



TOP BOUTIQUES

CLIENT-CENTRED GROWTH

As clients focus more on value than prestige, corporate boutiques have grown

By Aidan Macnab

Those leading *Canadian Lawyer*'s top corporate law boutiques list are veterans from big firms who left to ply their trade under what they say is a more flexible, affordable but capable model. The startup economy is breeding clients who do not want to pay \$1,500-an-hour fees but still need legal services to grow.

Arthur Evrensel, founding partner of MEP Business Counsel, says the fact that baby boomers are getting older and a generational shift of resources is taking place is driving a lot of business at his Vancouver firm. Many have built businesses and gathered huge pools of wealth in the last 50 years and are trying to pass it down to a group that is smaller in number and often unwilling or incapable of absorbing the windfall.

"Maybe the next generation doesn't want it or can't deal with it," he says. "You're seeing that huge transition and transfer of wealth from one genera-

tion to either the next or to others or larger corporations. So that's certainly pushed our business."

MEP Business Counsel's clients include many in the entertainment sector, new-media startups and some cannabis startups. Evrensel says he has seen a lot of consolidation in these fields. The firm's "sweet spot," he says, is private companies that have grown to a certain size and either need capital to grow, sell, make acquisitions or merge.

"We decided very early on that we're going to focus as much on the business aspect of practising law as on the legal aspect," he says.

"So, the business-first thinking is something that we're very proud of, bringing together legal expertise and commercial understanding," he says.

Before becoming a lawyer, Jennifer Allen, of Allen McDonald Swartz LLP, worked in the financial services industry. She then spent 14 years at Bay Street law firms doing corporate finance, mergers and acquisitions and private equity.

The firm she and Fraser McDonald co-founded in 2015 has five lawyers.

Since she began practising, Allen says, she has seen a shift in what clients are looking for from her firm. Whereas the name and



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prestige of the firm used to be primary, now clients are focused on affordable fees.

“They’re not going to choose lawyers based on the reputation of a firm,” she says. “They’re going to look for a less traditional law firm that offers more value to them than they would have [in] the past.”

The trend of big-firm lawyers leaving and starting their own boutiques and their ability to offer clients their skills without the larger firm model is driving migration from smaller and mid-sized firms to smaller boutiques, says Barbara Hendrickson of BAX Securities Law.

“I see more and more smaller boutique law firms with very highly skilled, professional

lawyers who provide services particularly in the financial services securities, corporate finance area, where really, in the past, you could only find that level of expertise in a large firm.”

Hendrickson formed the Toronto Business Lawyers Association in 2016, meant to represent those practising in small and mid-sized firms.

Allen McDonald Swartz has a broad range of clients and Allen says it’s her firm’s expertise in corporate law and not a deep involvement in a specific industry that tends to be important.

The firm’s lawyers were all trained at big firms and Allen says the lower overhead of a boutique model allows them to compete with what large firms can offer through their economies of scale.

“We do find that this model can be very effective because we’re able to offer reasonable rates for very high-level advice and quick turn-around times,” she says.

The client “can pay a reasonable rate but still speak to a partner and we don’t need all the time to delegate and then review and correct and send out. So, we find that this model is actually much more efficient and provides much more value to the client.”

Part of the way Allen McDonald Swartz adds value is off-the-clock relationship building. Allen says her firm’s small size allows the lawyers to have a more intimate relationship with clients who aren’t spending as much money.

“Because we’re more nimble and we’re smaller and we don’t have as much infrastructure and bureaucracy, [for] a smaller client that has a smaller deal, we can still give them a high level of service because we aren’t too busy servicing the billion-dollar files,” she says.

Evrensel says the boutique model means that MEP’s clients are always dealing with a senior lawyer.

“Sometimes, senior partners at big firms have so many associates that it’s hard to get their time and deal with them daily, so we try to ensure that the partners are always hands on,” he says.

The emergence of smaller, boutique law firms is also partly driven by an excess of lawyers and the too few positions available at large firms.

“There really are way too many lawyers and it’s very hard for junior lawyers to get articling positions and then kept on after articles,” Hendrickson says.

She says she’s seeing a lot of smaller firms develop with more junior lawyers as a result.

How we did it

Canadian Lawyer asked lawyers, in-house counsel and clients from across Canada to vote on the top corporate and immigration law boutiques. They were asked to rank their top firms from a preliminary list, with a chance to nominate a firm that was not included. To be considered in the vote, firms were required to have at least 80 per cent of their business come from corporate and immigration law. The final rankings were determined through a points system, in which firms were rewarded on a sliding scale for the number of first to 10th-place votes received.

**TOP 10 CORPORATE
BOUTIQUES*****LaBarge Weinstein LLP*** Ottawa, Toronto, Vancouver
lwlaw.com

Founded in 1997, LaBarge Weinstein is a client-centric business law firm primarily serving knowledge-based companies, technology startups and their investors. The firm provides innovative and business-focused solutions throughout a company's life cycle from startup to IPO and beyond. Currently with 27 lawyers, LaBarge Weinstein has recognized expertise on public and private financing transactions, mergers and acquisitions, securities law, tax structuring and commercialization of technology. Having closed many billions of dollars in financing and acquisition transactions, LaBarge Weinstein has many notable current and past clients including Rockstar Consortium, Kik Interactive, Canopy Growth, Rypple, Fluidware, Radian6, Vineyard, Wattpad, Shopify, Vidyad, Manifold, MOSAID, Belair and MindBridge Analytics.
