

## Sealing The Deal: How Crowell Merged With Kibbe & Orbe

By **Steven Lerner**

*Law360 (March 23, 2021, 4:47 PM EDT)* -- The acquisition of Wall Street law firm Kibbe & Orbe LLP by international firm Crowell & Moring LLP was years in the making.

Washington, D.C.-based Crowell & Moring announced the deal on Thursday and said it plans to finalize the acquisition in April.

Philip T. Inglima, chair of Crowell & Moring, told Law360 Pulse that the firm always wanted to have a thriving Wall Street corporate practice and first pursued Kibbe & Orbe in the mid-2000s, but the smaller firm rejected the efforts at the time.

"They were quite happy with their incarnation at that point being a boutique and thriving in the ways that specialists of their kind can do in the New York market," Inglima said. "We completely understood that it wasn't interesting to them."

Years later, as Crowell & Moring went into other practice areas such as digital transformation and digital assets, Inglima said they never stopped wanting to be in the sweet spot of Wall Street, and last fall the firm initiated new merger talks with Kibbe & Orbe.

Jennifer Grady, Kibbe & Orbe managing partner, told Law360 Pulse that the 24-attorney boutique's view on merging had changed since the 2000s.

"As a small firm in New York City we've always treasured our independence, but over the past year or two we came to terms with the fact that the legal needs of our clients were evolving," Grady said. "The types of work that we were handling on behalf of our clients were becoming more and more complex and required the type of expertise [that], in some cases, we just didn't have in house."

And Kibbe & Orbe wanted to enhance its offerings to clients. "It was sort of a growing realization among the lawyers in our corporate and regulatory groups that we were turning outside of our firm more and more frequently given the complexity of the types of work that we were handling," Grady said. "It was sort of a slow realization that we would rather sacrifice our independence in favor of being able to expand what we were able to offer."

The firms spent considerable time discussing the potential merger, which Grady said was the first one that any of the partners at Kibbe & Orbe had been involved with. They wanted to make sure that they

were comfortable joining Crowell & Moring.

"A deal like this is incredibly complicated and involves a lot of sort of deep thinking, especially on the part of the smaller firm to make sure that we're not losing our identity and that we're not sacrificing the culture that we are so proud of," Grady said.

As talks developed in 2020, Inglima said that they emphasized to Kibbe & Orbe that their brand identity would remain intact.

"We have combined boutiques before, and we never want to cause that group of lawyers to lose their identity in the market or within their own firm," Inglima said.

Grady said the combination of addressing the needs of clients and a clear cultural fit made Kibbe & Orbe more comfortable about merging.

Once Kibbe & Orbe agreed to the deal, everything clicked, Inglima said. Grady said that the team from Crowell & Moring was easy to work with.

Negotiations lasted from late fall into March as the firms conducted due diligence, especially in terms of potential client conflicts. No material conflicts were found.

"That was one of the first things we wanted to get some clarity on because obviously our client base is extremely important to us and the main driver for this transaction," Grady said.

With so much due diligence work needed, Grady said that Kibbe & Orbe's junior lawyers were enlisted to help.

"Just by virtue of the fact that we're relatively small, it meant that most of us had to play a relatively large role in these diligence efforts and making sure when we were getting things done," Grady said.

The COVID-19 pandemic also presented challenges during negotiations. Nearly the entire process was done via videoconference. No one in Kibbe & Orbe has set foot in the Crowell & Moring offices that they will work in once the pandemic restrictions ease up.

That predicament, which could have derailed the negotiation, ended up being advantageous for the firms. Grady said it opened up more frequent communication that allowed more people participate in large video discussions.

"It allowed us to broaden the spectrum of people who could actually meet each other and start really discussing client synergies and opportunities," Inglima said.

The addition of Kibbe & Orbe grows Crowell & Moring's New York office to more than 90 attorneys, and there are already plans to grow even more.

"We're not going to be complacent or stopping at this point," Inglima said. " We want to go well beyond 100 lawyers in New York."

--Editing by Brian Baresch. All Content © 2003-2021, Portfolio Media, Inc.