

7 Firms Stand Out As Best At Cybersecurity, GCs Say

By Allison Grande

Law360, New York (April 25, 2017, 9:51 PM EDT) -- Corporate counsel facing complex and rapidly evolving cybersecurity issues are consistently calling on seven law firms as their go-to's due to their unique ability to help businesses understand a web of legal risks and develop tailored plans to curb their exposure.

A survey of more than 300 corporate counsel in the 2017 Law Firms Best at Cybersecurity report conducted by The BTI Consulting Group Inc. (Wellesley, Mass.) identified seven law firms as "leading the charge on privacy and cybersecurity issues."

These firms are Baker McKenzie, Dentons, DLA Piper, Gibson Dunn, Jones Day, Latham & Watkins LLP and Skadden Arps Slate Meagher & Flom LLP.

An additional 23 law firms — including BakerHostetler, Cooley LLP, Covington & Burling LLP, Cravath Swaine & Moore LLP, Dechert LLP, Greenberg Traurig LLP, Hogan Lovells, Hunton & Williams LLP, K&L Gates, Paul Hastings LLP, Polsinelli PC, Reed Smith LLP, Sidley Austin LLP and White & Case LLP — were recognized as "leading cybersecurity law firms," while 56 other firms were named to an "honor roll" after being called out as "strong cybersecurity performers" by corporate counsel.

LAW FIRMS BEST AT CYBERSECURITY

BTI Consulting Group found that seven firms are leading the charge on cybersecurity and privacy issues, according to top legal decision-makers. These firms are proactively reaching out to help prepare clients for future threats.

Baker McKenzie	Jones Day
Dentons	Latham & Watkins
DLA Piper	Skadden
Gibson Dunn	

LEADING CYBERSECURITY LAW FIRMS

Twenty-three additional law firms also stand out for their cybersecurity practices, according to BTI.

BakerHostetler	Greenberg Traurig	Polsinelli
Cleary Gottlieb	Hogan Lovells	Reed Smith
Cooley	Hunton & Williams	Sidley Austin
Covington	K&L Gates	Sullivan & Cromwell
Cravath Swaine	Kirkland & Ellis	Sutherland*
Davis Polk	Locke Lord	Weil Gotshal
Dechert	McGuireWoods	White & Case
Fried Frank	Paul Hastings	

*As of Feb. 1, Sutherland Asbill & Brennan combined with Eversheds to form Eversheds Sutherland.

According to the report, the seven firms singled out as cybersecurity leaders distinguish themselves from a pack of more than 200 law firms who actively offer such services by "proactively taking a ground-up approach" to tackling data security and privacy challenges and by demonstrating a knack for not only understanding the complex patchwork of laws and regulations that govern this space, but also unraveling how this framework specifically applies to the unique risks that their clients are facing.

"The firms with the best understanding of the client, and who communicate cybersecurity risk in business terms, win the work for the counselling — and this is the opening for the rest of the cybersecurity-related work," the report said.

Within the past decade, the cybersecurity practice area has exploded, as data security and hacking threats have become more prominent and regulators and lawmakers have pressed companies and their boards to pay more attention to these issues.

According to the BTI report, cybersecurity and data privacy are "the fastest growing segment of outside counsel spending, and the biggest issue keeping clients awake at night." Since 2015, the cybersecurity market size has grown from \$1.5 billion to a projected \$1.88 billion for 2017, the report added.

BTI President Michael Rynowecer noted that the consulting firm was inspired to put together this survey — which is the first of its kind — in response to corporate counsel constantly asking which entrants in the rapidly expanding legal marketplace truly had a deep understanding of the issues and stood out the most.

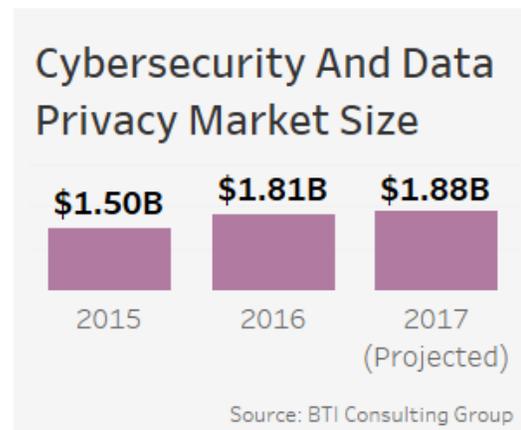
The results of the survey, which stemmed from 324 in-depth phone interviews with leading legal decision makers between February and August 2016, revealed that for the most part, the firms who are paying more attention to the education process are the ones that for the appear to be winning favor with top in-house legal decision makers, according to Rynowecer.

"The law firms that don't go in and educate clients, in the mind of clients, they're saying, 'OK, maybe they understand this at an intellectual level, but they clearly don't have the working expertise that firms that can come in and talk about the specifics have,' and that's been a big separator," Rynowecer said. "These firms are skilled in the cybersecurity space, but are conveying that knowledge in a way that resonates with clients."

Even if a law firm has a firm grasp on the emerging patchwork of laws and regulations that govern the cybersecurity space, if they can't share any kind of knowledge or insight about how to improve their clients' cybersecurity risks, that tends to be a turn off for corporate counsel, Rynowecer added.

"They're not looking for a list of the 10 biggest risks that companies face," he said. "What they want to hear is the one specific vulnerability that applies to their company, and firms that can do that are really taking it one step further."

Leaders from the top seven law firms largely echoed these findings, stressing in separate interviews the



importance of understanding not only the legal landscape but also their clients' unique cybersecurity needs.

"Clients are looking not just for legal expertise, but for someone that will enable them to understand the risks and communicate them in business terms in a seamless cross-discipline, cross-jurisdictional way," said Mauricio Paez, who heads Jones Day's privacy and cybersecurity practice. "There are not always clear answers on the cybersecurity issues that our clients face, but part of our role is to help them manage risks from a legal perspective and make the right short- and long-term decisions, and to do it in a proactive way."

While the top cybersecurity firms have taken different approaches to reaching this objective, the end result has been the same.

At Gibson Dunn, the firm strives to ask clients pointed questions about what their goals are and then works to find "creative ways" to achieve those aims while reducing cybersecurity risks, according to Alexander Southwell, the firm's privacy, cybersecurity and consumer protection practice group leader.

And at DLA Piper, the firm within the past year has begun to bring in consultants to work alongside its attorneys to help clients with both their legal risks as well as their associated operational exposures.

"One of the things that companies deal with all the time is that they're looking for help in a space where there's essentially a disconnect between requirements emanating from the law and regulations and how to translate those meaningfully into business operations," said Rena Mears, a DLA Piper principal who joined the firm last year after retiring from Deloitte. "We're trying to provide that glue code, that bridge between what the requirements are saying and what that means to your business."

Jim Halpert, who co-chairs DLA Piper's global data protection, privacy and security practice, added that the approach has been "highly valued" by general counsel and other in-house leaders because "it allows them to translate what they want to achieve in terms of compliance and provides operational ways for enterprises to get there."

"People in in-house legal positions need to provide very practical advice to their operational teams, and what our consulting team does is help them to get across what is typically a communication barrier between the legal and operational side of the firm and provide practical advice that works across the enterprise," he added. "It's way more useful than to just say, 'Here's the end result.'"

Having expertise across numerous jurisdictions and industry sectors was also a shared trait among the top cybersecurity firms, which for the most part have one to two dozen lawyers dedicated to cybersecurity full-time and in addition collaborate closely with dozens of other lawyers across the firm with more specialized knowledge in topics such as banking, healthcare, transactions and international regulations.

"Cybersecurity issues are starting to be better understood by general counsel and by boardrooms, so what they're starting to really value is that depth of expertise that firms like ours can provide," said Jennifer Archie, a partner at Latham & Watkins and a member of the firm's litigation and trial department.

According to Archie, the firm's decades of experience in tackling cybercrime matters and related issues, coupled with recent additions such as Serrin Turner, who served as the lead cybercrime prosecutor in the Manhattan U.S. Attorney's office, and former U.S. Department of Energy general counsel Steven

Croley, have helped the firm earn recognition from clients who value their expertise and ability to draw up timely and relevant cybersecurity playbooks.

"What in-house counsel need are outside counsel who have been through a few battles and bring experience to incidents that the company has never seen before," she said.

Southwell noted that Gibson Dunn has the longest bench of former cybercrime prosecutors out of any established practice, a trait that allows it to "address a really wide range of cybersecurity problems," and that its grasp of technology has helped it to more fully understand the risks and needs of its clients, which include several heavy hitters in the tech space.

"Technology is fast-moving and the rules are ever-changing, and we're able to address that fast pace of change because we are both deeply entrenched in what's going on and also have experts in different locations to help us with that," Southwell said.

Paez agreed that having seamless integration among jurisdictions and practice areas was essential, and noted that at Jones Day, the firm aims to provide an "integrated one-stop shop" to counseling and to assign the best attorneys to the case, and not just the ones who happen to be available or catch the case first.

"Clients aren't looking for showboats," he said. "They're looking for the right talent to help them with their issues across the globe and find solutions."

--Editing by Philip Shea and Breda Lund.