

BTI Litigation Outlook 2022: Post-Pandemic and Beyond

Changes, Trends, And Opportunities For Law Firms

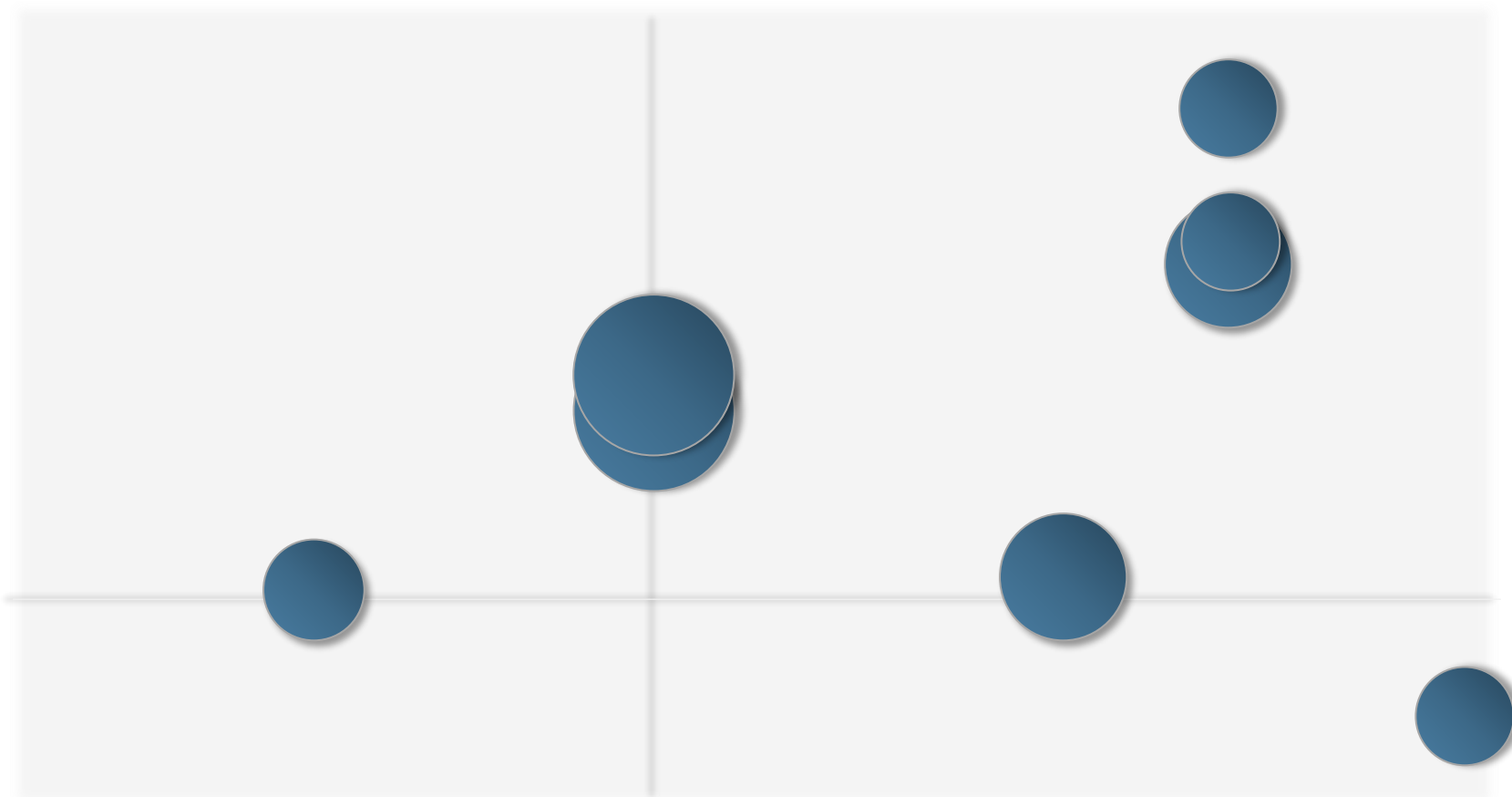


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At a Glance

- Spending Will Grow Faster Than New Matters — A Rare Event
- Spending Per Matter is Headed Up
- Clients Move to Give More to Fewer Firms

Litigation did an about face. Clients are increasing spending faster than new matters will grow. Unlike last year, they are working off backlog and want to deal with new matters. There is also growing demand for litigation planning and strategy.

65% or so of the budget is going to complex and higher risk matters. The law firms who bring their planning savvy are prized — especially for the firms who can figure out how to help spend this money strategically and efficiently. We see some firms setting up client SWAT teams — complete with pricing specialists and legal ops professionals — jumping in to help plan — and win the work.

Unlike last year, the number of companies facing litigation went down. The remaining companies have more litigation and are spending more. This change has profound implications for business development — clients are more seasoned buyers — and expect more detailed insight. They are being more selective — and starting to hire without pitches and RFPs. You can learn exactly what these clients want in this report — by practice and industry — to go win the work.

Our 12th BTI Litigation Outlook reveals the abrupt changes in client spending and hiring plans for litigation.

Clients have brand new budget plans. They are changing how they manage litigation and who they want to help them — driven as much by new spending plans as changes in their caseload. Client's 2022 hiring plans will bring a whole new set of business development demands — all outlined in this report.

BTI Litigation Outlook 2022 immediately helps you identify the most compelling opportunities — before competitors realize there is new work for the taking.

9 Trends Shaping Litigation



Spending increasing faster than caseload for the first time in 6 years



Increases are concentrated in key industries



Clients back to cutting law firm rosters after a hiring surge



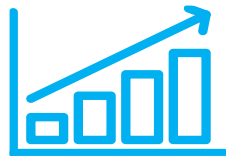
More companies preparing defenses as settlements become elusive



Most spending going to complex and high-risk matters



Budget certainty is central to law firm success



4 of the 8 largest segments show outsized growth



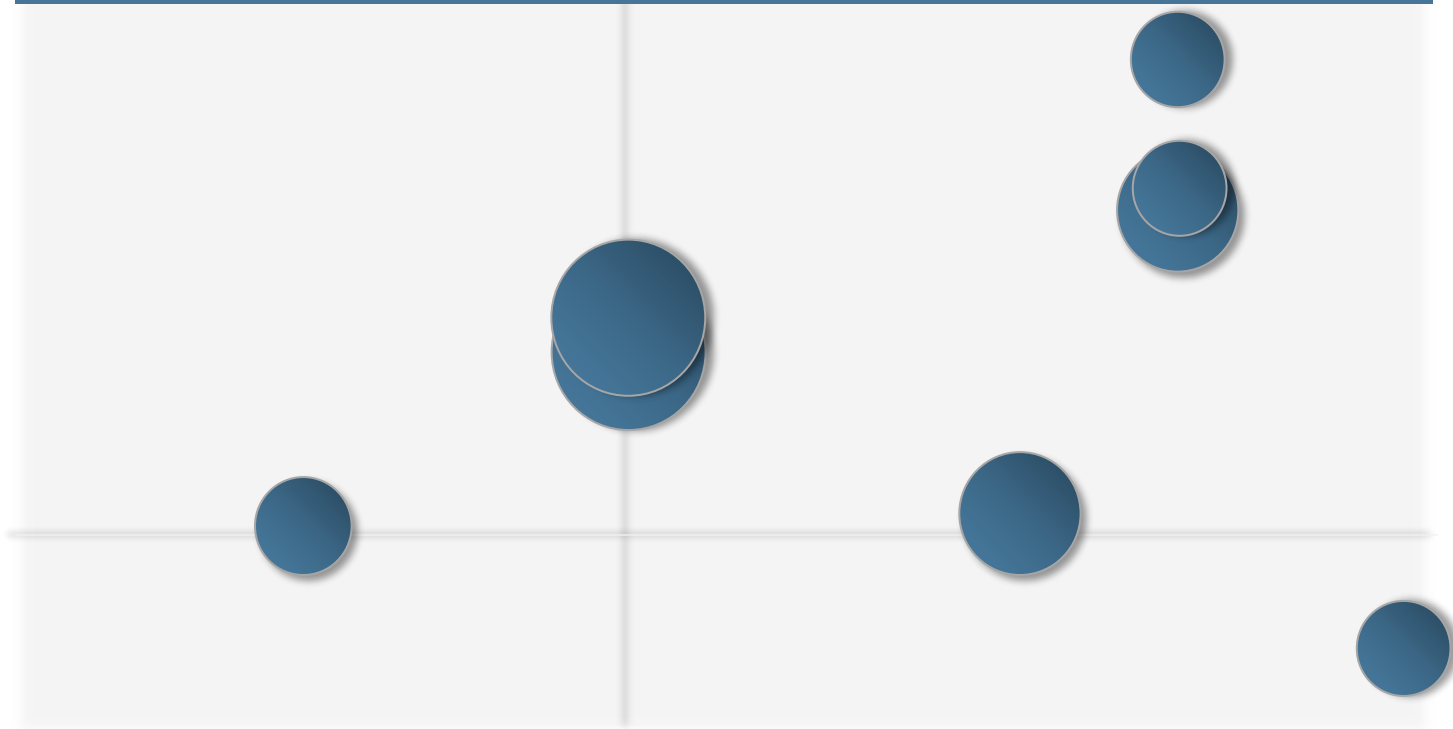
5 industries face the most complex needs and are paying premium rates



62% of clients plan serious increases in litigation spending — targeting is key to success

9 Trends Shaping Litigation in 2022

BTI's Litigation Forecast 2022 Opportunity Roadmap



How to Use BTI's Litigation Forecast 2022

Identify Growing (and Shrinking) Market Segments

Vertical axis measures 2022 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

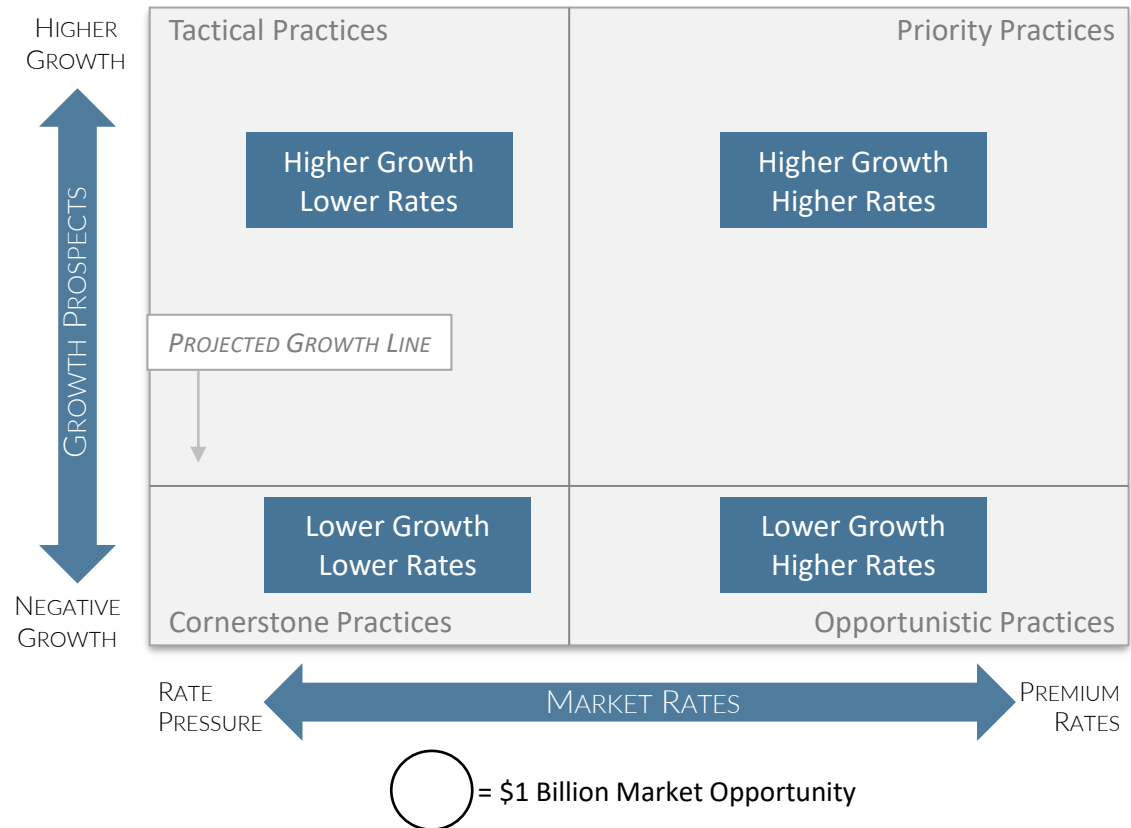
Horizontal axis identifies relative average rates

- 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

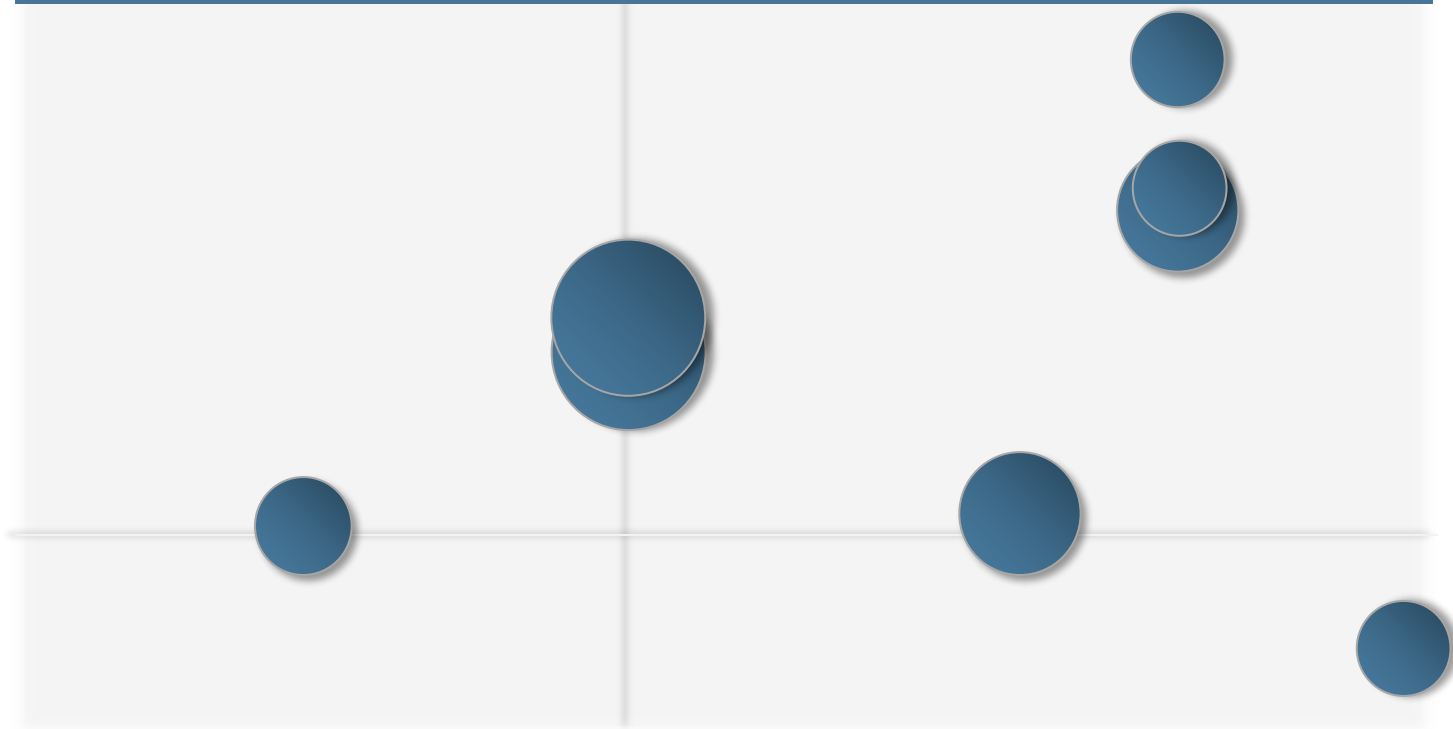


BTI's Litigation Forecast 2022



Industry Assessment for 2022

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

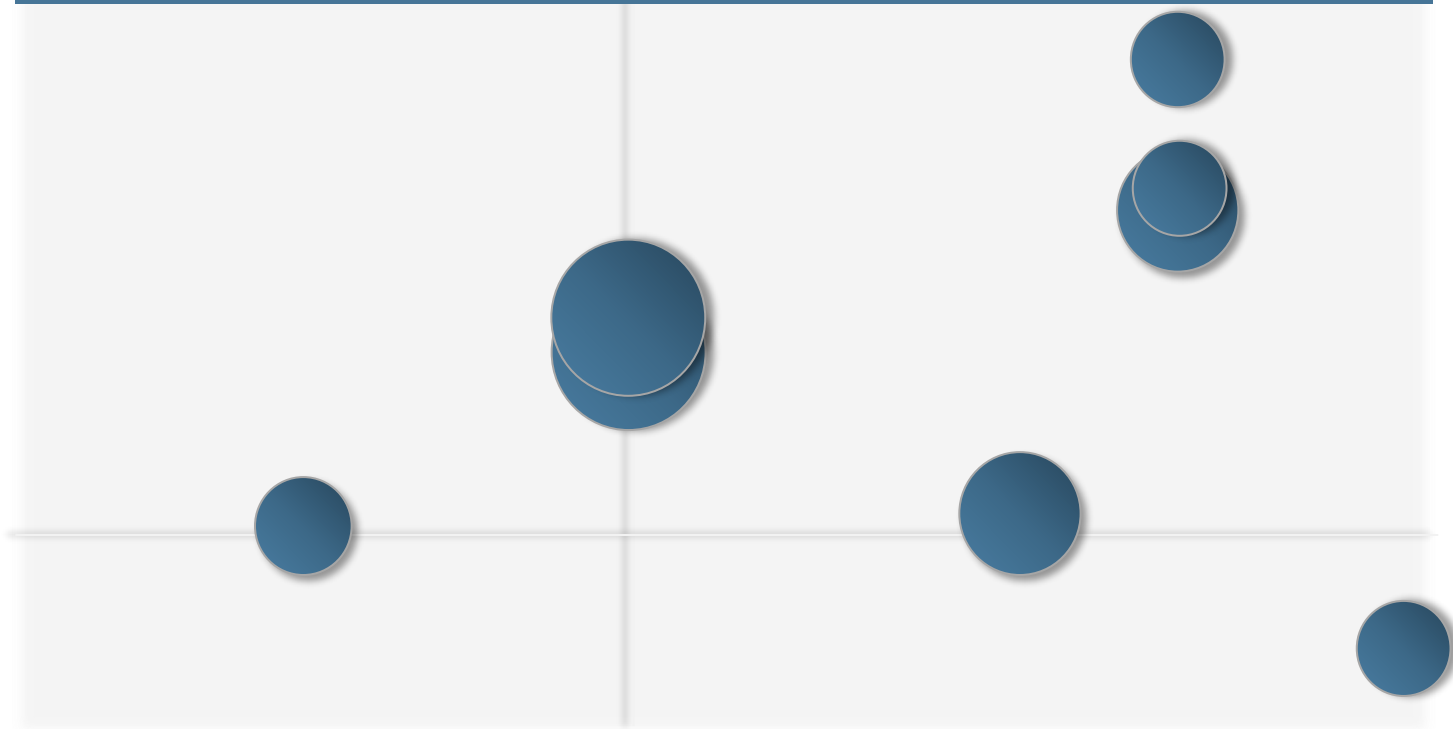
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BTI Hot Opportunity:
Higher Need, Higher Rates

Market Neutral

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 these 208 firms for this impressive performance — singled out by clients with no prompts or suggested names.

IP Litigation | 38

Class Actions Litigation | 41

Cybersecurity Litigation | 44

Securities & Finance Litigation | 47

Complex Employment Litigation | 50

Employment Litigation | 53

Product Liability Litigation | 56

Complex Commercial Litigation | 59

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The BTI Fearsome Foursome

Threats and needs change with every step to the next normal. Clients not only assess the nature of the case — but who is making the argument on the other side. 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, cunning, aggressive, very smart, and play to win — and win big.

Of the 39 law firms clients don't want to litigate against — 4 standout. Congratulations to The BTI Fearsome Foursome of 2022 for their intense approach and fierce tactics in today's ever evolving, complex and dynamic litigation market.

Jones Day

Kirkland & Ellis

Quinn Emanuel Urquhart & Sullivan

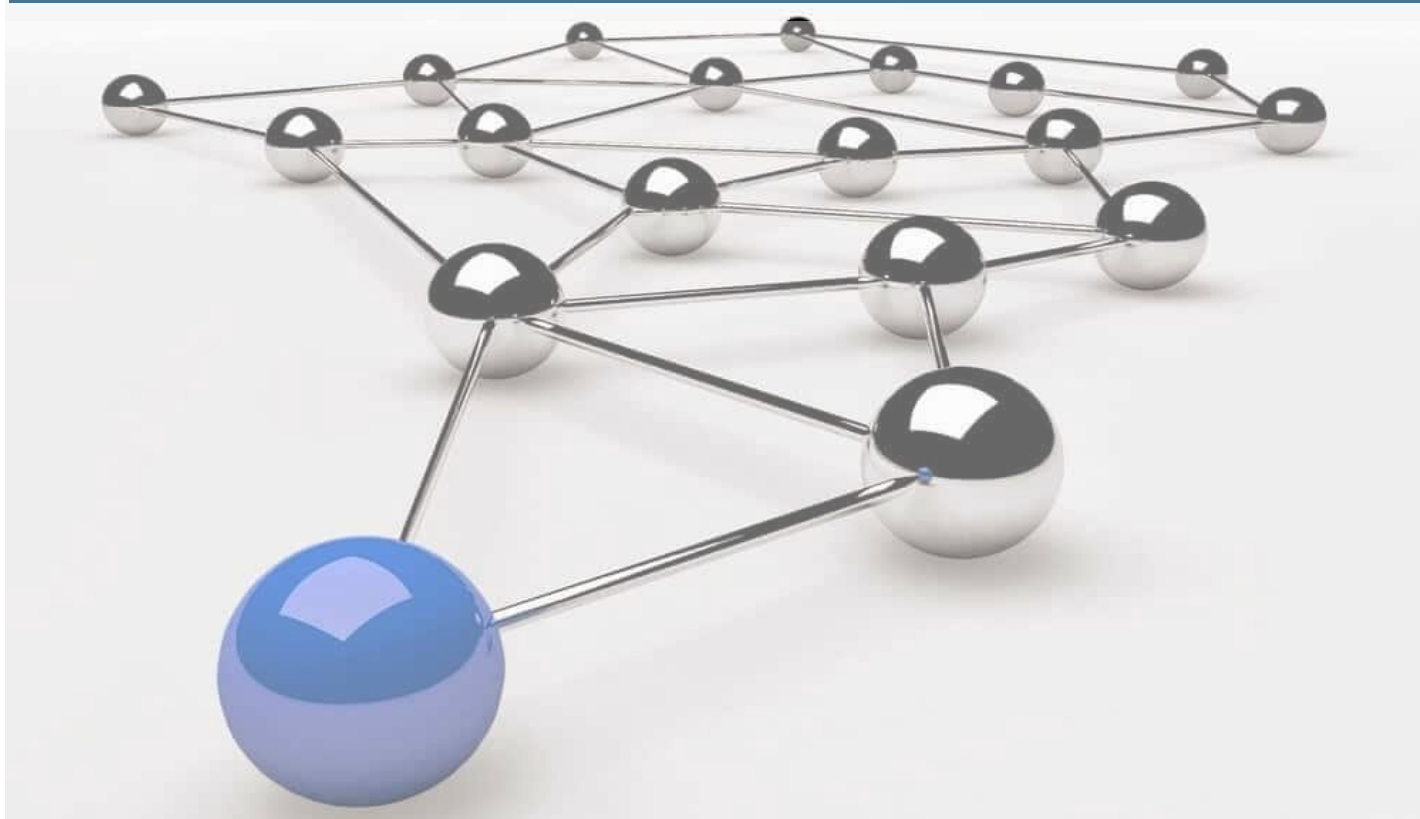
Skadden



See pages 66 – 67 for the full list of law firms legal decision makers say they want to steer clear of during disputes.

BTI Litigation Outlook 2022

Methodology



Our Methodology and Approach

INDEPENDENT, UNBIASED RESEARCH, BASED SOLELY ON CLIENT FEEDBACK

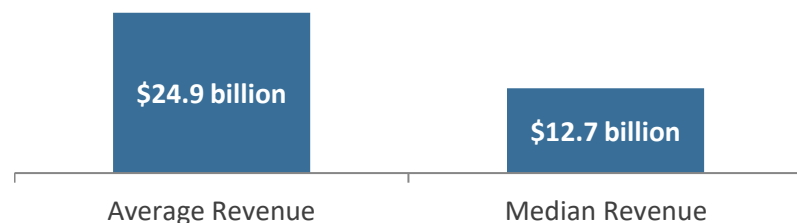
Survey Participant Demographics

Interviews	More than 350 in-depth telephone interviews
Time Frame	Conducted between March 10, 2021 and September 16, 2021
Incentives	Respondents receive a complimentary report of benchmarks and deal activity

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 & Agricultural
- Health Care
- High Tech
- Insurance
- Manufacturing
- Pharmaceuticals
- Professional Services
- Retail Trade
- Real Estate
- Telecom
- Transportation
- Utilities
- Wholesale Trade

***BTI Litigation Outlook 2022** is based solely on in-depth telephone interviews with leading legal decision makers. This comprehensive analysis trends data from more than 20,000 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

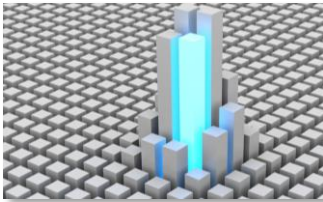
For 30 years, we've successfully helped our clients strategically drive revenue, boost performance, attract and retain clients, develop more business in new and existing markets, and create enduring relationships with our data-driven customized programs and solutions tailored to meet each client's specific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

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BTI M&A Outlook 2022



M&A activity is about to set a record — 71% of large corporations will be pursuing acquisitions by October 30, 2021. You have only one source to map out the opportunities — the BTI M&A Outlook 2022. Get there first and learn exactly how clients are picking their M&A firms, dealing with all the firms getting into this market, and the industries where the action is.



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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.



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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.



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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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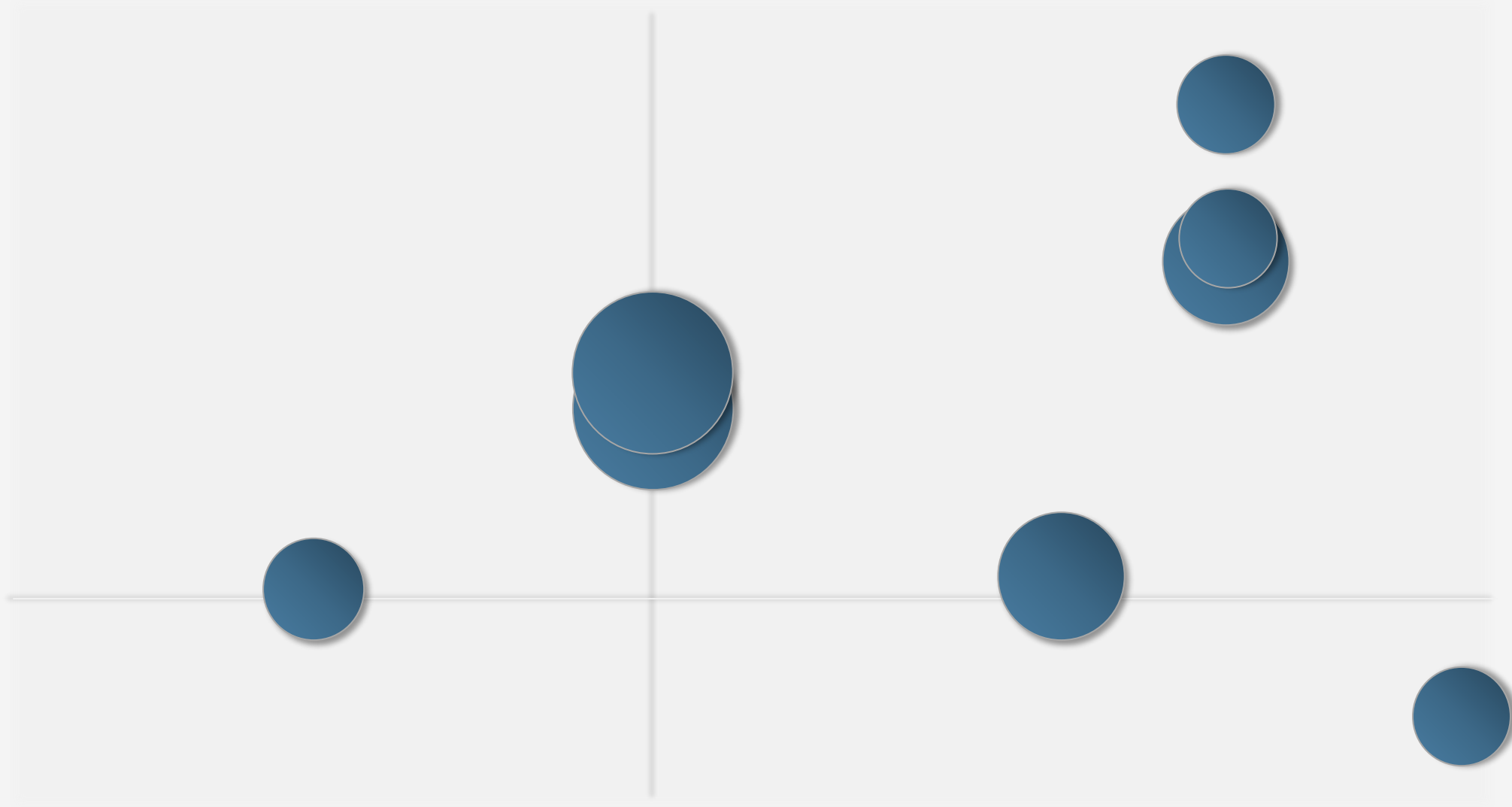
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