

FT NORTH AMERICA INNOVATIVE LAWYERS 2018



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DECEMBER 11 2018

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Foreword



Cold hard truth: a melting art installation made of ice near the White House highlights the ambiguities of the fake news era — Olivia Hampton / AFP / Getty Images

Facts vital for a system under scrutiny

Welcome to the Financial Times North America Innovative Lawyers report of 2018. Halfway into the first term of President Donald Trump’s administration, it is clear more than ever that facts matter.

Facts are the currency of lawyers and because — or in spite — of that, scrutiny of the US justice system has become intense.

As special counsel Robert Mueller’s investigation into links between the 2016 Trump campaign and Russia is already highlighting, evidence and detail will count; this is legal work at its most demanding.

At the same time, the confirmation hearing in

September for Brett Kavanaugh was damaging to the Supreme Court’s standing in the eyes of the public, and the court appears to be heading for a new era of entrenched conservatism. On page 14, we ask how partisan will the justices be, and whether trust in the system can be restored.

Against that background, the report appraises lawyers’ continuing work on the rule of law, from protecting hard-won individual rights to a case that many believe has the potential to limit gerrymandering of the popular vote (page 6).

The skills of the 10 top legal innovators (page 38) include entrepreneurship and coding as well as general legal expertise. Ultimately, we selected one individual for a string of

innovations in an industry that traditionally resists change. The key to success in this, it turns out, may be “getting folks to let go of the binary view of the legal world — lawyers vs non-lawyers, partners vs non-partners”.

Those comments touch on a disparity in the US legal market that is wider than elsewhere. There is a divide between the top innovators in legal expertise and in how they run their businesses. We have therefore split our rankings for the firms into two separate lists (page 5).

This year, we also look north to the legal sector in Canada.

One firm in Quebec is highlighted for mapping a way for Uber’s taxi drivers to pay the

right taxes (page 36); all Canadian firms are grappling with clients’ calls for them to do more for less (page 34).

The FT and RSG Consulting — which compile this annual ranking of innovative law firms, in-house legal teams and individual lawyers — received more than 500 submissions and nominations from 94 law firms and legal service providers and for 105 in-house legal teams. RSG conducted interviews with more than 500 senior lawyers, executives and experts. A total of 73 law firms and 40 company legal teams were ranked across the report.

Gillian Tett,
US managing editor

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Top practices face up to 'do or die' tech challenge

Well-known firms may trade on their names, but pressure for change is growing, writes *Reena SenGupta*

North America's legal market remains a paradox. It is home to some of the best lawyers in the world. Yet many of its law firms, particularly the so-called elite tier, have been slow to adapt to change, either in terms of technology or in their dealings with clients. The convention of the billable hour, for example, has a stronger hold in the US than in any other developed legal market in the world.

Even elite firms are starting to look ever more like King Canute, however, doomed in their attempts to ignore an incoming tide of technological innovation. The number of firms that can say their work is purely "advisory" rather than being open to standardisation or process improvements is small. But with stellar reputations and institutional names, this small group still wins the juiciest mandates in litigation and M&A work for the top clients.

This means, however, that they grow in profitability but not size. For the rest of the market, change is inexorable. Some sizeable and credible well-known firms are embracing it: Orrick, Reed Smith, WilmerHale and Hogan Lovells to name a few.

While they have significant advisory

businesses similar to those of the elite US law firms, they recognise that some aspects of their work can be done better by taking a sharper approach to project management, resourcing and technology. Many of these firms have developed their own proprietary technology. These include Reed Smith and its "quick" pricing tool, which allows it to create transparent pricing arrangements so that clients have predictability and can track costs and lawyers can actively manage their budgets.

Hogan Lovells has tacitly recognised the difference between work that falls into the premier advisory category, drawing on senior lawyers' expertise, and work that involves armies of lawyers, where a significant amount of due diligence is required. It calls the first category of work "fast" and the second "slow", in an attempt to institutionalise the firm's approach to handling different types of instructions more appropriately.

The business of law section in this year's FT report on North America's innovative lawyers reflects a step change in the legal profession from 2017. There is a greater commitment to thinking differently about clients' needs, embedding technology into legal processes and

North America Innovative Lawyers



heeding the demands of millennials. The influence of the younger generation of lawyers in driving these changes cannot be understated.

Weil, Gotshal & Manges, for example, has shortened its career track to partner by two years in consultation with its mid-level associates. Young lawyers now have more clarity about their career paths. Another firm, Paul Hastings, has co-opted its associate lawyers to boost its technology prowess.

There is also evidence of some elite law firms

Firms are thinking differently about clients' needs, embracing technology and heeding the demands of millennials

realising the value of turning elements of their "advisory work" into clearly defined offerings that can be delivered like other products and do not involve human interaction. The law firm Davis Polk has created Cyber Portal, which enables companies to know their disclosure obligations across US states immediately in the event of a breach.

The largest law firm by revenue and in the top quartile by profits, and the latest challenger to the traditional group of elite law firms, is Kirkland & Ellis. With revenues of \$3.2bn, it became the world's biggest by turnover this year. The company, which was founded in Chicago, has focused on private equity work and is one of the first of the leading firms to make a concerted effort to eschew paper and digitise all of its historical paper files by 2020.

This year, we have split the overall rankings table to show those firms that are forging ahead

in the way in which they run their organisations – the business of law – and those that are still predominantly known for premium advisory work – their legal expertise.

In first position in the latter category this year is Cravath, Swaine & Moore. It stood out for its persistence and ability to help define industries. Although it does not appear in the business of law rankings, the firm has hired two legal engineers and is investing in machine learning technologies.

In the business of law section, McGuireWoods, a full-service firm that originated in Virginia, is exploring different advisory roles. It stood out for its work in acting as a connecting agent between independent sponsors and target companies (a rare role for law firms) and for its fresh approach to business development by providing one-day free trial consulting from its top litigators for free.

The best performer overall in the FT report, however, taking into account all of the ranking categories, is Orrick. The firm, which has its headquarters in San Francisco, continues to push forward in combining lawyers, processes and technology. This was most evident in its work for Microsoft in a major class action discrimination case. The software company has said that it wants its external law firms to stop billing by the hour: Orrick's resourcing approach combined with its use of proprietary CaseStream technology is going a long way to help Microsoft to achieve that goal.

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Most innovative law firms 2018: Business of law

Rank	Law firm	Total score
1	McGuireWoods	106
2	Orrick	99
3	Dentons	83
4	Paul Hastings	65
5	Weil, Gotshal & Manges	64
6	Hogan Lovells	61
7	Bryan Cave Leighton Paisner	49
8	Morgan, Lewis & Bockius	45
9	DLA Piper	44
9	Seyfarth Shaw	44
9	White & Case	44
12	Fenwick & West	43
13	Crowell & Moring	42
14	Norton Rose Fulbright Canada	41
15	Ballard Spahr	40
15	Latham & Watkins	40
15	Ropes & Gray	40
18	Reed Smith	27
19	Gowling WLG	24
19	Holland & Knight	24
19	WilmerHale	24

Most innovative law firms 2018: Legal expertise

Rank	Law firm	Total score
1	Cravath, Swaine & Moore	90
2	Ropes & Gray	86
3	White & Case	85
4	Orrick	84
5	Latham & Watkins	68
6	Weil, Gotshal & Manges	65
7	Bracewell	65
8	DLA Piper	63
9	Dechert	62
10	Crowell & Moring	60
11	Gibson, Dunn & Crutcher	46
12	Morrison & Foerster	45
13	Paul Hastings	44
13	Shearman & Sterling	44
13	Stikeman Elliott	44
16	Creel, García-Cuellar, Aiza y Enríquez	43
16	Mayer Brown	43
18	Davies Ward Phillips & Vineberg	42
19	Hogan Lovells	41
20	Sullivan & Cromwell	39

Highlighted entries indicate organisations with the top ranking in category tables on the following pages

Most innovative law firms overall 2018: six of the best

Rank	Law firm	Total score
1	Orrick	229
2	White & Case	150
3	McGuireWoods	149
4	Paul Hastings	130
5	Latham & Watkins	129
5	Weil, Gotshal & Manges	129

Innovative Lawyers North America

Rule of Law

State court rules on fair voting map

Groundbreaking ruling in Pennsylvania shows a new way for lawyers to fix gerrymandering, writes *Madison Darbyshire*

When two battleground US states, Pennsylvania and North Carolina, went to the polls for the 2018 midterm elections, neither state had flipped more than one seat in the House of Representatives in the previous two elections.

After the election, House seats in North Carolina remained 77 per cent Republican, despite a nearly 50 per cent split in the popular vote. None of the state's 13 seats changed party.

But in Pennsylvania, Democrats won four additional seats to take nine of 18 seats in the House, despite just a few point increase in their share of the popular vote from the previous election, to 55 per cent.

What split the state's fates before the election? Lawyers in North Carolina attempted to fix the state's partisan gerrymandering in federal court, citing the US constitution, a case that is still ongoing but which experts say they are likely to lose. In Pennsylvania, however, the gerrymandering challenge was filed in state court, citing the state constitution. It was a new strategy, and it won.

In January 2018, the Pennsylvania Supreme Court held that the state's gerrymandered congressional map violated the state constitution and ordered it redrawn, the first successful legal challenge to partisan gerrymandering that resulted in a new map.

"Pennsylvania voters had already endured three elections where elections were determined before anyone had even voted," says Mimi McKenzie, legal director of the Public Interest Law Center, a not for profit organisation that worked with law firm Arnold & Porter on the Pennsylvania case. "You saw the same 13-to-five hold that Republicans had on US house seats repeated itself in each election, no matter how the votes swung," she says.

Gerrymandering is the practice by which partisan lawmakers manipulate the boundaries of voting districts. It is done by consolidating likely opposition party voters into tightly packed districts to make their votes less valuable, or by scattering those voters so thoroughly across districts that their votes are easily outnumbered. This diminishes voter capacity to elect leaders of their choice.

Significant disparities between the popular vote and number of seats won by a party is a common symptom of gerrymandering. In the 2016 election, Democrats won 46 per cent of the popular vote in Pennsylvania, but only five of 18 seats in the House, or 28 per cent. In 2014 they won 44 per cent of the vote but only five seats. In 2012, Democrats won 50 per cent of the popular vote, but again just five seats.

Congressional and state legislative maps are drawn every 10 years, after the US census. They were drawn after the 2010 census, and will be



Shape of things to come: protesters hold up representations of districts as the Supreme Court hears a 2017 case on possible partisan gerrymandering

Tom Williams/CQ Roll Call

redrawn after 2020. The resulting 2011 Pennsylvania and North Carolina maps were considered two of the most extreme examples of partisan gerrymanders in US history.

Previously, the numerous lawsuits to fix partisan gerrymandering — many ongoing — have been high profile, and argued in federal court. But none has resulted in a changed voting map.

"For decades people have been challenging redistricting plans in federal court," says R Stanton Jones, partner at Arnold & Porter. "They make a huge amount of noise, and are covered extensively by national and international press, but they all lose at the Supreme Court if not before that."

Rather than pose another US constitutional challenge in federal court, Mr Jones and the lawyers at Arnold & Porter decided to try something new. They looked to Pennsylvania state courts.

State constitutions and courts are increasingly attractive to lawyers looking to make challenges that have been unable to gain traction in federal courts.

"The Pennsylvania constitution provides quite robust protections for voting rights, in many ways broader than those in the US constitution," explains Mr Jones. The challenge cited the state's "free and equal elections" clause, among other protections, arguing that gerrymandering was a violation of the state's constitution. The firm expedited a case, *League of Women Voters v Commonwealth of Pennsylvania*, to push for a decision in time for the midterm elections. Lawyers provided experts who explained that the map Pennsylvania used for elections would be statistically impossible to

draw unless you took into account voters' political leanings.

Ms McKenzie of the PILC says that the results from the 2018 election show that state-level approaches are viable, and could be replicable by the numerous states with voter protections in their state constitutions, including 12 with charters identical to Pennsylvania's. "I would really encourage other states around the country to look at their state constitutions and state supreme courts," she says.

In mid-November 2018, Arnold & Porter filed a new gerrymandering lawsuit in North Carolina, this time challenging the voting map for the State Legislature, the body which will be responsible for drawing the state's voting maps after the 2020 census.

"In light of the continuing uncertainty about when, if ever, the Supreme Court will identify federal standards for judging the constitutionality of partisan gerrymanders, it is particularly important for voting rights advocates to look to state courts and constitutions in mounting such challenges," wrote retired Supreme Court Justice John Paul Stevens in a recent review in the *New York Review of Books* of *51 Imperfect Solutions: States and the making of American constitutional law* on state courts by Judge Jeffrey Sutton.

The defensibility of the ruling is important. Republican representatives in Pennsylvania have mounted challenges to the ruling in federal court but, says Justice Stevens speaking from his home: "The federal court would not have the power to disagree with the Pennsylvania court's interpretation of Pennsylvania law."

Three elections were determined before anyone had even voted

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Rule of law and access to justice		Originality	Leadership	Impact	Total
Rank	Law firm, company or organisation				
Standout	Arnold & Porter and the Public Interest Law Center Lawyers proved that the congressional map in Pennsylvania had been illegally gerrymandered, and had it redrawn before the 2018 US primaries. The gerrymandering, a process whereby district lines are drawn in a manner that gives one political party an advantage over another, was contested using the free and equal elections clause in the Pennsylvania state constitution. By filing the case in the state Supreme Court rather than in federal court, the firm succeeded where others had failed.	8	9	9	26
	Dechert and ACLU The firm successfully blocked a proof-of-citizenship law by Kansas politician and leader of the Trump administration's now defunct voter fraud panel, Kris Kobach. It proved the law was discriminatory and in violation of the National Voter Registration Act of 1993. The firm established that fewer than 40 of more than 31,000 registrations blocked in 2016-2018 were fraudulent, dispelling claims that electoral fraud was widespread in the state. <i>Commended: Neil Steiner</i>	8	9	8	25
	Kirkland & Ellis and Lambda Legal Successfully challenged the Trump administration's ban on transgender individuals serving in the military. The firm established that gender identity is immutable and bears no relation to an individual's ability to contribute to society, rather than tying gender discrimination to sex discrimination. The court ruled that the highest standard of judicial review, known as "strict scrutiny", must be applied in gender discrimination cases, meaning a policy must serve a compelling government interest to be upheld.	8	9	8	25
	Paul, Weiss Galvanised 34 major law firms in different jurisdictions across the US against the legality of the Trump administration's child separation policy. The firms share resources and work in a co-ordinated effort to reunify families - a challenge because of minimal government records and children so young that they are non-verbal. <i>Commended: Brad Karp</i>	8	9	8	25
Highly Commended	Covington & Burling Brought a case against two global fashion brands under the arbitration provision of the 2013 Accord on Fire and Building Safety in Bangladesh, a legally binding agreement created in the wake of the 2013 Rana Plaza collapse in which more than 1,000 workers in the garment factory died. This is the first time a business and human rights compact has been enforced through binding arbitration, improving industry standards in Bangladesh and enhancing efforts by brands to ensure their supply chains meet human rights standards.	8	8	8	24
	Shearman & Sterling and the Centre for Justice & Accountability Brought a civil case against Syria's Assad regime for the 2012 murder of Sunday Times journalist Marie Colvin, filing a motion for default judgment in March 2018. This is one of the first lawsuits asking the US courts to hold the Assad regime directly responsible for its crimes. Lawyers amassed significant evidence, including expert testimony in support of their argument that the Assad regime targeted journalists. The case is ongoing.	8	8	7	23
	Orrick The firm successfully appealed against a ruling in federal court that stated Gulf war veteran Melba Saunders could only claim compensation for disabilities incurred during military service subject to proof of a medically diagnosed ailment. This meant the Department of Veterans Affairs was not required to compensate a veteran for pain if physicians were not able to identify the cause. The ruling calls into question the validity of more than 11,000 decisions not to grant disability benefits made by the Board of Veterans' Appeals over the past two decades.	7	8	8	23
	Pillsbury Winthrop Shaw Pittman The firm successfully argued that a transgender high school student had the right to use the male bathrooms at his school, and that denying him access was in violation of Title IX Education Amendments Act. This set the precedent for defining discrimination against transgender individuals in schools based on gender identity.	7	8	8	23
	McGuireWoods The firm secured \$8m in damages for Kendra Ross, an individual coerced into working for a cult organisation from the ages of 11 to 21, by calculating prevailing wages. The award is the largest single-plaintiff, civil human trafficking award in US history.	7	8	7	22
	Hogan Lovells Represented the city of Philadelphia in a lawsuit against the Trump administration over the unconstitutionality of withdrawing grants as a result of perceived non co-operation with federal immigration policies, achieving a permanent injunction for the city. The resolution sets a standard for cities that wish to protect all residents, regardless of citizenship status.	7	7	7	21
	Latham & Watkins and International Refugee Assistance Project Successfully challenged the Trump administration's denial of refugee applications from nearly 90 members of religious minorities made under the Lautenberg Amendment. Argued that the administration's decisions violated the amendment's Accardi doctrine, which requires the government to disclose its reasoning behind federal decisions. Each application has been reopened and cases are ongoing.	7	7	7	21
	Mayer Brown Worked with co-counsel Jesse Bless of Jess Goldman to argue for the reunification of two families who had been separated as a result of the Trump administration border policy of classifying children as unaccompanied minors even if they arrived with their mothers.	7	7	7	21
	Paul Hastings and the ACLU Brought a suit against the city of Laguna Beach on behalf of the homeless population in the area, alleging constitutional and civil rights violations. The suit was the first time the Americans with Disabilities Act was successfully used to claim inadequate accommodations for homeless individuals, arguing that a homelessness programme has to be designed in a way that makes it accessible to the majority of its beneficiaries since a large portion of the city's homeless population have mental health requirements	7	7	7	21
	White & Case The Flint water crisis exposed the city's population to lead over an 18-month period. The firm has worked on behalf of affected children by requiring the state of Michigan to fund and carry out a programme to identify and provide testing for children exposed to lead.	7	8	6	21
Commended	WilmerHale Achieved an injunction for the city of Chicago against the former attorney-general Jeff Sessions's move to withhold a public safety grant from the sanctuary city, for refusing to impose certain immigration policies. The ruling has implications for 1,000 other jurisdictions in the US and lawyers are currently arguing to uphold a nationwide injunction on appeal.	7	7	7	21
	DC Volunteer Lawyers Project The DC Volunteer Lawyers Project provides resources, training and support to pro bono lawyers who represent low-income domestic abuse victims. In 2008, only 2 per cent of parties in civil protection order cases had legal representation. Now, almost 30 per cent do. In 2017 alone, the project facilitated representation for 1,000 domestic violence survivors and at-risk children, with 19,000 hours donated and a 95 per cent success rate.	6	7	7	20
	Kasowitz Benson Torres Successfully negotiated a settlement with New York City hospitals over access to healthcare for patients and visitors with disabilities. Hospitals are required to modify architectural barriers and ensure adequate policies are in place for fair and equal access to medical treatment for disabled citizens in New York City.	6	7	7	20
	Jenner & Block Successfully challenged and overturned the convictions of three men who had been wrongfully convicted on murder charges. The firm used developments in fire science and ballistics testing to show discrepancies in the evidence used to convict their clients, which had previously been accepted.	4	7	8	19



Lawyers have become a highly visible and increasingly important force for defending individual rights in recent years. Lawyers at Paul, Weiss joined forces with 33 law firms across the US to challenge the policy of family separation at the border with Mexico, and have remained in the fight to reunite children, some of them infants who cannot yet speak, with their parents. Elsewhere, a challenge by lawyers at Dechert and the ACLU to a proof of citizenship law in Kansas revealed that a claim that

undocumented immigrants voted illegally was unfounded. It also restored voting rights to thousands. Lawyers at Shearman & Sterling and the Center for Justice and Accountability have brought a civil lawsuit against the Assad regime in Syria for the targeted killing of US journalist Marie Colvin. Brad Karp, chairman of Paul, Weiss, says: "Whenever you see an authority disregard the rule of law, lawyers need to step forward to protect it. If we fail to do so we have failed in our most fundamental role as lawyers."

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New start: NYSE on first day of trading Spotify shares on April 3 2018 — Michael Nagel/Bloomberg

Clear eyes, diverse talent, can't lose

Companies taking an unconventional approach to recruitment and legal affairs win the day, writes *Yasmin Lambert*

In 2016, Horacio Gutierrez left his position as general counsel of Microsoft to help take Spotify, the music streaming company, public. For two years, he played a leading role in the negotiations that allowed Spotify to complete the first direct listing on the New York Stock Exchange, rather than a conventional initial public offering. This meant offering shares to the public without an investment bank underwriting the offering and setting the share price, and required the exchange to change its rules. Direct listings on the NYSE are now available for other companies.

The IPO was just one of many areas where the legal team helped make a difference to Spotify.

"The legal department is at the centre of the company's ability to differentiate and innovate," says Mr Gutierrez.

Intellectual property is at the heart of Spotify's business model. The licensing and publishing operations teams sit within the legal and business affairs team, but instead of

lawyers it comprises operational experts, project managers and data scientists.

People, process and technology are the so-called "golden triangle" of organisational change. Management theory posits that all three factors are essential for success. The legal leaders and in-house legal teams ranked in this year's report are making changes in each of these three crucial areas.

The greatest evolution over the past few years has been a growing appreciation within legal departments of technology's ability to improve and scale human expertise. Says Mr Gutierrez: "I want to de-lawyer as much of our high-volume legal services as I can by investing in people who build processes and tools."

One of his first actions at Spotify was create a legal operations team with people from product and software development backgrounds. The team is headed by Caraline Pellatt, head of business operations, who says their focus is to build process, tools and service models "like a high functioning business rather than a legal

department traditionally seen as a cost centre."

The legal team at Honeywell, this year's top ranked in-house legal team, work closely with the IT department to develop and test new technologies in its legal practice. Honeywell has implemented a host of artificial intelligence applications to standardise and speed up aspects of legal work. New ediscovery tools have helped the team cut spending on law firms.

"We are a technology company," explains Honeywell's general counsel, Anne Madden, adding: "We are a great appreciator of the value of technology in our own practice of law".

Across industries, new approaches to process drawn from manufacturing, engineering, design and software development are being adapted for use by legal teams. Terms such as "agile sprint cycle" and "development lifecycle", which describe the process followed by coders to create new software, have moved from Silicon Valley into the vernacular of in-house

Continued on page 10

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Clear eyes, diverse talent, can't lose

Continued from page 8

legal operations. While approaches to process and technology have advanced in the past two years, the new types of talent being brought into in-house legal teams are having the greatest impact. Growing involvement from operations, cyber security, technology and data privacy experts is changing the face of the corporate legal department.

The General Motors legal team features in this year's report for its role in the carmaker's development of new businesses and business models like self-driving cars and Maven, a car-sharing service.

When general counsel Craig Glidden joined General Motors in 2015, it was initially to help the company through a crisis resulting from faulty ignition switches. He oversaw a \$900m settlement with the US Department of Justice and the resolution of multiple lawsuits.

Mr Glidden then set his sights on rebuilding the legal team, which suffered from staff departures and low morale.

New hires since 2015 now make up more than half of the 350-person team. Only 220 are lawyers, and many of the new roles are filled by

professionals with diverse skills and experience in areas ranging from cyber security to alternative business models.

A priority for many of this year's top legal teams is promoting diversity and inclusion. Discover Financial Services' diverse legal team now acts as a model for the rest of the business to follow.

One of the characteristics that general counsel Kelly McNamara Corley says she looks for in new hires is past experience leading diversity and inclusion initiatives. Many of the featured legal teams also exercise buying power to compel law firms to improve diversity statistics.

Drawing on diverse educational and professional backgrounds has become essential to help businesses succeed in new, increasingly technology-led industries.

For General Motors, which last month announced big job cuts in North America and an end to production at seven plants, the need is particularly acute. "The industry is going through a once in a lifetime event," Mr Glidden says. "We have had to change our structure and get people dedicated to new practice areas."



WINNER

Horacio Gutierrez
General counsel and vice-president, business and legal affairs
Spotify



After 17 years at Microsoft, Horacio Gutierrez joined Spotify as general counsel in 2016. Mr Gutierrez also heads the music-streaming service's global licensing function, critical for negotiating and establishing commercial licensing arrangements with artists, labels and publishers. He played a leading role in preparing the company for its initial public offering on the NYSE, paving the way for the unusual direct listing in April 2018.

Craig Glidden
Executive vice-president and general counsel
General Motors



When Craig Glidden joined GM in 2015 the legal department was in crisis. Following the recall of nearly 30m cars due to defective ignition switches, he oversaw a deferred prosecution agreement and settlements of numerous lawsuits. In the past three years, Mr Glidden has rebuilt the legal team to serve the transforming business. Its 350 lawyers and professionals support new business models, such as autonomous cars and car-sharing services.

Anne Madden
Senior vice-president and general counsel
Honeywell



Anne Madden has played an instrumental role in the company's growth as global head of mergers and acquisitions since 2002. She oversaw close to 100 acquisitions and 70 divestments during that time. In 2017, Ms Madden took over as general counsel, heading health and safety, product stewardship and government relations. She has introduced a range of tools in compliance and contracting as well as AI instruments to improve the efficiency of the legal team.

Kelly McNamara Corley
Executive vice-president and general counsel
Discover Financial Services



Kelly McNamara Corley has been with Discover for over 30 years and general counsel since 1999. Her team is instrumental in guiding the business through complex payment regulation in over 160 countries, enabling its growth. By adopting new litigation and contracting technology, she has reduced costs by 32 per cent since 2016. Her team is diverse by design, and active in promoting the benefits of diversity across the company.

Most innovative in-house legal teams

Rank	Company	Operations	Legal Expertise	Total score
1	Honeywell	61	23	84
2	Spotify	45	24	69
3	eBay	46	20	66
3	General Motors	48	18	66
5	Discover Financial Services	65	0	65
6	Avanade	62	0	62
6	Flex	39	23	62
8	DXC Technology	44	0	44
8	PayPal	0	44	44
8	Sempra Energy	22	22	44
11	Deutsche Bank	43	0	43
12	Siemens Canada	42	0	42
13	Microsoft	41	0	41
14	Walmart	25	0	25
15	Avis	24	0	24
15	HPE	24	0	24
15	Mondelez International	24	0	24
18	Accenture	23	0	23
18	CitiBanamex	0	23	23
18	LyondellBasell Industries	0	23	23
18	Resolver	23	0	23

Highlighted entries indicate organisations with the top ranking in category tables on the following pages

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innovative (ɪnˈvə-tɪv) *adj.*

1. having the skill or imagination to anticipate client needs; 2. tendency to solve client problems before they arise; 3. possessing deep understanding of a client's business. **Synonym: McGuireWoods**

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Standing up to the White House and the gun lobby

Barney Thompson on a leading trial lawyer and firm chairman who speaks out on the rule of law

Senior lawyers can be reluctant to speak in public about controversial issues. With Brad Karp, not so much. When the Trump administration instituted a policy this year of separating migrant and refugee children from their parents, and then (after rescinding it) prolonging the detention of families seeking

asylum, the chairman of the New York law firm Paul, Weiss decided it was time for a unified statement from the legal profession challenging the White House.

With Gary Wingers, managing partner of Lowenstein Sandler, Mr Karp drafted an opinion piece that appeared in The New York Times and spoke for 34 lawyers leading major law firms.

“When the Trump administration announced the family separation policies, it was a clear violation of the rule of law and an assault on fundamental liberties,” Mr Karp says.

“This was a national problem that called for a national solution . . . so it was critically important to activate the national bar. It was a



Brad Karp: chairman of Paul, Weiss

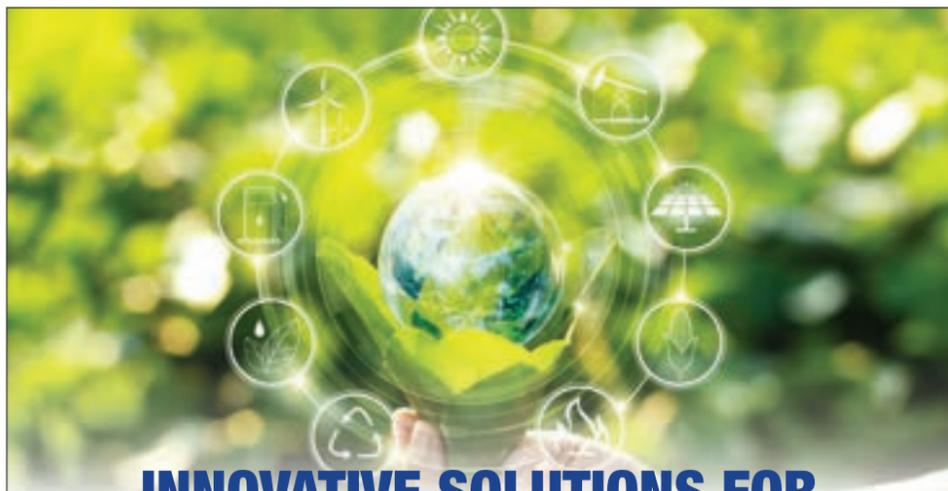
call to arms and we needed to galvanise our resources and take an emphatic stance.”

Mr Karp is a leading trial lawyer who has turned Paul, Weiss into one of the most profitable law firms in the US. The winner of a Financial Times Innovative Lawyers 2018 special achievement award, he has taken a stand before. In March he and a colleague called for the repeal of a law shielding gun makers and sellers from lawsuits, an open challenge to the National Rifle Association, one of the US’s most powerful lobby groups.

Paul, Weiss has also developed a reputation as a champion of religious, ethnic and gender diversity. Its lawyers were among those who headed to airports to assist travellers affected by the January 2017 ban on entry to the US for citizens of seven Muslim-majority countries, an early example of the profession mobilising against the president’s more hardline policies.

“It can be challenging to mobilise the bar in support of a particular cause – the last time this strategy had been successfully deployed was in the 1960s during the civil rights movement,” says Mr Karp.

He believes the president will continue to create work for lawyers who want to defend the rule of law – including Mr Trump’s attempts to deny asylum to the “caravan” of people fleeing poverty and violence in Central America.



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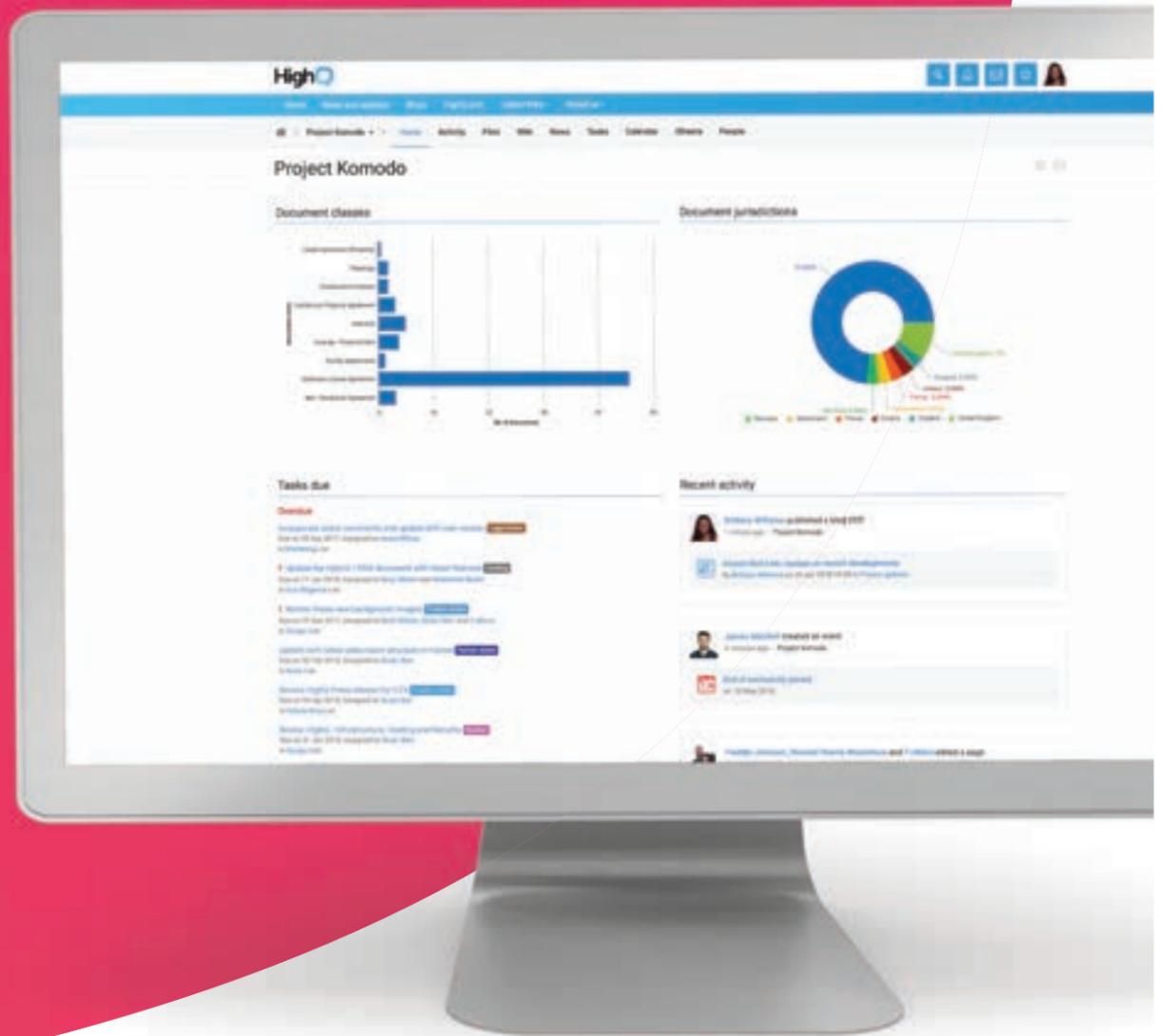
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Collaboration

Rank	Law firm	Originality	Leadership	Impact	Total
Standout	McCarthy Tétrault, Uber and Revenu Québec In the sharing economy, tax liability frequently falls on the individual suppliers, who might lack the resources to comply. The firm facilitated a first of a kind tax compliance agreement negotiated between Uber and Revenu Québec to enable Uber to become fully tax compliant in the province. New technology integrated into an app takes the burden of tax collection and remittance from the drivers and eliminated tax leakage for Revenu Québec. The agreement has since been replicated for Airbnb.	8	9	9	26
	LawWithoutWalls and sponsors The programme, a collaboration between academics, private practice law firms, in-house legal departments and the University of Miami, creates interactive and virtual innovation projects for law students. Now in its ninth year, the 16-week programme enables students to develop business ideas to improve the profession. <i>Commended: Michele DeStefano</i>	6	9	9	24
	Womble Bond Dickinson, BOMA Investments and ADAP Capital Created a new model targeting the investors in the impact economy. The structure allows for more predictable returns, and in the case of early-stage companies, the investor can often get a complete return of investment before having any taxable income.	8	8	8	24
Highly Commended	Baker McKenzie and companies Collaborated with companies such as Google and Disney on the production of the Homeless Youth Handbook, an accessible resource that is available both online and in print. The handbook compiles resources to help homeless youth with legal issues, and ensures those resources remain up to date.	7	8	8	23
	Orrick and Integra Ledger With Integra Ledger, the team behind a utility blockchain developed for processing legal data, the firm worked to found the Global Legal Blockchain Consortium. The GLBC is an international body comprising approximately 140 companies, law firms and universities which have united to further standards governing the use of blockchain technology in the business of law. <i>Note: RSG Consulting, research partner for this report, served as a judge for the Global Legal Hackathon</i>	7	8	8	23
Commended	JP Morgan Chase, McGuireWoods, Sullivan & Cromwell and others The bank challenged its external law firms to make sure that at least half of the matters they handled for it were led by a female lawyers. Among some of the firms to meet the bank’s challenge were McGuire Woods and Sullivan & Cromwell.	7	8	6	21
	Seyfarth Shaw and 7-Eleven The firm’s consulting arm, SeyfarthLean, collaborated with 7-Eleven’s property department to optimise its processes to help it achieve its target of doubling the number of stores in the US by 2027. The collaboration has cut the percentage of failed contracts for new stores from 25 per cent to 1 per cent.	6	7	7	20

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Federal judiciary

The battle for the Supreme Court

Americans are braced for signs of change after the very political confirmation of a conservative justice, writes *Barney Thompson*

deology, partisan politics and the #MeToo movement collided during the bruising US Supreme Court confirmation hearings for Brett Kavanaugh. Now that he has taken his place on the bench, Americans are watching for signs of how Justice Kavanaugh's appointment will change the court — and wondering how long-term and far-reaching that change might be.

The clear loser in September's hearings was the confirmation process itself, with nominations becoming fraught partisan battles. Concern over Justice Kavanaugh's suitability for the post — he was accused of sexual assault by Christine Blasey Ford while they were teenagers, an allegation Justice Kavanaugh denies — resulted in a deafening political fight over the future of the court. US President Donald Trump accused Democrats of a “search and destroy” mission against his nominee.

Alan Morrison, associate dean at the George Washington University Law School, says the episode was “at least as controversial as the Clarence Thomas hearings”. Justice Thomas — now the longest-serving Supreme Court justice — was accused of workplace sexual harassment by law professor Anita Hill during his 1991 confirmation process. Justice Thomas denies the allegations. But, Prof Morrison adds, the court “managed to go on and get its work done [following Justice Thomas's appointment] . . . as a working institution — though the perception of the court as a non-political institution is certainly being challenged”.

John Roberts, chief justice of the Supreme Court, is clearly aware of the threat posed to the judiciary as a whole if it is seen to be politicised. After Mr Trump complained last month that a federal judge who had ruled against his asylum policy was “an Obama judge”, Justice Roberts issued a rare rebuke. “We do not have Obama judges or Trump judges, Bush judges or Clinton judges,” he wrote in a statement.

“What we have is an extraordinary group of dedicated judges doing their level best to do equal right to those appearing before them.”

The longer-term question is whether the Supreme Court can maintain its reputation as an institution free of partisanship. Mr Trump has already had the opportunity to replace the court's retired swing vote, Justice Anthony Kennedy, and may gain the chance to appoint two more to the bench: the court's oldest sitting justices are also two of its most liberal: Justice Ruth Bader Ginsburg, 85, and Justice Stephen Breyer, 80.



Will the sky fall? The US Supreme Court — John Greim/Getty Images

This is not simply about the prospect of further pitched battles over the confirmation process. Candidates to the Supreme Court serve for life. For those who fear Mr Trump is seeking to give his support base the Supreme Court of their dreams, this raises the spectre of a deeply conservative court for decades to come.

At stake, say the president's opponents, is the status of landmark cases that have divided Americans, such as *Roe v Wade*, which ruled state laws restricting abortions were unconstitutional, or *Obergefell v Hodges*, which required the states to license and recognise gay marriage.

But Michael McConnell, director of the constitutional law centre at Stanford Law School and a former circuit judge, says the impact of Justice Kavanaugh's addition to the court was likely to be far less dramatic than many anticipated.

“It is unlikely that the addition of an establishment-oriented centre-right jurist like Brett Kavanaugh to the court will bring about dramatic shifts in American law,” he says. Justice Kavanaugh's libertarian instincts would probably put him to the right of Justice Kennedy on some issues, such as bureaucratic accountability, but to the left on others, such as criminal law.

Similar predictions of a conservative onslaught have been made before — when Justice Samuel Alito replaced Justice Sandra Day O'Connor, or Justice David Souter followed Justice William Brennan — and proved unfounded. “I doubt very much the court will overrule *Roe v Wade* or *Obergefell*, or do many of the other things that Kavanaugh's partisan detractors are predicting,” Mr McConnell adds.

The American Bar Association called on the Senate Judiciary Committee to delay its vote on Justice Kavanaugh's candidacy in light of the sexual assault allegations. But when the Senate disregarded this request, the ABA dropped its review, and returned to its initial opinion that Justice Kavanaugh was “well qualified” — its highest level of endorsement.

Robert Carlson, the association's president, has since been quick to reassert his confidence in the court. “American democracy depends on the independence and impartiality of its judges,” he told the FT. “[The judges'] decisions are based on their views and interpretations — the court is not political or partisan.”

Of the furore over the future of the Supreme Court, Mr McConnell had this to say: “The sky is always said to be falling, and it never falls.”

‘We do not have Obama judges or Trump judges, Bush judges or Clinton judges. We have an extraordinary group of dedicated judges doing their level best to do equal right to those appearing before them’

North America Innovative Lawyers

Strategy and changing behaviours					
Rank		Originality	Leadership	Impact	Total
Standout	Law firm				
	Seyfarth Shaw Seyfarth Labs, the firm's team of technology consultants, automates legal practice for both the firm and its clients. It helps empower the firm's overall strategy and makes it more tech-enabled. The initiatives it designed include a budgeting tool, automated invoice processing and trademark registration. The invoice processing tool has reduced the time taken to track invoices by 90 per cent, allowing clients to work on higher value matters.	8	9	8	25
	McGuireWoods The firm's mergers and acquisitions practice launched a business development strategy, taking on the role of informal connector. Its conferences connect sponsors with potential targets and has resulted in a 70 per cent increase in deal flow for the firm from 2017 to 2018.	8	8	8	24
Highly Commended	Bracewell Following the departure of Rudy Giuliani, a high-profile partner, the firm faced an identity crisis. It decided to rebuild its culture by empowering all its staff to become active in branding and communications, an approach eschewed by legacy law firms. Employees were incentivised to take part in social media, increasing sharing by 18 times in three months and improving employee investment in the firm.	8	8	7	23
	McGuireWoods In an unusual business development strategy for its litigation practice, the firm introduced 'trial team roundtables', which offer clients and others free consulting advice ahead of court cases. A cross-section of trial lawyers from the firm brainstorm around the best way to approach a case. <i>Commended: Mark Anderson</i>	7	8	8	23
Commended	Paul Hastings To bridge the gap between the IT department and lawyers, the firm set up a 50 person committee on technology to vet new products and help to design software solutions. The initiative has involved nearly 1000 hours of associate and staff time since January 2018, but ensures that IT buying decisions are made faster and more appropriately.	7	7	7	21
	Ropes & Gray The firm set up a programme to give lawyers the time away from fee-earning work to focus on better client delivery solutions. Since 2017, 280 attorneys over 25 practice areas have got involved, totalling an investment of over 5000 hours into research and development. Over 30 business cases are being worked on.	7	7	7	21

Strategy and changing behaviours					
Rank		Originality	Leadership	Impact	Total
Standout	In-house legal team				
	Accenture Built Accenture's code of ethics into a new website, equipped with a chatbot named Cobe. The chatbot encourages employees to engage with the code, which functions as a living resource rather than a legal document. Responses can be updated and tailored to help identify new ethical topics to address.	8	8	7	23
	Pearson Guided the business, former owner of the Financial Times, through its transformation as it disposed of assets including Wall Street English and Penguin Random House. At the same time, the team reduced external counsel spend by 40 per cent with a further 20 per cent reduction planned for 2019.	7	8	7	22
Highly Commended	Discover Financial Services Devised a risk framework that provides the team with an overview of the key business objectives, risks and regulatory concerns. This helps the team mitigate risk while improving transparency and consistency.	7	7	7	21
	Huntington Ingalls Industries Devised and implemented a framework that helped the team build strategic insights and drive value for the company. The model spurred the team to develop a compliance and ethics app and work to further monetise the company's intellectual property.	7	7	7	21
Commended	SPX Built a legal function to remove bottlenecks to allow the company to scale rapidly. The change has driven consolidation of outside counsel, holding them to account with transparent performance metrics.	6	7	7	20
	Velcro In collaboration with the marketing team, created a tongue-in-cheek video campaign featuring the legal team singing a song written by Velcro's in-house trademarks expert to raise awareness of Velcro's trademark.	6	7	7	20
	Axalta Coating Systems By using standard documents and a tracking system, the team was able to flag customers in breach of their minimum purchase agreements. It established a new system with external counsel to manage spending on these recoveries. The system has led to a more than 400 per cent increase in recoveries since 2017.	5	6	7	18
	BMS Formed specialised, cross-functional groups composed of lawyers and IT professionals to focus on process improvements to improve the way they deliver internal legal services.	6	7	5	18
	Flex The team created dedicated workspaces at company headquarters for outside counsel to enhance collaboration and enable better understanding of the company's risk profile.	6	6	6	18

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Wired: automation allows more creative offerings — Chris Ratcliffe/Bloomberg

Premium services to cut legal costs

New products

Lindsay Fortado examines tools for today's business problems, from cyber breaches to start-up documents

Experiments have a habit of taking an unexpected turn. Two years ago, a client asked law firm Davis Polk's cyber security lawyers to compile a "what if" report on its obligations in the event of a cyber breach. What must it disclose, and how quickly?

Naturally, the client expected a report on every jurisdiction and government agency. But it was soon clear how extensive the exercise would be, and therefore how costly. Even cutting the scope of the exercise to just the five states in which the client mainly did their

business required a lot of billable hours.

"It took us a week to pull this together, and it was expensive for them," says Avi Gesser, litigation partner at the firm, who specialises in cyber security.

"We thought this is a risky way of doing this — both under-notification and over-notification of a cyber notification pose risks," he adds. "Clients should be able to get advice quickly and accurately for a reasonable price . . . If it takes a week, that's a lot of lost time. The person who's doing this exercise is often under huge time pressure."

Will Schildknecht, an associate at the firm, then came up with the idea of the Cyber Portal, an online tool for clients that could tell them in minutes what they would need to do, whom they would need to notify, and how quickly.

The firm's Cyber Portal is one of several new products that lawyers at some of the leading US law firms have launched recently. While many firms have generally created automated production of standard documents, the latest offerings from among these top practices aim

Continued on page 18

New business and service delivery models

Rank		Originality	Leadership	Impact	Total
	Law firm				
Standout	Reed Smith A client-value team helps the firm improve the delivery of services, win work and manage pricing and budgets. With experts in Six Sigma, the management technique, skilled at process analysis and project management, the team has become involved in more than 500 matters for nearly 100 clients and provides more than 175 dashboard reports each month, 30 per cent of which are client facing. More than 80 per cent of the firm's matters are priced with its quick pricing tool, which improves its ability to win pitches. <i>Commended: Suzanne Hawkins</i>	8	10	9	27
	Orrick The firm rolled out a new service delivery option to three of its financial services clients, led by a partner and combined with the analytics team and career associates. The team redesigns workflows, improves project management and shortens response times. For one client, it was able to cut the volume and cost of legal support by half.	6	10	10	26
	WilmerHale The firm launched an internal matter management group, consisting of 30 legal project managers pulled from a pool of staff attorneys, discovery attorneys, and paralegals to provide project management and business intelligence to the firm's lawyers. The group's automated matter reporting platform has been used in over 200 of the firm's largest matters, reducing the volume of writedowns.	8	8	8	24
	Orrick Working for Microsoft in a class action case, the firm had to review 350,000 documents in 21 days. It used proprietary technology CaseStream and different career track lawyers, which enabled it to meet the deadline at the fraction of the cost of a more traditional law firm.	6	8	9	23
Highly Commended	Crowell & Moring Working closely with Cardinal Health on its complex litigation portfolio, the firm's project management team created a custom-tiered pricing model. Its software allows it to offer bespoke pricing arrangements for different clients.	7	8	7	22
	Sterne, Kessler, Goldstein & Fox Taking a holistic approach to brand protection, the firm helps clients address counterfeiting through identifying weaknesses in the supply chain, search engine optimisation, and international portfolio development. Clients are able to defend their brand, improve operations and increase sales.	8	7	7	22
Commended	Hogan Lovells Examining departmental hierarchy within the firm, it recategorised its workstreams according to speed and allocated different teams and technologies to suit each stream. A fast stream denoted work that required a partner and little process while a slow stream is more labour-intensive and requires more resource.	8	7	5	20
	Latham & Watkins LathamDrive provides entrepreneurs with information and documents to launch and expand companies. Since its launch in June 2017 it has generated 26,000 unique page views and more than 7,500 user sessions.	6	6	8	20
	McGuireWoods The firm institutionalised its approach to business development for its lawyers in a way that supports individuals to pitch for deals quickly and effectively. It has built a comprehensive database of clients, investors and targets and can pitch potential clients with a full resource of information. One lateral associate built an \$8.8m business portfolio in under four years.	7	7	6	20
	Shearman & Sterling The firm created a new client value team that combines knowledge management, legal project management, research and other business services. Though it was launched only in April 2018, it has already designed new workflow processes for the firm's work on company formations. <i>Commended: Meredith Williams-Range</i>	6	8	6	20

New business and service delivery models

Rank		Originality	Leadership	Impact	Total
	In-house legal team				
Standout	General Motors Overhauled and restructured the in-house legal team to support the business as it transforms its business model and available services. The team is composed of more than 50 per cent new hires, made in the past three years, and the general counsel is focused on bringing in experienced practitioners as well as cyber, digital and autonomous vehicle experts.	8	9	8	25
	Mondelez International Implemented a centralised process for procuring and billing outside counsel, enabling the company to centralise and compare data across currencies, tax jurisdictions and invoicing systems. The data helped the team reduce both the outside counsel spend and the number of vendors they work with by 33 per cent.	7	8	9	24
Highly Commended	Deutsche Bank Developed a dynamic operating model by splitting 500 lawyers into two groups: "hub", across various service centres and "core", in corporate headquarters. The model includes 250 business professionals such as data analysts, regional chief operating officers, technologists and procurement specialists. The model adapts to change and new business pressures.	7	8	8	23
	QBE North America The insurer's legal team slashed external review costs by 30 per cent, reducing spend on external lawyers reviewing insurance claims from \$26m to \$15m. The team provided the business with a suite of tools to empower them to make decisions without lawyers.	6	8	8	22
Commended	Avanade Adopted a new approach to building and deploying flexible teams to manage internal legal work, client projects and new product and service development.	7	7	7	21
	Chevron A focus on early-stage processes identified and assessed potential problems sooner. The oil company saw dividends from the number of resolved construction disputes.	6	6	7	19

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Premium services to cut legal costs

Continued from page 17

to provide more premium services to clients.

DLA Piper is offering a free website, Accelerate, to attract technology start-ups, and Orrick has created BondPal, an electronic process that allows cheaper and quicker bond issuances.

Winston & Strawn has launched a new extranet portal for its five-year-old Legal Investment Review Center, that will allow fund managers to submit requests for new documents to be created, monitor their progress and view the completed work more quickly.

The site was the creation of Winston & Strawn's corporate lending and debt capital markets practice, led by Chicago-based partners Ronald Jacobson and Patrick Hardiman. The pair wanted to find a cheaper and quicker way to produce documents for both leveraged loan deals and contracts with fund investors.

Such work once took the firm weeks, leading some funds to skip conducting a full due diligence process – a decision that could have put them at legal risk if the deals fell apart.

The challenge was similar to that facing lawyers at Davis Polk: how to create a more efficient system for clients that needed bespoke documents for common procedures, at short notice and for a set price.

For DLA Piper, Accelerate's offer of documents and tools for early-stage companies is a way for it to develop relationships with Silicon Valley companies.

It went live a year ago and is steadily gaining more visitors, says Louis Lehot, co-chair of the firm's US emerging growth and venture capital practice.

The firm also aims to develop a community by creating Facebook-like profiles for DLA lawyers, introductions to sources of capital and, eventually, a job postings page on the site for venture capital and start-up companies.

"If you don't get them at inception, you don't get them when they're going to get funded, when they're going to market, when they're going to IPO," he says.

Davis Polk lawyers, who spent the past year and a half building and improving the Cyber Portal, have now officially rolled the site out to clients. For a real cyber attack, clients will still



have to speak to a lawyer at the firm, but in the meantime they can find information and prepare for what could happen.

Mr Gesser says lawyers at Davis Polk have spent many hours trying to envisage every scenario that clients might face, while also keeping up with statutes that have been changed or amended.

The portal includes checklists for a company's board and general counsel, checklists for terms a client should include in its

cyber insurance and in contracts with vendors, an incidence response plan, a sample press release, a draft interview companies can conduct with an employee whose computer might have been compromised, advice on ransom demands from hackers, agency-by-agency federal cyber security guidance, and a case law section on previous incidents.

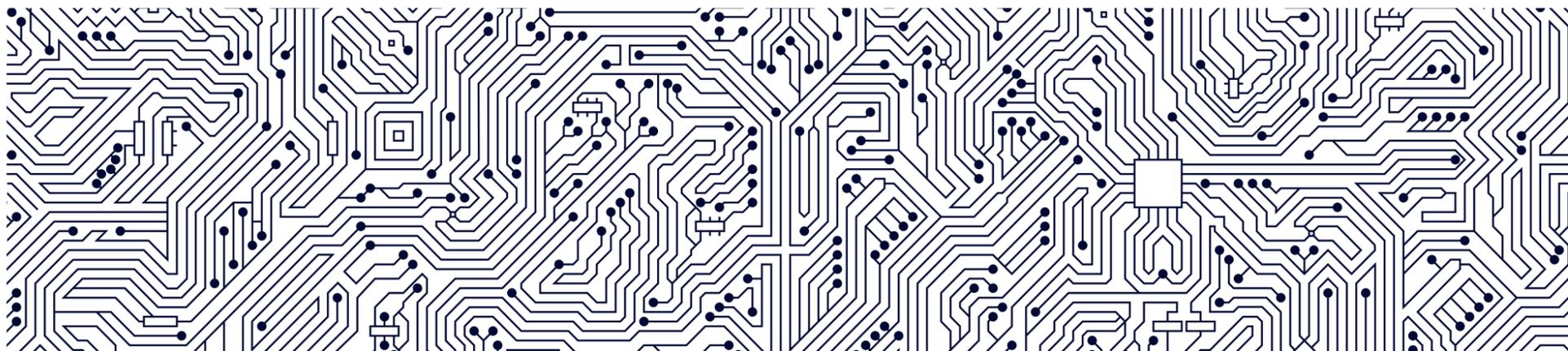
The lawyers have involved clients. "A lot of people are beta testing it," Mr Gesser says. "We're constantly tweaking it, but as a result it's crowdsourced. Now we have the benefit of our clients' thinking, as well."

Creating the portal has also allowed the firm to tap the resources of associates with coding and design experience, he says.

"There's a real sense of satisfaction in building it," he adds.

"A brief is great but when it's filed, it's filed and it's over. This is something tangible."

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Managing and developing talent					
Rank	Law firm	Originality	Leadership	Impact	Total
Standout	Bryan Cave Leighton Paisner The firm helped the University of Colorado provide law students with additional tech training, resources and practical experience through an internship scheme. Law students complete an internship with the law firm as well as one of its emerging technology clients. In one case, a student intern helped one of BCLP's clients create a new service for its start-up clients. The programme became the basis for a nationwide training scheme for law students, the Institute for the Future of Law Practice, which aims to make them more fit for work.	9	9	7	25
	Goodwin Procter Using Tableau software, the firm produced data visualisations of attorney and staff work, which provided insights into new matter pages, client pages, and work history resources. The new tools had immediate usability with over 20,000 hits in the first month, and allowed them to understand trends and key data with the firm.	7	8	8	23
	Morgan, Lewis & Bockius Designed a training programme with professional services firm Deloitte to help staff analyse their personalities and how it affects the way they interact with colleagues' clients. The four-hour interactive training programme was rolled out globally to every member of its staff across 30 offices and resulted in improved teamwork and institutional client relationships.	7	9	7	23
	Weil, Gotshal & Manges With a challenge retaining mid-level associates facing the profession, the firm reduced its partner-track by two years, from 9.5 to 7.5 years. At the five-year mark, associates are given an indication of their partnership prospects.	8	9	6	23
Highly Commended	Paul Hastings Designed a technology platform with viGlobal, which brought lawyer recruitment in house and saved the firm \$1.3m in annual recruiting fees.	8	7	7	22
	Hogan Lovells With technology company Sim Studios, the firm created leadership training for new equity partners to develop their decision-making. A computer simulation gives the participants real-time feedback as it runs them through 60 different types of strategic decisions as they compete in teams to win clients.	7	8	6	21
	Weil, Gotshal & Manges The firm developed the first accredited unconscious bias training programme in New York State to improve diversity in the profession. It rolled the training out to key clients, such as Barclays and Credit Suisse.	8	7	6	21
Commended	Dentons To further its diversity and inclusion agenda, the firm ran a 72-hour global event to discuss the subject. Using an online platform enabled 1,540 employees across the world to connect about the topic. Later, the findings were made publicly available and have helped the firm highlight areas for improvement.	7	7	6	20
	Hogan Lovells Moved away from annual review to continuous feedback after consulting with Ideo, the San Francisco-based design company. The firm rolled the new review process out globally to its lawyers in just two years.	6	8	6	20
	Latham & Watkins To grow the firm's talent pool, it used a business services training programme to recruit non-legal graduates into the firm and provide them with alternative career paths. These trainees can opt for a legal career or can stay within the business services functions of the firm. It also helps to close the gap between lawyers and non-legal professionals.	7	7	6	20
	McGuireWoods The firm developed and built its own system to track and share the availability of its lawyers in real-time. The system is connected to the firm's accounting system so partners can also see financial data about the available lawyers, including billing rates, annualised and monthly billable hours and compare them to their target hours.	7	7	6	20

Technology					
Rank	Law firm	Originality	Leadership	Impact	Total
Standout	Fenwick & West Designed and implemented Fenni, an AI-based virtual assistant inspired by Apple's Siri, Amazon's Alexa and Google Assistant, which searches the firm's intranet, document management, sales and human resources systems to answer frequently asked questions. The tool uses a mix of machine learning and human input to continuously improve the breadth and quality of information. It saves time and money for the firm and clients by streamlining administrative tasks, and collects valuable data to improve processes and workflows.	9	8	8	25
	Holland & Knight Developed a tool to identify participants in illicit cryptocurrency transactions, BlockBlade, giving clients the information needed to freeze and recover stolen assets more quickly and accurately than manual searches. It can be used to track proceeds of ransomware, cryptocurrency theft and to identify network relationships. <i>Commended: Josias Dewey</i>	9	8	7	24
Highly Commended	DLA Piper A new strategy for how technological development and operations are managed at the firm. By using the DevOps software development method and moving systems to the cloud, the IT team have been able to deploy new applications quickly to lawyers, business staff and clients.	8	8	7	23
	Dentons Built KnowledgeBase, a software tool to simplify and streamline trademark processes through ready-made forms and generating documents based on lawyers' input. <i>Commended: Monica Richman</i>	6	8	8	22
	White & Case Developed a new global technology strategy for its litigation practice and invested in new staff and artificial intelligence tools. It also developed a creative licence arrangement for multinational clients to use the firm's research tools.	6	8	7	21
Commended	McGuireWoods Built an auditing algorithm to analyse the invoice codes lawyers input into the firm's budget management tool, Compass, to identify mistakes. It saves time and improves pricing and billing of work to clients.	6	7	6	19
	Seyfarth Shaw Combined robotic process automation and machine learning technologies to create Seyfarth Cognition. It automates the process of reading legal documents, as well as extracting and presenting data assisted by human experts.	6	6	7	19
	Akin Gump Strauss Hauer & Feld Lawyers and technologists produced an automated tool to help clients comply with complex US antiboycott regulations.	6	6	6	18
	Fenwick & West Deployed an artificial intelligence tool by Kira Systems to reform internal processes including an expansion of the firm's knowledge management database. Since using the system the firm has reduced the amount of time spent in document review by half.	6	6	6	18

Managing and developing talent					
Rank	In-house legal team	Originality	Leadership	Impact	Total
Standout	HPE Expanded the company's talent development to include a continuous learning curriculum and training in the coding language Ruby on Rails. The training has helped lawyers better understand the technology that underpins the firm's products and improve legal drafting. A graduate training programme for law students covers mergers and acquisitions and other business skills.	8	8	8	24
	Discover Financial Services A leadership programme allows lawyers to track performance against established measures and receive live feedback. The programme focuses on four behaviours that drive leadership: empathy, innovation, initiative and judgment. The team focuses on diversity and inclusion, as well as pro bono work; over 90 per cent of the team have undertaken pro-bono or volunteer work in their communities.	7	8	8	23
Highly Commended	eBay Requires that 35 per cent of the work from outside counsel is performed by diverse teams. The company created an internship programme for first-year law students from disadvantaged backgrounds, partnering with law firms to offer students work experience in both private practice and the tech industry.	7	8	7	22
	Sempra Energy Lawyers support the sustainability team and ensure that the company's best practices uphold its ethics.	7	8	7	22
Commended	DXC Technology Supports legal services provider UnitedLex's two-year Academy graduate scheme, which emphasises practical experience. DXC helped to create training materials that are relevant to its business and involves trainees in real queries, providing it with access to lower cost legal support.	7	7	7	21
	Lockheed Martin To improve diversity and inclusion the company tracked diversity data through its hiring and procurement processes, ensuring outside counsel also use diverse teams to handle legal matters.	6	8	7	21
	Siemens Canada Facilitated a reverse secondment between a member of the company's in-house team and law firm Stikeman Elliott's knowledge management group, allowing Siemens Canada to investigate best practice and launch an internal legal operations team.	7	7	7	21
	Vertex Pharmaceuticals Created a culture of volunteering that resulted in 90 per cent of the company's lawyers participating in community projects and other pro bono activities, including partnerships with Project Citizenship, the Political Asylum/Immigration Representation Project and Glad (GLBTQ Legal Advocates and Defenders).	7	7	7	21
	Avanade Partnered with Microsoft Philanthropies to advise non-profit organisations on implementing affordable technologies that can have a positive impact.	7	7	6	20
	Pfizer Partnered with DLA Piper to support a pro-bono legal education programme in Zambia. Senior in-house lawyers support Zambian students with a week of teaching focused on legal drafting, research and legal analysis.	6	7	7	20
Honeywell One of four companies that pledged support to a new eBilling pilot with the Leadership Council on Legal Diversity, helping to establish robust metrics on diversity and inclusion at their law firms, create industry benchmarks and develop policy.	6	6	6	18	

Technology					
Rank	In-house legal team	Originality	Leadership	Impact	Total
Standout	Walmart Partnered with LegalMation, an artificial intelligence start-up, to build a tool that automatically drafts responses to complaints, lawsuits and discovery requests. It is used for the company's tort cases in California and being rolled out to other states. In a separate partnership with AI company Primer, the team helped build an ediscovery tool that removes almost half of irrelevant documents from review.	8	8	9	25
	eBay In-house lawyers collaborated with IT and robotics teams to develop tools to combat fraud on the online marketplace and support ediscovery. Machine learning tools expedite the review process and automated bots scan and assess emails for discovery.	8	8	8	24
Highly Commended	Honeywell Adopted a variety of machine learning and artificial intelligence tools to lower costs in litigation, better manage claims and compliance, and improve how it delivers services to the business. Tools to identify privileged documents have saved the company hundreds of thousands of dollars.	7	8	8	23
	Resolver Reconfigured risk management software to create a triage tool that simplifies the way legal services are tracked and delivered, making the process more transparent.	8	8	7	23
Commended	Spotify Implemented a portal to submit contracts for review, approval and e-signature, which also enables people in the business to generate low-risk contracts by themselves. The team are rolling out an online legal help desk to help the business access legal support.	7	8	8	23
	Microsoft Quickly developed a working portal on Dynamics 365, a business applications hub, to deal with the influx of visa queries from internal employees following the Trump administration's new immigration policies affecting predominantly Muslim countries. The portal answered frequently asked questions on a public forum, and employees from the seven banned countries dealt with their queries in a private system.	7	8	7	22
	Unilever Introduced Contracts4U, an online intake platform, to replace the traditional back and forth interaction between the business and legal function for new contract requests. The tool is part of a broader smart contracting initiative to digitise the process, draw insight from contract data and improve compliance.	7	8	7	22
	Discover Financial Services In order to improve resourcing and reduce costs, work is segmented and assigned to team members based on complexity. The team also deployed contract management and litigation tools. The mix of process, people and tools has enabled the team to cut costs by 32 per cent since implementation in 2016, and the use of outside counsel and temporary staff by more than half.	7	7	7	21
Siemens Canada Working with law firm Blakes, the team tested a variety of artificial intelligence tools and legal technology on a recent acquisition. The work was 50 per cent more efficient than the manual equivalent, with the same level of accuracy.	7	7	7	21	

Innovative Lawyers North America

Business of Law

Firms step out of traditional roles to attract clients

New business
Lawyers are positioning themselves at the heart of business deals, writes *Jane Croft*

Few lawyers learn about organising private equity conferences or setting up merger and acquisition deals in graduate school. Faced with changing demands from clients, however, law firms are looking to offer additional services that are not traditionally associated with law firms and are using technology to deliver their existing services more efficiently. Nowhere is this clearer than in private equity, where clients care about a steady flow of deal opportunities. One law firm, McGuireWoods, saw that introducing entrepreneurs to capital providers was something that could help



Amber Walsh, of McGuireWoods, addresses a group of female investors at a conference organised by the firm

‘We meet owners and see what they are looking for . . . It’s a different approach to that which lawyers have traditionally taken’



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New products and services					
Rank		Originality	Leadership	Impact	Total
Standout	Orrick BondPal was created to streamline the time-consuming and expensive process of issuing municipal bonds. The system consolidates documentation into a single certificate, which is electronically shared and signed. It can also be repurposed for future issuances. Cutting the time and expense of a new issue has made smaller bonds of under \$100,000 more viable. It has allowed more than 5,000 private residential and commercial properties to finance renewable energy upgrades in California.	8	8	9	25
	Davis Polk Built an online portal to provide legal services to clients to help prepare for and manage cyber security and data privacy. The portal helps clients navigate breach notification laws and includes resources including guidance, response plans, draft press releases and model legal letters. The cost-effective and scalable service allows clients to use the firm for routine as well as more complex incidents.	7	8	8	23
Highly Commended	Dentons The Dentons direct intellectual property platform allows clients to access large, multi-jurisdictional portfolios in real time, run reports and analyse them without involving lawyers.	6	7	8	21
	DLA Piper Developed the DLA Piper Accelerate website, which provides legal resources for start-ups. Agreement generation tools and market data as well as connections with investors are available to clients.	7	7	7	21
	Perkins Coie Implemented a cloud-based platform that allows clients to view information and data visualisations regarding patent portfolios directly, increasing client control and time efficiency.	6	7	8	21
Commended	Crowell & Moring The firm formed a digital transformation process service, a multidisciplinary team that advises on legislative and regulatory standards affecting technological product development.	7	7	6	20
	Dentons Working with Rakuten Kobo, the firm built the Kobo Comparative Compliance Engine, an interactive tool that filters relevant legislation and regulatory news across jurisdictions to ensure compliance.	7	6	7	20
	Winston & Strawn Developed a portal for fund managers to submit investment review requests, track their progress and access final reviews. Offered as part of a standardised, subscription-based service, it allows clients to review loans more easily.	6	7	7	20
	Ballard Spahr Built a loan document automation tool that creates first drafts of real estate transaction documents using an online questionnaire. The process cuts costs and increases accuracy.	5	7	7	19
	Jackson Lewis Provides 24-hour access to legal and compliance information regarding employment law through its online service workthruIT, which enables employers and in-house counsel to make informed compliance decisions without requiring an outside lawyer.	6	6	7	19

North America Innovative Lawyers



differentiate it in the fast-growing field of independent sponsors, who are usually entrepreneurs or former industry executives looking to buy into companies but who need private equity financing.

Rather than just provide legal advice, McGuireWoods has encouraged its lawyers to be at the centre of new deals by expanding their networks of potential contacts. They visit trade shows, talk to business owners and make introductions as well as organising an annual conference at a Dallas hotel, which this year hosted 600 companies and investors.

“It has forced lawyers to do things that we did not learn in law school . . . we have to go and meet owners of companies and see what they are looking for,” says Jon Finger, partner at McGuireWoods. “It’s a different approach to that which lawyers have traditionally taken.”

The firm also has a master list of private equity contacts in its network complete with details about their investment criteria and template emails for making introductions so that lawyers can act quickly if they hear of deal opportunities. By setting up introductions to potential capital providers and deepening their links, the hope is that clients will want to hire the firm to do related legal work.

In the past such matchmaker types of service have more often been provided by investment banks.

“We introduce people in person or by email and that’s the end of it,” says Mr Finger. “If it leads to a deal, then great. I lose count [of] how many times I’m told they have never had a law firm do this for them before . . . We trust over time that’s going to take hold.”

McGuire introduced Abbey Road Capital, an independent sponsor, to private equity firm Route 2 Capital Partners in order to purchase Convert IT Marketing, which provides pay-per-click marketing, earlier this year.

Professor Gabriel Teninbaum, director of the Institute on Legal Innovation and Technology at

Suffolk University law school in Boston, says many law firms now host advice sessions on non-legal issues, such as blockchain, to help clients.

“Law firms are clamouring to host these sorts of events as it’s part of the changing model if they can see themselves as part of the ecosystem,” he says.

One motivation for providing additional services is that law firms are facing greater demands from clients for efficiencies as they look for ways to cut legal costs. Many clients want to pay fixed fees rather than law firms billing by the hour and are pushing lawyers to deploy technology to reduce costs.

“The billable hour is not dying but it’s not the only way to do business,” Prof Teninbaum says. “Clients are demanding that firms switch to fixed fees or look at innovation to become more efficient. Some of this is trickling down from in-house law departments where clients may already use document automation, for example, and expect that to be used by law firms.”

As a result, he says, law firms are hiring so-called legal solutions architects or knowledge engineers. They are legally qualified but operate more like project managers – they may have some knowledge of Six Sigma process improvement techniques, for instance – and will decide how best to proceed with a big piece of legal work.

They will decide which parts of a sprawling lawsuit or M&A deal need a partner to analyse and which less complex aspects can be delegated to an artificial intelligence program. “A lot of their time is spent thinking about how to do things more efficiently,” Prof Teninbaum says.

Other law firms are using technology as a way to protect clients or offering them much broader solutions to what is essentially a business problem.

In the field of trademarks, the law firm Sterne, Kessler, Goldstein & Fox set up a one-stop shop brand protection practice that helps clients to combat problems such as infringement and counterfeiting across multiple jurisdictions.

It can deploy a multipronged armoury of tools ranging from district court applications against unknown defendants to seizing assets from unknown online sellers and tightening the supply chain so that the client is not playing “whack-a-mole” with the same counterfeiting problems in different countries.

In the case of cigarette company Juul Labs, Sterne Kessler worked with it on a global enforcement campaign to address counterfeiting and infringement with district court litigation and also co-ordinating with counsel in Europe, Asia and the Middle East.

Juul recently filed a complaint in the US International Trade Commission against 24 entities in the US, China, and Uruguay for selling copycat so-called Juul-compatible pods in the US, which violated patents held by the company.

Monica Riva Talley, head of trademark and brand protection practice at Sterne Kessler, says brands need a multi-faceted approach to combat counterfeiters.

The firm takes a holistic overview of many areas, she says, before coming up with a tailored answer to a problem. “We might say you need to address this issue here but also bolster your protection in these other jurisdictions and protect the rights you have got,” says Ms Talley.

Research methodology

FT Innovative Lawyers North America 2018 is a rankings report and awards for lawyers based in North America. Shortlists for the awards comprise the top-scoring submissions in each ranking.

The FT and its research partner RSG Consulting have devised a unique methodology to rank lawyers on innovation. Law firms, in-house legal teams and other legal service organisations were invited to make submissions.

For the FT Innovative Lawyers Report for North America 2018, we received over 500 submissions and nominations from 94 law firms and legal service providers and for 105 in-house legal teams. Research was conducted by RSG researchers between August and November 2018. We conducted interviews with over 500 clients, senior lawyers, executives and experts to arrive at the final rankings.

Each entry is scored out of 10 points for originality, leadership and impact for a maximum score of 30. They are then benchmarked against each other to arrive at the final rankings.

Most innovative law firms in ‘business of law’ and in ‘legal expertise’

The rankings are an aggregate, respectively, of each law firm’s performance across the business of law and legal expertise categories in the report. The total score for the most innovative law firms in the business of law ranking is the sum of all ranked entries in the six business of law categories of the report. The total score for the most innovative law firms in the legal expertise ranking is the sum of all ranked entries in the five legal expertise categories of the report.

Most innovative North American in-house legal team

This overall ranking is an aggregate of each in-house legal team’s performance in the report. The total score is the sum of scores for all ranked entries in the 10 in-house legal categories of the report.

Judges

A panel of judges decides the winner of the Legal Innovator of the Year award, from a shortlist of 10 individuals.

The judges were: Harriet Arnold, editor, FT Innovative Lawyers; Stuart Barr, chief product and strategy officer, HighQ; Leyla Boulton, editor of FT Special Reports and FT executive editor; Liam Brown, founder and executive chairman, Elevate; Madison Darbyshire, FT Special Reports legal communities curator; Yasmin Lambert, partner and senior consultant, RSG Consulting; Lucy Pearson, research director, RSG Consulting; Myriam Schmill, vice-president, global sales, Elevate; Barney Thompson, FT legal correspondent; Ram Vasudevan, chief executive and founder, QuisLex

RSG Consulting

The FT research partner RSG Consulting has decades of experience analysing the legal profession. It has a track record of devising ranking methodologies for professional services firms. CEO Reena SenGupta helped launch the FT’s Law & Business page in 2001, and has been a regular writer on the legal profession for the FT for 17 years.

RSG research team: Reena SenGupta; Yasmin Lambert; Lucy Pearson; Alexander Muncey; Tom Saunders; Sze-Von Lam; Harry Young; Liam Sweeney; Georgie Lyon

New products and services

Rank		Originality	Leadership	Impact	Total
Standout	General Motors The legal team supported the company’s expansion into mobility and ride-sharing services, following its acquisition of select assets and employees from Sidecar. The company has developed its own platform, Maven, which has several car-sharing service lines.	8	8	7	23
Highly Commended	Spotify As members of the deal teams, in-house lawyers are heavily involved in strategy setting and implementation in close partnership with the internal business teams, commonly taking the lead on negotiations for licensing agreements and key partnerships, such as tie-ups with SoundCloud, Showtime and Hulu.	7	8	7	22
Commended	Avanade Established a team to focus on digital ethics as well as frameworks that ensure digital strategies consider ethical implications for the business as well as for clients.	7	8	6	21
	Flex The legal team created a spin-off business using their ediscovery databases, built during litigation, and licensing the data to companies in similar cases.	7	7	7	21

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Innovative Lawyers North America

Business of Law

A fresh look at forgotten data reveals hidden value

Knowledge and intelligence
New technologies can unlock the benefits of old information, writes Sarah Murray

For many companies, patents are like buried treasure – valuable assets languishing in forgotten corners of the enterprise.

So a way to gain insight into patent portfolios would not only help companies assess more accurately the value of their intellectual property assets, but it would also enable them to generate hard cash by selling unused patents.

“Companies who’ve moved out of a product line have a mass of patents that they don’t use,” says Stephen Bishop, partner and co-chair of the intellectual property practice at Seattle-based Perkins Coie. His firm built a dashboard to do just that, known as the Patent Prosecution Platform, or P4. “Suddenly they have some value.”

As law firms look to extract value from the data held in legal documents, digital tools that help unlock this data are being developed rapidly.

For some, this leads to internal efficiencies and better decision making. Law firm Orrick uses technology developed by Foundation Software Group to track data in real time, which helps it make better choices on pricing and staffing and become more efficient in generating business.

“A firm like Orrick can dig into client market trends, make decisions about the emerging needs of clients and pursue them in a more efficient way,” says Barry Solomon, president of Foundation Software Group. “It also helps you avoid pursuing things the data show aren’t going to be worthwhile.”

Some efficiency tools resemble those used by consumers. At Fenwick & West, the tech and life sciences law firm, the “Fenni” digital assistant deals with queries on anything from billing rates for different clients to the new address of the firm’s New York office in the Flatiron district. Fenni can answer more than 570 specific questions, a number that will grow as its knowledge base expands.

“It’s not so much a change in the type of information,” says Mark Gerow, director of application development and business process. “It’s a more effective channel to deliver targeted information much more quickly to practitioners and support staff.”

The firm estimates it has saved about \$200,000 in the year to date, by saving the time of its attorneys,

partners, paralegals and associates.

In addition, by tracking the questions asked most frequently, the firm can identify potential process efficiencies. “If people constantly ask for billing rates, maybe other ways of getting information into their hands would be better,” says Mr Gerow.

What Fenni demonstrates is that data, when captured and analysed, can give firms more than efficiencies and cost cutting: it enables them to reflect on what they do, how they do it and what value certain activities bring to the organisation.

This was what motivated Michael Tucker, general counsel for Avis Budget Group, parent of car rental company Avis. His aim is to use data as a means of valuing something traditionally treated as a cost: the

Data, knowledge and intelligence

Rank		Originality	Leadership	Impact	Total
Law firm					
Standout	Orrick Combined data from across the firm to build the Orrick Experience database, which uses process automation to populate fields and artificial intelligence to clean and standardise data. The database tracks firm matters and individual lawyer experience, and combines this information with data from human resources, client relationship management and marketing systems. The combined data is analysed to help the firm make decisions about staffing and spot market trends which impact clients.	8	9	8	25
	Bryan Cave Leighton Paisner The firm’s consultancy division, BCXponent, worked with the legal team at car rental company Avis to measure and report the impact the legal team has on the broader business’s revenue, margins, operating efficiency, and risk profile. It has enabled the legal team to effectively prioritise its work and reduce time spent on low-value work.	8	9	7	24
Highly Commended	Kirkland & Ellis Implemented a plan to eliminate offsite storage of files, digitising all records. As well as cost and time savings in locating records, data is more secure and easy to manage under the firm’s data protection policy.	8	8	7	23
	White & Case Expanded its global research team and rolled out an electronic workflow solution to support complex cross-border work. Costs for the firm’s 600 research tools and databases are no longer passed on to clients, saving them millions of dollars in fees.	7	8	8	23
	Morgan, Lewis & Bockius Created the #MeToo Bot to quickly identify and analyse data requiring further investigation in allegations of workplace sexual assault. The bot has enabled organisations to identify improvements needed in corporate culture to help prevent future assaults.	8	8	6	22
Commended	Paul Hastings The Market Scorecard is an interactive tool that aggregates financial deal data including pricing, structure, interest rates, fees and terms collected in the reporting process of a deal. It allows lawyers to quickly spot market trends and better advise clients.	7	8	7	22
	Ballard Spahr Collaborated with Prosperoware to develop a tool that unifies the firm’s pricing and project management data in a single system. This allows lawyers to model, price, budget, manage, and report on matters in real time as well as provide more accurate budgets to clients.	7	7	7	21
	Proskauer Developed the private client intelligence portal to collect and analyse deal term data for asset manager clients. It provides clients with real-time insight into the state of credit markets and helps secure market-clearing terms for investments and benchmark transactions.	7	8	6	21
	Weil, Gotshal & Manges The firm moved its docket monitoring function to its business development team where it combines courts data with financial data and client relationship management tools. This helps identify new client and business leads and has generated \$450,000 in new business in the past year.	6	7	7	20
	Cadwalader, Wickersham & Taft The Cabinet is a knowledge database with more than 100 topic pages aimed at legal and compliance professionals looking to become more informed, effective, and efficient. It includes a daily newsletter received by over 15,000 readers which covers financial services regulatory developments.	6	7	6	19
	Ropes & Gray Developed industry-specific written reports containing bespoke analyses of business and legal trends in the healthcare, life science and medical device spaces. These modules have enabled clients and their investors to anticipate industry developments.	5	6	8	19

Data, Knowledge and Intelligence

Rank		Originality	Leadership	Impact	Total
In-house legal team					
Standout	Avis Working with the consultancy arm of law firm Bryan Cave Leighton Paisner, lawyers implemented an improved matter management system to measure impact. The system enables the legal team to determine key business metrics, more effectively prioritise its work and reduce low-value activity.	8	9	7	24
	DXC Technology By mapping each task the legal team undertakes, measuring where time is spent and allocating resources as necessary, the firm improved spend predictability and found cost savings of more than 30 per cent. In addition, the team implemented a “fast track” contracting system that increases the speed with which new customer contracts can be agreed.	8	8	7	23
Highly Commended	Deutsche Bank Using data and technology to reorient the cost structure of the in-house legal department, the team has influenced strategy and law firm behaviour, including challenging top law firms to use offshore resource hubs.	6	7	7	20
	Honeywell The team’s “project zip code” initiative tracks the company’s use of lawyers in lower-cost markets, monitoring high performance and cost savings. The initiative has helped the company use a broader range of outside counsel partners as well as artificial intelligence tools for ediscovery. The company is able to provide those partners and vendors with more work as they outperform traditional providers.	6	7	7	20
	Microsoft Built an outside counsel feedback mechanism based on Microsoft tools such as SharePoint, Power BI and Azure text analysis. The tool includes a star rating and written comments, and then applies analysis of how positive or negative the comments are and records it on a sentiment scale that can be compared to the feedback. This gives in-house lawyers more information to scrutinise their outside counsel and provides more context for the feedback.	7	6	6	19

RESEARCH AND AWARD SUPPORTED BY



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in-house legal team. Working with BCXponent, the consultancy arm of law firm Bryan Cave Leighton Paisner, Avis developed a dashboard that enables the legal team to demonstrate the contribution it makes to the business.

“We’ve taken our litigation process, our records management process and our transaction process, broken it down and analysed the impact it has on the final result, assigned weighting averages to it and fed in the economic data,” says Mr Tucker. “And it spits out what your impact was on revenue, margin, operational efficiencies and risk profile.”

This enables the department to justify requests for increased budget. In addition, says Chris Emerson, co-leader of BCXponent, once more data has been collected, it will help the department make better decisions on rate structures, based on whether a piece of work is “cream” (highest-value), “core” (day-to-day) or “commodity” (high volume, low return).

“Ultimately it will go from being a subjective decision made by an in-house lawyer to one where the computer is recommending a rate structure rate based on what the

likely return on that matter will be,” says Mr Emerson, who is also Bryan Cave’s chief practice economics officer.

However, while digital tools can use data internally to generate efficiencies and measure the creation of value, law firms are also looking to technology to enhance their ability to compete.

This is the case for Perkins Coie. Since clients can use the P4 dashboard themselves, they no longer need the firm to generate reports on

A digital assistant can answer questions on billing rates for different clients

their patent portfolio. While this means losing a certain amount of work, Mr Bishop argues that offering the dashboard builds loyalty and gives the firm a competitive edge.

“It makes us ‘stickier’ with our clients,” he says. “In intellectual property, the more you can help clients understand what they own, the more value you can provide to them.”

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Legal Expertise

Greener path through a legal tangle

Enabling transformation
Firms take a proactive approach to surmounting environmental obstacles, writes *Lindsay Fortado*

When real estate developer FivePoint hired law firm Latham & Watkins, the future of its multibillion-dollar Newhall Ranch project in Los Angeles County was in trouble. One of the largest master-planned communities – big residential neighbourhoods designed from the outset – ever proposed in California was caught in a tangle of stalled government approvals and environmental lawsuits.

The most pressing problem was a ruling from the California Supreme Court in 2015 that had rejected the analysis the developer had presented to help predict the greenhouse gas emissions generated by the project. The court asked FivePoint to redo it.

“The company then scratched its head, hired us, and we came to the conclusion that the standard as to what was measured is not clear in law, so any path you take is a path fraught with risk,” says George Muhlsten, a Latham partner in Los Angeles. The company’s response was: “Let’s go to zero.”

Emile Haddad, chief executive of FivePoint, recalls the moment he asked his legal team about going for net zero greenhouse gas emissions. “For the first 30 seconds, everyone looked at me to try to see if I was kidding or not,” he says.

He had two reasons for the strategy. First, it was “the right thing to do”. The second was that years of conflict generally between environmental and development concerns have produced “a lose-lose situation”.

“The environmental community is not getting what they’re bargaining for, and meanwhile the development community is

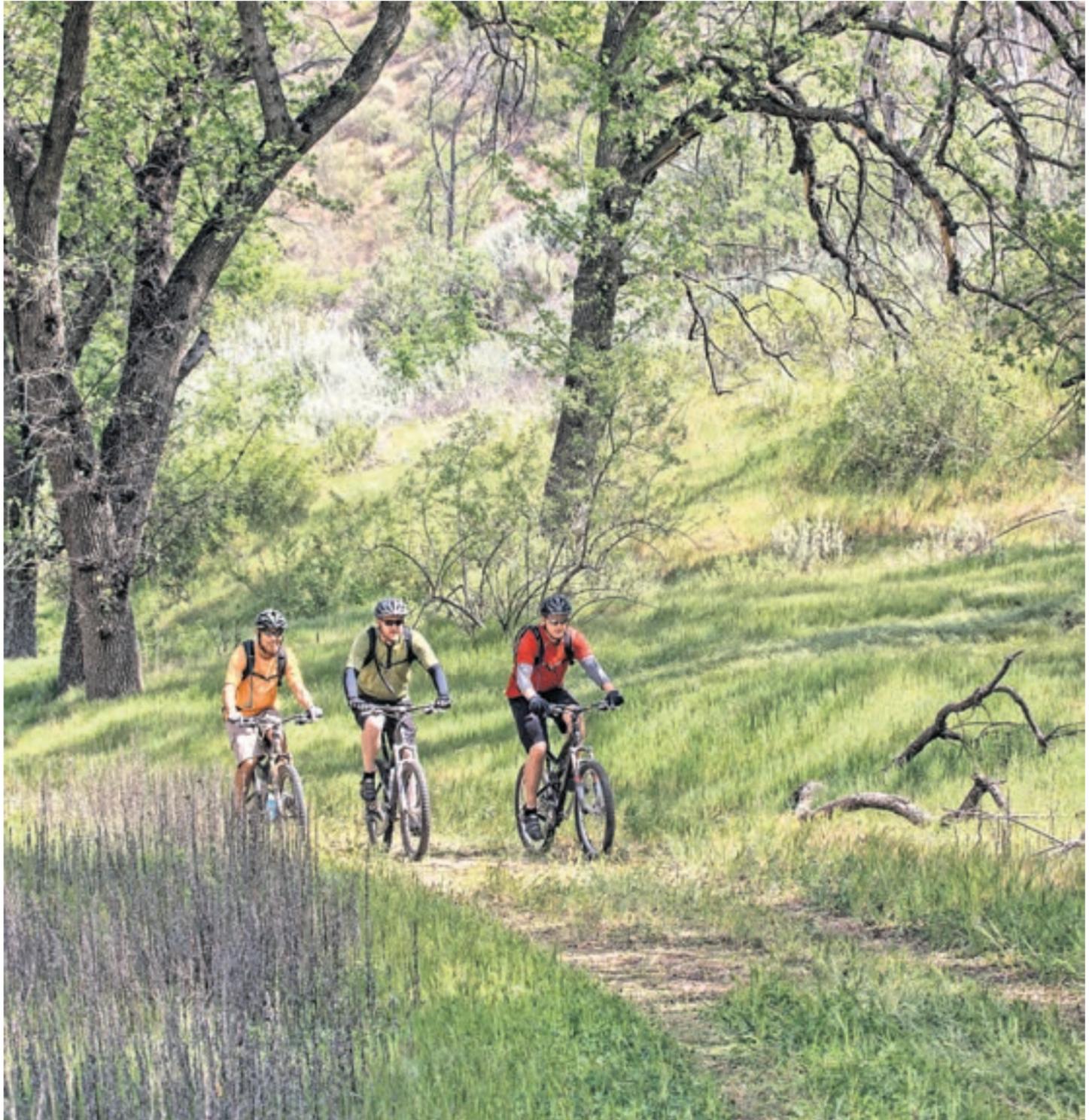
‘For the first 30 seconds, everyone looked at me to try to see if I was kidding or not’

suffering,” he says. “We have a housing crisis in the state of California.” Going to net zero emissions – carbon neutrality – “takes away the argument of whether this project has a negative impact on the environment . . . It was a relationship that needed to be recalibrated.”

Latham set about helping FivePoint find a way to do just that, using complex models to project the emissions from the project and put it on a path to becoming one of the most sustainable in the state.

Lawyers are increasingly being asked to help clients navigate regulations concerning the environment, and to operate in ways that fit with the broader environmental, sustainability and governance (ESG) agenda.

The project for FivePoint is one of several pieces of recent work by law firms that help



Open space: the Newhall Ranch development will protect dedicated areas

Restructuring Saving energy group jobs

For restructuring lawyers at law firm Weil, Gotshal & Manges, who have advised on many prominent bankruptcies in the US, work for Fieldwood Energy focused on how to help clear the company’s debt through a Chapter 11 bankruptcy process, while keeping jobs and putting the company on a more solid financial footing.

Fieldwood, one of the largest oil and gas explorers in the Gulf of Mexico, was hit by a downturn in the oil and gas market after racking up debt in a series of acquisitions. It convinced creditors to put up more money,

allowing it to spend \$500m buying assets from Noble Energy that would add cash flow to the balance sheet and increase the valuation of the company.

“We not only saved the jobs that we had, we increased the number of employees because of the assets we bought,” says Matt Barr, a partner at Weil. “You can’t forget that you have companies and you have employees that need their jobs, and this is their livelihood.” He adds: “We shed the liabilities from a financial debt perspective, but we added to the company.”

clients meet the ESG standards they set themselves. The work, while seemingly uncontroversial, is being undertaken at a time when President Donald Trump’s administration wishes to weaken US environmental regulation and the federal government continues to express scepticism about the validity of the science of climate change, leaving states and businesses at times to set their own environmental standards.

Morrison & Foerster, led by partner Susan Mac Cormac, has been working with Nature Conservancy, the non-profit organisation, and The Carbon Endowment, a new non-profit partnership, on a pro bono basis to acquire and retire coal reserves in an effort to reduce carbon dioxide emissions. They then work to restore

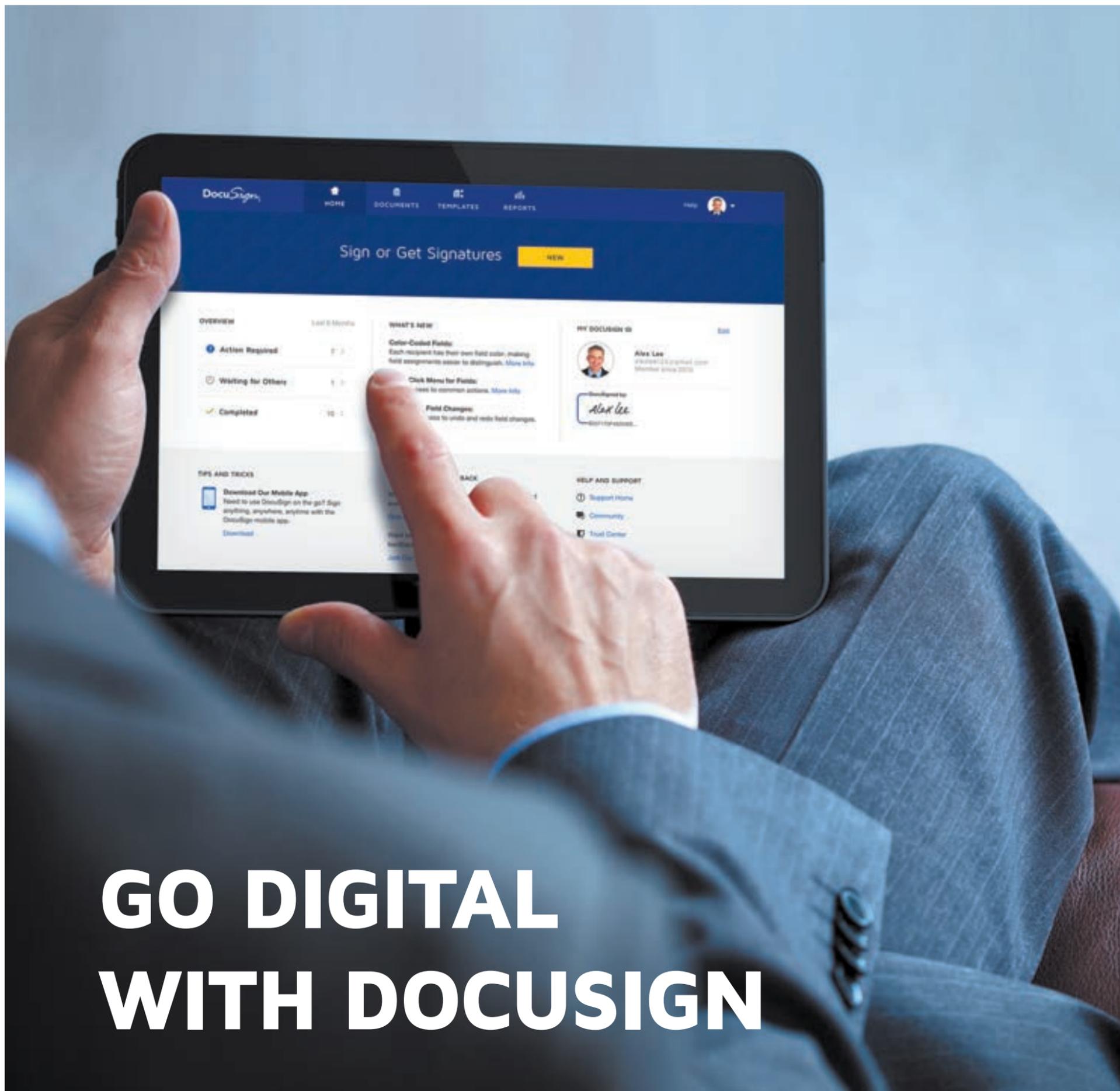
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Greener path through a legal tangle

Continued from page 24
lands and waters that have been affected by fossil fuel extraction, and support local communities adversely affected by job losses caused by these closures.

In Canada, Davies, Ward, Phillips & Vineberg partner Alexandria Pike worked with Pattern Development and the Henvey Inlet First Nation of indigenous people to obtain an environmental permit to construct Canada's largest wind power project.

The project is intended to create a clean power source for Ontario, while also bringing revenue to the Henvey Inlet First Nation. That required the lawyers to help navigate federal regulations on endangered species, and comply with obligations surrounding industrial activity on land reserved for indigenous people.

In the Newhall Ranch project for FivePoint, Latham calculated all the emissions associated with the construction of the project, from putting up houses to clearing trees. But it also used modelling to project the emissions that would be emitted by the vehicles of residents, including how traffic patterns would evolve and



Cutting carbon: a cookstove in Zambia

where residents would be commuting. Based on the projections, FivePoint is seeking to counteract greenhouse gas emissions by putting solar panels on the roof of every house and installing electric car chargers in every home and in public places.

"Our client was really pushing the bar in

terms of how people build smart cities for the future," says Jean-Philippe Brisson, a New York-based partner at Latham. "This is a significant precedent in how companies [will] do major projects in California."

In addition, the lawyers designed a programme of measures outside the immediate area of development. These included enabling disadvantaged people in LA County to obtain solar panels, helping farmers capture methane gas from cattle, and a "clean cook" project, now operating in Zambia.

The emissions concern was not the only environmental block to navigate, however. Lawsuits were filed by the Center for Biological Diversity, an environmental group, and a local Native American community concerned about how Newhall Ranch would affect the land, including part of a river that runs through the development before it reaches them.

"This has taken a lot of science, and brought it to application," says Mr Mhlsten. "This is something that had been 17 years in the making, and 18 months on from the Supreme Court decision, it is now under construction."

Enabling business growth and transformation					
Rank		Originality	Leadership	Impact	Total
Standout	Morrison & Foerster Advised on the structure and launch of The Carbon Endowment, a tax-exempt non-profit and for-profit partnership. TCE is designed to retire coal deposits in a way that can alleviate the economic disadvantage posed to communities dependent on the mining industry in the US. Working with partners, TCE also provides a means for environmental restoration projects, co-ordinates investment in renewable energy projects, and designs education and workforce development programmes. <i>Commended: Susan Mac Cormac</i>	9	8	8	25
	Weil, Gotshal & Manges Devised and executed a restructuring plan for oil and gas producer Fieldwood Energy's Chapter 11 filing, enabling the company to preserve jobs, simultaneously reduce debt, raise additional capital through an equity rights offering and acquire cash-producing assets from Noble Energy.	7	8	8	23
Highly Commended	Latham & Watkins Resolved more than 17 years of ongoing litigation that had prevented developer FivePoint from commencing construction on a large housing development in California, the Newhall Ranch urbanisation project. The firm worked with Native American and environmental groups to help broker added protections to win licensing approval for the project, which is projected to generate 60,000 permanent jobs and more than \$800m in taxes.	7	8	7	22
	Ropes & Gray Created a blockchain-transferable, cryptocurrency-enabled software licence agreement for Deconet Asset Marketplace, a decentralised marketplace for software licences on blockchain. <i>Commended: Marta Belcher</i>	7	8	7	22
	Shearman & Sterling To complete LyondellBasell's acquisition of A. Schulman, a global plastics supplier with significant outstanding litigation, the firm developed a rare contingent value rights structure that enables A. Schulman shareholders to benefit financially in the event that proceeds are recovered.	7	7	8	22
Commended	Crowell & Moring The firm helped HP Inc scope and anticipate regulatory issues in the nascent 3D printing industry. As a result, HP Inc has been able to adjust its research and development efforts in order to build compliant products and win contracts in the education sector and elsewhere.	7	7	7	21
	McDermott Will & Emery Formulated a method to liquidate acute care hospital real estate assets, allowing Steward Health Care, a private hospital operator, to make a \$1.25bn agreement with real estate investment trust Medical Properties Trust and a \$2.1bn merger with IASIS Healthcare, another for-profit hospital operator. The deals have enabled SHC to grow from state-level operator to the largest private hospital operator in the US.	7	7	7	21
	Ropes & Gray Advised Cove Hill Partners, a new private equity firm, on the legal structure for its inaugural long-duration fund. The new structure allows the fund to hold investments in portfolio companies for longer than the market standard of three to five years. The new fund structure closed with \$1.05bn in capital commitments and was one of the largest debut fundraisings in the US in 2017.	7	7	7	21
	Dechert Negotiated a tri-party deal under which Triangle Capital Corporation, a NYSE-listed business development company, could sell 100 per cent of its loan book to Benefit Street Partners, and transfer its management to Barings, a global financial services firm. The structure is likely to become a blueprint for future M&A transactions in the BDC space.	7	7	6	20
	DLA Piper Advised Asahi Shuzo, the Japanese alcoholic beverage company, on opening its New York sake production facility. Balancing stakeholder interests, the firm secured an already-leased vacant facility and enabled Asahi Shuzo to benefit from government incentives and a venture with the adjacent Culinary Institute of America.	6	7	7	20
	Freshfields Bruckhaus Deringer The firm ringfenced assets and devised unique antitrust structures to protect Starbucks' brand intellectual property in its \$7.15bn licensing deal with Nestlé, the Swiss food and beverage group.	6	7	7	20
	Covington & Burling Represented Mexichem, a leading chemical and petrochemical company in Latin America, on its acquisition of Netafim, provider of drip irrigation systems. The acquisition involved delicate negotiations with Netafim's minority shareholder, Kibbutz Hatzertim, a rural Israeli farming community, which wanted to maintain its stake.	5	7	7	19

Enabling business growth and transformation					
Rank		Originality	Leadership	Impact	Total
Standout	PayPal The US online payments company's in-house legal team guided it through the \$2.2bn acquisition of Swedish payments start-up iZettle, and ensuing acquisitions of global payout platform Hyperwallet, fraud prevention specialist Simility and AI-based consumer predictive company, Jetlore. The team completed the four transactions in under six months.	7	8	9	24
	Flex As the business moves from electronics manufacturing to a model it dubs "sketch to scale", which focuses on designing and developing new products on behalf of customers, the legal team have overcome new complexities relating to new client contracts, while keeping costs flat. Lawyers have also identified new areas in which to unlock value in the company's business model and are considered a revenue generating function.	7	8	8	23
Highly Commended	LyondellBasell Industries In one of the chemical company's first M&A transactions in more than 10 years, the commercial and strategic transactions team enabled the acquisition of A. Schulman, a global plastics supplier, doubling the size of the company's compounding business. To resolve problems related to outstanding litigation, the team worked with law firm Shearman & Sterling to develop a rare contingent value rights structure that enables A. Schulman shareholders to benefit financially if proceeds are recovered.	7	8	8	23
	Sempra Energy Played a critical role in the \$9.45bn strategic acquisition of distressed target Energy Future Holdings, including EFH's 80 per cent stake in Oncor Electric Delivery Company, navigating seemingly intractable positions of other stakeholder companies, fierce competition from rival bidder Berkshire Hathaway and various regulatory hurdles.	7	8	7	22
Commended	Eastman Chemical Company As the company focuses on sustainability, the legal team have created an ESG (environment, social and governance) council to facilitate several new ventures, such as those for existing and emerging concerns such as the "blue economy" and ocean science. A stewardship department reviews the effect of new products on the environment to ensure they comply with Eastman's new standards and strategy.	7	8	6	21
	Life Time Fitness Lawyers have negotiated first-of-a-kind licensing agreements, marrying legal frameworks to achieve the company's diversification strategy, expanding the business model from fitness centres to multipurpose health clubs, including ancillary services such as medical clinics and co-working spaces.	7	7	6	20

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Legal Expertise

Managing complexity General Motors and Takata faced lawsuits and regulatory challenges, writes *Bruce Love*

Careful steering takes auto groups through quagmire

Craig Glidden knew exactly what he was getting into when he joined the carmaker General Motors as its general counsel in March 2015. A year before, the manufacturer recalled almost 1m cars because of faulty ignition switches that could potentially turn off an engine while a vehicle was moving and render airbags inoperable.

A company recall – and 124 deaths allegedly linked to the defect – had triggered civil suits, a congressional inquiry and a criminal investigation by the US Department of Justice.

At stake was the company's survival, whether victims would be adequately compensated and the trust of millions of consumers in the GM brands, which include Buick, Cadillac and Chevrolet. His overriding strategy was to take the manufacturer out of a legal quagmire by moving "from crisis management to sustained change management," Mr Glidden says.

"As well as solve the problems of the past, we needed to position the legal team to be able to focus on the issues critical to the future of GM," says Mr Glidden. He identifies those as being electrification, automation and safety – three areas where legal and regulatory considerations will be crucial for the automaker's survival.

Mr Glidden's first goal was to defuse the legal and financial risk posed by the DOJ, and by September 2015 his team had negotiated a \$900m fine attached to a not guilty plea and a deferred

'Unlike other bankruptcy cases where you're looking for the highest bid, safety and continued production were essential to any [Takata] deal'

prosecution agreement with the dismissal of criminal charges contingent on improvements in vehicle safety. A federal monitor was installed to ensure GM complied with the terms of the agreement. The role of the monitor came to an end in September.

Even in the thick of GM's complex legal challenges, Mr Glidden embarked on a wholesale change of management that overhauled the carmaker's legal team. "We couldn't just practise preventive law. We had to align with the business's goals and adjust as the business adjusted," he says.

When Mr Glidden arrived, GM had about 170 lawyers and 105 other legal staff. By 2018 they had 234 and 123 respectively. The largest increase in staff who were not lawyers were legal

analysts for data mining, project management and investigations, says Mr Glidden.

GM's general counsel restructured practice groups to better focus on the safety of products and employees and emerging technologies. He oversaw the development of legal technology that can mine non-privileged factual safety data from litigation to "help GM do a better job – making cars safer".

The wider auto sector has also encountered complex challenges. Scott Winkelman, a partner at the law firm Crowell & Moring, faced tough regulatory hurdles when he negotiated the \$1.6bn acquisition of the bankrupt airbag maker Takata after defects were said to have led to the deaths of 20 people. It led to the recall of tens of millions of vehicles across the world.

Mr Winkelman's client, the Chinese-owned Key Safety Systems, sought to purchase Takata's assets and take on its responsibilities as the primary supplier of safety equipment for automobiles, while limiting its exposure to Takata's civil suits, criminal charges and regulatory obstacles.

"Not only was this the largest recall in automotive history, our client was a Chinese entity wanting to invest in US assets when the president [Donald Trump] was running hot on China," says Mr Winkelman. "Takata was also held to be a felon, which meant dealing with its criminal liabilities."

The usual legal strategy when dealing with regulators is to create distance, but Mr Winkelman's team sought to engage the DOJ and other agencies. "We aggressively approached the government and the DOJ's appointed monitor to have a voice in the creation of a compliance programme. We affirmatively approached Congress and actively sought to apprise them of our assessment of the situation and how we could move ahead," he says.

A US company, Joyson Safety Systems, was formed with Takata's assets and Mr Winkelman's team negotiated a minimal rollover of Takata's liabilities. The deal saved most of its 45,000 jobs and allowed the new business to concentrate on supplying safety systems. "No one else would have been able to provide airbags," says Mr Winkelman. "This had to work."

Fourteen original equipment manufacturers (OEM) – including nearly every leading carmaker in Asia, Europe and the US – had an interest in who bought Takata's assets, and under what terms. "The OEMs had to have confidence in the new operation to maintain safety standards," says Marcia Goldstein, a partner at Weil, Gotshal & Manges, part of the team that

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General Motors: overhauled its legal team to focus on the business's future needs — Getty

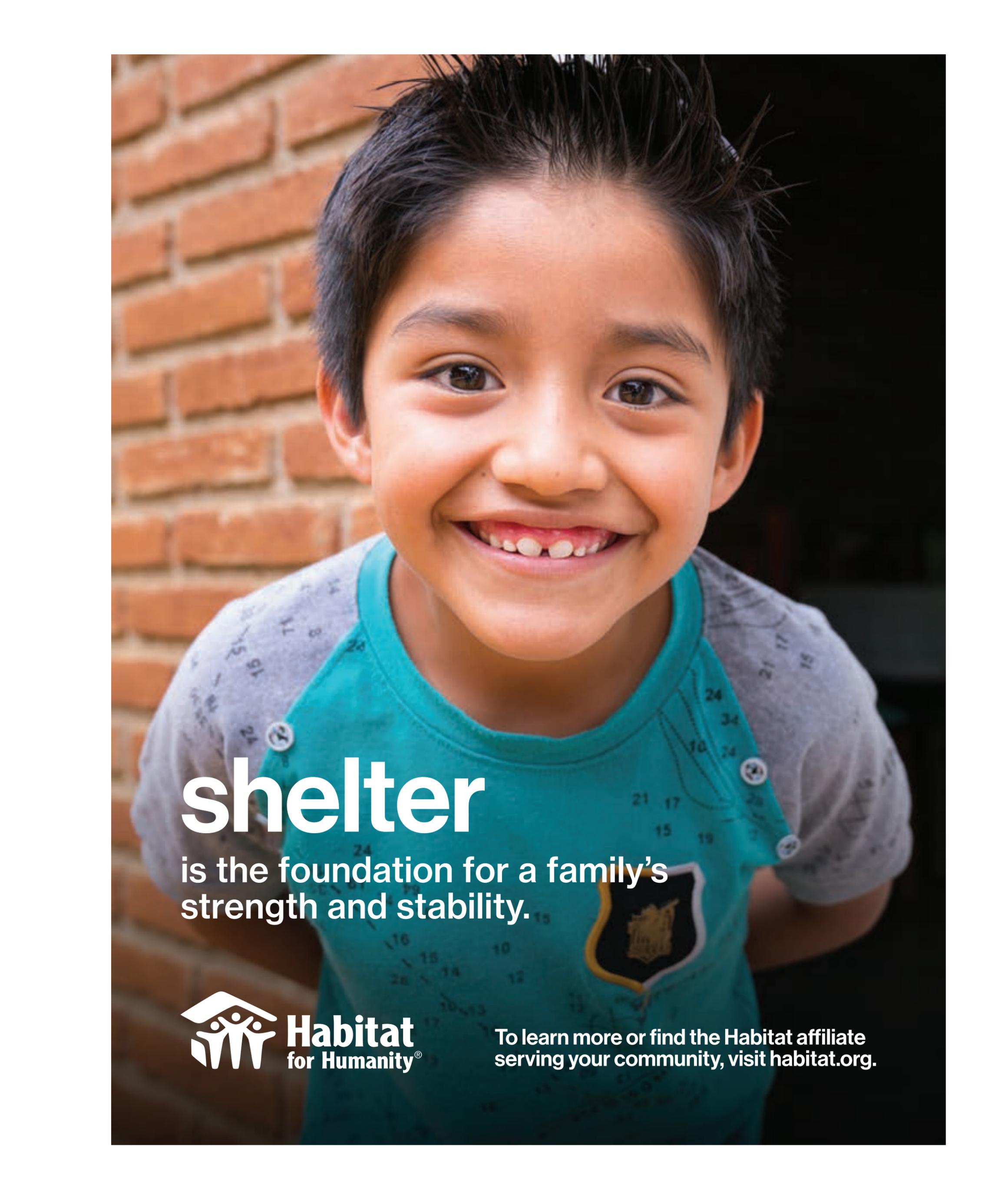
Foundation structure Helping retrieve Yukos dollars

While "Dutch stichtings" might sound like a crochet pattern, this legal technique, little known outside the Netherlands, has played a role in retrieving millions of lost dollars for retail investors in the repatriated Russian oil conglomerate Yukos.

The special foundation structure was even used during the second world war to protect assets from the Nazi regime, says Keith Biancamano, a partner at Gibson, Dunn & Crutcher, who led the charge to protect the offshore assets of Yukos from illegal expropriation by the Russian government

and compensate investors. Dutch stichtings are effectively vehicles without owners. They have full legal personality, which means they can buy and sell assets as they choose. Their ability to protect assets makes them useful as an anti-takeover device.

Protecting the assets was one challenge but distributing lost funds to investors was another level of complexity. Using leading economists, Mr Biancamano's team created a model to determine compensation. Some \$337m has so far been returned to former Yukos shareholders that suffered losses.



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Careful steering through quagmire

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represented the 14 OEMs. “Unlike other bankruptcy cases where you’re looking for the highest bid, safety and continued production were essential to any deal.” Compensation for victims was also a priority. While the government had valid claims to criminal penalties, “every dollar it took was taking dollars away from victims”, she says.

The parties devised a channelling injunction – a legal structure used in asbestos cases in the 1980s – to direct claims for

personal injury and wrongful death into a trust.

Ms Goldstein says the structure, rarely used outside asbestos bankruptcies, was adapted for the first time in the automotive sector. Weil ringfenced the liabilities relating to airbags to protect the buyer and help it continue



supplying safety equipment to Takata’s clients in the car industry and to complete recalls.

“The DOJ settlement worked well, because \$1bn came back to creditors” who could compensate victims and continue supplying cars, says Ms Goldstein.

Managing complexity and scale

Rank		Originality	Leadership	Impact	Total
Standout	Gibson, Dunn & Crutcher Helped ringfence the offshore assets of Russian oil company Yukos after its expropriation by the Russian government. The firm identified shareholders and arranged for compensation from the remaining assets with no pre-existing regulatory framework. Lawyers have secured approximately \$337m in restitution for almost 10,000 of the company's former shareholders.	8	9	7	24
	Cravath, Swaine & Moore Represented Altra Industrial in its combination with four operating companies from industrial conglomerate Fortive. Dealing with uncertainties due to Fortive's lack of financial statements, the firm devised a Reverse Morris Trust structure with termination fees to provide Altra with financial security and Fortive with tax efficiency in the sale.	8	8	7	23
Highly Commended	Dechert and Goodwin Procter Advised drug discoverer Nimbus Therapeutics on its sale of two treatment programmes to Celgene, a specialist biotech company. Goodwin Procter bifurcated Nimbus's intellectual property in order to keep the programmes distinct, preserving the integrity of Nimbus's corporate and tax architecture while satisfying Celgene's accounting requirements.	7	8	7	22
	Sidley Austin Advised San Francisco-based biotech company Nektar Therapeutics in a strategic collaboration with Bristol-Myers Squibb for the development and commercialisation of cancer drug NKTR-214. Nektar retained control over intellectual property and the drug's pricing while exploring further avenues of collaboration, an unusual structure in the pharmaceuticals industry.	8	8	6	22
	Hogan Lovells Advised on a 50-50 joint venture between Lightbridge, a small nuclear fuel technology company, and energy group Framatome, enabling the production and commercialisation of a more efficient and safer nuclear fuel while navigating cross-jurisdictional intellectual property and tax laws.	6	8	7	21
	Paul Hastings Guided engineering and construction firm CDM Smith through internal investigations and a global risk assessment, after corruption relating to its global practices was exposed. By helping its client to self-disclose FCPA violations promptly, the firm achieved leniency from the Department of Justice and the World Bank.	6	8	7	21
	Dechert Advised FS Investments in its partnership with KKR, creating the world's largest business development company platform, a kind of tax-efficient, closed-end investment fund. The combined fund will enable both companies to explore bigger investment opportunities currently beyond the reach of other lenders.	7	7	6	20
	Sullivan & Cromwell Used an unusual tax structure in the share-for-share merger between publicly owned Impax Laboratories and then private company Amneal Pharmaceuticals, navigating complex governance and tax challenges to the satisfaction of both parties.	7	7	6	20
	Vinson & Elkins Utility prices in Texas are set by the size of a company's customer base, leading to a price disparity between urban and rural areas. The firm advised Oncor Electric Delivery Company in an asset exchange with Sharyland Utilities, maintaining both companies' deferred tax status to the benefit of consumers.	6	7	7	20
Commended	Weil, Gotshal & Manges Advised Takata in simultaneous bankruptcy proceedings in the US and Japan resulting from billions of dollars' worth of claims arising from defective airbags and associated car recalls.	6	7	7	20
	White & Case Guided Brazilian telecoms agency Oi through the largest bankruptcy in Latin America to date, successfully filing for Chapter 15 in the US while simultaneously fending off litigation in the Netherlands.	6	7	7	20
	Crowell & Moring Represented Chinese-owned US airbag-maker Key Safety Systems on its \$1.6bn acquisition of Takata, the bankrupt airbag manufacturer, to form a newly created US business, Joyson Safety Systems.	5	7	7	19
	Ropes & Gray Guided Surgery Partners, a surgical facilities operator, through its senior debt refinancing and restructured a pre-existing tax arrangement to allow its majority stakeholder HIG, a private equity company, to exit and pave the way for Surgery Partners' acquisition of National Surgical Healthcare.	6	7	6	19
	White & Case Represented Sempra Energy in its acquisition of Energy Future Holdings and EFH's subsidiary Oncor Electric Delivery through competing bids and regulatory concerns. The acquisition provides restitution to EFH's creditors while positioning Sempra as the largest utilities provider in the US.	5	7	7	19

Managing complexity and scale

Rank		Originality	Leadership	Impact	Total
Standout	Honeywell Managed the concurrent spin-offs of Resideo, the home comfort and security company, and Garrett, the turbocharger manufacturer, for a combined \$7.5bn. Lawyers worked closely with the company's M&A and project management teams to co-ordinate work streams and ultimately unravel more than 300 legal entities in under 13 months.	7	9	7	23
	Oracle Achieved a reversal of a 2016 ruling that Google's use of Oracle's Java application programming interfaces (APIs), which enabled developers to build Java-based apps for Google's Android operating system more easily, constituted fair use. Oracle is now in a position to seek compensation from Google for copyright infringement.	7	7	7	21
Highly Commended	Westinghouse Electric Company Guided the US nuclear engineering group through a Chapter 11 bankruptcy, structuring a finance facility that allowed for the protection of non-US based assets, managing creditor claims, and fulfilling due diligence requests from potential buyers. Against a backdrop of operational outages, the team managed to continue construction on one of its two large construction projects and resolved all complaints with no litigation.	6	8	7	21
	Tenneco Led the \$5.4bn acquisition of 119-year-old automotive manufacturer Federal Mogul, devising a framework to monitor and track priorities in the complex acquisition. Lawyers are now managing an extensive reorganisation process to create two separate public companies.	6	7	7	20

Creating a new standard

Rank		Originality	Leadership	Impact	Total
Standout	Latham & Watkins Developed a copyright strategy that assigned rights to Craigslist, the classified site, for its content in order to deter large-scale extraction of data - data-scraping - from its users' adverts. This enabled Craigslist to pursue scrapers for statutory damages under the Copyright Act, netting Craigslist more than \$60m in damages.	8	8	8	24
	Bracewell The firm enabled Ergon Peru to launch the National Rural Electrification Plan, providing access to solar-powered electricity in rural communities. It negotiated a new type of certification agreement with lenders to fund construction of solar panels and storage facilities. The project has benefited more than 200,000 users so far.	7	8	8	23
Highly Commended	Cravath, Swaine & Moore Acting for German industrial gas company Linde in its merger with US-based Praxair, the firm devised a special tax termination right to reconcile German law regarding Linde's tender offer and US antitrust inversion concerns.	8	7	7	22
	Gibson, Dunn & Crutcher The firm drafted a report to the California Chief Justice and helped in the development of Senate Bill 766, authorising foreign attorneys to represent clients in international arbitrations in the state of California.	7	8	7	22
	Kaplan Kirsch & Rockwell Advised Snohomish County, Washington State and then private equity firm Propeller Investments in the negotiation and planning of a privately run passenger terminal in a publicly owned airport, one of the first such arrangements in the US.	7	8	7	22
	Akerman Played a vital role in several urban development projects relating to Chicago's Lakeshore East development. It advised on rewriting zoning regulations and assisted in a bond issuance to facilitate the construction of a series of high-rise towers, revitalising neglected areas.	7	7	7	21
	DLA Piper Worked with partners to create Agua Capital, a water fund designed to enable nature-based solutions to water security and sustainable water management in Mexico City. The firm worked pro bono to help structure the fund and achieve consensus between key stakeholders.	6	8	7	21
	Bracewell Worked with the US's National Brain Tumor Society to design and execute a plan for the passage of the Star (survivorship, treatment, access and research) Act, a bill to expand funding and research into childhood cancer. The firm assisted with communications strategies, mobilising advocates, and drafting the legislation. The bill has been signed into law.	6	7	7	20
	Crowell & Moring Advised AT&T on the development of a public safety broadband network, conceived in response to 9/11 and dedicated to the US's police, firefighters and emergency medical services. The firm successfully defended the company against allegations of improper discussions with the US government during the bidding process.	7	7	6	20
Commended	Morrison & Foerster Collaborated with the Foundation for Food and Agriculture Research on the Crops of the Future public-private consortium, an agricultural research and development initiative. Lawyers developed a flexible legal structure that allows new projects to be financed over time and new organisations to join, while protecting members' intellectual property.	7	7	6	20
	Baker McKenzie Engaged with the US Treasury regarding the US Tax Cuts and Jobs Act, advocating for industry associations. The firm also represented clients before Congress regarding amendments to the TCJA and tax legislative changes.	6	6	7	19
	Kirkland & Ellis Conducted an outreach programme to Toys R Us landlords during Chapter 11 proceedings that bought them extra time to determine accurately the value of their leases and keep locations open during the lucrative holiday season.	6	7	6	19

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Innovative Lawyers North America

Accessing new markets and capital					
Rank		Originality	Leadership	Impact	Total
	Law firm				
Standout	Pillsbury Winthrop Shaw Pittman Advised ENEC, the United Arab Emirates' governing nuclear body, on the development of the nation's first nuclear regulatory programme and nuclear power station. When completed, the Barakah nuclear power plant will make the UAE the only Arab nation to have delivered a commercial nuclear plant and the first newcomer nation to the nuclear power industry in more than 30 years, supplying up to 25 per cent of the UAE's electricity needs.	7	9	8	24
	Creel, García-Cuellar, Aiza y Enríquez Advised the Mexican government on the World Bank's issue of the world's first multicountry catastrophe bond, collectively providing \$1.36bn in earthquake protection to four jurisdictions: Chile, Colombia, Mexico and Peru. The coverage is structured as parametric insurance, which does not require proof of loss, substantially reducing the payment period and allowing for Mexico to claim immediate expenses in the case of large-scale earthquakes.	7	8	8	23
	Paul Hastings Advised cryptocurrency exchange Coinbase on the passing of House Bill 86 which allows cryptocurrency to be exchanged in the state of North Carolina even if it is not legally recognised as being owned by the licensee on the premise that cryptocurrency is exempt from traditional money transmission laws.	7	8	8	23
	White & Case Scoped the legal and regulatory requirements for Cencor, the financial markets management group, in creating BIVA, Mexico's second stock exchange. BIVA uses Nasdaq technology to drive investment in the region and trade efficiency.	8	8	7	23
Highly Commended	Latham & Watkins Guided Spotify through its unconventional direct listing on the New York Stock Exchange, forgoing the typical initial public offering route to becoming public.	8	8	6	22
	Morgan, Lewis & Bockius Advised the underwriters of a \$250m bond issuance for the Energoatom central spent nuclear fuel storage facility in Ukraine. The project is the first to be Overseas Private Investment Corporation-insured in Ukraine and on completion is expected to result in annual savings of up to \$50m for Energoatom, Ukraine's nuclear power operator, and decrease its reliance on Russia for the safe disposal of spent fuel.	7	8	7	22
	Orrick Helped Mercy Corps, global humanitarian organisation, on the creation of its Community Investment Trust. The pioneering scheme is a financial inclusion tool enabling low-income residents to invest in their neighbourhood's commercial real estate in small instalments while benefiting from sophisticated risk protection and ease in reclamation of funds.	8	8	6	22
	Shearman & Sterling Represented Y-Gen Eléctrica and Y-Gen II Eléctrica, two joint ventures formed by subsidiaries of General Electric and YPF, Argentina's state oil company, in the financing for the construction of two new power stations. The deal is representative of the change in access to finance in Argentina after it re-entered global capital markets in 2016.	7	8	7	22
Commended	Mayer Brown The firm overcame regulatory and operational hurdles to help PSP Investments, one of Canada's largest pension managers, acquire an interest in a privatised US airport, Puerto Rico's Luis Muñoz Marín International. The transaction opened a secondary equity market for privatised US airports.	7	7	7	21
	Nader, Hayaux & Goebel Advised CitiBanamex on the \$347m project financing for the upgrade and expansion of port logistics and fuel transportation facilities at Lázaro Cárdenas Port. This was the first placement of a 4(a)(2) project bond, one of the two main types of bond used for project finance in the US, in Latin America.	7	7	7	21
	Creel, García-Cuellar, Aiza y Enríquez Led Vista Oil and Gas's acquisition of a fully operational oil and gas platform for \$700m after funds for the platform were raised through a special purpose acquisition company in a prior initial public offering. The process, termed "de-spacing" and similar to a public company merger, is the first to be completed in the Latin American markets and has helped establish a new funding source for M&A in the region.	6	7	7	20
	Hogan Lovells Through Agepro, the infrastructure agency for the Mexican state of Quintana Roo, the firm created an independent legal framework for infrastructure and real estate operations. The legal structure facilitates greater investment in Mexican infrastructure projects.	7	6	7	20
	Orrick The firm achieved a first in the petroleum transportation industry to secure logistics company Harley Marine Services' assets in its restructuring. This enables the company to have a lower-cost of capital and be more competitive in a marketplace that is heavily reliant on large capital expenditures to enable vessel construction and fleet expansion.	7	7	6	20
	Dentons Advised Green House Seed Company, a producer of unique cannabis strains, on its joint venture agreement with Canopy Growth and Organa Brands. The firm navigated cross-jurisdictional regulatory structures in order to create a global collaboration and distribution agreement for the venture.	6	7	6	19
Kirkland & Ellis Developed an investment framework with General Motors for a \$2.25bn investment from SoftBank, the Japanese conglomerate, into its self-driving car venture, Cruise. The firm navigated the complex and evolving regulations of the autonomous vehicles industry.	6	7	6	19	

Accessing new markets and capital					
Rank		Originality	Leadership	Impact	Total
	In-house legal teams				
Standout	Spotify The in-house legal team led a strategy to achieve Spotify's unusual direct listing on the New York Stock Exchange. It involved both listing and offering shares to the public for the first time, without the support of an underwriter, and without the bookbuilding and roadshow activities that usually accompany an initial public offering. The lawyers led negotiations with the Securities and Exchange Commission to achieve the requisite approvals when there was no clear precedent.	8	8	8	24
	Citibanamex Recognised as one of the most sophisticated legal departments in the Mexican banking industry, the team have been at the forefront of capital markets diversification, creating several new products in resource based lending, and working with local and international investors to normalise the use of dual-financing structures, combining traditional loans with private placement or offshore bonds.	8	8	7	23
Commended	eBay Lawyers played a critical role in creating new legal and regulatory architecture to enable the company's move into payments, with eBay Managed Payments.	7	7	6	20
	PayPal Lawyers have re-engineered aspects of the company's India business to meet new data localisation guidelines, and are supporting PayPal Mexico's growth in light of the country's new fintech law, implemented in 2017.	7	7	6	20
	General Motors Working with law firm Kirkland & Ellis, the team helped develop an investment framework for the \$2.25bn investment from SoftBank, the Japanese conglomerate, into GM's self-driving car venture, Cruise.	6	6	6	18

Dispute resolution					
Rank		Originality	Leadership	Impact	Total
	Law firm				
Standout	Cravath, Swaine & Moore Lead counsel for American Express in the district, circuit and Supreme courts in its long running defence against the US Department of Justice's assertion that the company's merchant acceptance rules were anti-competitive. The firm established that a loss would make the market less competitive, validating AmEx's business model, which charges higher card fees to retailers, but offers a generous loyalty programme to consumers.	7	9	9	25
	Ropes & Gray After a customer data breach in 2008 at cancer-screening company LabMD, the Federal Trade Commission brought a suit imposing a cease and desist for "unreasonable" cyber security practices. With a ruling in the Eleventh Circuit, the firm successfully contested the FTC's standard of reasonableness relating to cybersecurity breaches as too vague to be enforceable. <i>Commended: Doug Meal</i>	8	8	8	24
	White & Case When Viraj, an Indian stainless-steel manufacturer, stole rival Valbruna's trade secrets, the firm unconventionally applied the US Tariff Act to protect Valbruna's product in the US market. The Act is more typically used by technology companies to assert patent infringement against rivals. As a result, Viraj cannot import or market its steel in the US for 16.7 years.	8	8	7	23
	Bracewell When Venoco, the oil and gas company, declared bankruptcy, the firm executed a favourable strategy to abandon certain assets, avoiding costly decommissioning costs. This was coupled with a process to transfer Venoco's offshore platforms back to the California State's coastal sanctuary, never to be drilled again.	8	7	7	22
Highly Commended	DLA Piper Over nine years, the firm worked to show that the Security and Exchange Commission's Aberrational Performance Inquiry algorithm had falsely flagged Yorkville Advisors for fraud. Many companies settle when facing such a charge. In this instance, lawyers successfully litigated to summary judgment by demonstrating that Yorkville Advisors had simply been outperforming the market. <i>Commended: Caryn Schechtman</i>	7	8	7	22
	Linklaters Acting for Forge Group Power in its complex insolvency proceedings, the firm overcame claims brought by APR Energy Holdings related to Forge's failure to secure acquired wind turbines. Lawyers reversed a bankruptcy court's denial of Chapter 15 recognition, dismissed lawsuits in California, Texas, Australia and London, and secured a denial of a discovery petition against ANZ Bank, a major lender.	7	8	7	22
	Mayer Brown Resolved uncertainty over whether challenges to the Clean Water Act should be heard in the federal district courts or the courts of appeal. The firm used a procedural tactic to get the case to the Supreme Court, which unanimously held that district courts were the correct venue, saving companies millions in wasteful litigation costs.	8	8	6	22
	Weil, Gotshal & Manges In a rare antitrust class action, the firm used metadata to disprove allegations of a conspiracy to charge supra-competitive prices brought against their client, C&S Wholesale Grocers, and employed strategic use of graphics and other methods. The firm avoided \$400m in liabilities for its client. <i>Commended: David Lender</i>	6	8	8	22
	Orrick In the case of James Dimaya, a Philippine citizen faced with deportation following a burglary conviction, the firm identified and amplified vagaries in the law as it pertains to violent crime, which swayed newly appointed Justice Neil Gorsuch to achieve a 5-4 Supreme Court ruling in favour of Mr Dimaya. The ruling has helped to define what constitutes a "violent crime" in deportation cases.	6	8	7	21
	Orrick Represented Oracle in its long running copyright dispute with Google. By referencing, among others, the copyright wrangles over the short story that inspired Hitchcock's movie 'Rear Window', Orrick reversed a 2016 federal ruling, proving that Google's use amounted to "untransformed reuse" and had not met any of the four criteria for fair use. Damages are still to be litigated.	7	7	7	21
Seyfarth Shaw and Williams & Connolly Acted for Digital Realty Trust in its defence against a former employee who alleged retaliatory dismissal for whistleblowing. The firms successfully argued to have scope of the retaliation provisions in the Dodd Frank Act defined.	6	7	8	21	
Cravath, Swaine & Moore Represented Swedish telecoms operator Telia and its subsidiaries in a corruption investigation brought by US, Dutch and Swedish authorities for alleged bribery to gain entry to the Uzbekistan market. Leading negotiations with the US government, the firm established Telia's reformed compliance culture, helping to achieve a global single settlement with no additional monitoring requirements.	6	7	7	20	
Scott & Scott Acted for the claimants in an antitrust class action against 16 of the world's largest banks for rigging the foreign exchange market in Re Foreign Exchange Benchmark Rates Antitrust Litigation. The firm expanded the case to encompass additional pricing considerations and convinced the court that corruption on this scale was a net loss for the market, facilitating a \$2.3bn settlement. Some 15 defendants have since settled.	7	7	6	20	
Hausfeld With co-counsel Kenneth Feinberg, lawyers negotiated on behalf of the plaintiffs in Re Foreign Exchange Benchmark Rates Antitrust Litigation. The 15 settlements are virtually identical in their non-monetary terms, allowing a simplified claims administration process and maximising the benefit to class members.	6	7	6	19	
Squire Patton Boggs In the first international arbitration in Kosovo, the firm helped resolve a contractual dispute, defending the Republic of Kosovo's right to revoke an accepted bid from Germany's ACP Axos Capital Partners to acquire a 75 per cent stake in state-owned Post and Telecommunications of Kosovo.	6	6	7	19	
Sullivan & Cromwell Barclays bank was under investigation by the Department of Justice for how it sold the subprime mortgage bonds that fuelled the financial crisis. By arguing that garden-variety securities are the domain of the SEC rather than the DOJ, and that the DOJ was using FIRREA (Financial Institutions Reform, Recovery, and Enforcement Act) too broadly, the firm secured a lower-than-expected settlement of \$2bn.	6	7	6	19	



Research Partner



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The summit will bring together our global community of corporate counsel and private practice lawyers with chief executives, academics and non-legal innovators. Discussions will cover how the profession can best meet the challenges it faces, both in terms of innovation and in its evolving role in business, government and society.

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Innovative Lawyers North America

Special Focus: Canada



The statue of Veritas in front of the Supreme Court of Canada — The Canadian Press/Sean Kilpatrick

Tech upgrade gives clients greater value for money and better service

Business of law

Firms try to maintain profits as clients demand alternatives to charging by the hour, says *Joshua Oliver*

In 2015, lawyers at Gowling WLG realised that the firm's practice writing commercial loan agreements was losing clients to cheaper rivals, a development that threatened to have a significant effect on the firm's global revenue. That recognition began a two-year drive to phase out billable hours and start charging lenders and businesses per loan completed.

"It was totally a matter of understanding the market and being defensive," says Mark Tamminga, a partner at Gowling, who led the overhaul. With the fees for each loan capped, Mr Tamminga's team had to renew their focus on efficiency.

Many of Canada's largest law firms are grappling with the same question: how to respond to clients' demands for new billing structures while maintaining profits. Nearly 90 per cent of Canadian firms still use billable hours, but competitive pressures have led about 70 per cent of them to offer at least one alternative, according to a 2018 survey by Canadian Lawyer magazine.

That pressure has increased dramatically, especially in the corporate legal sector, says

Trevor Farrow, professor at Osgoode Hall Law School in Toronto. "The challenge for lawyers over the next five to 20 years is to take a long look at what services they provide, what services can be automated, what services can be commoditised, and what services still need the bespoke labour of lawyers giving personalised legal advice," he says.

Mr Tamminga says his team now think of each loan agreement as a product, and use technology to produce them efficiently. The firm's software development group built a database to record details of each loan, hooked up to software that automatically generates customised loan documents. The firm's clients can log on to see progress on their paperwork in an online portal, rather than calling or emailing for updates.

Another important aspect, says Mr Tamminga, is handing work to "the lowest-cost competent resource", such as legal clerks who do the bulk of the work. Since its launch in 2017, this new approach — called LendR — has been implemented at four Gowling offices in Canada.

Flat fees can also prove useful in longstanding client relationships when the pressure to cut

costs intensifies. After decades of paying the law firm Borden Ladner Gervais by the hour, the Hospital Insurance Reciprocal of Canada (Hiroc) — an insurer serving healthcare providers — was anxious to see greater efficiency and lower costs. It wanted more for less.

Following years of experiments, the two groups agreed that the insurer would pay an annual fee based on an estimate of the number of files it would refer to the law firm. Because of its database, the insurer says that those estimates are usually accurate to within about 10 out of about 1,800 hospital insurance files going to BLG each year.

The law firm and the insurer have agreed to reinvest some of the money saved under this arrangement into a shared innovation fund. The fund has paid for synchronising the case management software used by the firm and the insurer, and for writing user-friendly guides for hospital staff on how to handle incidents such as sexual assault.

"We have to make sure that we do not become so efficient that we starve our lawyers out of funds," says Mike Boyce, vice-president at

North America Innovative Lawyers

Technology When a law firm becomes an incubator

If you want something done properly, do it yourself. That might have been the motto of Counter Tax Lawyers, a mid-sized Toronto firm, when it began developing a software tool called CounterMeasure in 2015.

“The legal technology market completely lacked what we wanted,” says Peter Aprile, the firm’s founder and chief executive. He describes the tool, which models the costs and benefits of various outcomes, as “GPS for tax law” because it is designed to help clients make better strategic decisions.

Having used the tool in-house for years, the firm is selling it to other lawyers. One of the group’s tax litigators, Natalie Worsfold, has become CounterMeasure’s project manager. “We run agile software development,” says Ms Worsfold, explaining that feedback from lawyers within the firm helps improve the technology.

“Essentially,” says Mr Aprile, “the law firm has been incubating the tech company.”



Entrepreneur: Peter Aprile

Hiroc, who recognises this might hurt the quality of legal representation.

“Predictability is so important,” says Cindy Clarke, head of specialised litigation at BLG, adding that many more clients want such pricing structures instead of billable hours. BLG can now analyse its own past cases to estimate how much time a new file will take, and what level of expertise it will demand, in order to quote a price, says Ms Clarke.

“We have brought in some incredible talent on the business side around change management and data analytics,” she adds.

Bennett Jones has also hired expertise from outside the legal industry. Gino Scapillati, the vice-chair for strategy and innovation, joined from PwC last year after consulting on the firm’s strategic review.

“Our clients ask us: ‘How are you using technology to be more efficient?’ or ‘How are you realigning your business model to produce better value?’” he says. “That’s part of their criteria in selecting legal services.”

Mr Scapillati says that the firm offers many pricing structures, such as basing their fees on the amount of money its client makes, or saves, based on their legal advice. Drawing on his business experience, he has also started to track other measures of performance, such as the number of internal referrals lawyers make and the number of meetings with executives. This encourages collaboration and developing new clients.

At Gowling, meanwhile, lawyers can bill for time spent working on approved innovation projects, as if those were client hours. “It’s a way of rewarding people and inducing people to work on innovation,” says Mr Tamminga.

The law group Osler has arguably taken the drive to innovate a step further by developing online legal tools that it offers for free. These include an interactive guide to doing business in Canada, and a program that scans for intellectual property problems in open source software.

“It shows the market that we are serious about innovation,” says Michael Fekete, national innovation leader at Osler. “Our focus has been on driving down the cost of traditional legal services.”

‘We have to make sure that we do not become so efficient that we starve our lawyers out of funds’
Mike Boyce,
Hiroc

Canada - Legal expertise

Rank		Originality	Leadership	Impact	Total
Law firm					
Standout	Stikeman Elliot After previous attempts to secure the deal failed, the firm made use of nuances in Alberta’s corporate statute, devising an arrangement structure to facilitate global asset manager Sprott’s \$3.5bn hostile takeover of the Central Fund of Canada.	8	9	7	24
	Davies Ward Phillips & Vineberg Worked with Nigig Power Corporation, a subsidiary of Henvey Inlet First Nation, and partner Pattern Development, a renewable power company, to obtain permission to construct Canada’s largest wind farm, navigating regulations and environmental policies. The wind farm will generate more than C\$10m annually for Henvey Inlet and other First Nations.	7	8	8	23
Highly Commended	McCarthy Tétrault With OpenLaw, a legal-tech innovator, advised on the production of a proof-of-concept to test the potential for smart contracts to be used in loan processes to improve efficiency, transparency, and data verifiability.	8	7	7	22
	Osler, Hoskin & Harcourt A change in regulations inundated Municipal Property Assessment Corporation, the not-for-profit body in charge of the assessment and classification of all properties in Ontario, with more than 100,000 appeal requests. The firm helped MPAC revise its internal processes to manage the increase in appeal requests.	6	7	8	21
Commended	Stikeman Elliott Advised the Canadian Medical Association on the C\$2.6bn sale of its financial services company, MD Financial Management, to Scotiabank. As part of the deal, Scotiabank made a commitment to invest C\$155m over 10 years in activities that promote programmes that are of interest to the CMA.	6	7	7	20
	Davies Ward Phillips & Vineberg Negotiated the first court-approved co-operation protocol between an Israeli court officer and Canadian court-appointed monitor, facilitating cross-border insolvency proceedings relating to the restructuring of stricken Toronto-based developer Urbancorp.	7	6	6	19

Canada - Business of law

Rank		Originality	Leadership	Impact	Total
Law firm					
Standout	Gowling WLG Designed the LendR portfolio practice model, which improves collaboration and efficiencies on commercial lending work using a combination of integrated databases, workflow, document assembly, portfolio-level reporting, centralised systems and a significant cultural shift from billable hours to billable value. <i>Commended: Matthijs Van Gaalen and Mark Tamminga</i>	7	8	9	24
	Counter Tax Lawyers Developed CounterMeasure, a system allowing the firm’s litigators to model outcomes and financial impact to clients, set strategies according to data collected and deliver visual reports with anticipated results and recommendations. The software has cut by a third the time dedicated to financial and tax outcome calculations.	9	8	6	23
Highly Commended	Osler, Hoskin & Harcourt Osler Works is a suite of free self-help tools, aimed at reducing clients’ reliance on external counsel. The tools include a guide providing actionable legal advice for conducting business in Canada, merger notifications, and Osler Code Detect, a web application that scans code to identify open source licences that pose the highest risk to a business.	7	8	7	22
	Blake, Cassels & Graydon Live tested a variety of artificial intelligence tools and legal technology on a recent acquisition for Siemens Canada. The work was 50 per cent more efficient than the manual equivalent, with the same level of accuracy overall.	7	8	6	21
	Borden Ladner Gervais and HIROC Canada’s leading provider of healthcare liability insurance worked with the firm to replace hourly fees with an annual sum for matters completed. The savings contribute to a fund that is spent on developing business practices, such as a standardised response to sexual assault incidents in HIROC’s hospitals.	7	7	7	21
	Goodmans Helped found SingularityU Canada, a not-for-profit body that hosts educational events encouraging businesses to engage in new technology, such as artificial intelligence, in order to solve global problems in security, health, education, resources and governance. More than 1,300 senior leaders attended the inaugural summit.	7	7	7	21
	Norton Rose Fulbright Canada Developed a client collaboration tool to centralise knowledge resources and documents, improve project management, automate workflows, manage data and encourage enterprise collaboration.	6	8	7	21
Commended	McCarthy Tétrault A team of lawyers, clients and working committees developed CoLab, a programme for general counsel comprising data-led, “design-thinking” workshops to encourage empathy, creativity and product development. The programme has helped produce more than a dozen prototyped, actionable solutions to real industry issues.	6	7	7	20
	Norton Rose Fulbright Canada The firm designed a platform for financial services clients to keep abreast of regulatory changes, producing a data feed that integrates and aligns with the client’s internal regulatory compliance systems.	7	7	6	20
	Bennett Jones Overhauled its market-facing strategy with a combination of strategic hiring, rebranding, investments in knowledge management and technology infrastructure, and a focus on building a strong leadership and sales culture.	6	7	5	18
	Torys Expanding the spectrum of legal services provided by its Halifax-based Legal Services Centre, the first onshore legal process office in Canada, the firm has been able to increase efficiencies and deepen relationships with clients.	5	7	6	18

Innovative Lawyers North America

Special Focus: Canada

Legal expertise Technical solution to legal problem kept Uber on the road, writes *Joshua Oliver*

Thinking outside the box gives taxman easy ride from cab drivers

When tax investigators raided the Montreal offices of Uber in 2015, it marked a flashpoint after years of tension between the ride-sharing service and authorities in Quebec. Eventually, the Canadian province's government issued an ultimatum: Uber and its drivers must become fully tax

compliant or be barred from operating in the jurisdiction.

At that point, Uber approached Nicolas Cloutier, a taxation expert at the law firm McCarthy Tétrault in Montreal. The challenge was how to ensure that Uber's thousands of drivers – who at the time filed their taxes independently – all paid what they owed.



Leaders and innovators

Spotlight on seven senior lawyers at Canadian firms

Legal innovation in Canada has gained pace in recent years, with a push for law firms to diversify and enhance the services they deliver to clients and the careers they offer their people.

These seven legal leaders are driving change within their organisations, redefining the firms' purpose and strategy in the light of emerging economic and political challenges in the region.

Lucy Pearson
RSG Consulting



WINNER Dale Ponder

National co-chair
Osler, Hoskin & Harcourt

Dale Ponder is a leading corporate and mergers and acquisitions lawyer. The greatest career change she made, she says, was forgoing an active public M&A practice to become full-time chief executive in 2009. In that capacity, she has pushed for modernisation at the firm, involving the launch of tech initiatives such as Osler Works. She takes particular pride in the leadership of Osler Women's Lawyers Network, including overseeing a rise in the proportion of newly admitted female partners.



Marc Barbeau

Chair
Stikeman Elliott

Marc Barbeau is recognised for his expertise in mergers and acquisitions, and for using his experience to advise successive Quebecois ministers of finance on the overhaul of company law. His advice has led to various changes, including the Quebec 2009 Business Corporations Act.

He has lectured at McGill University's Faculty of Law in Montreal since 1996 and was appointed adjunct professor in 2013.



Brock Gibson

Chair
Blakes

A corporate lawyer with 35 years of experience, Brock Gibson has advised on some of the largest commercial transactions in Canada.

He has shifted the firm's focus to innovation and overseen the development of initiatives such as inSource, a cost-effective alternative delivery model, and Nitro, a suite of legal services supporting emerging technology companies in the seed and growth stages of development.

North America Innovative Lawyers



Ultimatum: Quebec's government said Uber and its drivers must be fully tax compliant in order for it to operate in the province

Alamy

After studying the question, Mr Cloutier realised that a platform like Uber might be suited to attempt a solution that he believed had never been tried.

Canadian court rulings had confirmed that revenue authorities could be bound by a contract to collect tax in a specific way. Mr Cloutier proposed a deal to Revenu Québec, the province's tax authority, under which Uber would use the data that it had already collected to calculate the tax owed for each trip and pay the government a sum every quarter.

After some difficulty in getting all its drivers enrolled, Uber says the system was running smoothly by early 2017. Making Uber the go-between for its drivers' taxes saved the province from having to assess thousands of individual contractors, relieved the drivers from onerous paperwork, and allowed Uber to continue operating in a market of 8m people.

"You come up with ideas like that when the clients are open to original solutions and allow you to try things that are unconventional," says Mr Cloutier. He credits Uber with delivering the functionality to make a novel legal idea work in the real world. "The technical people there never said 'no,'" he says.

Nicolas Chaput, legal counsel at Uber Canada, says that the McCarthy team was notable for embracing a tech solution to a legal problem. "They understand our technology," he says. "It's not something you see very often from lawyers."

That may soon change, however, as the combination of legal expertise and technical knowhow becomes an advantageous skillset for lawyers in attracting clients and solving their

problems. "Lawyers need to know how to work with computation thinkers and they need to be team players in coming up with innovative solutions," says Gillian Hadfield, professor at the University of Toronto Faculty of Law.

The marriage of technical and legal innovation at Uber in Québec has since been adopted by Airbnb, the vacation rental platform, and put forward by the province's government as a preferred solution for companies in the sharing economy. In the case of Uber, McCarthy delivered specifications that Uber's technical team undertook to meet. But in other instances, lawyers themselves are providing the technical expertise for clients.

The in-house team at Siemens Canada had long been interested in whether legal software could speed up their work without compromising quality. A lawyer at Blake, Cassels & Graydon suggested that it might learn most by experimenting on an actual transaction. When a suitable mergers and acquisitions deal arrived at Siemens, the company chose Blakes to represent them.

"Blakes really stepped up with some proposals as to what technologies we could try. That was probably the decisive factor on which firm we picked," says Richard Brait, general counsel for Siemens Canada. Mr Brait was impressed that Blakes could assess the many offerings in the legal software market, and had plans for rigorous tests for how the tools worked.

"It is a real task to sort through the things that just look cool versus things that are actually helpful," says David Kruse, a partner at Blakes,

'You come up with ideas when the clients are open to original solutions and allow you to try things that are unconventional'

who worked with Siemens on the transaction. The firm has full-time lawyers whose role is to keep abreast of legal technology, meet promising start-ups, and know what is coming before it reaches the market. When many firms can offer top-flight legal services, technology can be "a differentiator from a market point of view", adds Mr Kruse.

Some lawyers are assessing which skills they may need to learn in the future. McCarthy's fintech group joined up with OpenLaw, a start-up group working to apply blockchain technology in the legal sector. They worked together to write a loan agreement as a smart contract on the Ethereum platform.

"Our clients are certainly very interested — and have also struggled with understanding what a smart contract really is," says Ana Badour, a partner and co-head of McCarthy's fintech group. "Now we have something that we can show them."

Equally, she adds, the smart contract offers an opportunity for the lawyers to learn too. One challenge was mastering a new coding language that OpenLaw has created specifically for writing contracts.

Ms Badour has taken computer science classes, and another lawyer on the team had an extensive coding background. Ms Badour can envisage a future in which legal teams will include specialists in writing contracts as code — but just not yet, she adds.

Aaron Wright, co-founder of OpenLaw and professor at Cardozo School of Law in New York, agrees that widespread use of smart contracting technology is not imminent in the legal sector but warns that lawyers cannot afford to fall behind.

"We're talking about institutions that have been around for decades or hundreds of years," says Mr Wright.

"They don't want to be caught flat-footed."



Dale Lastman

Chair
Goodmans

Dale Lastman has long endeavoured to share his extensive legal knowledge beyond Goodmans.

He is a lecturer in securities law at Osgoode Hall Law School, which recognised him with an alumni award for professional achievement and contribution to the legal community.

He has also been publicly recognised for supporting Canada's growing sports industry, involvement in health initiatives and support of the LGBTQ community.



Dave Leonard

Chief executive and partner
McCarthy Tétrault

Dave Leonard joined the firm in 1994, holding a variety of leadership positions before becoming chief executive in 2016.

Aware of the encroachment by service providers from other sectors, Mr Leonard is pushing to offer better and cheaper services to clients through greater and more sophisticated use of technology.

He led the acquisition of Wortzmans, now MT>3, an ediscovery and information governance firm, and the opening of a New York office last year.



Shawn McReynolds

Managing partner
Davies Ward Phillips & Vineberg

Shawn McReynolds has spent most of his career as a leading capital markets and mergers and acquisitions lawyer.

He joined the firm's management committee in 2007, on the eve of a period of change created by the 2008 financial crisis. As managing partner, he has emphasised empowerment and clarity of purpose at all levels of the firm.

Mr McReynolds is also a former securities regulation lecturer at McGill University and Osgoode Hall Law School.



Les Viner

Managing partner
Torys

Les Viner joined the firm as a corporate associate in 1987 and has been managing partner for 20 years.

Extensive leadership experience, allied with his varied background — he first practised in accountancy — has helped Mr Viner maintain the firm's collegiate culture, while also aiming to improve the client experience. An emphasis on communication and consultation in staff development includes the implementation of 360-degree feedback for all partners.

Innovative Lawyers North America

Top 10 individuals

Orrick winner brings fresh thinking, legal nuance and a practical understanding of the courtroom

Innovator builds on three pillars

‘**T**here simply is not a more important role in our law firm today,’ is how Orrick chief Mitch Zuklie describes the firm’s chief innovation officer, Wendy Butler Curtis.

Colleagues describe her as the driving force behind much of the innovation at a firm selected as North America’s most innovative law firm in the FT/RSG ranking for the past three years.

She believes that engaging colleagues in an industry that is resistant to change rests on three pillars of “people, process and technology”.

Ms Curtis is also sought out by clients for what one describes as her ability to combine thinking outside the box with “a nuanced sense of the law and a practical understanding of judges and courts”.

Rarely have our panel of judges so quickly homed in on a top candidate for innovative individual. But the panel was also taken by Carlos Aiza, a senior partner who transformed Creel, García-Cuellar, Aiza y Enríquez from a small player into a leading Mexican firm with several firsts under its belt.

Leyla Boulton,
Chair of judging panel

OVERALL WINNER

Wendy Butler Curtis
Chief innovation officer
Orrick, Herrington & Sutcliffe

Wendy Butler Curtis describes her greatest challenge and accomplishment as “getting folks to let go of the binary view of the legal world: lawyers vs non-lawyers, partners vs non-partners, and to appreciate the diversity of talent and roles that make a team great”.

She has introduced more than a dozen new roles at the firm, covering data science, statistics, project management,

technology, service delivery and innovation.

When Orrick helped Microsoft on its biggest case this year, 42 per cent of the work was done by these new professionals.

Ms Curtis practised as a mass tort litigator and joined Orrick in 2008 to establish the firm’s ediscovery group. As Orrick’s chief innovation officer, she has introduced many new technologies and delivery models that have transformed the way the firm operates and works with clients.

She leads Orrick Analytics, a team of lawyers, statisticians and other professionals that use technology data analytics to complete high-volume document review work.

They are now housed within the global operations centre she helped to create, which also builds new products and tools such as CaseStream, which in 2018 generated \$30m in revenue from about 800 clients.



Carlos Aiza
Senior partner, executive committee member, and head of the financial services practice group
Creel, García-Cuellar, Aiza y Enríquez



Carlos Aiza joined Creel in 1994 after working at a New York law firm. Returning to Mexico, it was not an obvious decision to join what was a traditional, family-run enterprise — with just seven partners and 25 associates — over one of the more established financial services law firms. However, Mr Aiza says, he wanted the challenge of creating something new.

Mr Aiza became a partner after three years and in 2011 took over leading the firm’s strategy. He set about modernising it by introducing a more meritocratic pay system, overhauling its governance structure with a new executive committee, and building specialisation within the firm. A number of partners left but the firm subsequently enjoyed rapid growth and is now the second largest in the country, with a leading finance practice.

In his own work, Mr Aiza has been involved in many firsts that have helped to develop financial markets in Mexico. These innovations have included helping to finance the country’s housing and auto sectors.

Josias Dewey
Partner
Holland & Knight



When not representing financial institutions in complex transactions, Josias Dewey practises his other passion: coding. He has developed new applications and applied machine learning tools to help automate a range of manual processes at the firm. Mr Dewey programmed an application used by lawyers to track post-closing requirements in financing transactions. In addition, he has also worked with data scientists and programmers to create models to train machine-learning technologies.

Mr Dewey also has a leading practice in the emerging area of blockchain and distributed ledger technology and helps clients develop proof-of-concept applications. He created the BlockBlade tool with an outside engineer to help a client locate and freeze \$500,000 in virtual currency it had lost as the result of a hack. The tool is being developed to help other clients track illicit cryptocurrency transactions.

He is also an adjunct professor at the University of Miami School of Law, where he focuses on technologies that are changing the practice of real estate law, and on the skills law students will need in the future.

Lary Stromfeld
Partner
Cadwalader, Wickersham & Taft



When he graduated from college, Lary Stromfeld undertook social work with senior citizens before going to law school. The experience showed him the important role lawyers can play in solving real-world problems.

He began his career working on financing for public housing, hospital and infrastructure projects, before developing a broad finance practice that ranges from derivatives to bankruptcies.

Mr Stromfeld’s work has contributed to setting precedents and standards in financing structures. He devised new standard documentation for the International Swaps and Derivatives Association to comply with Dodd-Frank regulation, and is helping the Federal Reserve develop new standards to replace Libor for all cash products.

Mr Stromfeld is most proud of founding the Justice Served Campaign for the Food Bank For New York City, an annual six-week campaign encouraging law firms to raise funds for meals for the homeless. In four years, participation has grown from six law firms and in-house legal departments to 24, and has funded more than 1.5m meals.

North America Innovative Lawyers

Frank Aquila
Partner
Sullivan & Cromwell



One of the most influential and high-profile M&A and corporate governance lawyers in the US, Frank Aquila has played a role in many of the largest and most complex deals the firm has handled. He joined Sullivan & Cromwell 35 years ago and, in addition to his active practice, is a member of its management committee.

Mr Aquila advised brewer InBev in its hostile bid for Anheuser-Busch in 2008. Despite uncertain credit markets in the onset of the financial crisis, he identified a way for InBev to assure its financing through the UK financial markets, which ultimately allowed a successful takeover.

Mr Aquila helped to develop an approach to speed up mergers and acquisition transactions, which was used to allow Kraft to complete its \$55bn merger with Heinz in just 100 days.

This year, Mr Aquila's work for publicly traded Impax Laboratories in its merger with privately owned Amneal Pharmaceuticals is recognised in the report for its creative use of a so-called Up-C tax structure for the newly merged listed business.

Tess Blair
Partner
Morgan, Lewis & Bockius



Before joining Morgan Lewis, Tess Blair had studied fine arts and industrial design and started a small business.

When she joined the legal profession, she knew "precious little about the practice of law but a lot about creativity and grittiness", she says. From her first year as an attorney at the firm, Ms Blair began investigating how to improve the process of litigation discovery.

The firm's ediscovery practice started with Ms Blair, one associate and one secretary. Since 2004, she has redesigned the practice many times and built a hybrid team comprising more than 50 technologists and over 150 lawyers trained in project management and Six Sigma, the management technique for process improvement.

Morgan Lewis was one of first firms to offer technology-assisted review for ediscovery and Ms Blair is now immersed in developing the next generation of technology tools for the practice. With them comes an opportunity to apply her creative training to product design and user experience in developing new tools and services.

Tracy-Gene Durkin
Director
Sterne, Kessler, Goldstein & Fox



When Tracy-Gene Durkin began her legal career 30 years ago, one of the most important early decisions she made was to focus on design patents.

What was considered a relatively minor part of the US patent system — design patents protect the distinct visual or ornamental design of a manufactured item — has grown in importance over the past 10 years, and grabbed attention, for instance, as the focus of litigation between Apple and Samsung over their smartphones. Ms Durkin became a leading authority on design patents and won clients such as Apple. Three of the design patents she helped the company acquire were at the centre of its litigation with Samsung, which was settled ultimately in 2018.

Ms Durkin heads the firm's mechanical design and trademark group, where she has created design patent portfolios for brands including Apple, Pepsi and Sun Products to help them protect their consumer products. Also a pioneer within her firm, she was the first woman elected equity director in 1994, and the first woman to serve on the firm's executive committee.

Neil Steiner
Partner
Dechert



Neil Steiner has worked on US voting rights cases since his first year as a partner in 2006, when he was involved in an action that sought to force the state of Ohio to comply with the federal National Voter Registration Act.

The case ultimately resulted in more than 400,000 Ohio citizens registering to vote, who might otherwise have been excluded.

Since then, he has continued to challenge laws that restrict or discriminate against voters by bringing cases in eight states, including Georgia, Texas and New York. His work in 2018 blocking a law brought by Kris Kobach, secretary of state for Kansas, which would have required individuals to provide proof of citizenship when registering to vote, is recognised in this report. Mr Steiner and his team successfully argued that the law violated the NVRA, and their success in court forms the basis for blocking similar laws in Alabama, Arizona and Georgia.

Mr Steiner combines this work with his role as a litigator, defending clients such as hedge funds, shareholders and financial institutions in investigations.

Angela Vigil
Partner, executive director, pro bono
Baker McKenzie



Angela Vigil has spent much of her career promoting the idea that lawyers have a professional responsibility to do pro bono work. She helped found the Association of Pro Bono Counsel 12 years ago.

In her own practice, she advocates for what she describes as "an often voiceless and invisible population" of homeless and street children. She created the annual Children's Rights Summit to bring lawyers in private practice and corporate legal departments together with academics and child rights advocates. They discuss challenges facing vulnerable children, and explore ways in which new technology and other innovations can support their legal needs. Ms Vigil developed the Legal Atlas for Street Children, which maps laws and policies around the world.

Working with non-profit law firm Columbia Legal Services in Seattle and businesses across the US, Ms Vigil and a team at Baker McKenzie created the Homeless Youth Handbook, which provides a guide for homeless youth, social workers, law enforcement and other non-legal professionals to understand and address the legal rights of children.

Barry Wolf
Executive partner
Weil, Gotshal & Manges



Barry Wolf played a leading role in two periods of growth that have come to define the New York-based global law firm. From when he joined the firm's tax department in 1984, he participated in the rapid evolution of the private equity industry. In 1999, he was appointed to lead the firm's private equity practice, which has fuelled Weil, Gotshal & Manges's growth in the US and across the world.

In 2010, he took on the role of executive partner at the firm. "The legal industry was at an inflection point. Coming off the 2008-09 financial crisis, it was clear law firms needed to think and function like businesses," he says. Mr Wolf set a new long-term strategy, appointed younger department heads in their forties, and emphasised the firm's entrepreneurial culture.

His approach to business management has helped it achieve record profits, which reached \$3.63m per partner in 2017. He has also ushered in a range of initiatives, including cutting the time it takes to become a partner from nine and a half to seven and a half years.

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