews with leading legal decision makers. This comprehensive analysis trends data from more than 325 interviews conducted throughout the pandemic.*

***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.*

*Contributors are granted confidentiality at the individual and organizational level.*



# BTI Consulting Group

## About Us

# What We Do

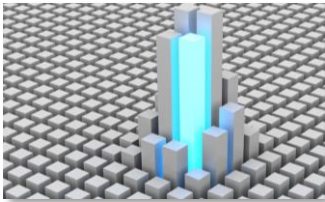
For 30 years, we've successfully helped our clients strategically drive revenue, boost performance, attract and retain clients, develop more business in new and existing markets, and create enduring relationships with our data-driven customized programs and solutions tailored to meet each client's specific 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.



# About BTI

The BTI Consulting Group is the leading provider of research and consulting to the legal community. More than 16,000 top legal decision makers rely on BTI research. BTI conducts the longest running survey of top legal decision makers, now in its 20th year.

The BTI Survey of Top Legal Decision Makers is considered the gold standard by which companies measure and improve performance. Corporate counsel use this research to benchmark their performance, compare resource allocations, and learn which law firms their peers deliver the absolute best client service — based solely on peer recommendations.

You can find BTI research routinely quoted in The Wall Street Journal, The New York Times, Corporatecounsel.com, Law360, law.com and a host of other publications.



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Providing the  
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## BTI Litigation Outlook 2021



Our 10th BTI Litigation Outlook uncovers how client behavior and spending are changing in 2021. This comprehensive deep dive immediately helps you identify the most current and vexing client needs — helping you meet these needs before competitors realize there's new work for the taking.



Order Now

## BTI Practice Outlook 2021



The pandemic continues to have a profound impact on legal spending, though client needs are becoming more defined. Growth for law firms in 2021 is dependent on understanding these key trends driving outside counsel spending next year. Learn more about what these trends mean in the complete BTI Practice Outlook 2021.



Order Now

## BTI Client Service A-Team 2021



Long considered the gold standard in measuring client service performance by clients and law firms alike, the BTI Client Service A-Team 2021 is the only source for measuring client service solely from the client perspective. Now in its 20th year — this is the most important edition ever with 350 new, in-depth interviews conducted during the pandemic.



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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