

# BENCH MARKS

The ASSOCIATION OF CORPORATE COUNSEL examines global litigation's prevailing trends and the issues that keep chief legal officers awake at night

**T**WO SEPARATE REPORTS BY THE Association of Corporate Counsel, a professional organization of more than 40,000 lawyers in 85 countries, reveal that in-house counsel around the world are wrestling with similar challenges.

Increasingly, they are working on cross-border issues, struggling to stay abreast of a constantly changing regulatory landscape and the implications these changes have on risk management, intellectual property, and mergers and acquisitions. A majority of lawyers reported that complying with privacy and corruption laws, both inside and outside their jurisdictions, is especially challenging.

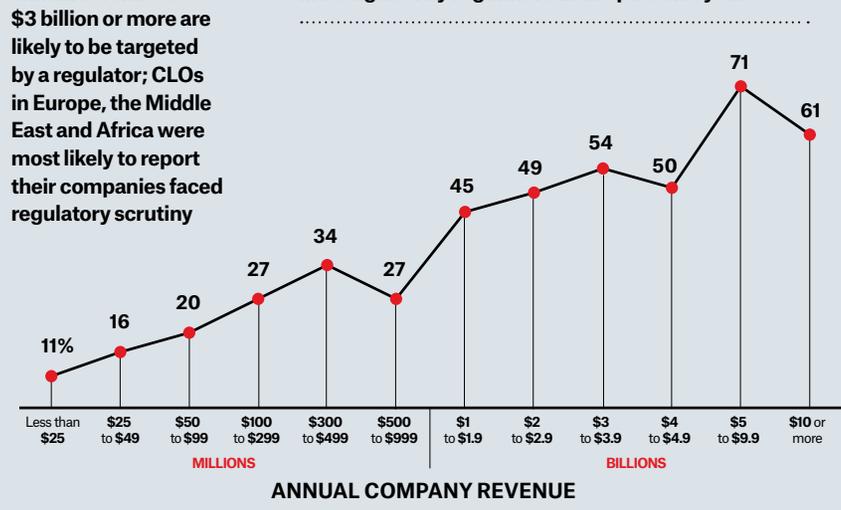
As is true for leaders in the boardroom and the C-suite, data protection and cybersecurity are high on the radar of senior legal counsel. A growing number of chief legal officers (CLOs) and general counsel expect to expand their roles to manage this risk. These senior lawyers also cited constraints relating to budget and headcount as obstacles weighing on their minds.

Asked to manage a growing volume of increasingly complex tasks, corporate lawyers are keeping pace the old-fashioned way: taking on more work themselves while also working long hours. Almost half (49 percent) of in-house counsel polled by ACC reported an increased workload over the past 12 months.

## TARGETED BY REGULATORS

Companies with an annual revenue of \$3 billion or more are likely to be targeted by a regulator; CLOs in Europe, the Middle East and Africa were most likely to report their companies faced regulatory scrutiny

Percentage of CLOs whose companies have been investigated by regulators in the past two years



## THE CHALLENGE OF COMPLIANCE

Privacy was the most widely cited issue facing in-house counsel within their jurisdiction - it was the top concern for five out of the eight regions polled. Corruption also featured prominently. Forty-one percent of respondents from the Asia Pacific region felt complying with local corruption laws was a serious challenge, as compared with only 4 percent in the US and 8 percent in Canada

In the past year, in which of the following areas, if any, have you encountered greater challenges in complying with the laws **WITHIN** your jurisdiction?

	US	Canada	Europe	Middle East North Africa	Sub-Saharan Africa	Latin America	Asia Pacific -not Aus/NZ	Australia New Zealand
PRIVACY	29%	34	45	20	41	12	23	47
CORRUPTION	4%	8	13	18	21	28	41	9
CYBERSECURITY	22%	18	16	11	24	6	13	15
COMPETITION	5%	5	22	24	31	22	37	23

...OUTSIDE your jurisdiction?

PRIVACY	31%	19	37	20	28	17	30	24
CORRUPTION	11%	15	27	20	26	18	38	20

## MULTINATIONAL

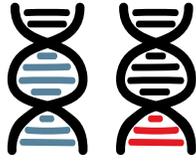
In-house counsel whose responsibilities involve cross-border work

### Aviation/Aerospace



YES 75% NO 19%

### Biotech/Life Science



YES 72% NO 23%

### Finance & Banking



YES 51% NO 48%

### Pharma/ Medical Devices



YES 80% NO 19%

### Telecommunications



YES 67% NO 30%

### All other industries



YES 64% NO 33%

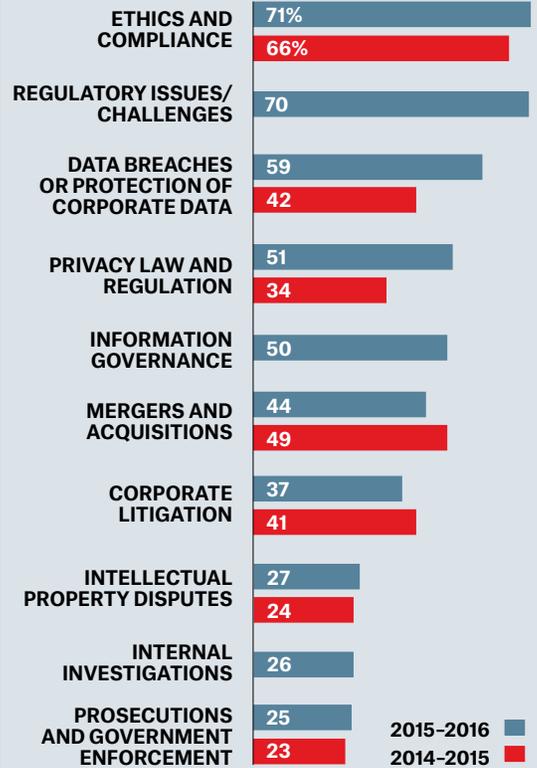
Not all figures total 100 percent as respondents were also given options "Prefer not to answer" and "Don't know"

One of the fastest rising concerns among senior legal leaders is data security. The healthcare industry remained the most heavily affected, with 49 percent of healthcare CLOs reporting a breach within the last two years. CLOs were less concerned about M&A and corporate litigation than they were a year ago

Having cross-border responsibilities is becoming the norm for in-house counsel. Europe topped the list, with 86 percent of respondents reporting their roles involved multinational activity

## THE STUFF OF NIGHTMARES

Top issues keeping CLOs up at night (rated very or extremely important over the next 12 months)



In instances where there is no value for 2014-2015, questions either had not been asked in previous years, or the wording of the question had changed

## RECORD M&A ACTIVITY

In-house counsel whose companies experienced M&A in the last year

OFFICE LOCATION	YES	NO
GERMANY	66%	24%
CHINA	62	32
BELGIUM	48	52
CANADA	42	56
UNITED ARAB EMIRATES	42	58
ISRAEL	40	60
SINGAPORE	40	35
SPAIN	39	58
UK	39	59
NETHERLANDS	38	54
AUSTRALIA	35	61
BRAZIL	35	62

**57 PERCENT** of CLOs/general counsel expect their work in cybersecurity to increase, while only **7 PERCENT** are very confident their companies' data is secure

The total value of global M&A deals in 2015 was the highest on record. Globally, 40 percent of in-house counsel worked at a company that experienced a merger or acquisition in the past year

Not all figures total 100 percent as respondents were also given options "Prefer not to answer" and "Don't know"

**ACC** Association of Corporate Counsel The largest global community of in-house counsel, the Association of Corporate Counsel works to promote the professional and business interests of in-house lawyers working across the private sector.

This research is drawn from two separate ACC reports: the ACC Chief Legal Officer 2016 Survey, which polled more than 1,300 Chief Legal Officers and General Counsel in 41 countries; and the 2015 ACC Global Census, in which more than 5,000 in-house counsel from 73 countries participated.