REPORTS LEGAL
Ireland Report | November 2021

# Solving the Irish puzzle:
## international competition makes it harder


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# The heart of Dublin

## Thanks to a strong economic recovery, an ever-expanding local footprint of US tech giants and a Brexit dividend, Ireland looks set to thrive. But what about its law firms?

▲ **The heart of modern Dublin is an international 21st century city**

Next year, Dublin will celebrate two centenary landmarks: in 1922, the Irish Free State (now the Republic of Ireland) was born and Ulysses was published. Follow Joyce's narrative trail around the city of his birth and it forms a geographic question mark. "If I can get to the heart of Dublin, I can get to the heart of all the cities of the world," he wrote. The heart of modern Dublin, much of which Joyce would fail to recognise, is an international 21st century city – as encapsulated by a recent Irish Times headline: "Global tech giants make a 3.6m sq ft impression on Dublin cityscape."

Barry Devereux, managing partner of McCann FitzGerald, provides a tour d'horizon. "Our adjoining building is Facebook's European HQ," he says. "Google has had a massive expansion: 700,000+ sq ft on Barrow Street – people now call it Google Street because they own most of the real estate there. Facebook are building a new European headquarters: a huge development in Ballsbridge (Allied Irish Bank's former Bank Centre, which incorporates 725,000 sq ft of office space, capable of accommodating 7,000 workers). Last year, Microsoft opened their global flagship campus in Dublin, which holds 2,000+ people. It's absolutely out of this world in terms of technology and design – apart from Seattle, the building they're most proud of. Look at their footprints. These are their European headquarters with 2,000 people in Microsoft; Google, 8,000; Facebook, 7,000. They're here to stay."

The benefit for lawyers comes in the work they provide, spread between Dublin's elite law firms. "What work will they deliver?" asks Devereux. "They have very big in-house legal teams, well-equipped to answer data, privacy and technology issues. It's real estate, litigation and employment where we see the most traction."

Not mentioned on his list, Amazon is due to open a new 170,000 sq ft campus at Dublin's Charlemont Square next year. Meanwhile Apple, which is based in Cork, employs more than 6000 staff in Ireland. As the first big tech company to launch in Ireland back in 1980, Apple's arrival was seen as a major coup for the country. When I interviewed him for The Sunday Times, Graham Aaronson QC told me that his tax advice was pivotal in the company's decision. It proved to be good for Apple, which benefitted from concessions including a tax holiday for the first 10 years of its Irish operation – as revealed in 2013 by a US

Senate subcommittee hearing in Washington.

Ireland's low corporation tax – the famous 12.5% top rate – may have been the initial attraction for many companies that have subsequently invested in Ireland, but the tech ecosystem has long since developed its own dynamic. "In data and technology, there's been very significant bricks and mortar investment from TikTok, and most recently, Facebook, LinkedIn, and Google," says Julian Yarr, who retires as managing partner at A&L Goodbody next April after 13 years in the post. "It's a very sure sign that Ireland, as an investment hub, and an important base for their EMEA trading, is strong and will be stronger."

**Irish appeal**

In further contextualising Ireland's appeal, Alan Connell, who became managing partner of Eversheds Sutherland in January, provides a summary. "Ireland's position as an international business hub has become even more important, given the internationalisation of the economy," he says. "We are seeing particular evidence of this as the number of internationally focused organisations looking to establish operations in Ireland increases. Many companies have, for example, declared Dublin as their post-Brexit EU base, with many others seeking advice around operating models, corporate structures, cross-border trading relationships, supply chain realignment, data protection, intellectual property, and taxation."

Ireland provides a powerful combination of benefits, he suggests. "In addition to free movement of goods, people, capital and services within the EU Single Market, Ireland has a low tax jurisdiction offering in an EU and Eurozone framework, with a very strong pro-business environment, talented workforce, and the necessary physical, legal, regulatory and commercial infrastructure of a highly developed OECD jurisdiction."

*❝ In data and technology, there's been very significant bricks and mortar investment from TikTok, and most recently, Facebook, LinkedIn, and Google*

***Julian Yarr, managing partner, A&L Goodbody***

Matheson is among those firms to have benefited from all of the above. In the most recent data published by the Irish Law Society, it leapfrogged A&L Goodbody and Arthur Cox to become the largest law firm in Ireland. Last year, its lawyer headcount increased by 42 to 327 – an increase of almost 15%. "Although we're delighted to be the largest firm, it's not our aim," says the firm's managing partner, Michael Jackson. "But it is an indication of the general growth we've experienced. We want to be the law firm of choice for internationally focused companies and financial institutions that do business in and from Ireland. That's a sector which has continued to grow and prosper. Our strategy is reflected in our firm numbers. A very high percentage of the work we do is for companies that fall into that category.

***15%***

*Increase in headcount at Matheson last year*

Jackson points to strong growth from indigenous Irish businesses. "Our growth also mirrors the growth in the Irish economy across different sectors: Irish agri food companies, Irish tech and fintech companies and Irish pharma and life sciences companies continue to have and to grow large international customer bases," he says. "In the past few years, we've seen more people coming to Ireland and looking to operate from Ireland, even where they work for international companies. So, 'moving home' is a trend. Our clients are growing: we'd like to think we can grow too."

Matheson is among several Irish firms with a San Francisco office in its international network. Others include Arthur Cox, A&L Goodbody, Mason Hayes & Curran (MHC) and William Fry, all of which have offices there to service their Silicon Valley tech clients, among others.

**Sharp recovery**

Ireland had one of the longest and strictest lockdowns in response to the Covid-19 pandemic. "In transactional terms, there was nothing," says Declan Black, managing partner of MHC, referring to the initial phase of lockdown in 2020. "It was really gloomy and, of course, it hit litigation: there were next to no court hearings, effectively. Then private equity-led transactional activity picked up very sharply in Q4. It hasn't stopped since. In the first half of 2021, we were 25% up – unprecedented, almost unnerving. The highest ever year-on-year growth by a distance." ▶

This reflects OECD forecasts for Irish GDP growth: after avoiding a decline in output in 2020 thanks to buoyant exports of Ireland-based multinationals, real GDP is projected to grow by 4.2% in 2021, notwithstanding the Covid restrictions. Pent-up consumer demand consumer is projected to lift growth further to 5.1% in 2022.

MHC has five big engines, according to Black: corporate, commercial litigation, real estate, financial services, and commercial (privacy, commercial contracting and competition law). "When the five big engines are all going well, the firm prospers," he says. "It's the first time in my tenure as a managing partner that all five are powering ahead at the same time. We're no outlier, everybody in the Irish market is incredibly busy."

Devereux says that September 2020 was the real turning point for McCann Fitzgerald. "It's been busy ever since. All key indicators are positive. Private equity (PE) and M&A are drivers, while international debt restructuring is buoyant and international litigation is coming through the Irish courts. Ireland is looking for international disputes work, and we're beginning to see traction. Ireland's ability to handle big debt restructurings, international fraud and asset tracing cases, is getting tested and passing with flying colours."

Owen O'Sullivan, managing partner of William Fry, echoes the point. "From September onwards, things picked up to an extent we have never seen before. In 2020, we had the busiest September to the end of December we've ever had." He points to a resurgence in real estate transactional work. "M&A activity has been particularly strong since the end of 2020; the principal driver is PE. There's a huge amount of money invested into these funds and they need to invest. The number of transactions that have come on the table, the speed at which they're being turned around, the number of parties who are chasing deals, and frankly, all of whom need representation, has been very good, not just for the legal market, but for the advisory market generally."

*❝ Dealing with the implications of Brexit has been a key driver of work for our Data, Commercial and Technology team over the past 18 months and we anticipate that this will continue*

***Claire Morrissey, Head of Data, Commercial and Technology, Maples Ireland***

**Tight labour market**

The hiatus in work at Arthur Cox was pretty short, suggests managing partner Geoff Moore. "Since April 2020, it's been exceptionally busy across the piece, busier than I suspect we would have even perhaps hoped for pre-Covid," he says. "It's been a very busy period. In terms of utilisation, people have been very busy: the business has held up extraordinarily well."

The volume of work combined with the growth of international firms in Dublin provides a big recruitment and retention challenge, as Moore explains. "The labour market is very tight; it's only going to get tighter," he says. There's an inevitability that some people, irrespective of how talented or committed they are, want to do something else for a while. There are some challenges coming. We haven't (yet) seen the levels of wage inflation that have been developing in the London market in very recent times."

In terms of practice areas, he again points to PE. "Similar to Western Europe and North America, there's a lot of PE money still out there, a lot of firepower, some of which has been deployed," he says. "Healthcare, logistics, tech have been very busy. Interestingly, the one area that hasn't is restructuring. That wave of restructuring, wall of distress, that we all felt was going to come, hasn't yet. The exception, in an Irish context, is the aviation sector, where there's been some activity. Our litigators have been also exceptionally busy. The Irish courts really did up their game in terms of remote hearings, after a hiatus in April-June 2020."

**Deals aplenty**

As indicated by managing partners, Irish deal activity has been strong. Of Covid-related work, the airlines inevitably feature prominently. "We acted for Nordic Aviation Capital: a big restructuring and a good example of an international player using Ireland for debt restructuring," says Devereux. "There was €6bn of debt, and we helped to reschedule that for 12 months." In the biggest Irish deal this year, McCann FitzGerald also advised AerCap on its agreement with ▶

WALKERS

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# New Managing Partner
## Announcement

Walkers Ireland LLP is delighted to confirm the appointment of **Jonathan Sheehan** as Managing Partner effective from 1 January 2022. He will take over from **Garry Ferguson** who will complete his successful 9 year term as Managing Partner at the end of this year. Joining Jonathan in new leadership roles are **Noeleen Ruddy** and **Andrew Traynor**, who have recently been named Co-Heads of our Finance and Capital Markets practice.


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General Electric (GE) to acquire 100% of GE Capital Aviation Services (GECAS) in a $30bn deal which closed in November. A&L Goodbody advised GE.

The two firms were again on opposite sides in a big banking deal. McCann advised Allied Irish Bank (AIB) on the purchase of a €4.2bn purchase of a corporate loan book from Ulster Bank, which is being sold in tranches by its parent, Nat West, while A&L Goodbody advised Ulster Bank. "From a sectoral perspective, the transformation of the Irish banking sector stands out: the exit of Royal Bank of Scotland and Ulster Bank from the market – the most significant transactional mandate combined with a workout, on which we're advising," says Yarr. "Bank of Ireland and AIB are acquiring the largest stockbroking businesses in the market: we acted for both Bank of Ireland and AIB on their acquisitions."

According to Mergermarket data, A&L Goodbody had a very good first half in 2021, topping the tables for both the value and volume of deals on which they advised – ahead of Arthur Cox and McCann FitzGerald. "I became managing partner in 2009 as the global financial crisis kicked off," says Yarr. "The last year has probably been the busiest we've ever seen. We're trending significantly ahead against 2019, the last normal year."

In addition to the AerCap/GECAS and Ulster Bank/AIB deals, A&L Goodbody also advised: Pilgrim's Pride Corporation on its $952m acquisition of Kerry Group's meats and meal business (Kerry was advised by Arthur Cox); CVC Capital Partners on the long-term strategic partnership with Six Nations Rugby (the latter was advised by Bird & Bird with William Fry advising Irish Rugby); AIB on its acquisition of Goodbody Stockbrokers (advised by Eversheds); ICON plc on its acquisition of PRA Health Sciences

*❝ M&A activity has been particularly strong since the end of 2020; the principal driver is PE. There's a huge amount of money invested into these funds and they need to invest*

***Owen O'Sullivan, managing partner, William Fry***

(which was advised by Arthur Cox); and UDG Healthcare on its $3.7bn acquisition by Clayton Dubilier & Rice, which was advised by William Fry.

Elsewhere, Carlyle Aviation completed its acquisition of Fly Leasing in a $2.36bn deal. McCann advised Fly Leasing. The firm also advised Beauparc Utilities, Ireland's largest waste management company, on its near €1bn sale to Macquarie, which was advised by Matheson. Among other deals to complete recently, US bedding conglomerate Leggett & Platt (L&P) purchased Kayfoam Woolfson for €101m: L&P was advised by Arthur Cox and Kayfoam by MHC. EML Payments acquired Sentenial for €70 million: EML was advised by Arthur Cox and Sentenial by A&L Goodbody. Arthur Cox also advised Cool Planet Group on its acquisition of PowerHouse Generation, one of Ireland's leading demand response aggregators, in a deal which values the company at €1.8bn.

**Offshore impact**

The two big offshore firms in Ireland, Maples and Walkers, have had similar experiences to the big Irish players, accentuated by their greater focus on aviation work.

"In the 11 years since we opened in Ireland, our performance in the last financial year was our best yet," says Jonathan Sheehan, managing partner of Walkers in Dublin. "Unsurprisingly, the revenue growth wasn't evenly spread. Some practice areas were naturally more acutely hit by the pandemic – aviation, in particular. Also, real estate in the early part of the pandemic. With our real estate practice focused on institutional and overseas investors investing in Irish real estate, the inability to conduct site visits inevitably paused deal flow. However, the resilience of our teams was tremendous and reduced volumes in certain areas was offset by continued growth in other core practice areas: financial services in an Irish context. While we are not a full-service law firm in Ireland, with 10 practice groups, we seek to provide a full suite of legal and professional services to financial services clients."

He identifies Walkers' debt capital markets practice (FCM) as one of the biggest in Dublin. "We're a tier one market leader," he says. "Our collateralized loan obligation (CLO) practice in particular was exceptionally busy in Q4 2020 with a huge number of CLOs migrating to Ireland. We are very proud to have acted for more issuers in the context of those migrations than any

other law firm." There has been a large amount of repricing in the CLO market, he explains. "That's a function of the supply of credit, government credits in particular to business and there is a proliferation of loans available to be bought by CLO issuers." And a recovery in aviation? "We've already seen it. Restructurings are inevitable and we've been busy with those. We were involved in the Virgin Atlantic restructuring and participated in two large schemes: Nordic Aviation Capital (a very big transaction), Genomic Aviation, and the examinership of Norwegian Airlines."

At Maples, the larger of Dublin's big two international offshore players, there has also been a sharp recovery in work. The Maples Group is primarily focused on financial services, the largest element being funds and investment management, then finance and corporate. "We don't see a falling off in financial services, finance work, or asset finance although aviation leasing has certainly been challenged," says Nicholas Butcher, Maples Ireland managing partner.

**Law firm practising solicitor numbers (as of 31 Dec 2020)**

| 2020 ranking | 2019 ranking | Firm name | 31 Dec 2020 | Diff +/- over 2019 | 31 Dec 2019 |
|---|---|---|---|---|---|
| 1 | 3 | Matheson | 327 | 42 | 285 |
| 2 | 1 | A&L Goodbody | 320 | 7 | 313 |
| 3 | 2 | Arthur Cox LLP | 312 | 13 | 299 |
| 4 | 4 | McCann Fitzgerald | 284 | 18 | 266 |
| 5 | 5 | Mason Hayes & Curran LLP | 259 | 20 | 239 |
| 6 | 6 | William Fry | 207 | 0 | 207 |
| 7 | 8 | ByrneWallace | 137 | 5 | 132 |
| 8 | 9 | Eversheds Sutherland | 112 | 4 | 108 |
| 9 | 11 | Maples and Calder (Ireland) LLP | 108 | 3 | 105 |
| 10 | 10 | Ronan Daly Jermyn | 106 | -1 | 107 |
| 11 | 13 | Beauchamps | 95 | 3 | 92 |
| 12 | 12 | Freshfields Bruckhaus Deringer LLP | 88 | -13 | 101 |
| 13 | 14 | Dillon Eustace | 86 | -2 | 88 |
| 14 | 20 | Hayes Solicitors | 64 | 3 | 61 |
| 15 | 16 | Eugene F Collins | 63 | -1 | 64 |
| 16 | – | Philip Lee | 63 | – | – |
| 17 | 16 | Pinsent Mason LLP | 63 | -1 | 64 |
| 18 | 18 | LK Shields Solicitors LLP | 63 | 1 | 62 |
| 19 | 15 | Walkers | 63 | -2 | 65 |
| 20 | – | DAC Beachcroft Dublin | 53 | – | – |
| | | **TOTALS** | **2,873** | | **2,658** |

Source: The Law Society of Ireland

**Brexit: "key driver"**

"Dealing with the implications of Brexit has been a key driver of work for our Data, Commercial and Technology team over the past 18 months and we anticipate that this will continue," says Claire Morrissey, Head of Data, Commercial and Technology at Maples in Dublin. "The Trade and Cooperation Agreement addressed some key concerns like connectivity and the free flow of personal data, as the trading relationship is necessarily different. It hasn't replicated the equivalence of EU membership. For our clients, we're seeing them seeking to maintain an establishment within the EU. Our financial services regulatory team, employment, property, tax, and data and commercial practices are very busy, ranging from advising investment firms to international companies who have relocated to Ireland as a result of Brexit."

Colm Rafferty, co-head of Maples corporate practice in Ireland, adds: "Many of our indigenous technology and life sciences companies are focused on addressing global markets. We've got a disproportionately-sized sector in terms of innovation-driven enterprises, and a lot of international capital-chasing opportunities. Covid has accelerated many business models focused on technological disruption. We've seen a huge uptick in transactional activity, both on fundraising side and M&A in tech. Businesses like the e-learning company LearnUpon, which took investment from Summit Partners, and Taxamo, which addresses the issue of tax compliance in an e-commerce context and was acquired by Vertex, are good examples."

In May 2021, Maples established an Irish asset finance offering in Singapore. "We strive to provide time zone convenient legal advice and ancillary services in regions where our clients are based," says Butcher. "Our Irish asset finance practice has Irish lawyers in Ireland, London, Hong Kong and now Singapore. In aircraft leasing, we anticipate that the market will regularise. Life will come back: the number of airlines that are contracting to acquire aircraft is significant. We have a history of doing things perhaps in a counterintuitive fashion – for example, we launched our Irish desk in London in 2017 at a time when other Irish firms were hoping there would be flight of legal work from the UK to Ireland. However, it was the right approach for us and has proved to be a very successful move. Our Irish Asset Finance practice in Singapore is consistent with our counterintuitive approach to the market."

## William Fry brings Peerpoint model to the Irish legal market


▲ Matthew Cahill

In September, William Fry launched PeopleBridge and William Fry Connect – the first such service lines in the Irish market. They facilitate people being contracted on short term assignment, promote flexible working, and allow people to work for longer than otherwise might be the case. Partner Matthew Cahill explains. "We spoke to Peerpoint (Allen & Overy's flexible resourcing platform), who were very helpful," he says. "PeopleBridge is based on the Peerpoint model: Peerpoint had first mover advantage in London; PeopleBridge is the Irish equivalent. Hopefully, we'll have the same advantage in Dublin."

There's been significant interest, according to Cahill. "We've onboarded people – all bar one, 10 year-plus qualified lawyers, who have experience and want flexibility in assignments," he says. "Often, they're in their fifties and and find it easier to get contract work rather than employment. PeopleBridge keeps older people working longer. When clients approach us for an interim solution, they get somebody who's been vetted by William Fry." Most client projects are long term roles, he notes, between six and 12 months. "They're filling a gap due to secondment, somebody's on leave, or a particular project," he says. Roles already filled include leading an M&A transaction for 12 months and working for an Irish regulator as a contract lawyer.

William Fry Connect is based on the Keystone/ gunnercooke model. "A fully flexible way of joining a top tier law firm and leveraging their brand, it's for lawyers who want to work on fully flexible terms," says Cahill. "Lawyers have different drivers. Some, for example, juggle childcare responsibilities, others are older - out of big firms or past standard retirement age. William Fry Connect allows us to keep people in the workplace who find it difficult to work under normal contract. It benefits us at zero cost: when people join, they're not guaranteed any pay unless they deliver; but to the extent that they deliver, we share the revenues.

"Both are complementary businesses which help to deepen relationships with clients, adding to our resources and revenue base. Interests of the lawyer and the firm are aligned: to charge as much as possible. If you join, you've come from a pedigree where you're used to premium work, and you want to earn as much as possible. Rates are comparable to what we normally charge."

**Challenges ahead**

In looking ahead, diversity is uppermost in the minds of many Irish managing partners. Although several have, or have had, female chairs, the nine firms interviewed for this report, which include the top six by lawyer headcount – all have men in the top job. "If you look at Aedamar Comiskey's elevation to senior partner at Linklaters and Georgia Dawson at Freshfields, we're on a similar journey in the Irish market," says Moore. "Our chair, essentially our own senior partner is Orla O'Connor, has been in that role for two and a half years. More recently, McCann's and A&L Goodbody's chairs are also female. It won't be too long before we have a female managing partner in one of the big four firms, which would not be before time." Given Yarr's departure in April 2022, Goodbody might get there first. "There's a huge amount of change coming, which, if you're an optimist, like me, is very exciting, because it gives the opportunity for firms like us to advance further," he says.

Beyond the global minimum tax rate of 15%, which Ireland has agreed will become effective in 2023 (see: Taxing Times in this report], recruitment is another key challenge. "Ireland is set fair: I'm very optimistic, but never complacent," says Black. "But it's very competitive: there's an ongoing appetite for talent in every law firm, but probably the biggest competitor for talent is the in-house community. That's a global trend, but it's really hitting in Ireland. We lost a partner to ByteDance, the parent company of TikTok; a partner to Stripe, the payments company; and a partner to Altada, an AI company."

And finally, the work. "The sectors which suffered most during the lockdowns are now clearly back on an upward trend," says Jackson. "The lifting of travel restrictions means that international investors in property can come and view properties they're thinking of purchasing, while activity in the aircraft leasing space has come back onstream again. The Irish economy generally is in good shape and, again, it's the areas in which there is strong, continued growth in the economy which also are delivering strong continued growth for the firm – tech, life sciences, med tech, financial services, M&A. The general outlook is very positive."

Connell concludes: "From our clients' perspective, the outlook for Ireland remains really positive as multinationals, and indeed, indigenous entities, can avail themselves of the many possibilities presented. The size and scale of multinationals that are in Ireland and the capital that they have at their disposal, means that – from our perspective – we see them continuing to grow and embrace the platform that they have developed in Ireland over many years."

# Solving the Irish Puzzle

A flood of international firms in Dublin has put pressure on the local legal recruitment market. *Dominic Carman* asks whether more competition might force leading Irish firms to consider an alliance or a merger

One measure of status for any legal market is the number of foreign law firms which advise international clients on local law. That certainly applies in Frankfurt or Paris, for example. In the world's two biggest legal markets, the 100 or so US law firms in London compete much more effectively than the 20+ UK law firms operating in New York. Carving out a significant share of top end work, the leading trio of Kirkland & Ellis, Latham & Watkins and White & Case bill nearly $1.5bn between them in London, whereas Allen & Overy, Clifford Chance, Freshfields Bruckhaus Deringer and Linklaters collectively bill only a small fraction of that figure in New York.

Until recently, international competition in Ireland was limited to a small handful of firms. But, in recent years, more international players have decided to plant an Irish flag: the Brexit vote was a key catalyst. Between 2016 and 2020, nine of them opened a Dublin office; since last September, a further seven firms – including Linklaters and Hogan Lovells – have announced their arrival. As the trickle becomes a flood, what does this mean for Dublin's elite?

**▲ In recent years, more international players have decided to plant an Irish flag**

**Benefits and context**

Many of the big domestic players suggest that the overall impact of international firms in Dublin delivers a net benefit. "The jurisdiction is already quite a sophisticated market," says Michael Jackson, managing partner of Matheson, Ireland's biggest law firm. "It's well served by a number of large law firms – large particularly in the context of the size of the country. A huge amount of expertise has been built up in Irish firms over the last 20 years. Having a more international flavour to the market is positive in terms of the perception of the jurisdiction as a place from which to do business. That's got to benefit all of us. Experience suggests that the arrival of the international firms will be of overall benefit to the jurisdiction, that the market will grow, and that we will continue to target growth in our share of that larger market."

Julian Yarr, managing partner of A&L Goodbody, concurs. "The Irish legal scene has started to reflect the economy," he says. "It's a good thing because it shows that Ireland is an important strategic place for the global market. Will it increase competition? That will depend on the work areas. We wouldn't take anything for granted in terms of how we want to keep our market position and share of the more interesting and complex work. International firms tend to come in on rather more niche areas – often supporting a global deal with a smaller Irish footprint – whereas independent firms tend to lead on the more significant and complex transactions."

Putting the arrival of international firms into historical context, Declan Black, managing partner of Mason Hayes & Curran, notes: "For years, Ireland and Japan were the only two developed westernised economies that didn't have a significant presence of international law firms. Japan is still in that bucket. We were English-speaking and common law. In part, we were too small to bother about, and we were relatively well served by the local professional community. Those two things probably conspired to keep the place fairly local until Brexit, when every managing partner of a UK firm, in particular – but also some international firms – had to have an 'Ireland strategy'. It's unsurprising that some of them, when they looked at it, thought: well, why don't we establish here? I welcome the development as it's good for clients. When you have a cluster of high-quality service providers, it attracts its own business. It's a good thing because it spurs people on to do better and be better with clients."

**International law firm openings in Dublin since 2006**

| Firm | Year opened |
|---|---|
| Pre-2016 | |
| MAPLES | 2006 |
| EVERSHEDS | 2009 |
| DAC BEACHCROFT | 2009 |
| DECHERT | 2010 |
| WALKERS | 2010 |
| KENNEDYS | 2011 |
| Since 2016 | |
| DWF | 2016 |
| COVINGTON & BURLING | 2017 |
| PINSENT MASONS | 2017 |
| LEWIS SILKIN | 2018 |
| SIMMONS & SIMMONS | 2018 |
| CLYDE & CO | 2019 |
| FIELDFISHER (merged with McDowell Purcell) | 2019 |
| SHEPHERD & WEDDERBURN | 2019 |
| DLA PIPER | 2019 |
| DENTONS | Sep 2020 |
| BURGES SALMON | Dec 2020 |
| LINKLATERS | Feb 2021 (registered) |
| ASHURST | Mar 2021 |
| HOGAN LOVELLS | Mar 2021 |
| CADWALDER | Apr 2021 |
| TAYLOR WESSING | Sep 2021 |

Source: Reports Legal

**Threat to business**

Nevertheless, the level of office openings is now diminishing, according to Geoff Moore, managing partner at Arthur Cox. "New market entrants have slowed a bit: it was moving at quite a pace," he says. "We've had a lot of international competition in Dublin since the noughties, when the offshore firms Maples and Walkers set up. Dechert and DLA Piper – their strategy is, ultimately, to try and be reasonably full service. Whereas some other entrants in the past, with the exception of Eversheds, have been more focused on particular areas: financial services, investment funds, or investment management. The pace of new market entrants will probably slow a bit in the next cycle."

But Jackson disagrees about the quantity of anticipated new entrants. "We will continue to see an increase," he says. "It is clear from the recruiters that a number of the international firms who are here are working hard to try and recruit. The Irish firms are also in growth mode so it's a busy talent market. That will likely continue."

At William Fry, managing partner Owen O'Sullivan outlines concerns which he suggests are affecting every leading firm. "The Dublin market has always been very competitive; there's now a global dimension to it," he says. "New players have come in two waves: the first wave, leading up to the global financial crash, included Eversheds, Maples, Dechert and Walkers. Most of those are focused on very particular sectors, such as investment funds. In the last two to three years, we've seen a second wave of global players who have the capability of becoming anything they might want – if they see Dublin as a place that could deliver particular growth. They are impacting the employment market in terms of salary scale, recruiting talent, and lateral hiring. No firm in Dublin has been immune."

The only managing partner to use the word 'threat' is Barry Devereux at McCann FitzGerald. "Linklaters, Ashurst and Taylor Wessing announced putting a small discreet presence on the ground, ostensibly for niche practice areas," he says. "Linklaters: for access to the ECJ through a member of the EU, but they've got a big Brussels ▶

office. Ireland's economy is now sufficiently attractive to bring in Covington (& Burling), DLA, Dentons, Simmons (& Simmons) and Linklaters. Good for our economy, but yes, it's a threat to our busines. But it will undoubtedly expand the legal market here; they're not here to participate in a fixed capacity market."

**More opportunities**

One example of that threat comes from DLA Piper, which has grown rapidly since its Dublin launch. In September, the firm moved to new offices in 40 Molesworth Street, tripling its Dublin footprint to 30,000 sq ft and providing plenty of extra room for more lawyers to be added. According to David Carthy, DLA Piper's Ireland managing partner, "Since first opening our doors in Ireland in 2019, we have expanded our team across all of our seven practice groups. The expansion reaffirms DLA Piper's commitment to Ireland as part of its global strategy."

Three of the firms in the first wave of international entrants are now a well-established feature of Dublin's legal landscape. In its local office, Maples Group, the first international firm to open in 2006, now has 108 lawyers, according to the latest data published by the Irish Law Society. Meanwhile, the comparable figures for Eversheds Sutherland (2009) and Walkers (2010) are 112 and 63 lawyers, respectively. So, how do their managing partners see the newer arrivals?

"We welcome it," says Nicholas Butcher at Maples. "We're pleased to have the company. We've been here a decade and a half as an international global law firm and it's great to see other first-class global law firms also arriving, bringing clients and people with them. It can only add to the quality, depth, and sophistication of the jurisdiction.

*" We've been here a decade and a half as an international global law firm and it's great to see other first-class global law firms also arriving, bringing clients and people with them*

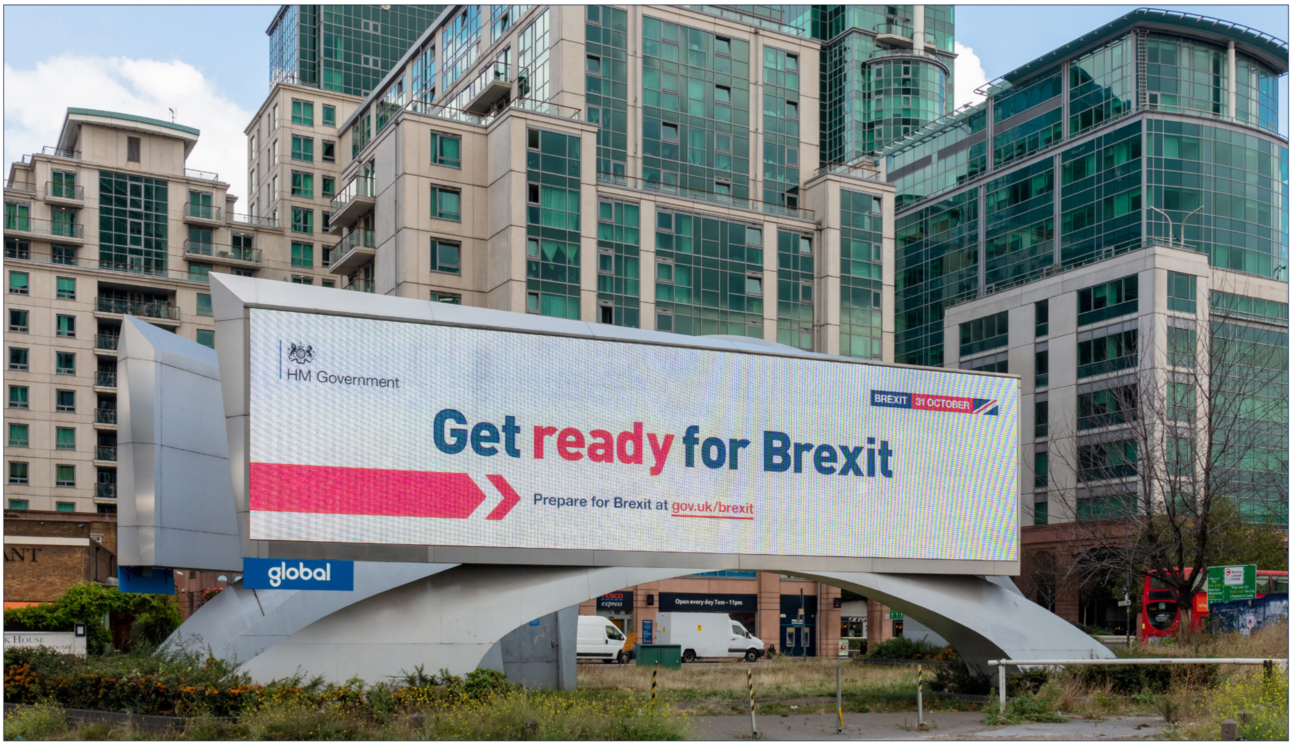
***Nicholas Butcher, managing partner, Maples Ireland***

It's a huge vote of confidence that firms of that calibre, and clients of that stature, feel very confident about the Irish market and the jurisdiction. A rising tide floats all boats. It will add to the sophistication and calibre of the Irish legal market in general, and that can only be a good thing. Our longstanding presence and commitment to Ireland has meant we have an established reputation, outstanding team, and the quality experience to be a leader for the sector in Ireland."

At Walkers, Jonathan Sheehan adds: "We have direct experience of breaking into what was a closed market dominated by larger players, and proved that it can be done successfully. It's very healthy for a legal market in terms of increased competition, and a wider spectrum of clients that consider Ireland as a jurisdiction and then structure transactions under Irish law. One argument is that the more large international firms there are in the market, the greater the exposure clients have to Ireland and to Irish law. As a result, it opens up the market to a wider suite of clients that we wouldn't have potentially had before. Other firms moving in creates greater opportunities for existing firms."

**Recruitment and retention challenge**

But Sheehan also shares some of the concerns of local Irish firms. "Nevertheless, increased competition is a challenge from a retention perspective," he says. "When our lawyers move to other firms in leadership roles, it's a positive reflection on how well people have been trained with us and developed their careers. It can actually be a selling point: if ▶




▲ **Brexit was a major catalyst for international firms setting up shop in Ireland**

we do lose partners, as we have – as all the firms have – to other firms that are coming in."

Butcher responds: "New entrants to the market result in more competition, but the pie is growing as new clients come in. Competition is around recruitment and retention. The Irish legal market, in terms of personnel and resources, is relatively small: many firms are chasing the same pool of available talent and we've certainly seen an impact in recruitment and retention. It's a challenge but, as with all challenges, it brings opportunities. But you have to pay a premium to get good lawyers and then you need to look after them – ultimately a good thing."

A further challenge comes from another quarter. "We're watching the Big Four," says O'Sullivan. In October, EY hired former Eversheds Sutherland Ireland managing partner, Alan Murphy, to launch its new Irish law practice. Other associate partners hired include Adam Synnott, formerly at William Fry, who is now Head of Corporate M&A and Structuring at EY Ireland. To develop their offering, EY is now actively recruiting in five specific practice areas.

Ireland head of tax Alan Connell took over from Murphy as Eversheds' Ireland managing partner in January. "After many decades without change, the legal sector in Ireland is changing, and changing significantly," he says. "We were the first major international player to have a significant presence in the Irish legal market. We very much led the way in terms of driving its evolution with a number of international players entering recently." He expects that trend to continue.

Does he also expect more big firms will follow? "I do. If you look at history, law firms tend to follow their clients. Globalisation has meant that the number of global decision makers that are based in Ireland has increased. They have significant budgets. Such global decision makers need to be advised by global advisors. They require multi-jurisdictional services and solutions, not just local services and solutions, as their businesses are global. Quite simply, the indigenous law firms in Ireland just don't offer this, they focus solely on Irish legal matters. For global businesses, which are invariably sophisticated purchasers of cross-border legal and tax services, this can be very limiting, costly and time consuming."

### "Watch out, or you'll get run over"

Should international firms seek to grow their Dublin footprint significantly, the natural instinct of some might be to forge an alliance, or potentially a merger with a big local player. Paris and Frankfurt provide good textbook examples of the protracted battles between international and independent firms in recent decades – not all of which have ended well for the new entrants. Although a much smaller legal market, Dublin might see similar battles ahead, albeit on a reduced scale.

"After Brexit, there was much talk in Dublin: we'll be better off, someone's going to put a price on our head and it'll be fantastic," says Devereux. "But we're a full-service firm and many parts of our business are of no interest to

Allen & Overy or Linklaters. The question is: do we want to be a part of an international firm, to have an alliance, or be the very best independent firm doing work to global standards? These issues are being considered by every big law firm in Dublin. It's the most interesting time in decades in the Irish legal market. We have to think: what do we want, what do we want to be known for, who do we want to act for? Big questions, but they must be explored and addressed if you want to survive and be globally competitive. All the big Irish firms have to be watching this space, because if you're not and are looking the other way, you'll get run over by the bus that's coming through."

In response, there is considerable scepticism. "It's possible, but I would doubt that any of the large players would see a merger with a large international firm as a strategically important move," says Jackson. "Will someone come in and undertake a major merger with one of the major law firms?" asks Moore. "I'm not convinced. One differentiating factor of the Dublin legal market, compared to London, is there are probably only four firms who are really at the top of their game." He also suggests that conflicts would be a big issue. "If I'm a managing partner sitting in London with a very big cheque book, and thinking about expanding into Ireland, the proposition at 10,000 feet could look very attractive," he says. "Conflicts tend to be an issue because much of the big-ticket work is concentrated in a handful of firms. There's been a lot of talk ever since Eversheds opened up about a potential merger of one of the bigger Irish practices, but it hasn't happened. I'm not convinced it's imminent."

Yarr offers a robust defence of the independent model. "There are very significant strategic, competitive advantages of being an independent firm of this scale and depth of expertise," he says. "Ireland is a net importer of legal instructions, unlike some other jurisdictions. If you were to merge, or have an exclusive relationship with one firm, you're cutting off 30 or 40 firms that are strategically important to clients, mandates and other transactions. I don't think that the market, even if it were to be saturated by another 10, 15, 20, firms, will have the type of depth and scale that's necessary. That's been borne out right across Europe. We think that independent firms have perhaps got a better competitive advantage now in some of the key jurisdictions to give a very credible offering to the more global client."

*" For years, Ireland and Japan were the only two developed westernised economies that didn't have a significant presence of international law firms. Japan is still in that bucket.*

***Declan Black, managing partner, Mason Hayes & Curran***

**Chain reaction**

O'Sullivan is less dismissive of the idea. "The leading independent firms here do well from being independent because our referral streams are varied," he says. "If there were to be some tie-up between a leading Irish firm and a leading international firm, that would cause quite a stir. If there were to be two, that would show a very particular direction: it would start a chain reaction because referral streams would start drying up and the rationale for being truly independent would diminish."

Against the tide of opinion among the big Irish independent firms, Black believes that a potential merger between a big Irish firm and a major international firm is "relatively likely" in the next few years. "Why?" he asks. "Only because it is now a strategic option, whereas before it wasn't. I would not be surprised if a firm took that plunge. A disincentive to any tie-up, of course, is that you choke off a bunch of referrals, the ▶

value of which probably cannot be met by a single spouse."

Perhaps less partisan than some in their views, international firms with Irish offices are also more open to the possibility of it happening. "The likelihood has arguably increased with the number of new market entrants," says Sheehan. "Those new entrants have undoubtedly seen the impact that Walkers and Maples have had in the more than 10 years that our firms have been in Ireland. Against that backdrop, with the number and nature of the new entrants, it's not unlikely that you'll see consolidation in the market. It's more likely right now simply because of the number of large international firms that have put their toe in the market."

Any major move would present problems, he suggests. "I wouldn't underestimate the complexity of being able to do a deal, particularly because of the cultural shift required," says Sheehan. "The larger four or five domestic firms are very proud of their tradition: that they are headquartered with the 'mothership' in Ireland. To find the right partner which won't undermine that will be an existential challenge when you come to formulating an agreement. Unsuccessful alliances in other jurisdictions may just temper the enthusiasm."

> *" With the number and nature of the new entrants, it's not unlikely that you'll see consolidation in the market*
>
> ***Jonathan Sheehan, managing partner, Walkers Ireland***

**"Inevitable consolidation"**

Butcher also anticipates a merger at some point. "It's got to be possible," he says. "Some of the historical incumbent firms are probably thinking about how they need to develop. Fantastic firms, doing fantastic work, and fantastic clients, the historic incumbents are fiercely independent and proud of their position and the work they do. Although I'm not sure we're going to see it any anytime soon, that's got to be part of a readjustment and realignment of the market overall in Ireland, not least because of resourcing. It's tricky when we're all competing in a relatively small market for resources to do international work." He concludes: "Firms like ours, with a genuinely international blueprint, naturally have an advantage."

As one of the most likely candidates to pursue a merger in the near-to-medium term, Eversheds is bullish about the prospect. "It's a strong possibility," says Connell. "We have a number of international players coming in. But as Ireland becomes an increasingly important jurisdiction in terms of international structures, being able to advise your clients across borders is becoming more and more important. The idea of some international firms simply partnering via a best friend alliance with a local law firm, while it may make sense in the short term, does not make sense longer term. Alignment, quality and frictionless borders in your offering is increasingly important to internationally focused clients, seeking global solutions.

"Ireland is becoming such a hugely important jurisdiction, particularly for overseas expansion of internationally focused corporations. There's a significant challenge for the status quo in the Irish legal market because the larger firms have relied heavily on international referrals in order to operate at the level they have been doing for many years. The influx of international firms will inevitably mean that the quantum and level of those international referrals will reduce somewhat. As a result, something has to change. Whether that's more alliances, tie ups, or mergers in that space, I definitely see more consolidation in the market. It's becoming somewhat inevitable."

# Taxing Times: Is Ireland still trending?

For companies with annual revenues of €750m+, Ireland's cherished 12.5% corporation tax rate will increase to 15% in 2023. What does this mean for current US multinational hubs and future FDI?

▲ **This summer saw the Irish government oppose the biggest international corporate tax reform for more than a century**

In the summer of 2021, Ireland took on the world – or at least the Irish government did – in its opposition to the biggest international corporate tax reform for more than a century. By the time a deal was finally struck with the Organisation for Economic Co-operation and Development (OECD) in October, Ireland had secured what was generally seen as a good result: the new global minimum corporate tax (GMCT) would be 15% and, critically, be capped at that rate.

So, how did this situation arise and what does it mean for Ireland, which has long championed its low corporation tax of 12.5% – the lowest of any developed onshore economy – as a key magnet for inward investment? This rate was pivotal in transforming Ireland from a relative backwater to emerge first as the Celtic Tiger and then to become one of the world's most prosperous countries in the 2020s, with an average annual salary of €49,000. A further measure of its success in attracting foreign investment can be seen in Irish corporate tax revenues, around 75% of which are generated by US companies.

Following years of discussion, the OECD finally got its act together in 2019, proposing that taxation rules be updated to accommodate digital products and services and that a new GMCT should be introduced to counteract companies shifting profits to jurisdictions with lower corporate tax rates.

**"At least 15%"**

The G7 finance ministers endorsed a GMCT for the 100 largest multinationals in June 2021: its aim was to disincentivise any race to the bottom by countries seeking to attract them. In July, more than 130 countries proceeded to back an OECD plan to operate a global minimum corporate tax rate.

The wording of the agreement formulated by the OECD's Inclusive Framework tax negotiating forum included a GMCT of "at least 15%". Andrew Quinn, global head of Tax at Maples, explains: "When the Biden Administration published its US tax reform proposals earlier this year, that gave the OECD global minimum tax initiative huge impetus. The US and OECD changes will work hand-in-hand."

Ireland was one of only nine countries that refused to support the agreement – notably, the only major economy to do so. First introduced in January 2003, the 12.5% rate has served as a centrepiece of the 'Irish brand' – perceived as the product of a careful strategy to compete for inward investment that other countries have failed to match.

> *I'm not concerned that big tech companies and corporates are going to flee. They have been in Ireland for a long time and put down very deep roots*
>
> ***Geoff Moore, managing partner, Arthur Cox***

"We've held on to a 12.5% rate dearly because it's really driven FDI in Ireland," says Barry Devereux, managing partner at McCann FitzGerald.

The decision not to sign up immediately to the agreement was "a very bold move," suggests Quinn. "But Ireland took a transparent and principled stance. The original agreement proposed a corporation tax rate of 'at least' 15%. Ireland quite understandably said that there needed to be more certainty on the rate for international businesses and stakeholders generally so that it will not continue rising. Commendably, Ireland also launched a public consultation which gave stakeholders an opportunity to comment."

Months of political wrangling and negotiation followed until, on 8th October, the OECD announced: "Major reform of the international tax system finalised today at the OECD will ensure that Multinational Enterprises (MNEs) will be subject to a minimum 15% tax rate from 2023. The landmark deal, agreed by 136 countries and jurisdictions representing more than 90% of global GDP, will also reallocate more than $125 billion of profits from around 100 of the world's largest and most profitable MNEs to countries worldwide, ensuring that these firms pay a fair share of tax wherever they operate and generate profits."

**At most 15%**

Initial reports in the UK press were polarised along political lines. According to The Guardian, "It brings an end to the country's 12.5% tax rate that has applied since 1 January 2003, which has frustrated critics in other EU countries and the UK where higher corporate tax rates have applied."

Meanwhile The Daily Telegraph went on the offensive, suggesting ▶


▲ **Google Docks, Dublin: the US tech giant is one of many with offices in the country**

that Ireland "had been forced to abandon its low tax business model in the face of pressure from Joe Biden, putting the country's status as a haven for global companies at risk." It concluded: "The sacrosanct 12.5% tax rate has been the cornerstone of the Irish economy for almost two decades and helped attract some of the world's biggest corporations, such as Facebook and Google, to set up their European headquarters in the country."

On the same day, the FT took a rather different view: "Ireland succeeded in its demand for the tax to have a maximum of 15 per cent, instead of the original wording of the deal that said 'at least 15 per cent' and in contrast to the original 21 per cent first mooted by the Biden administration."

Acknowledging that the 15% rate will cost Ireland about €2bn in lost tax revenues, Paschal Donohoe, Ireland's finance minister, told the FT that big businesses could rest assured that no more changes would follow the "very, very significant" shift from what had been a longstanding cornerstone of Irish tax policy.

The new rate will affect more than 1,500 companies in Ireland employing 500,000 people (more than 20% of the domestic workforce), including US tech giants such as Apple, Google, Amazon and Facebook. For smaller, domestic companies with a turnover under €750m, Donohoe secured approval from other nations to keep the 12.5% rate – a concession which, he admitted, he had been uncertain that he could secure.

> *The sacrosanct 12.5% tax rate has been the cornerstone of the Irish economy for almost two decades*
>
> ***The Daily Telegraph***

**'Success for Ireland' – economists**

Back home, The Irish Times heralded the announcement with the following headline: OECD tax deal 'a success for Ireland but loss for rest of world', say economists. The article underneath explained why: "A number of leading economists and intellectuals have claimed the Republic of Ireland is one of the few winners from the Organisation for Economic Co-operation and Development (OECD) tax deal, agreed last week, to introduce a 15 per cent corporate tax rate in more than 130 countries.

"The claim, made by those including Joseph E Stiglitz, Thomas Piketty, Gabriel Zucman, Eva Joly, José Antonio Ocampo and Jayati Ghosh, is contained in an open letter published in the French newspaper Le Monde by ▶

14 members of the Independent Commission for the Reform of International Corporate Taxation (ICRICT) to the G20 finance ministers who meet in Washington on Wednesday to sign off on the deal."

The economists' letter concluded: "By giving priority to apply the minimum tax to the countries where the headquarters of multinationals are located, the lion's share of the additional revenue is expected to be received by a small number of rich countries. This leaves aside the application of the principle of fairness you agreed, that corporations should be taxed in the jurisdictions where their profits are generated".

**Good deal?**

So, do Irish lawyers think it's a good deal for Ireland and for their multinational clients? The overall sense is one of relief at the 15% cap, underpinned by perennial Irish optimism. "Managing partners are professional optimists,' notes Declan Black, managing partner of Mason Hayes & Curran.

"We had an historic announcement in October that Ireland will sign up to the agreement and that the minimum effective rate for companies in scope will be 15% (not "at least") giving certainty to Government and industry," adds Quinn. "That will apply in Ireland to companies with annual revenues of more than €750m – other companies will remain at the 12.5% rate."

A consensus exists among traditional Irish heavyweight firms. "I think Ireland will be broadly happy with what they've signed up to," says Julian Yarr, global managing partner at A&L Goodbody. "It certainly provided clarity for business and international investors, which is very welcome for our clients; tax overview is something that's important for a very small country."


*❝ Ireland has a proven track record as a successful location for world-leading, established and high-growth multinationals from around the world*

***Alan Connell, managing partner of Eversheds Sutherland Ireland***

Geoff Moore, his counterpart at Arthur Cox, adds: "I'm not concerned that big tech companies and corporates are going to flee Ireland. They have been in Ireland for a long time and put down very deep roots. That's not necessarily going to lead to an exit of those corporates; they're too well embedded here." Black concurs, albeit more cautiously. "Large corporations will resist the temptation to do things quickly, or reactively,' he says. "They will probably do things incrementally while they survey the rest of the global tax landscape."

Alan Connell, managing partner of Eversheds Sutherland Ireland and head of the firm's Irish Tax Group, develops Moore's theme. "Ireland has a proven track record as a successful location for world-leading, established and high-growth multinationals from around the world," he says. "More than a third of multinationals already in Ireland have had operations here for over 20 years. There's a longevity, a resilience, and a commitment from these companies to Ireland. Even a change to what is a global tax rate – the minimum level of tax that's being sought to be paid across the globe – doesn't necessarily change the analysis."

**Future impact**

Some critics anticipate that, as it surrenders its tax competitiveness, Ireland's advocates will continue to play up the country's other advantages as a regional hub for multinationals. But, they suggest,

▲ **Dublin has proven an attractive post-Brexit EU base for law firms and multinationals**

this won't work. One particularly caustic commentator recently wrote: "The lowest corporate tax rate in the developed world was not incidental to the country's recent prosperity. It was the core around which it was built. Even worse, it has not just destroyed that, it has done so for nothing more than a virtue-signalling gimmick. Ireland will be poorer and no one else will be better."

Even if they would not naturally welcome any increase in corporation tax, Irish lawyers certainly beg to differ with this critique. Jonathan Sheehan, the new managing partner of Walkers and head of the firm's Irish Tax Group notes: "A 2.5% increase in our corporation tax trading rate for those enterprises in scope shouldn't really have a big impact for our client base. The more important aspect for our clients is certainty as to Ireland's tax offering and Ireland remaining attractive and competitive as an investment location.

"While the two-pillar approach proposed under the OECD Inclusive Framework agreement (move towards a GMCT rate of 15% as well as the re-allocation of a proportion of tax to market jurisdictions for the very large multinational enterprises) is contemplated by our clients and their boards, of more immediate and direct consequence to our financial services clients are the various tax measures introduced across the EU as part of the EU ATAD (Anti-Tax Avoidance Directives) (anti-hybrid rules and interest limitation in particular) which can impact a far broader spectrum of clients, industries and sectors."

Looking ahead, Yarr poses the question: "Will we see less FDI using Ireland as a hub? Yes, that's likely. But will we see a material change in the industrial and economic policy of Ireland? I don't think so. Ireland will remain an important hub. If you look at some of the rating agencies, they say: yes, there could be some impact on a worst-case scenario, but not necessarily downgrading Ireland and its economy."

**Much more to Ireland than tax**

Devereux offers a different answer to the same question: "Will we lose business? I don't think so. Speaking to FDI companies, low tax is an advantage, but there's far more in Ireland than tax. There's the ready availability of skilled people: Microsoft has 70+ nationalities in its campus. The resources here are good. Dublin is trending. It's a nice place to be, business friendly, it has a good court system to

# Tax Timeline

**1981**
Introduction of effective 10% corporate tax rate for the manufacturing sector

**1987**
10% effective rate extended to the financial services sector

**1998**
Legislation passed to create 12.5% corporation tax for trading income

**2003**
12.5% rate becomes effective with a 25% rate for passive income

**2005**
10% rate for activities in Dublin's International Financial Services Centre (IFSC) ends

**2021**
Ireland agrees with OECD plan: corporation tax rate for big MNEs will be raised to 15% in 2023

protect your IP, and is an English-speaking member of the EU. You can readily export your services to Europe without any barriers, unlike the UK.

"Multinationals are not here because they're saving tax. That's clever and useful, but there's a lot more to it. The proof of the pudding will be: with a change to 15%, will they up sticks? I don't see an exodus. All the things that drive our FDI initiative are intact. Corporation tax is not the key driver: nice to have, but it's not the reason they're here. If you talk to these companies about Ireland, they mention tax, but lots of other

> *❝ Speaking to FDI companies, low tax is an advantage, but there's far more in Ireland than tax*
>
> ***Barry Devereux, managing partner, McCann FitzGerald***

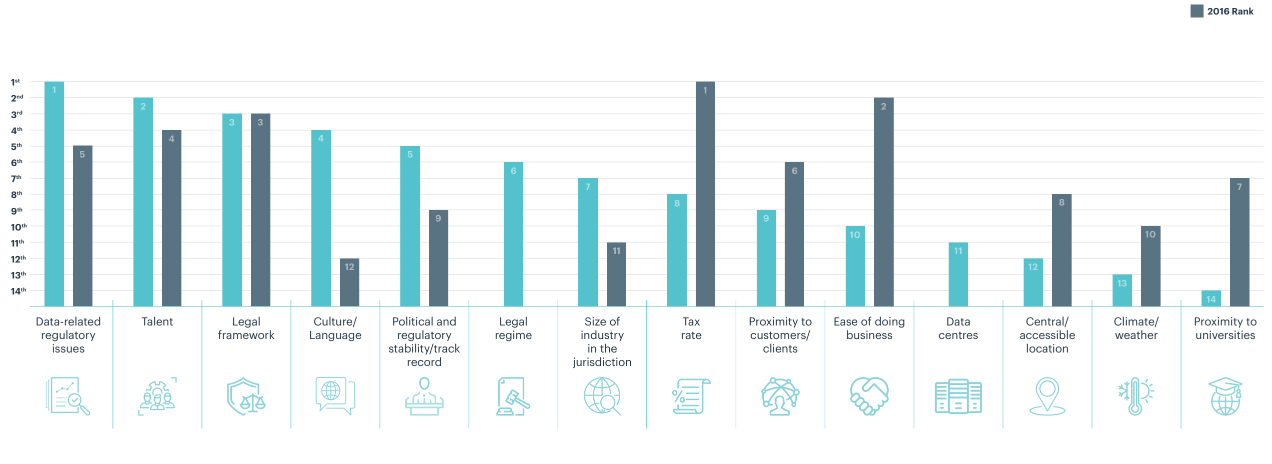
things too. They don't put tax first."

Matheson's managing partner, Michael Jackson, notes that "there are many other benefits to being in Ireland like market access, a highly educated and skilled workforce, and a business-friendly environment. As long as Ireland continues to ensure that it is competitive, it will continue to be an attractive place. This is consistent with the message we are hearing from our multinational clients and from organisations like the American Chamber of Commerce in Ireland."

These conclusions are reinforced by a recent survey undertaken by William Fry, which analyses the determining factors for companies to invest in Ireland (see chart). Critically, this shows a significant shift in priorities compared to 2016. Owen O'Sullivan, managing partner at William Fry, explains:

"The most recent survey was conducted among 300 C-Suite executives within the leading technology companies in 300 global companies. In 2016, tax was the number one factor; in 2020, tax was down to number eight behind talent, legal stability, legal setup, and legal infrastructure. Regulation – the regulatory system within a jurisdiction – was number one, which is very welcome. Would a large multinational leave for the sake of a 2.5% change in the tax rate? The study would suggest that they're unlikely to do so, particularly if there is true tax harmonisation across jurisdictions."

**Top considerations when choosing a location**




Source: William Fry

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Reports Legal is managed by Dominic Carman and James Air, both of whom have considerable experience in these markets. In recognising that most legal publishers now operate behind a paywall, they decided that everything published by Reports Legal will be free for lawyers to access online. There is no paywall.

Dominic has been involved in legal publishing for 30 years in London, New York and Hong Kong. A regular media contributor, he was a legal feature writer for *The Times*. Dominic undertakes diverse projects for international law firms, speaks at events, and judges the British Legal Awards and the Legal Week Innovation Awards.
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James has extensive experience in dealing with international law firms. Previously at *Legal Business*, where he spent five years engaged in producing a wide variety of reports on diverse legal markets, he understands the commercial objectives of law firms in a challenging, competitive market.

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