

FT INNOVATIVE LAWYERS REPORT 2009 – THE CHANGE ISSUE

The FT Innovative Lawyers Report is going to change this year. It will focus particularly on the activities of lawyers in the light of the credit crisis and deepening recession. It will look at how lawyers have helped their clients adapt to changing market conditions, and how they have adapted to change themselves.

Now in its fourth year of publication, the FT Innovative Lawyers Report has become one of the top legal rankings in Europe, and the accompanying awards are widely regarded as the best researched in the market. It presents a unique analysis of the legal industry and is the only ranking of lawyers by innovation. We base both the report and awards on thorough research and robust journalism.

We are pleased to invite General Counsel to make submissions into the 2009 report. Please note that the content of the report will reflect the focus on lawyers' activities in the downturn, and in particular, we will be looking at how General Counsel are helping their companies navigate the challenges posed by these tough economic conditions.

FT Innovative Lawyers is a joint venture with RSG Consulting, a specialist legal research company with decades of experience in analysing the legal industry. The intensive research process will be an amalgam of in-depth interviews with referees, expert commentators and market research surveys. In 2008, the RSG research team conducted over 700 in-depth interviews to reach the final rankings. The final report will be distributed in the Financial Times to our 400,000 readers across Europe.

Your submissions will help us to continue with our unique analysis of the legal industry. We have included commentary from the research sponsor of the General Counsel section, international law firm Allen & Overy, to stimulate debate and to provide a further guide to help you compile your submissions.

THE REPORT

- **FT Innovative Lawyers Report 2009 – The Change Issue**

- 1. **European private practice**

- a. **Legal expertise**

- i. **Credit crisis and the downturn:** the legal solutions to the credit crisis and the firms behind them. The downturn is affecting every area of commercial life. How are law firms helping their clients mitigate recessionary effects and survive in this new business environment?
 - ii. **Financial services:** a focused look at the work firms are doing for banks and other financial institutions, from regulation to re-shaping.
 - iii. **Government:** what are the options open to government and the public sector and how have the firms helped to find solutions.
 - iv. **Dispute resolution:** cross-border litigation has increased. What are the innovative legal strategies that can reduce the pain of litigating in this market?
 - v. **Fraud:** under increased scrutiny more fraud is being exposed. How have firms shown innovation in handling fraud cases or helping to detect, prevent or manage fraud for clients?
 - vi. **General legal expertise:** not all business activity is negative. This section will look at what innovative work firms have done for clients who are engaged in growth or other general commercial activity.
 - b. **Law firm management:** how law firm leaders are managing and responding to the significant changes predicted in the legal industry.
 - c. **Resourcing:** For many firms, the downturn is stimulating more evaluation into the way in which legal services are resourced. This section will cover the various arrangements firms are pursuing and their impact on the legal industry as a whole.
 - d. **Client service:** how law firms deliver value to their clients in these times of distress and uncertainty.

- e. **Billing and fees:** with increasing pressure on costs, which firms are innovating in this area and what type of fee arrangements are they putting in place?
 - f. **FT Law 50:** a unique index of European law firms by innovation. Following previous years, firms will be ranked based on an aggregate of a number of criteria.
2. **US law firms in Europe:** US law firms are invited to make submissions detailing their firm's activities in the following areas:
 - i. **Credit crisis:** the legal innovations which enabled immediate solutions to the crisis in 2008 in the US.
 - ii. **Downturn:** how are the US firms in Europe helping their clients survive the downturn?
 3. **European in-house lawyers** – an analysis of the way in-house legal teams at Europe's top companies add value to their businesses through managing the way in which the company receives legal services to risk management. This section will look particularly for general counsel who have contributed significantly during the credit crunch in 2008 and subsequent downturn.
 4. **Innovative individuals*** – the top 10 individuals who have innovated either for clients or in the legal industry in the face of the credit crunch and the global recession.

THE AWARDS

- The awards ceremony will coincide with publication of the report. Those interested in taking tables at the event should contact Craig Bethell, FT Conferences and Events on +44 (0)20 7873 4110, craig.bethell@ft.com.
- Short-lists for the FT Innovative Lawyer Awards will be drawn from the research conducted for the FT report. They will comprise the "stand-out" innovations in each category and section.
- **Awards** will be given in every section and category of the FT Innovative Lawyers Report (**as highlighted above**). The FT reserves the right to withhold or change the categories of available awards according to research results.

SCHEDULE

- May 2009 – innovation briefing at Allen & Overy, the General Counsel research sponsor (Date to be confirmed)
- **29 May 2009 – deadline for submissions**
- 22/23 October 2009 – simultaneous publication of the report and awards ceremony in London

IN-HOUSE COUNSEL SUBMISSIONS

- General Counsel and other legal team-members are invited to submit details on any innovative process or practice they have put into place over the last three years. Innovations can cover the whole department or a particular initiative and should ideally be supported by internal commercial referees.
- Reflecting this year's focus on the credit crunch and subsequent downturn, General Counsel are encouraged to submit entries as to how they have helped their companies through the crisis. The role of legal is changing to reflect the new economic conditions. For example, the parameters of risk management are vastly altered in many financial institutions. The FT Report would welcome examples of where General Counsel have lead the response to this change in



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- their organisations, or have re-examined the role of company legal departments. (See Sponsor's Commentary for some thought provoking questions).
- Submissions should include a brief description of the in-house team and should seek to show at least one initiative in the following areas:
 - Innovation in adding economic value to the business;
 - Innovative use of human capital, information technology or knowledge management;
 - Pro-activity in the management of costs;
 - Pro-activity in the management of risk or crisis management;
 - Innovation as an external purchaser;
 - Innovation as an internal supplier of legal services;
 - Contribution to non-legal issues including business issues;
 - Contact details of referees (internal and external where relevant) who can support the submission.
 - Submissions will be assessed on their own merits and against other submissions received in each category.
 - Clarity of language and presentation will be taken into account when submissions are scored.

RESEARCH SPONSOR COMMENTARY

Asking the right questions

The global economic crisis is changing the world we operate in and lawyers have to adapt to that change quickly to continue providing the best legal advice. By Richard Cranfield, co-head of global corporate and Guy Henderson, litigation consultant, Allen & Overy.

The last six months have shown how quickly economic value across the world can be destroyed. Global financial assets have probably fallen by more than US\$50 trillion in 2008, equivalent to a year of world GDP. Property values in a number of major jurisdictions have fallen by between 20% and 40% (before currency risk) and the global economy is likely to shrink for the first time since 1939, with international trade declining by the most in 80 years. The price paid by RBS, Fortis and Santander for ABN AMRO last year would today pay for Citigroup, Morgan Stanley, Deutsche Bank and Barclays and still leave change for something else.

First, there is the shock. Next, fuelled by an energetic media and politicians, starts the blame game. But how realistic is it to suggest that a particular senior managers should be held responsible for a failure to control risk?

The corporates and banks at the heart of our economy and financial system are hugely complex, international organisations with over-lapping legal and regulatory regimes and inter-related functions. They have to conduct business in global markets but deal with local conditions. To suggest that an individual should be held personally responsible for the failing of such complex organisations is simplistic. Equally, the suggestion that a senior manager should be intimately acquainted with all aspects of a major organisation's operations is misconceived. Senior management must be able to rely on those to whom they have properly delegated risk management roles.

Finally, there is the re-building. This is a real opportunity for the innovative. How can General Counsel make a valuable contribution to the rebuilding of market capital and reputation as well as guiding their function and corporation to adapt to a very different world?



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Capitalist economies are fundamentally based on growth; models which impose serious pressures on everyone to maintain growth in order to survive. The art is to establish sustainable growth rather than blowing up bubbles. How can General Counsel contribute to this?

All businesses are focused on cutting costs. How can General Counsel cut the cost of legal spend (internal or external) but yet still get the corporation the quality of advice and guidance that is needed? How does one get more for less?

Only after the horse has bolted do people generally see the value of "doing the right thing". In boom times, those who so preach are often dismissed as blockers. How can General Counsel be perceived as adding value when managing commercial, legal and reputational risk on the up-swing?

To avoid a brain drain, senior management and leadership positions will need to be well rewarded. Part of the challenge lies in addressing the short-termism which has been inherent in economic pressures and remuneration packages. What contribution can General Counsel make to structuring responsibilities and remuneration which develop a culture which strikes the right balance between the interest of employees, shareholders and customers?

It seems inevitable that all sectors will become more heavily regulated and we are in the active part of the litigation cycle. There will be more disputes, crises, regulatory raids, documentary disclosure, class actions and forum shopping. How does a general counsel prepare a corporate to be able to handle all this without causing paralysis? How does one protect directors and management from the risk of personal attack when simply trying to do their jobs?

What can General Counsel do to develop within organisations a culture whereby risk management is seen to add value and maintaining integrity and not perceived as stultifying entrepreneurship?

Thinking about these issues is key to discovering the innovation or added value of company lawyers and should inform General Counsel submissions to the FT report. They will be debated at a series of General Counsel Forums organised by Allen & Overy and supported by the FT and RSG Consulting. The first event takes place at Allen & Overy's London office in Spitalfields on June 25th 2009. Other forums are scheduled following the publication of the Innovative Lawyers report 2009. To register your interest in these events please email GCForums@allenoverly.com.

FILING AND JUDGING OF SUBMISSIONS

- Submissions should be no longer than 1,000 words. Clarity of language and presentation will be taken into account when submissions are scored.
- Submissions should be written in English and detail the following:
 - A description of the innovation, including when it was implemented
 - Why it is innovative
 - The rationale for the innovation or how legal strategy is aligned with company strategy
 - The impact/results of implementing the innovation
 - Contact details for the lawyer responsible and of referees who can support the submission
- Submissions will be fully researched and will be assessed on their own merits, referee comments and against other submissions received in each category. Innovations will be scored for their **originality, rationale and impact**.



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HOW TO SUBMIT

- Submissions should be sent in both hard and soft copies.
- Soft copies of the submissions should be e-mailed to ftresearch@rsgconsulting.com clearly labelled with the name of the submitting organisation and the category to which the submission relates.
- Hard copies should be posted to: RSG Consulting, 103 Sclater Street, London E1 6HR.
- Tips for submissions can be found at www.rsgconsulting.com.
- An overview of the project and an online version of the 2008 report, can be found at www.ft.com/innovativelawyers2008

CONDITIONS OF ENTRY

- There is no fee for entering submissions into the FT Innovative Lawyers 2009.
- The 2009 ranking will assess innovations from January 2007 to May 2009.
- The researchers reserve the right to move entries from one category to another if they feel it is more appropriate. The researchers' decisions are final and no correspondence can be entered into.
- The FT and RSG Consulting accept no responsibility for the loss or damage of material submitted. Submissions will not be returned.
- The FT reserves the right to publish the names of the firm or lawyers contained in the short-list of outstanding entries, details and description of all entries and details of winners. All entrants grant the FT a perpetual, non-exclusive licence to publish details and descriptions of entries as referred to and also agree to participate in publicity reasonably requested by the FT regarding their entry. The FT acknowledges that copyright in all entries remains vested in the entrants.
- Please do not include any confidential information in your entry that you do not wish to enter the public domain because the FT is unable to guarantee that such information will not be published as set out above. Any inclusion of confidential information in an entry is at the entrant's sole risk and responsibility and in knowledge of the FT's request not to do so.
- The FT reserves the right to cancel, postpone or suspend FT Innovative Lawyers 2009 at any time.
- By submitting an entry, entrants will be deemed to have read, understood and agreed to these terms and conditions on behalf of their firm or organisation.

CONTACT DETAILS

- **For research questions**, please contact Reena SenGupta at RSG Consulting on +44 (0)20 7033 9898, reena@rsgconsulting.com
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- **For editorial enquiries**, please contact Paul Solman at the FT on +44 (0)20 7775 6824, paul.solman@ft.com
- **For advertising opportunities or other research sponsorship opportunities**, please contact Robert Grange, head of professional services at the FT on +44 (0)20 7873 4418, robert.grange@ft.com