

GCs Say Strong Brand Key To Landing New Clients

By **Gavin Broady**

Law360, New York (April 22, 2013, 7:18 PM ET) -- Law firms looking to bag big clients are facing stiff competition in a marketplace still struggling to emerge from the financial crisis, but firms that can build a recognizable brand around delivering value and innovation have a leg up in being hired — and rehired — by top companies, a new report suggests.

In deciding who to hire, companies are willing to pay premium rates to firms whose reputation promises higher return on investment, commitment to clients' business needs and creative approaches to problems, according to the 2013 BTI Brand Elite: Client Perceptions of the Best-Branded Law Firms **report** from Wellesley, Mass.-based BTI Consulting Group.

"When looking at firms they want to hire, general counsels will look to their reputation for client satisfaction," BTI President Michael Rynowecer said. "They want to know what kind of service they are going to get from firms they're looking to work with in what could be long, complex or sensitive situations."

The long-term work of brand construction is important for companies struggling with financial constrictions, and BTI's survey of general counsel has identified three key factors in assessing a firm's "hirability."

The surest signal of a firm's ability to deliver the goods are client and short-list recommendations, with 57 percent of clients willing to hire law firms on the basis of a single positive peer referral, the survey said.

Referrals serve as a "proxy for trust" that can provide invaluable peace of mind to a general counsel concerned about a board or shareholder inquiry, according to the survey, which singles out Baker & McKenzie LLP, DLA Piper, Hogan Lovells, Jones Day, Latham & Watkins LLP, Morgan Lewis & Bockius LLP and Skadden Arps Slate Meagher & Flom as the most recommended and short-listed firms.

"A close second is the idea of what value a client is getting compared to the budget," Rynowecer said. "I'm careful not to use the word 'cost,' because most clients are astute in their understanding of cost versus value. They're really asking, 'What am I going to get back?'"

For instance, Rynowecer said, if presented with a firm whose attorneys aren't well-versed in a client's business, versus one that charges rates 40 percent higher but that understands the industry and "can get to the heart of the matter," a general counsel will usually choose the latter.

Premium branding also safeguards firms against potential shareholder, management and board backlash and establishes them as go-to counsel in times of crisis, according to BTI.

Finally, clients evaluating which firm to hire will focus on what new ideas it brings to the table and how much it has invested in understanding the client's business, according to Rynowecer.

"Clients are looking for firms with a deep understanding of their organization," Rynowecer said. "They're going to look for ideas they haven't heard before and for new perspectives that might be valuable. And while they're doing that, they're going to be thinking about their chemistry with the team."

BTI noted that the innovation clients seek out when they make hiring decisions is distinct from the creativity a firm might bring to its legal strategy. It has more to do with a firm's willingness to change how it does business to better suit a client's needs, such as through alternative staffing models and real-time budgeting and billing, according to the report.

Rynowecer further cautions that while some firms have turned to technology and social media to present their brands as more innovative than others, by and large such approaches are not having the impact that the popular media landscape might suggest.

"It's not really hitting the radar," Rynowecer said. "The single biggest influence is a personal encounter, bar none."

BTI's 2013 report was based on more than 500 individual interviews conducted between January 2011 and September 2012 with in-house counsel at the world's largest organizations.

--Editing by Kat Laskowski.

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