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The 24 Firms GCs Love The Most

By Aebra Coe

Law360, New York (June 28, 2016, 6:50 PM ET) -- Some law firms have honed their ability to serve clients so well that their relationships with general counsels have entered a sort of utopian existence where they earn glowing recommendations from clients and consistently win work.

Twenty-four law firms have managed to reach this so-called state of clientopia, in which they not only act as clients' go-to outside counsel but are also the first law firm that clients recommend to peers, according to the BTI Power Rankings 2016 report, published by The BTI Consulting Group Inc. of Wellesley, Massachusetts.

The firms that have the most clientopia relationships, according to BTI, are Skadden Arps Slate Meagher & Flom LLP, Kirkland & Ellis LLP, Hogan Lovells, McGuireWoods LLP, Jones Day, Alston & Bird LLP, Bryan Cave LLP, Sidley Austin LLP, Mayer Brown, Ogletree Deakins Nash Smoak & Stewart PC, Orrick Herrington & Sutcliffe LLP, Faegre Baker Daniels LLP, WilmerHale, Morgan Lewis & Bockius LLP, Latham & Watkins LLP, Norton Rose Fulbright, K&L Gates LLP, Reed Smith LLP, McDermott Will & Emery LLP, Crowell & Moring LLP, Fish & Richardson PC, BakerHostetler, Baker Botts LLP and Scopelitis Garvin Light Hanson & Feary PC.

A typical company relies on 42 law firms for their legal needs, but only two firms on average are considered "primary," with a single primary provider typically capturing 25 to 40 percent of a client's budget, the report said.

"Law firms not in a primary or secondary position with clients will have an uphill battle to win new — and better — legal work," it said.

Additionally, recommendations are one of the leading indicators of future growth potential for a service provider, according to the report.

The 24 Strongest Firms

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Skadden	1
Kirkland & Ellis	2
Hogan Lovells	3
McGuireWoods	4
Jones Day	5
Alston & Bird	6
Bryan Cave	7
Sidley Austin	8
Mayer Brown	9
Ogletree Deakins	10
Orrick	11
Faegre Baker Daniels	12
WilmerHale	13
Morgan Lewis	14
Latham & Watkins	15
Norton Rose Fulbright	16
K&L Gates	17
Reed Smith	18
McDermott Will & Emery	19
Crowell & Moring	20
Fish & Richardson	21
BakerHostetler	22
Baker Botts	23
Scopelitis	24

Source: BTI Consulting

"Unprompted, unaided recommendations mean a law firm earned this recommendation on their own merit," it said. "No one asked about the law firm by name or included the firm as part of a list."

The confluence of those two factors leads to state of clientopia.

According to BTI, achieving clientopia is the best way for law firms to grow and flourish in a market where there is enormous turnover. During the past 18 months, 60 percent of corporate clients replaced at least one of their primary law firms, the report said.

"Ultimately, law firm growth is driven by two key factors: winning more work from existing clients and securing more clients," it said. "Law firms with relationships in clientopia are able to use their client relationships as a competitive advantage and market differentiator."

Of the legal decision makers that have replaced their primary law firm in the month before the survey, nearly 70 percent did so as a result of client service, the report said, because of either bad service from the existing firm or simply better service by someone else.

The fact that so many general counsels are driven by client service when hiring outside lawyers reaffirms that law firms need to find their sweet spot in terms of delivering to clients the services they want and need in the ways they demand them, according to BTI President Michael Rynowecer.

"Clients will invest in law firms that invest in them," Rynowecer said.

Top legal decision makers are clear, articulate and decisive when defining what client service means to them, the report said, and understanding the client's business and unique needs comes in at the top of the list.

"Clients want law firms to place legal advice into a business context in order to help manage business risk," it said. "General counsel tell BTI their CEOs routinely ask the GC the business risk and implications of legal issues. The law firms able to answer these questions will win the business and the relationship."

The general counsel of a Fortune 100 financial services company is quoted in the report saying just that.

"I developed a list of what I'm looking for a couple of years ago," the GC said. "I only work with firms able to understand my industry and business operations, will act with my objectives and goals in mind, and will maintain effective relationships with me before they are hired in order to gain my trust and respect."

Law firms that made the 24 with the most clientopia relationships said that understanding clients' business needs is paramount in their client service strategies.

"We strive to keep up to date with what's going on with the company but also with their competitors and in the industry," McGuireWoods chairman Richard Cullen said. "And I think clients can see, they can sense that our lawyers bleed with them and take what's going on in their industry as seriously as what's going on at McGuireWoods and what's going on in the legal industry."

Mark Filip, a Kirkland & Ellis litigation partner and a member of the firm's global management committee, said that his firm emphasizes work ethic and commitment to service among its attorneys.

"We listen carefully to understand clients' business needs and then promote them through practical and commercially sound advice," Filip said.

--Editing by Christine Chun and Brian Baresch.

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