

Highlights of 2016 And Predictions for 2017 Attract Year- End Media Interest

By Janet Falk

2016 has been a year unlike any other, with the U.S. presidential election campaigns and the Summer Olympics. Many industry, business and legal publications will assemble a year in review to summarize the significant new products, corporate transactions, litigation, legislation and court decisions of the calendar year.

They also will invite industry leaders to look into their crystal balls and speculate on what will be the greatest trends and issues in 2017: How will technology, competition, regulation, the new presidential administration and other factors affect industry sectors? How will these dynamic factors, in turn, reverberate in the local, regional, national and global markets?

Among your activities to position your law firm as a thought leader, you create opportunities for your partners to consistently demonstrate they recognize potential business concerns before they appear on the radar screen of your clients and competitors.

You also highlight your colleagues' ability to simplify complex and technical issues, make them relevant and understandable, plus show the likely impact on operations and profitability.

In sum, because your attorneys have their fingers on the pulse of the market — whether technology, healthcare, global M&A or any other

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practice area — why would potential clients look for any other legal resource?

By guiding your colleagues and lawyers to focus on *the business consequences of timely legal issues*, you introduce them to reporters as sources whose opinions and predictions will be quoted in these look-back and look-ahead review stories that executives and prospective clients will be reading to gear up for the new year.

QUESTIONS AND CONTEXTS

Here are a few questions and contexts to launch a dialogue with the attorneys at your firm and begin selecting the highlights of the past year and predicting next year's trends, ahead of the competition:

1. Start with the top companies, and the promising new entrants, in specific industries and market sectors, regardless of whether or not they are clients of the firm: a) Who's growing quickly — and how? b) How will the larger players flex their consolidation muscles: will they slow down or accelerate? c) What is the impact of international players in that niche market? Do they represent a competitive threat, prospect for licensing or a potential partnership?

Surveying the landscape demonstrates that your firm closely monitors the market and can guide clients to opportunities for expansion that they — and their competitors — may encounter in the months ahead.

2. Look at the consumer side of the market: a) How are companies responding to ever-more sophisticated consumer preferences in terms of product development and patents? b) How are long-established brands coping with new entrants or substitutes, while protecting their intellectual property?

Whether clients are involved in manufacturing, wholesaling, transporting or retailing consumer goods, it's vital to keep abreast of the consumer sector, which comprises about 70% of the economy.

3. Mergers, acquisitions and buyouts: a) What were the biggest transactions in the sector? b) How will the terms or structures used in these deals affect future transactions? c) What are the trends in financing the deals and mega-deals?

Clients may have participated in a merger or had an offer rebuffed. They may currently entertain thoughts of divesting or acquiring a business. Knowing the tone of the market will help them calculate the perceived market value of their own operations for a potential sale or determine whether a target is undervalued or over-priced. Plus, they will get a taste of the blend of equity, debt and bank loans tapped to pay for the transaction or how their sale of assets might be structured.

4. Dive into the financial environment: a) What is the outlook for IPOs in a particular industry? b) Are any companies or industries especially vulnerable to bankruptcy or failure?

Whether the stock market goes up, down or sideways, it is always tricky to time an IPO. Consider the possibility that weak financial underpinnings of some market players can cast a shadow on the viability of other companies in the sector. The upside is a floundering competitor may create an opening for a nimble, opportunistic and well-financed buyer.

5. Survey the legal issues and other regulatory challenges: a) What is the time frame for a newly-enacted regulation to finally kick in? How will it affect the industry? b) Have companies implemented best practices based on the litigation and missteps of their peers? c) Presumably, clients have been forewarned about this change and have installed the appropriate safeguards and monitoring systems. A calendar and checklist are thoughtful reminders of how to stay within the regulatory boundaries.

6. Technology considerations: a) What is the impact of big data

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for consumers, retailers, utilities and consumer goods companies? b) How are businesses addressing privacy and security issues? c) What do technology-driven productivity gains mean for employees: layoffs or opportunities for more tech-savvy candidates?

Technology affects seemingly every aspect of business operations; protecting precious data and anticipating cyber threats are priorities in all industries. Reiterate that your practice is on top of these concerns and the firm offers resources to resolve privacy, security and related technology issues.

7. Litigation and settlement: a) What were the largest cases of the year? b) How will those decisions or judgements impact future litigation?

These precedents will resonate for several years; accordingly, companies may adopt pre-emptive defenses to avoid or mitigate similar litigation and settlement.

8. The Big Picture: a) What other issues loom on the horizon that

companies should address to make this year the best in recent memory? b) Which unsung players are likely to appear?

A surging economy, an uptick in consumer confidence and a smooth electoral transition will cascade across many sectors. On the other hand, a wild card company or circumstance that does not fit the pattern may emerge, such as a natural disaster, fluctuations in currency or a spike in the price of oil that can cause automobile sales to plummet. Other flare-ups include domestic labor unrest or political upheaval overseas. Consider the likelihood of selected events and their respective repercussions.

CREATE A CONTEXT

As your colleagues develop answers to these general issues, create a context and frame their responses as upcoming trends, without sticking your neck out, if at all. These substantive predictions will address: 1) What might happen; 2) The factors pointing in that direction; 3) How market participants and/or clients might capitalize on these trends.

SPICE IT UP

Use rhyme, alliteration, visual imagery or anecdotes to transform these insights into quotable phrases. (See “Maximize Client Alerts,” *Marketing the Law Firm*, February 2014, available at <http://bit.ly/2fcrfHM>). NOW is the moment to present Top Seven Predictions for the Name of Industry in 2017 to reporters and editors at appropriate business and trade publications, ahead of the compilation of the typical year-end article.

In December 2017, it is unlikely that any journalist will check back to confirm how closely these predictions hit the target. But reporters will remember who their sources were for the trend story, so they may well ask for an update to prepare for 2018.

Journalists — and clients — contact the attorneys they have heard of and read about. It’s up to you to position your partners as thought leaders with powerful insights, gleaned from close observation of market trends, and thereby help make their phones ring.



Leadership

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or, in some cases, sustain the firm long enough for them to retire. Bold leaders need to do more.

The word “innovation” can sound intimidating, so we suggest that law firm leaders think about it as moving from good law to *Great Law*. It is not enough to be a forward-looking leader in the current environment, it is critical to be forward-acting; that means being committed to modifying compensation systems, improving talent acquisition and development throughout the organization,

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and recognizing lawyers for making important contributions beyond the delivery of legal services (recruiting, account management, sales, mentoring, etc.). Great Law means investing in training, coaching, and technology to support client service excellence, revenue generation, and legal project management skills.

This forward-acting approach might seem radical, but the evidence of a shrinking, hyper-competitive market is overwhelming. Millions of dollars are being invested in businesses that offer alternative legal services, clients are bringing work in-house, and many firms are getting serious about winning and keeping clients. If your firm is not, it could be left behind. And, it is important to note that the need for visionary leadership is size agnostic (immaterial?) — Great Law is not just the province of Big Law. The need to be more strategic, make investments and operational

improvements exists equally in the smaller and middle-market firms. Great Law is also authentic.

Well-managed, forward-acting firms will experience the benefits of a Triple Bottom Line (TBL), an approach introduced in 1994 by John Elkington, which measures financial profit and the value created for people and the planet. In a law firm context, a TBL can be measured by three standards:

- Is your law firm the preferred place for the most profitable clients to do business?
- Is your law firm the preferred place for the most talented people to work?
- Is your law firm the preferred place where the most inspired leaders want to serve their communities?

Legal marketers can play a pivotal role in this transformation process. If you are familiar with the book

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