

BTI Litigation Outlook 2023: Litigation Spending in the Uncertain Economy and Beyond

Changes, Trends, And Opportunities For Law Firms

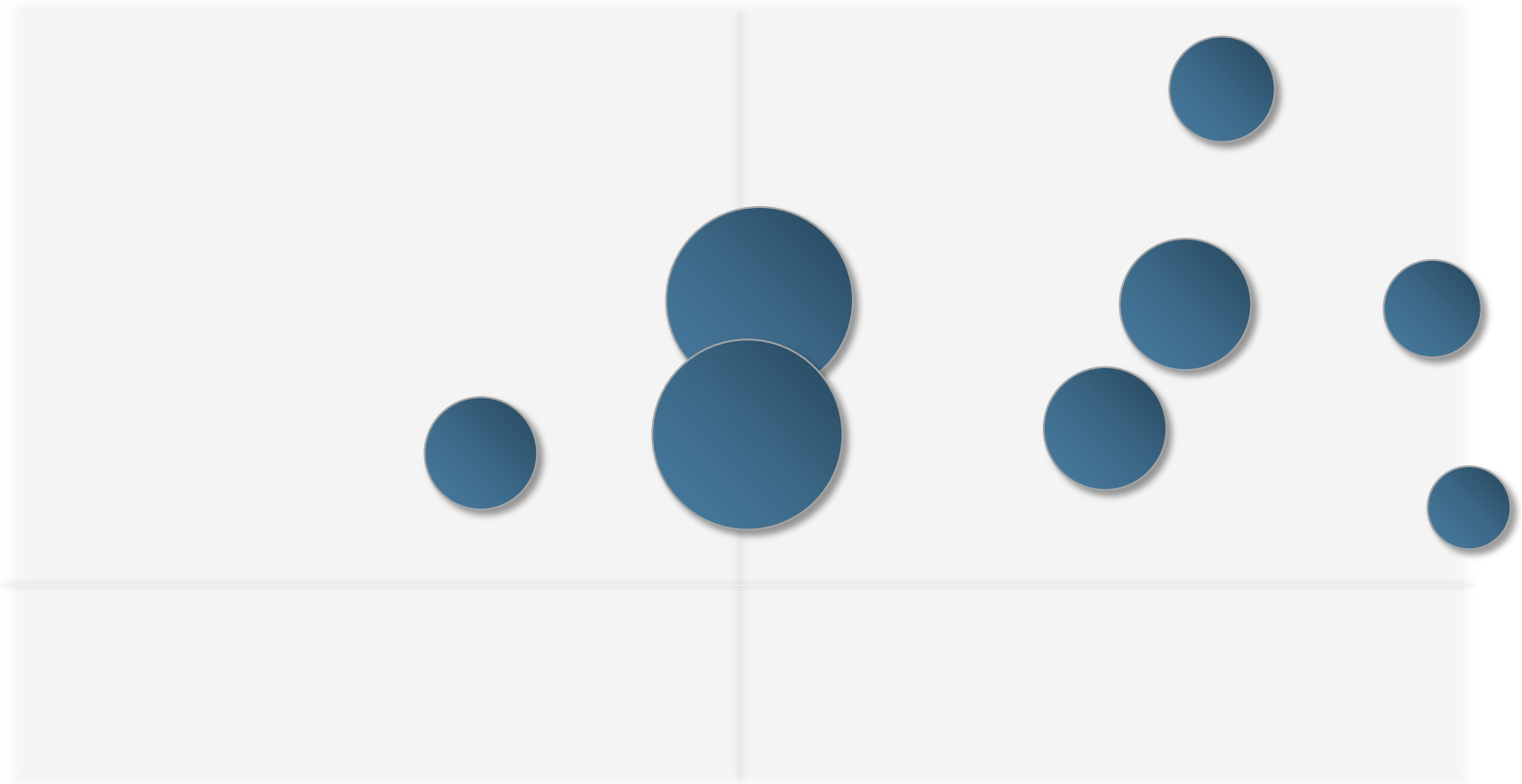


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At a Glance

- Caseload Growing Faster Than Spend
- Spending Per Matter is Heading Up
- Clients Add Law Firms

Unlike last year, the caseload is growing faster than spending. Clients face more litigation than ever. The demand for litigation planning and strategy along with litigation is at record levels. Clever law firms will help clients with project management, budget planning, and priorities — and ease the burden on clients. This could be the point where legal project management goes mainstream.

Clients are trying to give more work to the firms with whom they work — it saves time and money. But clients lament that law firms show little interest in new matters, are capacity bound, or suffer from a high rate of turnover, impacting their decision to hire.

52% of clients plan budget increases — compared to only 10% who plan to cut. This leaves 90% of clients with higher or equal budgets than last year. BTI research shows the increasers are the larger spenders.

More clients face complex and higher risk matters than last year. These will still bring higher rates despite budget pressures. Clients are likely to cut elsewhere.

You can learn exactly what clients want and the specific tactics to win the work. This report is your roadmap — by practice and industry — to the new business.

Our 13th BTI Litigation Outlook reveals the subtle and not-so-subtle changes in client spending and hiring plans for litigation.

The deluge of cases — up 10% over last year's record — creates a record level of opportunity for law firms.

Clients are using outside counsel more — they want to use their current roster of firms but are finding it harder than ever to execute.

Clients' 2023 hiring plans will bring a whole new set of business development demands — all outlined in rich detail in this report.

BTI Litigation Outlook 2023 immediately helps you identify the most compelling opportunities — before competitors realize there is new work for the taking.

7 Key Trends



52% of clients plan serious increases in litigation spending — only 10% cutting



Caseload growing faster than spending



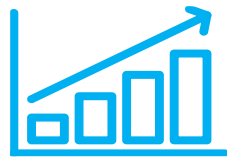
High stakes matters see biggest growth in cases



Clients looking to upskill their staff



Looking to retain in-house attorneys



8 litigation segments show growth



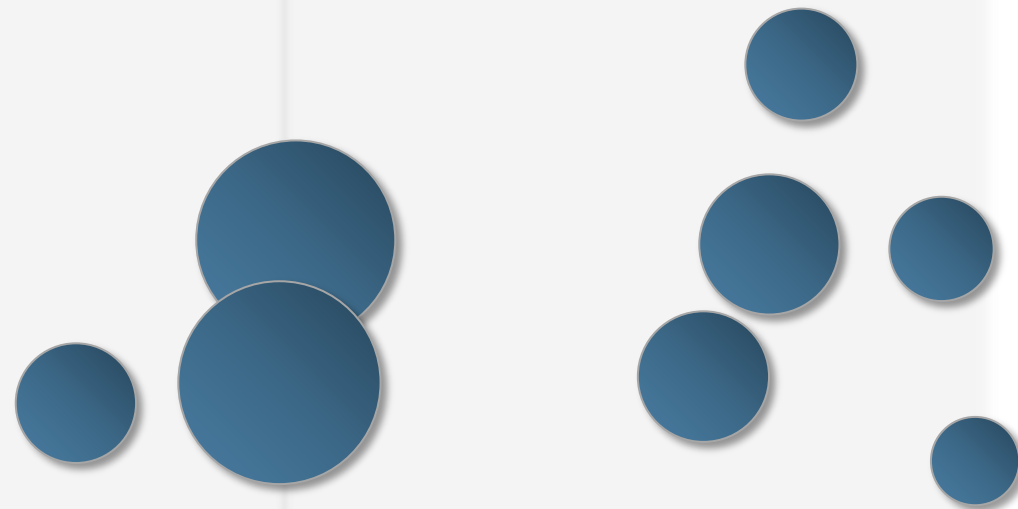
Clients to benefit from project and operations management from business professionals to improve workflow

Big Differentiator

7

Trends Shaping
Litigation in
2023

BTI's Litigation Forecast 2023 Opportunity Roadmap



How to Use BTI's Litigation Forecast 2023

Identify Growing (and Shrinking) Market Segments

Vertical axis measures 2023 growth potential

- Practices above the zero-growth line highlight segments growing 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

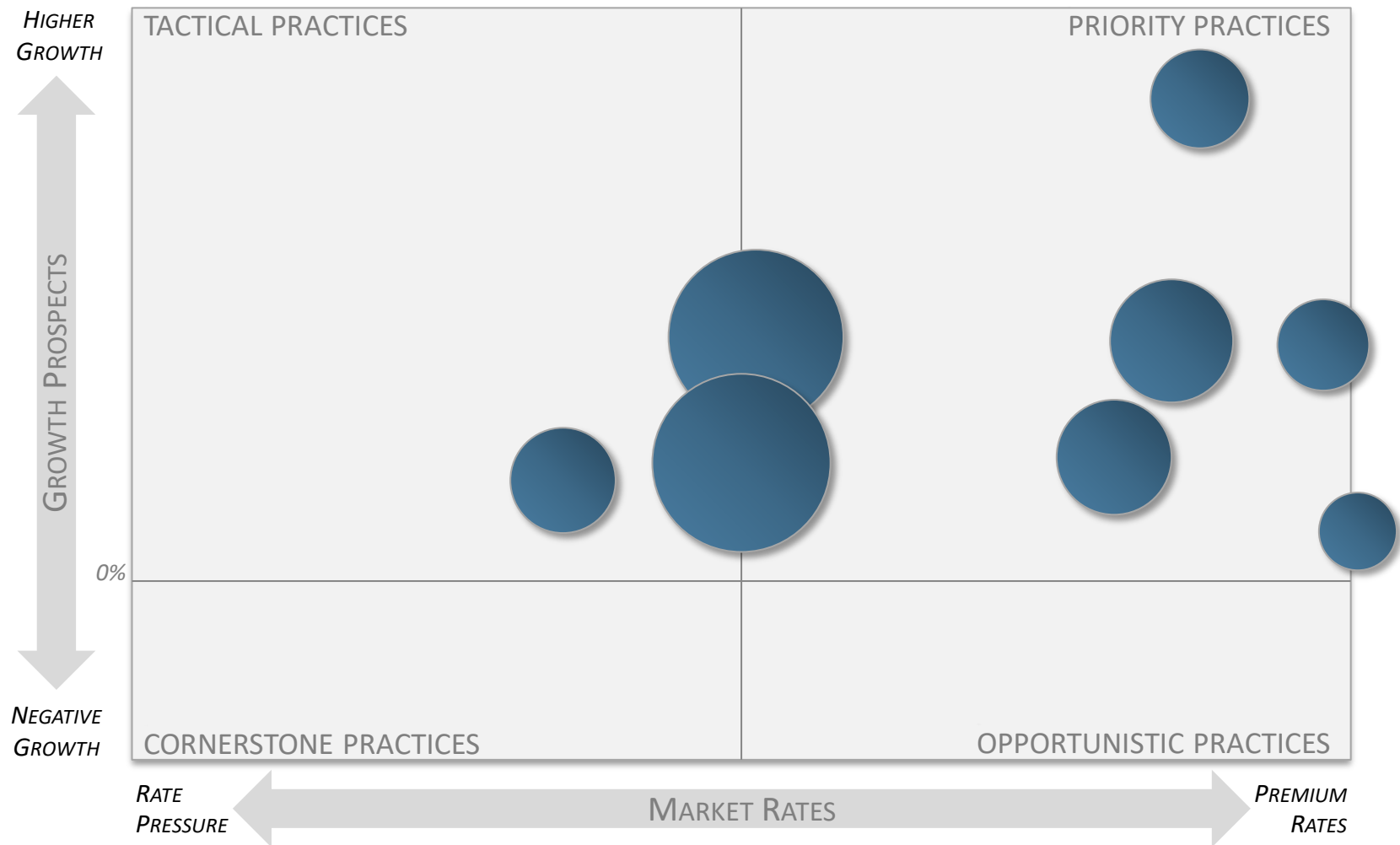
Understand Extent of Opportunities

Bubble size measures market size

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



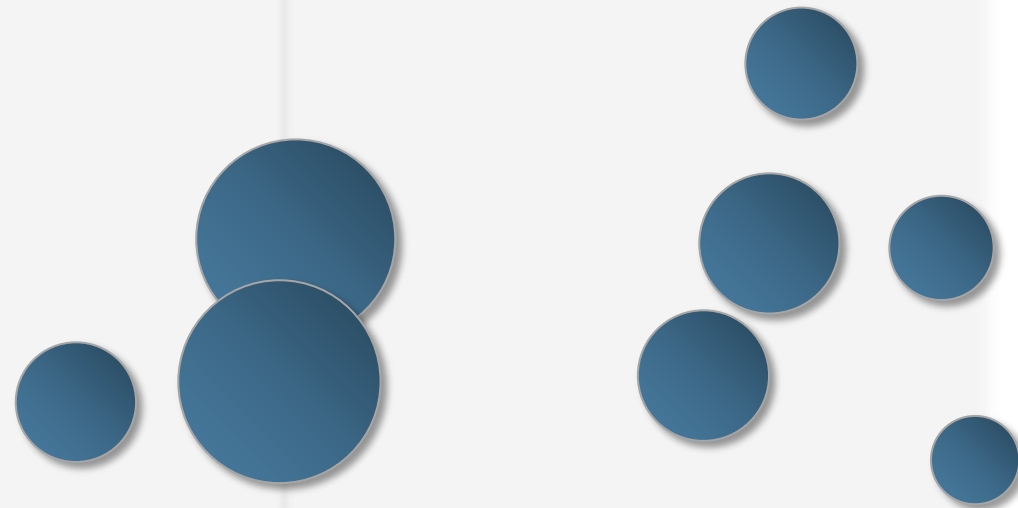
BTI's Litigation Forecast 2023



○ = \$1 Billion Market Opportunity

(%) = Projected Growth Rate

Industry Assessment for 2023 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 2023: Opportunities by Industry and Litigation Segment

[illegible]

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

IP Litigation | 36

Class Actions Litigation | 39

Cybersecurity Litigation | 42

Securities & Finance Litigation | 45

Complex Employment Litigation | 48

Employment Litigation | 51

Product Liability Litigation | 54

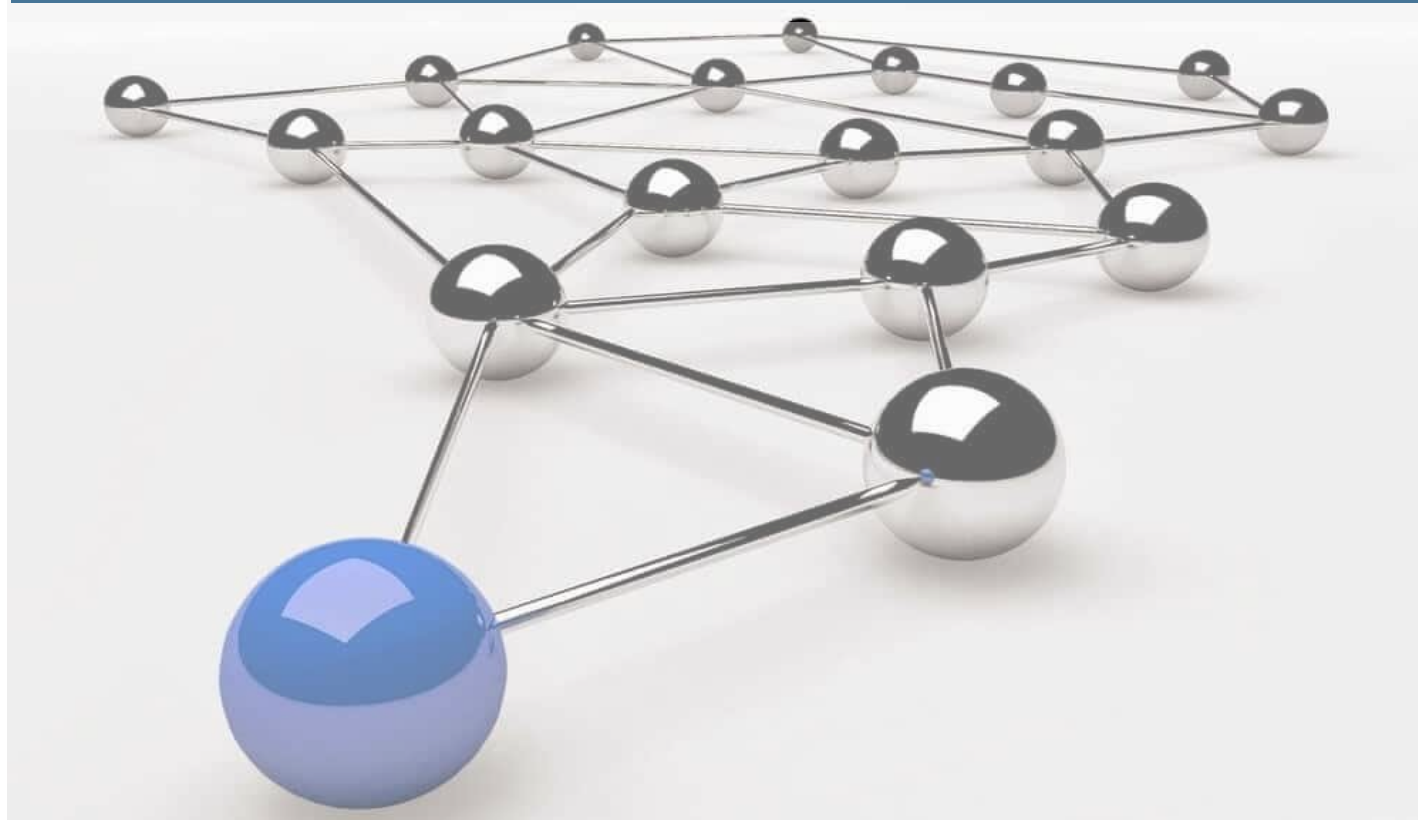
Complex Commercial Litigation | 57

Commercial Litigation | 60

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BTI Litigation Outlook 2023

Methodology



Our Methodology and Approach

INDEPENDENT, UNBIASED RESEARCH, BASED SOLELY ON CLIENT FEEDBACK

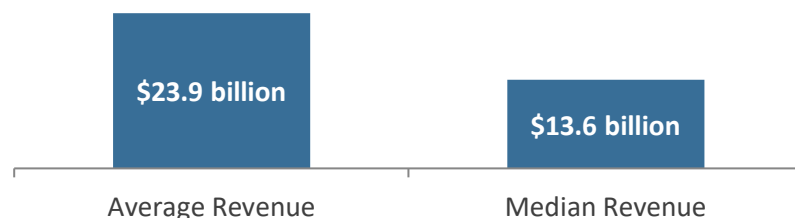
Survey Participant Demographics

Interviews	More than 350 in-depth telephone interviews
Time Frame	Conducted between March 2022 and August 2022
Incentives	Respondents receive a complimentary report of 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 & Agricultural
- Health Care
- High Tech
- Insurance
- Manufacturing
- Pharmaceuticals
- Professional Services
- Retail Trade
- Real Estate
- Telecom
- Transportation
- Utilities
- Wholesale Trade

***BTI Litigation Outlook 2023** 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 21 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

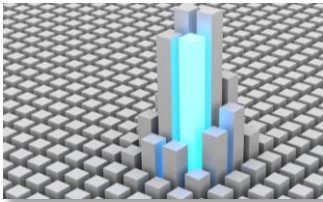
For 30 years, we've successfully helped our clients strategically drive revenue, boost performance, attract and retain clients, develop more business in new and existing markets, and create enduring relationships with our data-driven customized programs and solutions tailored to meet each client's specific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



Order Now

BTI Practice Outlook 2022



Your annual guide to targeting your clients' legal dollars with precision. Guide your business plans with insight straight from your clients on how they plan to divvy up their outside counsel budgets. Plus, learn the 11 trends shaping the pandemic-led legal market in 2022 and more.



Order Now

BTI Client Service A-Team 2022



Long considered the gold standard in measuring client service performance by clients and law firms alike, the BTI Client Service A-Team 2022 is the only source for measuring client service solely from the client perspective. Now in its 21st 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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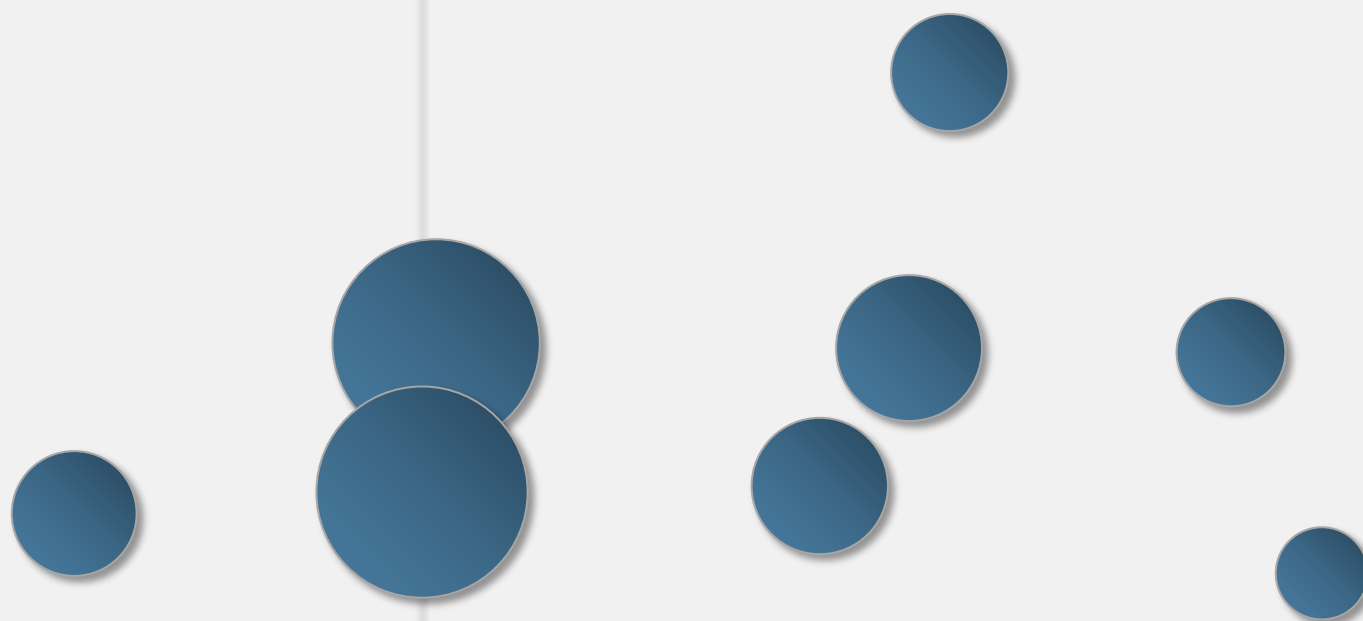
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