

The 26 Firms GCs Want To Work With Most

By **Sam Reisman**

Law360 (July 31, 2019, 5:12 PM EDT) -- General counsel are not afraid to shake up their outside legal representation if they're not satisfied with the level of service or if the relationship with the firm is not ironclad, according to a new report.

In the two years since the BTI Consulting Group released its previous Industry Power Rankings report, there has been a high turnover in the law firms that rose to the level of "Power Elite," the report's grouping of firms with the strongest client relationships.

According to BTI President Michael B. Rynowecer, this indicates that "clients are much more willing to change [their legal counsel] than they have been in the past."

"Fifty percent of all general counsel have only been in their role for two years or less," Rynowecer told Law360. "And you now see them using different firms, developing different relationships, because they'll tell you that when they arrived, they didn't see what they wanted."

The report, set to be released Thursday, measures the strength of a client-firm relationship based on how many interviewed corporate counsel named the firms as their primary legal service provider and how likely they were to recommend them to others

Describing the primary relationship standard, the report says, "On average, large organizations rely on 41 law firms to help manage their legal work. But not every law firm in a client's stable of providers is on equal footing. Of these 41 firms, only 10 are in the sweet spot and considered core by legal decision makers."

BTI Names Firms With Strongest Client Relationships

1	Latham & Watkins	14	Kirkland & Ellis
2	Jones Day	15	McGuireWoods
3	Skadden	16	DLA Piper
4	Davis Polk	17	Covington
5	Gibson Dunn	18	Dechert
6	Morgan Lewis	19	Sullivan & Cromwell
7	Akin Gump	20	Hunton Andrews Kurth
8	Arnold & Porter	21	White & Case
9	Jenner & Block	22	Dentons
10	Kramer Levin	23	Reed Smith
11	Cooley	24	Weil Gotshal
12	Pillsbury	25	Morrison & Foerster
13	Paul Weiss	26	Irell & Manella

The report also highlights the importance of strong client recommendations for firms generating new business, noting that "60% of legal decision makers will outright hire a law firm based on a single, unprompted recommendation from a peer."

According to those metrics, the top three firms in order of ranking were Latham & Watkins LLP, Jones Day and Skadden Arps Slate Meagher & Flom LLP. In 2017, the top three were Jones Day, Skadden and Dentons. Latham was fourth.

"This is the first time [Latham has] been number one," Rynowecer said. "They've been working diligently for a decade to focus on clients and serve clients ... and this is proof of concept that it all works."

Firms that have a formal system in place to communicate with clients about business needs proactively and solicit and integrate feedback after a matter has concluded are more successful at building strong relationships, according to the report.

The BTI report distills in-depth telephone interviews of more than 600 corporate counsel at U.S.-based companies with \$1 billion or more in annual revenue or at global companies with \$1 billion or more in U.S. revenue, Rynowecer said. The interviews were conducted between March 2017 and April 2019.

"We use a long time frame because that's the only way you can measure a relationship," Rynowecer told Law360.

--Editing by Jill Coffey.