

The french legal market is still open

By Patrick Bignon

In comparison to other markets or industries, the French legal market remains very divided. This market fragmentation and the limited size of the key players continue to provide wonderful opportunities for firms wishing to enter the market or improve their position.

Owing to its dynamism and central position, the Paris business law market remains one of the most attractive marketplaces in Europe. As well as being a highly prized location for foreign firms seeking to gain a foothold in the old continent, it also has a large number of strongly competitive independent French law firms. However, unlike in London or New York where it is becoming increasingly difficult to upset the established balance, Paris continues to be a relatively open market for firms seeking to establish themselves in the city or those intending to strengthen their activities. Due to the presence of firms of varying sizes, prestigious boutiques and premium work divided up among quite a number of players, the French market remains extremely fragmented and unstable. Several examples of spectacular success stories have occurred over the last fifteen years. The emergence of law firms that have quickly moved up the ranks have followed the lightning success of the international firms that had recently established local offices. Even today, no positions seem to have been established once and for all. In this market with ever-changing borders, both international firms seeking to set up in France and established firms wishing to develop need to hone their strategies. The market is still open for all those who know how to carve themselves a niche.

A Market that Continues to Offer Promising Prospects for Independent French Law Firms Who Have a Role to Play in Market Consolidation:

The market is also full of opportunities for independent French law firms wishing to develop. Quite a number of these firms continue to feature among the top 100 law firms in France. Over the past few years, their numbers have even increased with the creation of new firms, generally by partners from big firms. Nevertheless, this part of the market is still particularly fragmented. Therefore, dynamic French firms have the opportunity to play a privileged role in market consolidation. Those who succeed in bringing onboard the best firms or teams could very well become prominent players on the French legal market.

A Bright Future for International Law Firms

- **Seeking to Establish Their Firms in Paris:**

Among the top 100 business law firms in Paris, there are 60 or so international firms, including 30 US and 25 UK firms. Many of the international firms have teams of less than 60 lawyers, who nevertheless occupy the leading positions in certain areas of practice. Unlike UK firms in London, which have a lot more lawyers, the size of elite firms in the French market is much more reasonable. For newcomers, the initial investments required are therefore quite modest. Most of the recent attempts to enter the market have been made through acquisitions of existing teams rather than through large-scale mergers. Therefore, establishing a firm in Paris remains feasible. Moreover, there are still quite a number of good quality independent French law firms looking for an international partner to help them succeed in their development. It is also possible to set up an office by hiring existing teams. There is not such a big gap to fill as most firms in Paris have less than 100 lawyers.

- **Aiming to Enhance their practices:**

The most significant movements over recent years have stemmed from the desire shown by international firms that already have offices in France to strengthen their market positions. Through their ability to recruit the right partners or teams, some have rapidly won significant market share. Given current market volatility and the quality of the teams available on the market, everything seems to point to the fact that these firms could very well continue their investment projects in the coming years in a bid to strengthen their firms' positions.