DIY CI: How to Build and Grow a Legal Competitive Intelligence Program from the Ground Up

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DISCLAIMER!

DEEP RELATIONSHIPS, FORWARD THINKING. AND NOT JUST A LAWYER, A TEAM.
Road Map

1. Why everyone’s talking about Competitive Intelligence
2. CI for Business Development
3. Where to start
4. What makes up a Company Intelligence report
5. Brick by brick – building out your CI Function
“I have a simple but strong belief. The most meaningful way to differentiate your company from your competition, the best way to put distance between yourself and the crowd, is to do an outstanding job with information. How you gather, manage, and use information will determine whether you win or lose.”

- Bill Gates, Microsoft
What’s the big deal?

Isn’t the plan just to bill more hours to more clients and make more money?
Legal Market

- Flat demand for law firm services
- Declining profit margins
- Extreme competition
- Loss of market share to alternative legal service providers
Law Firm Operations

More with LESS.
What is Legal Competitive Intelligence?

Law firms are catching up to the business world by focusing on data-driven ways to differentiate themselves from the competition.

In order to do this, they need to know where and how to find the right data to make informed decisions.
Gathering, managing, and analyzing information on which to base decisions that further the firm’s strategic plan.
Competitive Edge

This is true across the board in law firms:

• Recruiting;
• Practice Management and Pricing;
• Operations; and
• Business Development.
CI as BD

Sooooo…since its goal is to assist Business Development decisions, CI should be managed by the Marketing Department, right?
WRONG!
WRONG!

...or RIGHT?
Collaboration

Firm Leadership will work with Business Development on how to position the firm and its individual attorneys in the marketplace.

But, where do they get the info on which to base those decisions?
Information Experts
Where to begin?

What is the library already doing to support the practice of law?

- Litigation analytics (Docket and new litigation tracking, judge/opposing counsel analysis, etc.)
- News management
- Financial/public records research
What types of decisions is BD trying to make?

1. **WHO** - Prospective clients to target
2. **HOW** to pitch to prospective clients
3. **WHAT** services to cross-market to current clients
Putting It Together

What can help inform who, how, and what?

Understanding a company’s legal needs.
Does this look familiar?

Information that can reveal a company’s legal needs:

• Litigation analytics
• News
• Financial data
What types of information?

What is the library already doing?

- Litigation analytics (Docket and new litigation tracking, judge/opposing counsel analysis, etc.)
- News management
- Financial/public records research
1. Company
   - Financial, management, strategy, etc.

2. News and Developments
   - Company news, industry developments, etc.

3. Legal
   - Litigation picture, Corporate/M&amp;A, IP, Government Contracts
Help me help you…

What do they do?

In a perfect world, what do they want to know?
Managing Expectations

There is no magic bullet (just like regular legal research).
Multiple Resources
Company Information

Company website

• History
• Management
• Products and services
• Size, scope, and reach
• Clients and customers
• Mission
• Annual Reports
Company Information

Press Releases and General News

• Recent activity
• Management/Management Changes
• Products and services
• Size, scope, and reach
• Clients and customers
• Mission
Company Information

LinkedIn

- Approximate size
- Management
- Connections
- Locations
Company Information

Corporate Filings

• Company Type
• Locations
• History
Company Information

Public Records Aggregators

• Assets
• General financials
• Lawsuits
• Liens, judgments, and bankruptcies
Financial Information

Public Companies:

• SEC Filings (EDGAR, Intelligize, Capital IQ, PitchBook, etc.)

Private Companies:

• Hoover’s, Dun & Bradstreet, PrivCo, PitchBook, Capital IQ, etc.
Transaction History

Types of Information:

- Mergers & Acquisitions
- Private Equity
- Venture Capital
- Public Investments
- Real Estate Deals
Transaction History

Resources:

• Press Releases and General News
• SEC Filings

• Capital IQ, PitchBook, Crunchbase, Monitor Suite, Mergermarket, etc.
**Deal #2: Merger/Acquisition, $215M, Completed; 31-Jul-2019**

<table>
<thead>
<tr>
<th>Deal Types</th>
<th>Merger/Acquisition</th>
<th>Financing Status</th>
<th>Formerly PE Backed</th>
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<tr>
<td>Deal Amount</td>
<td>$215.00M</td>
<td>Financing Source</td>
<td>Corporate</td>
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<td>Deal Status</td>
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<td>Post Valuation</td>
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<td>Deal Date</td>
<td>31-Jul-2019</td>
<td>CEO/Lead MGT</td>
<td>Larry Swift</td>
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<tr>
<td>Announced Date</td>
<td>22-Jul-2019</td>
<td>Site</td>
<td>Fredericksburg, VA</td>
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<tr>
<td>% Acquired</td>
<td>100.00%</td>
<td>Business Status</td>
<td>Generating Revenue</td>
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</table>

**Deal Synopsis**

The company was acquired by Parsons (NYSE: PSN) for $215 million on July 31, 2019. The transaction is valued at approximately $185 million, including the net present value of a $30 million transaction-related tax benefit.

**Deal Details**

- 1 Investor - Parsons (Charles Harrington)
- 1 Seller/Exiter - DC Capital Partners
- 3 Advisors - The Goldman Sachs Group (Advisor: General), Latham & Watkins (Legal Advisor), Arnold & Porter Kaye Scholer (Legal Advisor)

<table>
<thead>
<tr>
<th>#</th>
<th>Advisor Name</th>
<th>Service Type</th>
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<th>Comments</th>
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<td>1</td>
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<td>2</td>
<td>Latham &amp; Watkins</td>
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<td>3</td>
<td>Arnold &amp; Porter Kaye Scholer</td>
<td>Legal Advisor</td>
<td>QRC Technologies</td>
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</table>
Litigation Analytics

New Litigation - How much and how often?

- Practice Area
- Jurisdiction
- Law Firm Representation

What to look for?

- Trends and sudden changes
- Similarities/differences to your firm

Resources:

- Monitor Suite, Bloomberg Law Litigation Analytics, Lexis Advance Litigation Profile Suite
Monitor Suite

### Practice Area Distribution

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<tr>
<th>Practice Area</th>
<th>Occurrences</th>
<th>%</th>
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<tbody>
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<td>Intellectual Property - Patents</td>
<td>502</td>
<td>31.7%</td>
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<tr>
<td>Intellectual Property - Trademarks</td>
<td>208</td>
<td>13.0%</td>
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<tr>
<td>Tort/Insult/Gliganous</td>
<td>130</td>
<td>8.3%</td>
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<tr>
<td>Criminal Justice</td>
<td>134</td>
<td>8.5%</td>
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<tr>
<td>Other</td>
<td>97</td>
<td>6.1%</td>
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<tr>
<td>Civil Rights</td>
<td>93</td>
<td>5.7%</td>
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<tr>
<td>Business Organizations</td>
<td>68</td>
<td>4.3%</td>
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<tr>
<td>Appeals</td>
<td>97</td>
<td>4.2%</td>
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<tr>
<td>Commercial Law and Contracts</td>
<td>85</td>
<td>3.3%</td>
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<tr>
<td>Practice Area (Full List)</td>
<td>222</td>
<td>14.2%</td>
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*Data for partial year only

### Practice Area Trend

![Chart showing practice area trends from 2014 to 2019]
Government Contracts

Federal Prime and Sub-Contracts

- USASpending.gov; Federal Procurement Data System

State Contracts

Government Accountability Office Bid Protests

Civilian Board of Contract Appeals

Armed Services Board of Contract Appeals

Court of Federal Claims
Creating a reliable product

Establish a report framework (level/type of info included).

Use flexible templates.

Branding!
Managing Expectations

1. Quick Turnaround (1-2 days)

2. Mid-Range (5-7 days)

3. Full or Custom Report (2 weeks)
Added Value

Continued Awareness:
  • News, Litigation, Transactional Tracking

Expanded Scope:
  • Competitor, Market, Industry Reports
Keep a good thing growing

Get feedback.

Capitalize on a happy customer.

Check back. And again. And again.
Resources

1. “Today’s Must-Have Intelligence Technology for Law Firms.” Adam Stewart, Introhive (December 2018)
5. PitchBook Data, Inc.
6. Thomson Reuters Monitor Suite