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REPORTS LEGAL

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Ireland's Big Six: 'There will be winners, there will be losers'

Despite pressure from international law firms, the strongest competition for Ireland's Big Six comes from within their own ranks



A&L Goodbody. Arthur Cox. Mason Hayes & Curran (MHC). Matheson. McCann FitzGerald. William Fry. The Big Six Irish law firms symbolize excellence across the full spectrum of commercial practice areas. Referencing the language of Legal 500 and Chambers and Partners, where they continue to dominate Band 1 rankings, their collective preeminence is underscored by phrases such as “stellar practice”, “formidable reputation” and “outstanding expertise”. There is a commonly-held view in Dublin and beyond that things have always been that way – and for some, a hope that they always will be.

Stephen Holst, managing partner at McCann FitzGerald, says: “This firm has been around in its current form over 50 years, with a history going back 200 years. That’s been built on having the best clients, looking after those clients, and doing the best work for them.” Will Carmody, MHC’s managing partner, echoes the point. “This firm has been in the Irish market for 50 years and we’ll be here for another 50 years,” he says. “There’s an attraction in stability.”

But in the language of investment management, past performance is no guarantee of future results. In some other European legal markets, when big international law firms entered with clear ambitions to compete with the local independents, stability eventually gave way to change. Paris and Frankfurt show how dramatic that change can be.

A common refrain among the Big Six is that international firms in Dublin have yet to make a significant dent in the status quo. Not that they are complacent or operate as a cosy cartel. Far from it. All of the Big six are fiercely competitive, particularly with each other, evidenced by their acute focus on directory and deal



“ This firm has been in the Irish market for 50 years and we’ll be here for another 50 years. There’s an attraction in stability

Will Carmody, managing partner, Mason Hayes & Curran

rankings as objective proof of their quality in performance and client service delivery. There is, however, a tacit recognition that the winds of change may have started to blow.

Winners and losers

“Many firms are confronting the same challenges: there will be winners, there will be losers,” says David Widger, managing partner at A&L Goodbody. “We’re confident that our preparation and strategic initiatives will ensure we’re on the right side of that divide.” He is, nevertheless, adamant that “each of the big firms really do want to stay independent – these firms are big relative to the Irish economy.” He also remains sceptical about any of them wanting to merge: “I’d be surprised if that happened without there being a material necessity for a firm to do so,” he says.

For now, stability rules and winners outnumber losers. as each of the Big Six flourish like a palm tree: having weathered previous storms, they came back stronger than before. The only one to publish figures, MHC’s revenues rose to €106 million in 2022. “We were quite busy, our turnover was up by 8%,” says Carmody. Historically regarded as the smallest of the Big Six in annual revenue terms, MHC’s performance provides an indication as to how the rest may have fared. Two of them are thought to have hit the €200m mark last year, with two others fast approaching it.

“Our revenue increased over 2022, but the rate of growth also slowed,” says Michael Jackson, managing partner of Matheson. “Costs increased, of course, and wage inflation continued to be a factor.” But, he adds, “we experienced the busiest final quarter in our history and surpassed our previous record revenue number for the year.”

If Big Six revenues are hard to pin down, then their profitability is even more opaque. Few would doubt that the best-paid partners in Dublin earn more than €1m a year – but how many there are, and at which firms, remains unclear. In the absence of published figures for profits per

equity partner (PEP) and details on partnership remuneration structures, meaningful analysis is impossible.

But anecdotal evidence suggests that numbers are strong. Highlighting an approach made some years ago by Baker McKenzie to one of the Big Six firms, a well-informed source summarises what happened next:

"Bakers said: look, we give you all these referrals, let's consummate this relationship. But when discussions went ahead, the reason why it couldn't be done was because the Irish partners were making too much money: that was the disconnect. How do you fit them into the structure when it's a small market and you're telling your New York partners: we've got to give these guys X amount? It doesn't work, even if it works in London because of the different workflows. So, that's probably why you see the Big Six still sitting there, not really taken on."

Deals – data differences

Precise numbers are a matter of record when it comes to deals done. Or at least they should be.

On 4 January 2023, Goodbody published the following:

A&L Goodbody LLP (ALG) was the leading legal adviser on more Irish M&A transactions than any other law firm in 2022 for the second year running, according to international intelligence publication Mergermarket. ALG acted on 43 M&A transactions based on Mergermarket reporting criteria of a transaction value of \$5m or more. [Mergermarket data published on 4 January 2023 confirmed Goodbody's ranking]

Deals the firm advised on include:

- *Sumitomo Mitsui Financial Group on its €6.4bn acquisition of aviation finance group Goshawk Management*
- *Hibernia REIT on its €1.1bn acquisition by Brookfield Asset Management*

- *Ulster Bank on the acquisition of its tracker mortgage book by AIB for €432m as part of its overall role as lead counsel for Nat West on its disposal of Ulster Bank's Irish operations*
- *ABC Fitness Solutions LLC, a Thoma Bravo portfolio company, on their acquisition of Zappy Limited t/a Glofox.*

For more, please see [link](#).

Mergermarket data also confirms that Arthur Cox led its M&A Legal Adviser League Table by deal value in 2022. The firm proudly points out that this was the seventh year in a row that it ranked first in the league tables, either by value or volume. In 2022, Arthur Cox advised on 39 deals, totalling \$14.4bn, including:

- Advising flutter on its €1.9bn acquisition of sisal s.p.a from cvc capital partners
- Advising infravia capital partners on its investment for a 49.99% Stake in fibre networks ireland holdings limited
- Advising global shares plc, an irish fintech company, on its acquisition by jp morgan
- Advising john laing on its acquisition of a portfolio of assets from the irish infrastructure fund including the convention centre dublin and towercom.

Commenting on the ranking, Cian McCourt, head of corporate and M&A at Arthur Cox, said: "Notwithstanding the more challenging external environment, 2022 proved to be a very active year in the M&A market in Ireland."

By far the biggest deal of the past six months, dwarfing all others, Amgen's acquisition of Horizon Therapeutic followed a bidding war which the biotech giant won with an offer of \$27.8bn. Amgen is being advised by Sullivan & Cromwell and its longstanding Irish advisers, William Fry. Dublin-based Horizon Therapeutics is being advised by Cooley in the US and Matheson in Ireland. But not every

big deal runs smoothly. Warning of 'rampant' pharma consolidation, the US Federal Trade Commission (FTC) launched a lawsuit to try and block the proposed merger because of a perceived overlap in the portfolios of the companies, specifically regarding Lupus and Eczema treatments. Thanks to the FTC lawsuit and court scheduling, the companies are targeting a completion date in mid-December.

Jackson says: "Despite a challenging year for the M&A market generally worldwide, our corporate M&A team were busy and ended 2022 on a real high, working for example on Horizon's \$28 billion acquisition by Amgen, and being ranked as the top Irish law firm for mergers and acquisitions by deal volume in 2022. We now have more corporate M&A lawyers ranked by both Chambers and Partners and Legal 500 than any other Irish law firm."

On 2 February 2023, Matheson published the following (with the asterisk highlighting that the figures were correct as of 16 January 2023):

Matheson LLP has been ranked as the top Irish law firm for Mergers and Acquisitions (M&A) by deal volume during 2022 by leading publication, Mergermarket. The firm advised on 44 deals valued at over \$2.1 billion. This is the second consecutive year in which Matheson has been the top ranked Irish firm in the Mergermarket rankings, by volume.*

Rank	Firm	No of deals
1	Matheson	44
2	A&L Goodbody	43
3	Arthur Cox	39
4	William Fry	37
5	Eversheds Sutherland	29

* Figures correct as at 16 January 2023.

For more, please see [link](#).



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EMEA Advisory League tables

Ireland league table by value

Ranking			2022		% Value Change	2021
2022	2021	Company Name	Value (USDm)	Deal Count		Value (USDm)
1	6	Arthur Cox	14,395	39	-58.1%	34,320
2	1	A&L Goodbody	9,072	43	-86.5%	67,426
3	4	Clifford Chance	8,400	7	-77.8%	37,890
4	83	Milbank	6,700	2	1188.5%	520
5=	2	Cravath, Swaine & Moore	6,700	1	-87.2%	52,170
5=	-	Deacons	6,700	1	-	-
5=	-	Nagashima Ohno & Tsunematsu	6,700	1	-	-
5=	8	NautaDutilh	6,700	1	-79.9%	33,319
9	-	Kilpatrick Townsend & Stockton	5,690	3	-	-
10	51	Dentons	4,986	17	214.8%	1,584

Ireland league table by deal count

Ranking			2022		Count Change	2021
2022	2021	Company Name	Value (USDm)	Deal Count		Deal Count
1	1	A&L Goodbody	9,072	43	-8	51
2	2	Matheson	2,273	41	-10	51
3	3	Arthur Cox	14,395	39	-8	47
4	4	William Fry	3,772	37	-8	45
5	9	Beauchamps Solicitors	252	27	6	21
6	6	Eversheds Sutherland	136	27	-2	29
7	11	Flynn O'Driscoll	753	26	7	19
8	16	Maples	1,136	19	7	12
9	12	DLA Piper	1,852	18	2	16
10	13	Dentons	4,986	17	1	16

Source: Mergermarket

Not to be outdone, Holst adds: "As a full-service firm, covering every sector of the economy, public and private sector clients, our risk is diversified. Among the large firms in Ireland, we've the highest number of Tier One practices in Legal 500 – really helpful in diversification of risk. Our ambition is to be the standout independent

firm, whom clients retain when it really matters. We're in a really strong position to do that." In terms of growth, he adds: "It's about sustainable growth. We're very ambitious and I have my own targets."

Growth areas

Given the relative lull in M&A,

what growth areas are keeping the Big Six busy?

"Financial services are a very big part of the Irish economy, a big part of our turnover base, and were a significant part of M&A deal volume and values in 2022," says Owen O'Sullivan, managing partner of William Fry. "FS will remain very steady in terms of



growth. Technology data and comms are big potential growth areas, simply down to the amount of data being generated. The firm has also been busy with both general litigation and insolvency and restructuring; the highest profile restructurings being in the aviation and retail sectors. We keep wondering: If we're going to suffer that downturn, when is the boom in their piece going to come? They always seem to say it's six months out."

From a law firm perspective, he notes, restructurings are "far more interesting" than insolvencies. "They throw up more transactional opportunities," he explains. "Apart from companies being slower to borrow on projects, and notwithstanding interest rates, banks are slower to lend. Alternative lenders are seen as a growth area."

In private equity (PE), "there's a lot of investor interest: people looking for opportunities that may arise, and at valuations," says Holst. "We're certainly seeing valuations and people's expectations changing – a certain level of mismatch with a market adjustment still happening between sellers' and buyers' expectations. We have a very

“ Each of the big firms really do want to stay independent – they are big relative to the Irish economy

David Widger, managing partner, A&L Goodbody

strong book of alternative lender clients, who step up to the plate in filling gaps presented by the banks."

At MHC, Carmody points to "notably busy" areas: "Our tech/TMT practice, particularly around privacy and data sector for large international tech companies." Financial services, he adds, is "busy whatever is happening in the economy – FinTech, particularly electronic payments, has been very busy. Likewise, structured finance, real estate and aviation: unwinding/resolving issues that came out of COVID and the war in Ukraine e.g. insurance claims for aircraft stranded in Ukraine."

Matheson's regulatory teams have been "consistently busy, as have our employment and commercial litigation teams,

which can be a sign that things are cooling more generally," says Jackson. "Things are still very busy in the technology space and in life sciences," he adds, and "are getting back to normal in aircraft leasing after the impact of COVID on international travel. Energy is obviously busy, and ESG in general continues to be a growth area."

Short term, he suggests, growth will be "steady rather than dynamic – depending on the sector" with the strongest growth "in the digital economy, particularly FinTech, digital assets, and crypto. Despite recent adverse commentary around the crypto space, I don't see that as curtailing the drift towards increased use of digital assets and increased regulation of that space."

Widger strikes an equally cautious note: "We've seen a slight drop off in M&A activity, but PE has been reasonably resilient." Busy areas at Goodbody, he suggests, are: disputes and investigations, tech, construction, and energy with a lot of forward-looking projects. "Real estate is holding up reasonably well, although Ireland tends to lag when there's a global slowdown. The Dublin real estate market is out of sync with our domestic economy."



He remains upbeat on funds: “We’re continuing to see growth in investment funds, particularly on the ETF side, where most new funds have been established.”

US employers dominate

And that forest of cranes punctuating the Dublin skyline?

Holst argues that the real estate sector remains “very strong with a lot of very high-quality offices being built in Dublin.” He points to Facebook “doing a very high profile move out to Ballsbridge, Fibonacci Square. Big tech companies are very ambitious businesses that want to do nothing but grow. There’s a period of temporary market uncertainty, plus all the pressures at shareholder level – and so, they’re responding. But those businesses have very strong fundamentals.”

Widger is slightly more circumspect. “The skyline is represented to a large degree by the US economy and US employers,” he says, referring to the office expansion of assorted banks as well as tech, pharma and biotech companies. “Many

“ Costs increased, of course, and wage inflation continued to be a factor. But we surpassed our previous record revenue number for the year

Michael Jackson, managing partner, Matheson

staff of big employers still work from home. Some are trying to sub-let or reduce their square footage within Dublin, but they’re not downsizing their overall commitment to Ireland.”

To a significant degree, Ireland’s economy depends on that commitment being sustained over time – in turn, a critical factor driving the ambitions of international law firms who aim to service US multinationals in Dublin and throughout their network. In championing his firm, Jackson reflects the respective ambitions of his Big Six counterparts about their firms: “My optimism levels

never go above 3/10. It’s why I’m a lawyer! In reality though, I am positive about the future and about Matheson’s continued ability to grow.”

Although the Big Six look set to continue their dominance in the short to medium term, the consensus is that the market will evolve long term: newer entrants may ultimately join them in the top tier or, in some cases, possibly merge with them. An alternative view is that all six firms will still exist ten years hence, but become sub-divided into a dominant trio, who will survive and thrive, and a second tier. “I would be surprised to see the six large Irish firms in ten years’ time clustered so close together as they currently are,” concedes one prominent managing partner.

Beyond immediate economic concerns that affect multiple European economies and the continued recruitment battle for scarce legal talent, the long-term challenge of international law firm competition in Dublin is likely to grow. Who will ultimately emerge as winners and losers among the Big Six remains to be seen. ●



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Dublin Disruptors: throwing down the gauntlet

Managing partners tell *Dominic Carman* why Ireland is simply irresistible for international law firms and what they plan to do next



Ireland's legal stampede shows no signs of slowing down. Of the 36 international law firms with a local office, more than half have opened since 2020 making Dublin one of their most favoured global destinations in recent years. In seeking to disrupt, most are focused on discrete practice areas such as funds, IP, insurance, and employment, while a minority

aim to operate as full-service law firms – throwing down a gauntlet to the Big Six Irish independents. It will take the rest of the 2020s to see how successful the recent disruptors are in attracting and retaining big clients, and in standing out among a crowded and highly competitive field. But having spent a week in Dublin meeting the managing partners of 20+ law firms, one thing is

▲ **Dublin's international firms: ambitious to become major disruptors**

clear: there is no shortage of ambition for them to become major disruptors.

Disruption of Ireland's legal market is not an entirely new phenomenon. The original pioneers have become a well-established feature of the local landscape: Maples, Eversheds Sutherland, DAC Beachcroft, Dechert and Walkers. These five firms opened in the five years

between 2006 and 2010, each pursuing different strategies. The global financial crisis led to a five-year hiatus in 2011-16, when only two firms – both insurance specialists – established a Dublin office: Kennedys and DWF.

Since then, the pace of law firm openings has accelerated – particularly after Brexit became effective in January 2020, reflecting their ambitions to service US multinationals which view Ireland as a gateway into the EU single market. “The legal ecosystem in Ireland has certainly evolved around the influx of multinational corporations into Ireland and continues to do so,” says Anna Morgan, partner and head of Bird & Bird’s Irish Privacy & Data Protection practice. Dublin has other attractions too: it is a leading offshore funds centre, a global centre of aviation finance and nine out of ten of the world’s largest tech companies have their European headquarters in the city.

Ten companies: €12.9bn in tax

Remarkably, 57% (€12.9bn) of Ireland’s corporate tax receipts in 2022 came from just ten big companies, including Apple, Microsoft, Google, Pfizer, Johnson & Johnson and Facebook (Meta). Last year, Ireland raised €22.6bn in corporation tax, nearly three times the €8bn it received just five years ago. Meanwhile the Irish government is “under significant pressure, particularly in infrastructure, housing, renewables and energy,” according to Mark Walsh who heads the Ireland office of Addleshaw Goddard. “There’s going to be lots of work here for the next five to ten years. The challenge for Ireland is getting the workforce so that can be delivered.”

Six firms arrived in Dublin last year: Addleshaw Goddard (which merged with Eugene F Collins),

Armstrong Teasdale, Bird & Bird, Browne Jacobson, KPMG Law Ireland, and another merger (between Ogier and Dublin-based Leman) to form Ogier Leman. In the first five months of 2023, a further five firms announced their new Dublin office. Three are billion-dollar US law firms – K&L Gates, Ropes & Gray and Squire Patton Boggs – with nearly 5,000 attorneys between them globally.

The latest duo are UK firms: Bristows and IP litigation specialists Powell Gilbert, originally formed as a breakaway boutique from Bristows in 2007. Both firms announced new office openings in Dublin immediately before the formal launch on 1 June 2023 of a new Unified Patent Court (UPC), which creates a single patent jurisdiction across much of Europe with 17 EU member states initially participating. Again, Brexit was a key driver following the UK government’s withdrawal from the UPC.

First wave disruptors

Initial entrants in the Irish market remain uniformly positive about their Dublin experience.

“The Maples Group launched in Ireland a decade before the Brexit referendum and we have grown exponentially over the past 17 years, developing an award-winning partner base and recruiting the best talent in the market,” says Peter Stapleton, managing partner of Maples’ Dublin office.

“We are often referred to as the ‘original disruptor’ because we carved a path in Ireland before many of the new international players even thought to establish a presence here. As the leading international law firm in the jurisdiction, we have established a significant presence and are now at a scale which no international firm can match. Indeed, the success of

International Law Firm openings in Dublin

Firm	Year opened
Pre-2016	
Maples	2006
Eversheds	2009
DAC Beachcroft	2009
Dechert	2010
Walkers	2010
Kennedys	2011
DWF	2013
2016-2019	
Covington & Burling	2017
Pinsent Masons	2017
Lewis Silkin	2018
Simmons & Simmons	2018
Clyde & Co	2019
Fieldfisher (Merged With Mcdowell Purcell)	2019
Shepherd and Wedderburn	2019
DLA Piper	2019
2020-2023	
Dentons	2020
Burges Salmon	2020
GQ Littler	2021
Linklaters	2021 (registered)
Ashurst	2021
Hogan Lovells	2021
Cadwalader	2021
Hatstone	2021
Taylor Wessing	2021
EY Law	2021
Addleshaw Goddard	Mar 2022
Armstrong Teasdale	Mar 2022
Ogier Leman	May 2022
Bird & Bird	May 2022
Browne Jacobson	Jul 2022
KPMG Law	Dec 2022
K&L Gates	Jan 2023
Ropes & Gray	Feb 2023
Squire Patton Boggs	May 2023
Bristows	Jun 2023
Powell Gilbert	Jun 2023

our business has seen us surpass many domestic firms.”

Notably, Maples has a Band 1 Ireland ranking in Investment Funds from Chambers and Partners – a rare accolade for a non-Irish firm in any practice area. Dechert, which has a very strong international reputation in funds, is ranked in Band 2. Stapleton anticipates that Maples Dublin will “continue to be busy across our broad range of practice areas with noticeable peaks in particular areas, such as sustainable finance, technology, venture capital, private equity, regulatory, employment and financial services.”

Taking a closer look at growth in financial services, he notes that “in February, we were delighted to announce that our funds and investment management practice retained its position as the top legal adviser to Irish-serviced funds for the tenth consecutive year, as ranked by Monterey Insight. As the largest funds team in Ireland, advising on 1,470 funds in the past year, we’ve had the privilege of supporting clients on several industry ‘firsts’ and innovative deals.”

The second international entrant was Eversheds Sutherland in 2009. Head of the firm’s Ireland practice, Alan Connell offers the following critique: “Internationally focused clients are not just investing in Ireland just to access the Irish market. They see Ireland as the jurisdiction of choice to operate in Europe. That has been a real success for the Irish economy, and also a real success for our firm.”

Change in the Irish legal market is long overdue, he suggests. “After many decades without change, the legal sector in Ireland is changing, and changing significantly. We were the first major international player to have a significant presence in the Irish legal



“ We are often referred to as the ‘original disruptor’

Peter Stapleton, managing partner, Maples Ireland

market. We’ve very much led the way in terms of driving its evolution with a number of international players entering recently. I expect this trend to continue.

“However, the levels of commitment are quite varied with only a few of the new international entrants hoping to operate as a full-service law firm, as we do. We’re approaching 350 people on the island of Ireland; whereas for our international competitors, it will take them a significant amount of time and money to scale up their service offerings to our level. They want to be in our position.”

Connell believes that Ireland’s biggest foreign direct investment challenge is housing. “With

reduced availability, Dublin has become very expensive,” he notes. “There are now almost 1,000 US companies in Ireland employing over 200,000 people directly (with annual spend in the Irish economy (on capital expenditure, payroll and goods & services) exceeding €30 bn and growing (source: AmCham). To secure further FDI, we need to ensure we have the necessary infrastructure so that people can actually live here.”

Retention and recruitment

Walkers also opened in 2009 and, according to its Ireland managing partner Jonathan Sheehan, has never been busier. “We’ve 160+ people in Dublin – the biggest that we’ve ever been – split across the professional services business (WPS), which now has more than 50 people, and the law firm which has 110,” he says.

“Our focus is full service for financial services clients. Our largest practice groups in Dublin are finance and capital markets, asset management and investment funds, and asset finance.” These are





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Áine Quirke, Technology | Alan Burns, Financial Services

supported by specialist practice groups in everything from corporate, employment and dispute resolution to real estate, regulatory and tax. “Irish regulated funds is an expanding market,” notes Sheehan. “We have 21 people in our team in Dublin – we see very strong demand from clients and anticipate continued revenue growth.”

In a refreshingly transparent critique, he articulates the war for talent challenge affecting every firm in Dublin. “The recruitment market has been incredibly hot in Ireland for some time, driven by a combination of factors, including post-COVID factors – the increased desire to travel/work abroad or possibly change roles, and competition – both from new entrants and a reaction by larger incumbent firms,” says Sheehan.

“We’ve certainly had to focus on retention and recruitment, and our emphasis has very much been on talent development, culture and staff engagement. Despite some departures, our headcount is continuing to increase. We’ve made a



“ The recruitment market has been incredibly hot in Ireland for some time

Jonathan Sheehan, Ireland managing partner, Walkers

number of new hires, with more on the way, and we’re projecting revenue growth.” He adds: “I view competition as a positive and if newer firms are entering the market, it is an opportunity to attract more clients and companies to Ireland and showcase our offering and expertise.”

The final firm in the initial international wave to target Dublin was DAC Beachcroft. Lisa Broderick, who heads the firm’s Ireland office, explains:

“DAC Beachcroft UK is known for insurance, health, real estate, and business advisory services. DAC Beachcroft Dublin offers all of these and more: we are a full-service firm. We do a lot of high value, high-profile insurance work, but there’s only so much to go around. The insurance firms are all here: Kennedys, DWF, Clyde. To grow we looked at other opportunities. Approximately a third of our team works for public bodies and regulators in the non-corporate arena; a third for corporate

Big 6 alumni: international firms in Dublin

Firm	Managing partner/ Head of Ireland office	Former Big 6 firm
Bird & Bird	Anna Morgan	Arthur Cox
	Deirdre Kilroy	Matheson
DAC Beachcroft	Lisa Broderick	A&L Goodbody / Matheson
Dechert	Carol Widger	A&L Goodbody
Dentons	Eavan Saunders	William Fry
DLA Piper	David Carthy	William Fry
Eversheds	Alan Connell	Matheson
GQ Littler	Niall Pelly	Matheson
Hogan Lovells	Eoin O’Connor	Arthur Cox
K&L Gates	Gayle Bowen	William Fry
KPMG	John Given	A&L Goodbody
Pinsent Masons	Ann Lalor	McCann Fitzgerald
Simmons & Simmons	Rachel Stanton	William Fry
Squire Patton Boggs	Dennis Agnew	A&L Goodbody
Walkers	Jonathan Sheehan	Arthur Cox

clients; and a third service insurance clients. We get a lot of conflict instructions from the Big Six: they're more comfortable exposing us to clients than giving them to each other."

In reviewing newer arrivals in the Irish market, Broderick notes: "Many of them specialise in one particular area – IP or technology. They're very niche. The bit I struggle with, particularly with larger international firms coming in, is that it's predicated on a premise that there wasn't somebody here doing that work already at a really high level.

"I say this with a huge level of pride: having trained in one big firm (A&L Goodbody) and worked for much of my life in another (Matheson), they were doing an excellent job and providing a really good service line. So, the idea that other firms needed to come to Dublin to somehow improve the offering is a bit misguided, albeit I can understand why firms decide to come."

Many of the disruptors in Dublin are, like Broderick, led by lawyers who learnt their craft at one of the Big Six law firms, as is evident from the table opposite.

Post-referendum surge

Prominent among the immediate wave of firms to open post the Brexit referendum result were two sizeable UK firms with a spread of international offices: Pinsent Masons in 2017 and Simmons & Simmons the following year.

Pinsents opened in Dublin in June 2017. Richard Foley, then senior partner of the firm, said: "We have operated in Ireland for some time on a range of matters and Dublin has long been in our thinking as a key global hub for the financial services and technology industries."

The firm's Dublin managing partner, Ann Lalor, says: We've certainly outperformed our



“ Making sure that we kept our culture front and centre, and didn't lose the dressing room, was hugely important

John Hogan, managing partner, Ogier Leman

expectations and continue to grow our profitability. Things have been more sustainable than expected. On the corporate side, we've been very busy – a lot of private equity activity across numerous sectors, particularly around tech, life sciences and healthcare, financial services (FS), and logistics." In anticipation of growing FS disputes, Pinsents recently hired Lisa Carty from William Fry to lead its Dublin litigation regulatory and tax offering.

Lalor describes the lending market as very tough. "As a banking lawyer, I'm seeing borrowers struggle to get access to debt," she says. "The Irish

market is constrained by our lack of banks: we're down to two, AIB and Bank of Ireland." But, she adds, "Financing hasn't fallen off as expected, activity remains strong in the context of amending and restating refinancing, because a lot of facilities are coming to the end of their lifespan." She points to alternative lenders: "There a lot of very sophisticated operators in that space, competing very well in terms of agility."

Pinsents have strong growth ambitions. "The market is extremely challenging and extremely fluid," says Lalor. "We will hire in litigation, in corporate, and in funds – at partner level." But, she concludes, "it's not a numbers game, it's a capability game. You could become quite obsessed about the 1-10, or 10-20 list of Irish law firms. But size is not a measure of quality."

Simmons & Simmons opened in Dublin in May 2018. Rachel Stanton, who became the new country head in January 2023, says: "When establishing the Dublin office, asset management

was an obvious starting point given Simmons' reputation in the sector. I joined in January 2020 to establish the banking and structured finance practice and, over the last three years, we've developed our offering across all practice areas. Our transaction focused practices, corporate, M&A, finance and real estate, have all seen significant growth."

Since the start of 2023, the firm has acted as lead counsel on Irish deals valued at over €1 billion in its "core sectors" of asset management & funds, healthcare & life sciences, and TMT.

Stanton notes: "We're here because our clients are here: we're committed to servicing them wherever they operate. A significant number of global financial institutions now have their European headquarters based in Ireland including Barclays, Citi, and JP Morgan. Banks such as TD (Toronto Dominion) and Scotiabank have also started building out their operations here, so Dublin continues to be an attractive market for firms to base their European business.

According to Stanton, the Irish legal market is becoming "more and more competitive with international firms establishing a presence here. There is a growing demand for more specialist and global advice – looking at matters through just a domestic lens is no longer sufficient. We now have a team of over 60 in Dublin and continue to grow. We are looking to expand across all practice areas: banking, regulatory, funds, tax, corporate, dispute resolution, real estate and our corporate services group. We're also investing in future talent and have established trainee and intern programmes."

Global giants

DLA Piper opened its Dublin office in May 2019. Seven



"We've certainly outperformed our expectations and continue to grow our profitability"

Ann Lalor, Ireland managing partner, Pinsent Masons

months later, Dentons announced that it was following suit. [see: *Dentons in Dublin: 'An overnight commercial success story'*] As two of the world's largest law firms, with more than 16,000 lawyers between them and combined global revenues of nearly \$7bn, they are the biggest disruptors in the Irish market in terms of size and global reach.

"Dentons, DLA, Pinsents – they've made expensive investments here," says John Hogan, managing partner of Ogier Leman in Dublin. "There's no doubt that they seem to be here for the longer haul. They've hired really good people and that hasn't been cheap in the Irish market. So, they've made a real commitment." Inevitably,

their presence also provokes a response from the Big Six Irish firms.

According to Owen O'Sullivan, William Fry's managing partner, "DLA Piper and Dentons are probably the two biggest international operators that have come here. DLA has been here longer and is better established with a broader offering. Dentons is more recent, but definitely on the growth path. Their presence creates a more sophisticated market. I suspect that others who might be looking at the market may decide to wait and see what happens to those players before they dip in themselves."

He adds: "Many international players have narrower offerings here as they test the waters and see how wide they might take those offerings. Whereas indigenous, full-service firms can offer trainees the full range, or at least the potential for full range exposure. Many of the developing lawyers and tax professionals are very focused on their personal and professional development. So, that full-service ►

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experience gives us an advantage over some international players.”

Matheson’s managing partner, Michael Jackson, offers a broader critique of international firms in Dublin. “We are an international firm, so we have an international focus,” he says. “We have a multinational and an internationally-focused Irish client base. Although the arrival of new firms appears to attract a lot of press coverage and attention, their presence here is nothing new. Depending on the sector, we’ve had international firms here for 15 to 20 years. We in Matheson still haven’t really seen a massive impact from them operating in the market. Our firm has continued to grow and to win a greater share of a growing legal market over that time.

“I expect that as the legal market in Ireland continues to grow that we will continue to see new entrants from time to time and that some of those will continue to speak about market disruption. I also expect that Matheson will continue to compete to win a greater share of the growing market as clients continue to understand the value of full service firms attracting the best local talent, with a long track record of achievement in the market and with the ability to service their international needs, through decades-old relationships and alliances with the best firms in their sector in each market internationally.”

DLA to double in size

With characteristic ebullience David Carthy, DLA’s country managing partner in Ireland, says: “Historically, there’s been little movement in talent between the large Irish firms. There wasn’t that much point when there were such close relationships between them, and relatively little to differentiate one from another: ask clients who’ve dealt with them for



“ We are looking to expand across all practice areas

Rachel Stanton, Ireland managing partner, Simmons & Simmons

many years, it can be a challenge to easily differentiate between existing domestic firms.”

Last November, the DLA website announced: “Global law firm, DLA Piper, has today announced plans to double its existing workforce in Ireland to meet the growing needs of the business in Ireland. DLA Piper established its Irish operations in 2019 and has since grown to a full-service law firm. Having experienced significant growth across its platform of practices and sectors, in 2021, DLA Piper moved into a six-floor, 30,000 sq. ft office on Molesworth Street, Dublin to accommodate the firm’s growing headcount. Further building on this momentum, today, DLA Piper can confirm that it has delivered on

its initial recruitment ambition of building a team of 100 lawyers and business professionals in Ireland, making DLA Piper the fastest-growing legal brand in Ireland.”

Carthy says: “We now have 17 partners, about 110 people: 75 lawyers and 35 business services staff. We probably have sufficient momentum to get to 200.” Broderick notes: “Our competitors would be the Big Six firms and increasingly, Dentons and DLA. We will grow, scaling up on teams. We’re not saying: we want 100 or 200 lawyers. To take on 50 or 100 people in a short period, and ensure they’re well-rooted into your culture – and part of your ambition, your strategy – is very hard.”

According to Carthy, “the cultural piece is hugely important. When we’re hiring, we want people to be as diverse as God makes us, wherever we come from, but we want people to have certain things in common. We talk about curiosity and a global perspective, about being natural collaborators, and we’re all seasoned enough in life

to know that not everybody is. We also talk about being bold, and how you handle change. We have certainly experienced a lot of that. The market is shaking up. Some people are comfortable when they see things change around them; other people deny, deny, deny."

Dentons: Ireland a priority

Eavan Saunders, Dentons' managing partner in Ireland, launched the firm's Dublin office during the middle of lockdown working from her kitchen table. Formerly at Matheson, Peter O'Brien joined her to become head of finance. The firm has since hired extensively from firms as diverse as Shearman & Sterling and Allen & Overy, as well Big Six Irish firms Mason Hayes & Curran, McCann FitzGerald and William Fry, from where Saunders herself joined Dentons.

The initial focus of the Dublin office was on transactional work, particularly in the financial services, real estate, energy, infrastructure and technology sectors. "Dentons' strategy is to be in all of the places our clients do business," said Elliott Portnoy, global chief executive of Dentons, when the opening was announced. "Ireland is a priority market for many of our clients. However, many of the strongest firms in Ireland rely on referrals from firms outside of London. That is why we are opening our own office rather than combining with another firm at this time."

The prospect of a future combination remains a possibility with several potential candidate firms being suggested by interviewees for this report. But it is not something on which Saunders can be drawn. Instead, her focus is on building her team, step by step. In May 2022, three partners were hired: Colm Ó hUiginn, David McGuinness and Michael McDonald. Another



“ We’re trying to bring the energy and entrepreneurship of a startup

Alan Murphy, head of law at EY Law Ireland

trio of partners was hired last autumn: Karyn Harty, Siobhan Carlin and Matthew Cahill, while a further three Dentons lawyers were promoted in April, taking the total Dublin partnership to 17.

"We're still building out this firm," says Saunders. "Our philosophy is to hire the best talent at every level – one factor that's made us successful as quickly as we have been. We are fully committed to this growth strategy and believe in the opportunity: clients are attracted to our high calibre team working at competitive Irish rates." Take a tour of Dentons current Dublin office and it's apparent that it can comfortably accommodate 130 lawyers. "But we don't see

that as a cap," she says. "The only limiting factor is the pool of first-class talent. There's no place for speed being a driver of the growth strategy. We believe it has to be excellence, and finding those candidates is not a speedy process."

EY leading the way

That sentiment is echoed by Alan Murphy, head of law at EY Law Ireland which launched in October 2021. Murphy was hired from Eversheds Sutherland Ireland, where he was managing partner, to lead the 'disruptive initiative' with plans to grow to 50 lawyers by 2025.

"Building a law firm, building a brand and building a presence takes time – our focus has been on quality," says Murphy. "We've been very careful to get quality people with the right attitude." Dwarfing every law firm, EY has more than 370,000 employees worldwide. As the first of the Big Four to offer a separate legal offering in Dublin, he outlines the strategy:

"Everything we do in law has to be relevant to the wider EY

business: it must complement what EY brings to clients and the EY client offering. Initially, we deliberately kept to four practice areas: commercial real estate, tech commercial, corporate M&A and structuring, and employment. They've grown very well and we have now expanded into tax strategy and disputes, high-net-worth private client, corporate governance and compliance. Our next investment phase will be in energy, sustainability and financial services regulatory.

"We're trying to bring the energy and entrepreneurship of a start-up. Whilst EY in Ireland is a recognised global brand in a way that none of the larger local law firms are, we're not known for law. So, there's a need to be very active around what we can bring in law to provide quality advice and premium service that's available in any of the Big Six. Because we sit on the EY platform, we're able to go to market with other businesses within EY. We provide a true sectoral approach; you can't provide that by just looking at it through the law lens, you have to have industry knowledge, background experience, you need consulting people and industry experts."

International firms were "very late to the party in Ireland" he adds. "The Irish legal market is very sophisticated: it belies the size of the country. But it's not proven itself to like mergers, there haven't been many. Will there be mergers? Maybe some of those Big Six will decide they'd like to internationalise – it certainly looks as if there's opportunity there."

If EY is a disruptor, then so is KPMG Law which was launched as a standalone law firm in December 2022 with "ambitions to establish a team of 160 legal professionals within the next two to three years." John Given,



"There's huge competition for everything: top tier and international firms are all chasing the same type of work"

Dennis Agnew, Ireland managing partner, Squire Patton Boggs

a former head of M&A at A&L Goodbody, leads KPMG's Irish law team.

As the Big Four expand their presence in the global legal services market, Ireland has become a key target jurisdiction in Europe. According to recent research by Thomson Reuters and Saïd Business School, "EY is looking to triple its number of lawyers in the UK and Ireland in the next three years, and PwC is looking to double its legal headcount."

Merger success

A year on from opening in Dublin, two firms who took the merger route to establish an

immediate presence have already taken strides in building their headcount. Since merging with Eugene F Collins in March 2022, Addleshaw Goddard has gone for growth, according to Walsh.

"We wanted to show that we could grow organically," he says. "We have 29 partners and seven new partners in the last 18 months. All six people who qualified have stayed with us – that's a really good message." Total lawyer headcount has increased by 12 in as many months. "We want to reach about 120 lawyers; we're 70 now," he adds. "You want to hold on to your culture, you want it to grow naturally without just suddenly doubling overnight."

He concedes that transactions have slowed and "there's more due diligence (DD), more caution. The biggest thing is more lead time: a wait and see attitude, and a fussiness about DD. But importantly, the pipeline is strong." He points to banking and EU competition as "performing well", corporate and property as "steady" with

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areas of “substantial growth” being renewables, construction and infrastructure.

“We’re also talking to AG clients based elsewhere, but not yet in Ireland. That’s an opportunity we didn’t have before. In terms of competition, we go in with our chest puffed up a bit knowing we have the bench strength to do work that’s been out of our reach: we can do this.” So, is AG a disruptor in Dublin? “Our story is the focus on our own growth trajectory and getting it right until we reach a certain level. Then we’ll see.”

Hogan also hit the ground running after Ogier Leman was launched last May and has continued ever since. “At the time of the merger, we were between 45 and 50 people; we are now 78,” he says. “We have ambitions to get to 100 within another year or two. That feels like another milestone and we will build out the full suite of Ogier Legal and Ogier Global (our corporate and fiduciary business) services.” Recent hires have come from a broad spread of firms. “We’ve had people join from William Fry, from Pinsents, one from Norton Rose in London, A&L Goodbody... so, a diverse mix.”

Hogan says: “We’d spent 15/16 years building up the firm with some great people, so making sure that we kept our culture front and centre and didn’t lose the dressing room was hugely important.

We got our best ever results in the ‘great place to work survey’ last November. So, something worked.”

Uptick in H2

Ogier Leman’s DR practice has grown “substantially”, according to Hogan. But he notes that transactional activity is “probably flatlining” and in real estate, “there’s not an awful lot of fresh

transactional work going on.”

He adds that “it’s been relatively flat across financial services, but there is some early refinancing activity, although we’re not yet seeing insolvency or massive corporate restructuring work. There’s a general sense that the second half of 2022 should see an uptick in activity. Valuations need to reset – once that happens, transactional activity (with some quiet distress in the background) will lift.” Overall, he suggests, “the pie is going to get bigger in Ireland. It’s super competitive, but there will be great opportunities.”

At Bird & Bird, “it’s been an incredibly busy, challenging, and very fulfilling time since we opened,” says Morgan. Alongside building on existing client relationships, developing new ones, and “undertaking a lot of marketing and brand building activities to support this”, recruitment has been paramount.

“We’re in a very intensive phase of recruitment activity, interviewing a lot of candidates with a large volume of people applying to us: people at junior, mid and senior associate level, as well as paralegals and business support staff,” says Morgan. “We’re seeing interest not only from lawyers in practice, but also from lawyers who are currently in-house. There’s an awareness that the work we do is at the very cutting edge of innovation and technology. Candidates we’re seeing are really excited by that type of work: they want to do groundbreaking, novel projects. We’ve exciting announcements coming in the next few months.”

The firm’s primary focus in Ireland is on their main practice areas: dispute resolution, data protection & privacy, IP, life sciences, tech and comms. Partner Michael Finn, who recently joined from Pinsent

Masons, explains one of the main DR drivers. “The patent litigation landscape in Ireland has exploded in recent years because clients are seeing Irish courts as a venue that can achieve certain outcomes in multi-jurisdictional patent litigation,” he says. “Sophisticated global pharmaceutical companies are mapping out litigation strategies years ahead of it taking place. From an Irish perspective, we’re involved in those conversations from the get-go because we’re part of the global team that is instructed in relation to a particular product or litigation strategy.”

Newest arrivals

Two of this year’s arrivals are big international firms: K&L Gates and Squire Patton Boggs. Their approach to the Irish market and their rationale for being in Dublin are quite different, however. Gayle Bowen, managing partner of K&L Gates’ Dublin office says: “The timing has been brilliant. Not all firms agree as it’s a heated market in hiring. This is the third international firm I’ve set up: it’s always been a problem, but it’s now really on a different level – particularly in the funds space.” Bowen joined from Pinsent Masons, where she had been the firm’s inaugural head in Dublin having also previously helped to establish Walkers’ Dublin office.

In addition to Bowen, K&L Gates hired two other experienced funds lawyers as founding partners: Shane Geraghty from Dillon Eustace and Michelle Lloyd who previously led Maples’ European funds team in Hong Kong. The firm has already been advising on large transactions, including what may be the largest cross-border fund merger project this year in the Irish market, roughly €12bn being migrated into Ireland, according to Bowen.

"We plan to grow," says Bowen in a familiar refrain. "Our short-term key priority is to develop the bench strength in our funds offering. Once that's completed, we will look at other areas." Expansion would be in the financial services space, where she anticipates client demand. Recruitment is coming on apace and by the end of the year, she expects to have 15 to 20 lawyers in the Dublin team. Are they disruptors? "Yes, we are. We're one of only two firms in Dublin to have a strong US funds capability, combined with a global offering. Having that is being a disruptor in the market."

The most recent US entrant is Squire Patton Boggs, which officially opened in May. "We haven't said we'll be full service like some other entrants," says the firm's Ireland managing

partner Dennis Agnew, previously head of corporate transactions and Dublin office founder at Pinsent Masons. "We're coming in to do cross-border M&A," he says. "We're not going to be full service from the start: none of the firms that have come in have been full service from the start."

Agnew believes that Dublin presents considerable opportunities for the firm's corporate, private equity (PE) and funds practices "to leverage our transatlantic and pan-European capabilities." The initial team includes corporate and PE partner George Kennedy. "Private equity is really important to our firm in the UK and the US," says Agnew. "In recent years, PE has really exploded in Ireland."

He acknowledges that "there's huge competition for everything: top tier and international firms

are all chasing the same type of work. There are several good Dublin lawyers who can do M&A transactions, but the value for PE is relationships and networks: Can you introduce us to people? How close are you to what is happening on the ground? We're seeing PE look at areas that maybe traditionally it didn't before."

His ambitions on size? "30 to 50 is realistic," he says. "I don't care if we're the seventh biggest firm in Ireland because that won't in itself move the dial for us. Dublin needs to contribute to the revenue growth and profitability of the firm." He allies its future prospects with two global giants seen as Dublin's biggest disruptors: "With Squire Patton Boggs, Dentons and DLA Piper, you get scale right away."

Time will tell. ●

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Dentons in Dublin:

‘An overnight commercial success story’

How does the world’s largest law firm succeed in one of the world’s hottest legal markets? *Dominic Carman* met with *Eavan Saunders* to find out

Last November, Dentons announced that ‘more than fifty law firms have done due diligence on, and decided to join, Dentons, making it the world’s largest global law firm by total headcount, number of offices and number of countries.’ But that has not been the case with Ireland – at least not yet. Instead, Dentons Dublin opened in 2020 as a greenfield operation that would be built from the ground up.

“I launched this office in the middle of lockdown working from my kitchen table,” says Eavan Saunders, managing partner of Dentons Ireland, who joined the firm from William Fry where she was a private equity partner. An elite team was swiftly assembled including Peter O’Brien, Head of Finance (ex-Matheson), Gareth Steen, Head of Restructuring (ex-MHC), and Shane O’Donnell, Head of Corporate (ex-William Fry). Another William Fry partner, Andrew Muckian, also joined as Head of Real Estate.

“If I had not been resolute about quality, none of us would be here,” says Saunders. “I was pretty sure if I could bring together enough quality, committed clever professionals, then we would attract work and that’s proved to be correct. We have attracted big names with a proven track record and a high personal profile.”

Hiring talented lawyers

In common with with DLA Piper, Dentons is seen by many Dublin lawyers as a big potential



“The domestic Irish firms recognise that we’re the one new entrant that’s cracked the premium market

Eavan Saunders, managing partner, Dentons Ireland

disruptor in the Irish market.

“They’re clearly here for the long term and are prepared to pay top dollar for the right people,” notes one prominent Irish lawyer.

“Dentons has an aggressive, ambitious approach and has done well in hiring talented lawyers, but it hasn’t always paid off,” says another. As an example, he points to Maireadh Dale, the A&L Goodbody partner who joined

Dentons in January 2021, but then decided to move on to Matheson 18 months later.

But there are many more examples of lawyers being appointed as Dentons partners in Dublin who have stayed. These include a trio hired in May 2022: Colm Ó hUiginn, who joined from Shearman & Sterling’s London office, David McGuinness a former senior associate at Allen & Overy in Dubai, and Michael McDonald, who joined from Gilbert + Tobin in Sydney where he was a corporate advisory consultant. Previously, he had spent four years at William Fry.

Last autumn, Dentons further boosted its Ireland offering by adding another trio of partners: disputes lawyer Karyn Harty from McCann FitzGerald, as well as banking and finance partners, Siobhan Carlin and Matthew Cahill, from William Fry. In December 2022, Niamh Keogh joined from MHC, where she was co-head of Tax. With the addition of three Dentons lawyers promoted in April, the total Dublin partnership count now stands at 17.

“We’re still building out this firm,” says Saunders. “Our philosophy is to hire the best talent at every level - one factor that’s made us successful, as quickly as we have been.

We are fully committed to this growth strategy and believe in the opportunity: clients are attracted to our high calibre team working at competitive Irish rates.”

Her roadmap for the future is growth, but only at the right

pace. Unlike David Carthy, her counterpart at DLA Piper, Saunders does not articulate an ambitious target to double lawyer numbers. "Our current offices can accommodate 130 lawyers, but we don't see that as a cap," she says. "The only limiting factor is the pool of first-class talent. There is no place for speed being a driver of the growth strategy. We believe it has to be excellence, and finding those candidates is not a speedy process."

'Cracked the premium market'

Bolstered by a strong showing in the latest Chambers and Legal 500 rankings, Saunders is less cautious in expressing her view that Dentons is having a real impact on the traditional Dublin elite. "The domestic Irish firms recognise that we're the one new entrant that's cracked the premium market," she says. "We do a lot

of work for financial investors. We appeal to a broad church of clients – one minute we are looking after founder owned businesses and the next, large private equity clients."

On the mix of international and Irish clients, Saunders adds: "Most of us are ex-magic or silver circle and enjoy doing big-ticket work, and doing it as well as or better than anyone in the market. But taking care of homegrown Irish growth companies and Irish entrepreneurs is very rewarding. My favourite element of the job is helping real people take value off the table by bringing in a professional investor and seeing some of the tangible benefits of what they have built realised, whilst staying in the business to grow it to the next level. This is a sweet spot for our team and a rewarding aspect of the practice."

In looking ahead, she draws a clear distinction between Dentons

and local elite firms: "Unlike our domestic competitors, we're not dependent on domestic activity. We see our market through a global lens. Our business is hedged because we have clients whose plans in Ireland maybe are on ice, or have reached a natural ceiling due to the size of our domestic market, but they're doing an acquisition in the US or looking at joint ventures in Asia, or whatever might be on their agenda. We have the footprint and calibre of lawyers to deliver for our clients around the globe."

The Dublin office financials are also looking good. "Being lean, our gross margin is high and we have been an overnight commercial success story for our international Dentons partners," says Saunders. "We have outperformed every budget and metric given to us and we fully expect to continue to do so." ●



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DLA Piper hopes to call the tune

Big plans, bold statements, and brave assumptions – but will DLA’s confidence be matched by results in Dublin?

DLA Piper’s Dublin ambitions were evident from its relocation to Molesworth Street two years ago – at 30,000 sq ft, there was plenty of room to accommodate its growing local headcount. Last November, that move was followed by a statement of intent: having ‘delivered on its initial recruitment ambition of building a local team of 100 lawyers and business professionals’, DLA planned to ‘double its existing workforce’ in Dublin targeting key sectors: financial services, life sciences and technology.

So how will the ‘fastest-growing legal brand in Ireland’, as proclaimed on the firm’s website, deliver on those growth plans?

“We’ve been in Dublin for nearly five years,” says David Carthy, DLA’s local managing partner. “We now have 17 partners, about 110 people: 75 lawyers and 35 business services staff. We probably have sufficient momentum to get to 200.” The question is: how do you get there? Do you wake up in the morning and realise you’re the same as everybody else because you’ve not pursued a different strategy, or alternatively that you’ve driven higher profit margins from a strategy that differentiates?”

In addressing his own questions, Carthy suggests: “How we grow and how that affects profitability, the clients you work for, the talent – those are the important things, rather than growth itself. DLA doesn’t need an extra few million of revenue to drive what’s already a three and a half billion-dollar turnover. What the business does



treasure is clients that resonate and can grow globally.”

Size to suit the brand

“The point therefore is not to grow for growth’s sake. We need to grow to a size that suits the brand and is appropriate in the market, and to deliver for clients who trust us with their work. Much depends on the talent that we can attract and develop, the ability to work with the right clients, and to deliver value and innovation: we’re all on a journey of upskilling.”

Across more than 40 countries and in nearly 100 cities, lateral hiring has been pivotal to the DLA growth model for almost two decades. Dublin is, therefore, no exception. “Globally, DLA is probably the largest group of lawyers who are trained in another law firm that’s ever been created,” says Carthy. “Neither the challenges nor the opportunities are uniquely Irish.”

He anticipates growth in the Irish market by “offering global solutions and sector specialization: an alliance of local sector experience with global

“No brand owns the clients, or the talent”
David Carthy, Ireland managing partner, DLA Piper

sector experience is going to drive brand recognition and growth.” Targeting a range of firms, local DLA partners have been hired from, among others, A&L Goodbody, Matheson, and William Fry, from where Carthy himself originates – as does Eavan Saunders, who manages Dentons in Dublin, his closest rival disruptor firm.

In an ultra-competitive recruitment market, money always talks. “We can pay well, but we make sure it’s for the right people with the right values, energy and client experience,” he says. “Assembling the right talent to work together is crucial. We’ve been lucky: we’ve hired a deliberately younger, hungrier group of lawyers. That brings an entrepreneurial drive, but also a cultural cohesion.”

Change, and acceptance of change, feature heavily in Carthy’s critique. “Some people are comfortable when they see things change around them; others deny, deny, deny,” he says. “We’ve all seen colleagues ignore or deny the changes brought by diversity,

artificial intelligence, and whatever else comes down the road.”

Homegrown talent matters too. This year, seven new trainees joined DLA's Ireland team, the second such cohort in Dublin. Their two-year programme is spread across the firm's practice areas, including finance, projects and restructuring, employment, IP and technology, tax, real estate, corporate, litigation and regulation. “Hiring young talent further strengthens our presence and our goal,” proclaimed a recent LinkedIn post accompanying the above photograph, which shows Carthy with the latest trainees.

The cultural piece, he argues, is hugely important. “When we're hiring, we want people to be as diverse as God makes us, wherever we come from. But we also want them to have certain things in common: curiosity, a global perspective, and being natural

collaborators. We're all seasoned enough in life to know that not everybody is.”

Decimated model

Welcoming the label of being a Dublin disruptor, he notes: “People will tell you the market's the same as it always has been and nothing ever changes. It's quite frustrating when you're involved in driving change in the market, and you can see it in recruits, in revenue, in client perception.”

One competitor notes: “To take on 100 people in six to 18 months, and ensure they're well-rooted into your culture – part of your ambition, your strategy – is very hard. We prefer sustainable client-centric growth.”

If DLA do succeed in doubling their numbers over time, Carthy is more circumspect about what that could mean for the Irish market. “DLA has a lot of lawyers in the

UK and US, but no individual office outside London has more than 250 lawyers,” he notes. “We are the number one law firm globally, but not the number one in every city. We want to work on the most global mandates, the most profitable mandates, but not at every level and every price point. So, when we say we compete with domestic firms, we do so tangentially, not directly.”

Nevertheless, he concludes by firing a warning shot across the bows of the Big Six firms in Dublin. “Irish domestic firms are trying to replicate a model that's currently being decimated in London. No brand owns the clients, or the talent. The movement of market share (in Ireland) from the purely domestic to the international/global will continue, regardless of what DLA do. We intend to be full players and lead, but it would happen anyway.” ●



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K&L Gates: *Irish funds play*

‘A strong US funds capability combined with a global offering’



Some Dublin lawyers feign ignorance of K&L Gates: they should know better. Spanning five continents with nearly 50 offices, the firm has 1700 lawyers according to the *National Law Journal*. Last year's \$1.2bn in gross revenues put the firm among the top 50 in the latest Am Law global rankings – ahead of big brand names such as Ashurst and Shearman & Sterling, for example.

Focusing initially on funds, K&L Gates opened its new Dublin office in January. Appointed as the office managing partner, Gayle Bowen was previously the inaugural head of Pinsent Masons in Dublin, where she also led the firm's Irish asset management and investment funds (AMIF) practice. Bowen

was joined by two other heavy hitters as founding partners: Shane Geraghty, formerly AMIF partner at Dillon Eustace, and Michele Lloyd, who was head of the European funds team at Maples in Hong Kong.

"We hired three senior experienced funds partners," says Bowen. "That wasn't easy, but having made that big investment, it's really made a difference. We've also heavily invested in our associates, giving us a full team on day one, which we continue to ramp up with additional lawyers joining us over the next few months.

"We've been very lucky: we're only at the start-up phase, usually the most difficult time, but we haven't found hiring hugely problematic. By the

▲ (L-R): Gayle Bowen, Shane Geraghty, Ireland's Minister for Financial Services Jennifer Carroll MacNeill, Michelle Lloyd

end of the year, we'll be 15 to 20 lawyers. We also have core ancillary service lines: a dedicated funds company secretarial offering and funds registrations team. That's helped win client mandates."

Ireland: €12bn cross-border fund merger

Dublin has been on K&L Gates' agenda for some time, according to Bowen. "Funds capability is a core part of our global offering," she says. "The firm has one of the largest global funds capabilities of any international law firm and we operate across all key financial services markets. But no matter how extensive the offering, Ireland was a missing piece."

According to the Irish Funds Industry Association, there were

8689 Irish domiciled funds at the end of 2022 with net assets of €3.655tn. It is no surprise, therefore, that K&L Gates looked at Dublin a few years ago. “But the timing wasn’t right and the firm ended up opening first in Luxembourg,” she explains. “The Lux offering has been hugely successful. Dublin, however, was always on the: the funds market just keeps growing in terms of fund setups in Ireland.”

The strategy has paid immediate dividends, according to Bowen. “We hit the ground running,” she says. “We’re already advising on large transactions, including on what we think will be the largest cross-border fund merger project this year in the Irish market - roughly €12bn being migrated into Ireland.”

Bowen has been here before, having also previously helped to establish Walkers’ Dublin office. “I’ve been involved in several setup firms here,” she says. “They tend to start with one partner in a practice group, and then build out slowly. That model doesn’t work in funds because clients need law firms that have depth, then strength. That’s really important to winning large mandates.”

Very competitive, very resilient

Such mandates are heavily competed for with at least a dozen firms in Dublin having the relevant capability and experience. But Bowen remains sanguine. “The market is very resilient: like an elastic band, it just keeps stretching with all the new entrants,” she says.

“It’s competitive for both staff and for clients, which can result in downward pressure on fees,” she adds. “But it isn’t just a fees game. Firms that do well tend to have a combination of partners or strong lawyers that are technically strong, have



“ We hit the ground running, we’re already advising on large transactions

Gayle Bowen, managing partner Ireland, K&L Gates

strong commerciality and a pragmatic approach and are very responsive. Clients appreciate that. Obviously, if you undercut you won’t hire talent. So, it’s a fine balance, but not a race to the bottom. If you have a strong offering, bench strength and commercial responsiveness, clients don’t mind paying a bit extra for quality of service. That’s how I’ve tended to do well.”

In support of her optimism, she provides evidence that the strategy has worked well so far.

“In terms of active client mandates, we are advising on a full registration of Irish funds for sale to retail investors in the UK post-Brexit, which will be one of the first funds to gain access to the UK market in this way, as

it’s so complicated. Our London team can assist our clients in making those registrations.

“We’re also working on a 22-fund merger project. That client has a platform with 50 funds on it which would be quite a large platform in the Irish market. We’re already advising Dutch, Austrian, German, South African, US, Swiss, Japanese and UK-based managers on their Irish fund structures in just a few months of operations.”

Further growth is firmly on Bowen’s agenda. “Our short-term key priority is to develop the bench strength in our funds offering,” she says. “Once that’s completed, we will look at other areas. Our expansion would need to align with our global client base, as well as the market. If we do expand outside funds, it will be in the financial services space, where we think there’s client demand.”

Does she see the firm as a disruptor in Dublin? “Yes, we are. We are one of only two firms here to offer a strong US funds capability, combined with a global offering. Having that is being a disruptor in the market.” ●

DAC Beachcroft: growth, recruitment & ESG

Lisa Broderick, partner and location head of DAC Beachcroft's Dublin office, discusses the firm's plans



Q What have been your firm's most significant developments over the past 12 months?

International expansion is a key pillar of DACB's strategy, and over the past year our firm's European growth has picked up pace within our international network.

We have opened two new offices, in Milan and Rome, welcoming a top-ranked Italian team of three partners and five associates, and we have signed a co-operation agreement with BLD, which has strengthened our offering in Germany. We have also significantly boosted our capabilities in our Singapore office.

DACB now boasts a presence in 23 jurisdictions around the world, showing our credentials as a truly international firm with ambitious plans on a global platform.

Dublin's full-service team works very closely and effectively with our colleagues across the UK and within our international offices, particularly in Madrid and Paris, which launched in 2021 and 2019 respectively.

It's important that we are able to support clients' ambitions overseas. Our international, national and regional growth is all based on client need.

Q What's the strategic focus for the business over the next year?

There is more international growth to come. As our clients' needs continue to change, we are seizing opportunities to adapt and respond to their requirements, and futureproofing our business in the process.

ESG – Environmental, Social, Governance – is also a strategic priority for our firm, and we aren't alone. In one of our

▲ The Dublin-based team works closely with colleagues across the UK and international offices

most recent client listening programmes, our clients told us about the growing importance of ESG within their own businesses. There is already a lot of work we have been doing in this area. In 2022 we launched our ESG strategy, which outlines our firm's ESG commitments, and what our key sectors are doing to support clients on their own ESG journeys.

We have also recently appointed a Head of ESG for the global firm, and launched an internal ESG training series to enhance the capability of our firm's lawyers in supporting clients. ESG considerations impact almost every decision and activity across the sectors in which we operate and the changing landscape is one of increasing regulation and litigation, which is why we are so committed to investing in our lawyers, so they can continue to

navigate clients' ESG concerns, commitments and ambitions through the delivery of our legal services.

Q What is the big issue affecting the market at the moment, and how is DACB helping clients overcome its impact?

There has been a number of high profile data breaches and cyberattacks across various sectors, and so the risk of a cyber-attack and a data breach is increasingly front of mind for our clients. Businesses recognise the potential for significant reputational and financial damage, which is why this area is, quite rightly, a boardroom issue. As a result, we have seen significant growth in our Data, Privacy & Cyber practice area in Dublin.

Our 24/7 cyber response hotline, which provides clients with access to our specialist cyber and data risk lawyers, IT security experts, and experienced PR consultants, has had an uplift in calls. As businesses become more cyber-savvy, there are also increased instructions to assist businesses in preparing for such an event through on-site bespoke training and planning sessions.

With cyber classified as the top risk to the majority of businesses, the continued threat escalation, and the severe consequences to a business should the worst happen, we fully expect this growth trajectory to continue in this area of our business.

Q The Dublin legal market is increasingly competitive. How are you responding to the growing competition?

The main impact is on the employment market and the competition for talent. We work hard to offer our people a different proposition, where



“As our clients' needs continue to change, we are seizing opportunities to adapt and respond to their requirements

Lisa Broderick, partner and location head of DAC Beachcroft's Dublin office

they can take on quality work for excellent clients, and can also make a personal impact on the firm's strategy.

It's also important to us as a firm that we demonstrate our commitment to making sure that everyone at DACB feels that their voices are heard and they have the same opportunities to help make a difference. Our culture also means that our colleagues can find more enjoyment both when they are at work and in life outside work.

As a result, we are very fortunate to have very committed and engaged

colleagues who enjoy working with our firm. However, in terms of recruitment, it is still a challenge for all law firms, no matter how attractive the offers available.

Q Has business or working life at DACB changed post Covid?

It's changed how we work. DACB's Flex Forward policy launched in Dublin and in the UK in 2021. The origins of this policy weren't a direct result of Covid, but rather it provided an opportunity to build upon our firm's agile working approach.

This policy offers different types of dynamic, location-based working – office-focused and hybrid, and introduced the concept of Gliding Your Time, which provides a more relaxed approach to working hours. This gives us maximum flexibility in how we orchestrate our working day, guided by three principles: meeting client demands, collaborating as a team and delivering the outputs of our roles.

In terms of work, we have seen an increased activity and interest in our offering following the impacts of lockdown. Areas of our business that are engaged in litigation have been extremely busy with the significant increase in the number of matters being dealt with before the courts, clearing the backlog from when many were closed. ●

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dacb
DAC BEACHCROFT

‘Many clients are on the same ESG journey as we are’

Unprepared for ESG compliance obligations, Irish companies are reaching out to their law firms and asking: ‘How do we get there?’



The Emerald Isle. Synonymous with an Irish countryside of rolling hills and green valleys, William Drennan coined the phrase in his 1795 poem *When Erin First Rose*. But it also has contemporary resonance. According to CUP's latest *Sustainable Development Report*, Ireland ranks a very respectable ninth among 163 countries – as measured by its performance in the 17 United Nation SDGs (sustainable development goals) – right behind Switzerland and just ahead of the United

Kingdom. At a corporate level, environmental, social and governance (ESG) concerns are equally paramount for businesses across Ireland. “ESG is going to influence the way that everyone does business,” says Alan Murphy, head of EY Law Ireland. “The challenge is to move it out of the compliance space into the boardroom.”

Directors’ minds are certainly being exercised at a multinational level. “We may have been distracted by geopolitical issues, but ESG is still a key item on boardroom

▲ **Putting good ESG intentions into practice can be hard**

agendas,” says Rachel Stanton, head of Simmons & Simmons’ Irish office. “ESG policy and ESG strategy impact organisations from an operational perspective and, along with regulation, drive digitalisation.” But, she notes, “There’s a cost factor (in ESG): how is it funded and how does it impact on strategy?”

Huge appetite

Cost is not the only pressure. As businesses edge towards more sustainable operations, the legal requirements and expectations of their people and external

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stakeholders are evolving at a faster pace. David Widger, managing partner at A&L Goodbody, observes: "There's a huge appetite for us to speak to boards about what's best in class and where it's going. Ireland is not yet at the stage of UK PLCs requiring significant legal input into their reporting/financial accounts. A continuing imperative in every practice group is to be absolutely on top of ESG as it pertains to their clients. The level of commitment and resources you need to dedicate to it will be material, and rightly so."

He suggests that the ramifications are increasingly diverse: "ESG is very relevant in leases affecting real estate; in ESG funds and covenants of funds, and in M&A, due diligence understanding ESG-compliance levels. So, it impacts many practice groups." Published in May, the inaugural Sustainable Finance Disclosure Regulation (SDFR) Impact Analysis from Maples examined 6,400+ Irish-domiciled funds and their asset managers. It revealed that one in four funds was sustainability-focused: a growth rate of 40% which reflects investor demand for more ethical and responsible investment.

But putting good intentions into practice can be hard. Although a strong ESG framework may help to shape the perceptions of investors, customers and other stakeholders, implementing ESG is invariably a much tougher nut to crack. "Many investors are focused on their company's ESG strategies and credentials," says Michael Jackson, managing partner of Matheson. "Whether or not there's true clarity as to what exactly investors want to see, I'm not sure." Owen O'Sullivan, his counterpart at William Fry, notes that "many



"Many clients are on the same ESG journey as we are"

Owen O'Sullivan, managing partner, William Fry

clients are on the same ESG journey as we are."

ESG challenges

So, how are Irish law firms dealing with myriad ESG challenges?

"There are two lenses, internal and external – both equally important because our people care deeply about this; so do we as partners, and as a firm," says Stephen Holst, managing partner at McCann FitzGerald. "ESG has always been part of our business. But a key priority is the greater integration of ESG into our entire strategy: it's at the core in terms of our people and our clients."

What's key is that it's authentic, not simply a marketing tool."

Carefully-developed internal ESG strategies proliferate. "Our ESG credentials are extremely high: a huge amount of work

is done in ESG targets, science-based initiatives and ESG compliance," says Ann Lalor, managing partner of Pinsent Masons in Dublin. In January, Pinsent acquired international sustainable finance specialists Morgan Green Advisory to expand its climate and sustainability capabilities.

Jonathan Sheehan, Walkers managing partner in Dublin, offers an insight into the granular detail of ESG in action. "From an office perspective," he says, "we are looking to reduce our own carbon footprint and engage in various initiatives: reducing waste and supporting staff-led CSR biodiversity initiatives, ranging from planting trees in Wicklow to harvesting bees on our rooftop."

On the client side, ESG is a huge driver of work, suggests Holst. "In funds, with the implementation of EU regulations, it's a very big driver of activity," he says. "Sustainable debt, sustainable finance and green bonds have been around for a while. But sustainable finance as a general trend is a very material issue, not just in the green space, but also in the S space in terms of social bonds" ►



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and other projects. Much of this has been driven by regulation, the impact of finance, and because of Scope 3 emissions and how they're working, pushing its way down through the chain. In our transactional activity, businesses that have strong ESG credentials are very attractive to investors."

Anna Morgan, head of Irish Privacy & Data Protection at Bird & Bird, says: "We work with very sophisticated multinational clients; all of them have ESG priorities. Historically, ESG work was mainly in the environmental and energy space, now we're advising clients across a breadth and depth of matters as ESG becomes a focus for companies across all sectors." Bird & Bird's ESG offering centres around three key pillars:

- **Regulatory compliance:** Supporting clients to monitor, prepare for, and comply with increasingly complex ESG regulation.
- **Becoming a good corporate citizen:** Optimising clients' business processes to help them achieve their ESG goals and become 'good global citizens'.

"We work with very sophisticated multinational clients; all of them have ESG priorities"

Anna Morgan, head of Irish Privacy & Data Protection, Bird & Bird

- **Creating innovative sources of business value:** Leveraging ESG to support clients' growth, and proactively looking at ways sustainability can drive innovation.

But few clients are able to mirror the approach of big multinationals – at least, not yet. "ESG is on the agenda of every single one of our clients at C-suite level," says Jackson. "Probably, at this point it's still at a 'what does this all mean, and what do we need to do?' phase for many companies."

Most companies unprepared

According to a William Fry survey of 400 Irish employers published in January, less than a fifth of them understand their

ESG obligations. Another survey published by Spencer Stuart last December revealed that only 40% of the ISEQ 20 index (the 20 largest companies trading on the Euronext Dublin exchange) have specifically dedicated ESG or sustainability committees.

Mark Walsh, head of Ireland at Addleshaw Goddard, develops the point. "The large companies of this world are very sophisticated; they're way ahead," he says. "But smaller companies are now saying: I have to do this. When we sit down with clients and look at their ESG journey, we talk to them about what bigger companies have done and how to approach their obligations. They ask: how do we get there? It's more hand-holding and saying: okay, here's the obligation coming out of new EU directives, let's look at the ways we can help you and talk to them in a practical way about getting there."

New reporting obligations derive from the EU Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD), which will take effect between 2024 and 2026, dependent on



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company size. ESG is therefore set to enter the annual reporting process in Ireland: sustainability information will sit alongside financial information within the annual report for companies that meet two of the following criteria: €40 million in net turnover, €20 million in assets, or 250 or more employees.

A&L Goodbody Partner, Paul White, describes what businesses need to know about mandatory sustainability reporting.

"It doesn't set conduct or behaviour standards," he says. "The obligation is to report on what is or is not being done under various ESG headings. There are 12 draft standards in circulation which all in-scope businesses will need to consider. This will be followed by sector specific standards – 40 sectors have already been identified. None of these standards is an easy read! They will need extensive preparation – from specialist teams to the boardroom – to understand what they involve, and also to work out how to report against them to the required standard."

Law firms are also in the

“ ESG is a huge driver of work – businesses that have strong ESG credentials are very attractive to investors

**Stephen Holst, managing partner,
McCann FitzGerald**

corporate spotlight. According to Jackson, "ESG is not only on clients' agendas in terms of their own need to take advice, but it's on their agendas in terms of choosing their advisors. It's increasingly appearing on requests for tender. We recently had a large, and thankfully successful, tender from one of the multinationals: almost a third of the questions related to D&I- and ESG-related matters." Holst concurs: "Your sustainability credentials have never been more important."

Alan Connell, managing partner of Eversheds Sutherland Ireland, adds: "Clients want to know what you're doing in ESG. If they're partnering with you, they want to make sure they have the right partner.

It's the same when we look at partnering with suppliers. For example, who supplies our paper? How sustainable and efficient are they? Our corporate clients looking at their loan books: what's the purpose of these loans? Are they green or brown?"

No standardisation

When it comes to ESG implementation, clients face other problems too. Critically, there is neither an internationally agreed framework on ESG standards, nor any consistency in how data is collected and reported. O'Connell explains: "We're asked to advise on EU-based standards, directives and regulations. One challenge facing clients is standardisation of language. Some of the language used about targets and measurements is different across various initiatives; there isn't yet complete commonality of language, and what it means."

Jackson adds: "The challenge is going to be: can you achieve an acceptable degree of standardisation? Because clearly, at a political level, we've already seen with the debates that have taken place around taxonomy at the EU, and debates that have happened at the various COPs, there are so many differences globally. The challenge may be to achieve common standards acceptable to all. So we could initially see some different standards applied to different situations."

He believes that change could be on the way. "There are some signs that, particularly in areas like ESG, Europe probably needs to rethink its regulation, in light of the approach being taken in the US and other jurisdictions," he says. "There's a growing recognition that regulation and guidance needs to drive ESG behaviour, provided that it helps address real risks



and has real impact. Within some of the legislation and provisions that you're seeing in other jurisdictions and regions outside Europe, it's not simply that there's less regulation, there's also probably more incentivization: there probably needs to be a balance of carrot and stick in some of this."

In financing agreements, Lalor highlights another problem. "We regularly see facilities where there's a hint of greenwashing," she says. "It's commonplace in facility documentation and lending documentation. It's inconsistent: different lenders in different jurisdictions use different criteria." But, she suggests, "Consistent regulation around green financing will evolve."

Sheehan highlights the ESG component in new EU disclosure requirements for regulated funds: the Sustainable Finance Disclosure Regulation (SFDR) requires financial service providers and owners of financial products to assess and disclose ESG considerations publicly. "We can expect possible ESG litigation if we follow developments in the US – whether investor-led, or through

“Businesses such as ours can be a powerful force for positive change

Alan Connell, managing partner, Eversheds Sutherland Ireland

regulatory investigations or enforcement," he says.

Real estate exposed

Notably, construction and real estate are also exposed to ESG considerations. "The next phase of interesting activity in the lending/borrowing world is around real estate: buildings that need to be made ESG-compliant," says Lalor. According to Sheehan, "Some clients are really pushing their green credentials, particularly in real estate." Walsh adds: "The carbon life of a building is going to become important. People don't talk about it much, but we see clients looking at retrofitting and ways of staying in a building because the cost of construction is so high."

The impact of that phenomenon is already being felt by one top 20 law firm in Dublin, which had put its building up for

sale in the region of €50m, but has now reduced the price to around €35m even though the lease has 10 years left to run.

According to the head of real estate at one Irish firm, "there's a lot of good office space here that is almost un-rentable now: tenants won't go into them because they don't have the right rating. So, you're going to have some distressed deals. Some of them are pretty nice office blocks, only 15 years old, but on the first or the second break, they don't comply with best practice. ESG criteria therefore have a huge impact when buildings are not up to spec, and to re-spec them in the current environment is not cost-effective."

Connell concludes with an upbeat note on the shared ESG journey. "Business such as ours can be a powerful force for positive change," he says. "As Ireland's largest and most established international law firm, and as advisors to some of the world's largest companies and financial institutions, our most significant impact is through the work that we do advising and partnering with our clients on their own ESG and sustainability journeys." ●

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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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