

Data Center Boom Unites Wide-Ranging Practice Areas

By **Alison Knezevich**

Law360 (May 1, 2026, 4:14 PM EDT) -- As the legal industry vies to take advantage of the trillions of dollars of investment on the horizon for data center development, a range of law firms have formed multidisciplinary groups that can handle various aspects of the projects, from real estate and energy to finance and regulatory work.

The data center boom has driven a surge of work for lawyers across multiple practice areas, and more firms in recent months, including Norton Rose Fulbright, Lowenstein Sandler LLP, Milbank LLP and Taft Stettinius & Hollister LLP have formed teams focused on the sector.

"Firms that have data center working groups are showing that they're client-focused and want to make the process run as smoothly as possible for their clients," instead of having clients having to go to multiple firms, said Amy Savage, a Washington, D.C.-based recruiter with legal search firm Garrison.

Meanwhile, competition for data center work is shaping lateral movement, according to Savage and other legal industry recruiters.

A number of firms are hiring in different practice areas "with the intention of serving these clients across the full life cycle of data center deals," said Los Angeles-based Lateral Link recruiter Ata Farhadi, who works on partner placements across the U.S. and internationally.

"I'm also seeing lateral partners in the data center space who are motivated to move to firms that have more pieces of the puzzle in place," so that their clients can be served by a single firm, rather than multiple ones, Farhadi said.

Data centers, which are proliferating amid the rise of artificial intelligence, are sprawling structures often referred to as the "backbone of the digital economy." There are more than 4,100 data centers operating in the United States, with another 2,800 or so planned or under construction, according to a December report by the American Edge Project, a pro-technology advocacy organization.

A 2025 McKinsey & Co. analysis found that worldwide, data center are projected to require \$6.7 trillion "to keep pace with the demand for compute power."

The development of a data center takes the expertise of lawyers from wide-ranging practice areas, including real estate, energy, finance and tax law.

"Those different teams and practices need to work very closely together to come up with an integrated approach," said Sullivan & Cromwell LLP partner Nader Mousavi, a leader of the firm's technology group and artificial intelligence practice.

The firm, whose clients include OpenAI and Broadcom, announced a digital infrastructure group in December, with Mousavi and mergers and acquisitions partner Mike Ringler at the helm. In announcing the team, Sullivan & Cromwell co-chairs Robert Giuffra and Scott Miller called digital infrastructure "among today's most consequential business sectors."

"There's been a convergence of the big hyperscaler tech players in this area, along with the Wall Street finance players," Ringler, who is also a leader of the firm's Palo Alto, California, office, told Law360 Pulse.

Morgan Lewis & Bockius LLP launched its Data Center Strategic Initiative in late 2024.

"We do a lot in the AI space, so we could see it coming," said Morgan Lewis partner Barbara Melby, a co-leader of the initiative. "One of the things we could see ... was that there was going to be a capacity issue" as industry players compete for compute capacity, energy and other resources.

The work "touches upon most, if not all, of our practice areas in the firm, and that really aligns well with the Morgan Lewis business model, which is one where we want to be full-scope for our clients," said partner Jane Accomando, an energy attorney and co-leader of the initiative.

"We're not just doing a certain type of work for them," Accomando said. "We really want to be their trusted adviser in all areas."

The firm hosts a webinar series called "Navigating the Capacity Race" and has a blog called Data Center Bytes. Webinars have been well attended "because there's a hunger in the market for information," Melby said.

Other firms, such as Norton Rose and Bracewell LLP, have started podcasts on the topic.

The data center landscape is also changing extremely quickly, according to attorneys.

"What's happening in the market right now is very different than what was happening in the market six months ago, and totally different than what was happening two years ago," said Perkins Coie LLP partner Camarin Madigan, a co-chair of the firm's data centers and digital infrastructure group.

That means "we're constantly having to update clients on what's changing in the market and providing new insights," Perkins Coie partner and group co-chair Michael C. Herrera added.

Last year, Perkins Coie announced the formation of its data center team and launched its Data Center Hub, where it publishes information related to data center development and operations. The firm has also hosted webinars on topics such as negotiating procurement agreements for data center equipment, wage-and-hour class actions against data center operators and contractors, and siting and permitting for data centers on federal lands.

The team brings "radical collaboration" to its work, Herrera said. He said the approach ensures that clients in the data center space are getting "the A-team" in a variety of areas, including real estate,

procurement, construction and technology transactions, as each attorney shares their expertise and anticipates challenges.

"That kind of cross-collaboration, I think, is what's bringing the most value to our clients," Herrera said.

At Taft, the launch of its data center industry group in February came as "a natural outgrowth of the client demand that we were seeing across the firm," said fintech partner Bryan Reyhani.

Reyhani, one of the leaders of the group, described the team as an opportunity to bring clients "a complete package" of services.

"From an efficiency perspective, it's important for clients to have all of the resources in one spot," Reyhani said. "They don't want to speak necessarily with one lawyer here, one lawyer there."

And the desire for a full range of services in one place is influencing lateral activity, according to recruiters.

Savage, the Garrison recruiter, said candidates "are very interested in firms that are full-service, because of that convergence and the diversity of different practices that are involved." So full-service firms "have a big advantage in attracting those attorneys."

Firms are expecting continuing opportunity.

"When you talk about this from the legal perspective, the government relations perspective, [communications], all of it, that there's just, I think, a lot of work to come," said Alison Prange, managing director of Michael Best Strategies, the lobbying arm of Michael Best & Friedrich LLP.

The Michael Best firms in January announced a Single Source Data Center Advisory Service, which they said would unite "legal, regulatory, government relations, and strategic communications expertise," such as utilities, construction suppliers and contractors and data center operators.

Data center projects face backlash across the country; communities have raised concerns over their environmental impacts and massive energy usage amid rising utility costs, and lawmakers are pushing bans and other restrictions on development.

Savage said law firm clients in data center development view the next few years as "a unique window of opportunity for them under this administration, which they view as very pro-business."

"And so they are accelerating their efforts and investing more capital so that they can get approvals and projects over the line as soon as possible," she said.

--Additional reporting by Charlie Innis, Jack Rodgers, Jake Maher and Andrea Keckley. Editing by Alanna Weissman.