

BigLaw On Track For A Big Lobbying Year In 2018

By **Aebra Coe**

Law360 (April 23, 2018, 9:50 PM EDT) -- The first quarter of 2018 started off with a bang for BigLaw lobbyists, with the majority of top firms exceeding last year's lobbying revenue and Akin Gump posting its second quarter in a row earning \$10 million or more in lobbying fees.

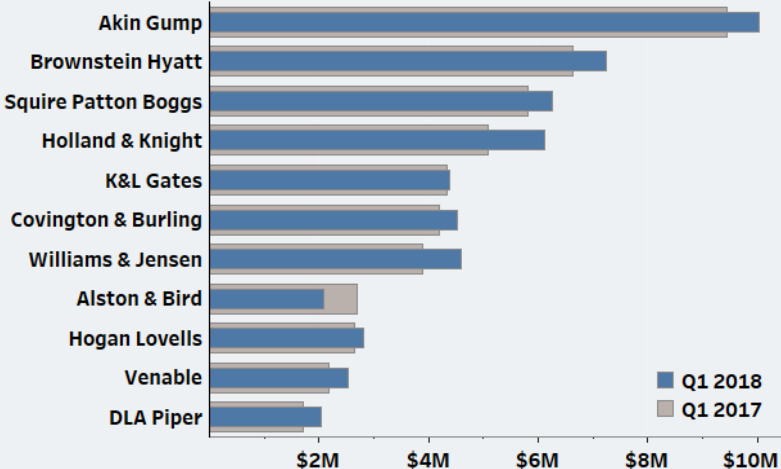
Ten of the 11 largest lobbying law firms posted year-on-year fee revenue growth between the first quarter of 2017 and the same period this year, according to the firms' disclosures to the government. The increases are attributable at least in part to corporations' need for clarity as they work to conform to the tax reform legislation passed late last year and face uncertainty surrounding U.S. trade relations, according to comments from the law firms to Law360.

Akin Gump Strauss Hauer & Feld LLP led the pack during the first quarter of 2018 with just over \$10 million in federal lobbying revenue, matching its earnings during the last three months of 2017 and breaking new ground in the process.

This is the first time in the past decade the law firm has posted back-to-back quarters exceeding \$10 million in lobbying fees.

Top Lobbying Firms Show Strong Q1 Gains

Lobbying revenue in the first quarter of 2018 showed a nearly across-the-board increase over last year.



Source: Firms' self-reporting and Senate Lobbying Disclosure Act database

“Tax reform implementation, trade battles and health care continue to drive the market,” Hunter Bates, co-head of Akin Gump’s public law and policy practice, told Law360. “We are pleased with our continued strong performance as we head into the midpoint of the year.”

Other law firms also fared well during the first three months of 2018. Brownstein Hyatt Farber Schreck LLP exceeded its revenue from the first quarter of 2017 by \$600,000, reaching \$7.24 million; Squire Patton Boggs’ lobbying revenue ticked up \$427,500 to \$6.25 million; and Holland & Knight was up \$1 million over the same period last year, landing at \$6.1 million for the quarter.

According to Elizabeth Gore, chair of the government relations department at Brownstein Hyatt, an atypical political climate has benefited the law firm’s lobbying practice. Numbers for the first quarter of this year outpaced 2016 by nearly 7 percent and 2017 by nearly 8 percent, she said.

“The fourth quarter of 2017 was phenomenal for us in large part due to the tax-reform bill,” Gore said. “We’d normally expect to see a slowdown as we move into the midterm election cycle, but this political climate is unlike anything we’ve seen before, so we’re advising companies to stay engaged here in Washington.”

Dave Schnittger, public policy practice spokesman at Squire Patton Boggs, also attributed the uptick in lobbying work to the political climate, which he called “unpredictable.”

“We credit the growth to the continuing demand from clients for help in navigating the unpredictability of present-day Washington, and to new business from companies seeking help in managing challenges and opportunities arising from the newly enacted U.S. tax reform law,” Schnittger said.

Businesses around the world are working to make sure they understand the new tax law, he said, and the lobbying group has also noticed a spike in interest in trade matters from clients.

John Veroneau, a partner at Covington & Burling, also pointed to trade matters as a boon for his law firm’s lobbying practice.

“The administration’s determined efforts to address long-standing trade issues with China through tariffs and other means creates both risks and opportunities for many American businesses,” Veroneau said. “Recognizing that U.S.-China trade relations are likely to remain uncertain for a while, companies across all sectors increasingly seek our help in navigating a changing and sometimes turbulent landscape.”

Other areas have also spurred growth in lobbying revenue, according to Darrell Conner, a government affairs counselor at K&L Gates, including talk in Washington of appropriations legislation, national defense authorization, and an FAA reauthorization bill.

“I’d say we’re off to a good start,” Conner said. “Clients are engaged. There’s lots going on.”

--Editing by Peter Rozovsky.