



Portfolio Media, Inc. | 860 Broadway, 6th Floor | New York, NY 10003 | www.law360.com
Phone: +1 646 783 7100 | Fax: +1 646 783 7161 | customerservice@portfoliomedia.com

Insurance Attorneys Dominate At SmithAmundsen

By **Christie Smythe**

Law360, New York (December 04, 2009) -- With 44 percent of its 113 attorneys handling significant amounts of insurance work, Chicago-based SmithAmundsen LLC has the heaviest concentration of insurance lawyers of any firm with 100 or more lawyers, according to Law360's 2009 practice area survey.

Landing in second place is international trial firm Sedgwick Detert Moran & Arnold LLP, with nearly 40 percent of its approximately 350 lawyers in the insurance field.

Snagging the No. 3 spot, based on its percentage of insurance attorneys in the U.S., is large U.K.-based business firm Lovells LLP, with about 35 percent of its 80 U.S.-based attorneys concentrating on insurance.

1. SmithAmundsen LLC: 44% of practitioners

At SmithAmundsen many attorneys started their careers as insurance litigators or as in-house counsel for insurers, said Victor J. Piekarski, a partner in the insurance practice who helped found the firm in 1997.

Eventually, the firm expanded its business to include other practices, including product liability, appellate, construction law, and bankruptcy and creditors rights litigation, according to the firm's Web site. Still, insurance accounts for about 55 percent of the firm's business, Piekarski said.

Maintaining an insurance specialty along with a broader array of practices has been a winning strategy for the firm during the recession, helping it weather the downturn and even continue to grow in recent months, he said.

SmithAmundsen has "been helped by the nature and diversity of our practice areas feeding from one another," Piekarski said.

While the overall volume of work has dropped in the recession, the firm is being called upon to handle increasingly complex and specialized matters, he added.

That success is largely due to the firm's diverse array of expertise in insurance litigation, including matters involving personal and commercial lines, as well as excess and surplus insurance and reinsurance, he said.

Insurance companies are the largest purchasers of legal services, and they know what they want and need, showing a preference for the firm's knowledge about the industry and ability to handle cases efficiently, he said.

While the firm is not permitted to identify specific clients, court records show that SmithAmundsen recently represented James River Insurance Co. before the U.S. Court of Appeals for the Seventh Circuit in a dispute over malpractice insurance coverage for certain divorce lawyers.

2. Sedgwick Detert Moran & Arnold LLP: 40% of practitioners

Sedgwick Detert, which now derives about 40 percent of its business from insurer clients, also was founded with an eye toward servicing the insurance industry, said W. Neil Rambin, a partner in the firm's insurance practice.

Seventy-six years ago founding partner Wally Sedgwick initially developed the firm's practice for the London insurance market, touching off its long history in representing the industry, Rambin said.

Although the firm says it specializes in "sophisticated corporate clients" in a number of fields, Sedgwick focuses heavily on providing a full line of services to insurers, including expertise in specialty areas such as coverage litigation, policy drafting, regulatory issues, class action defense, reinsurance and bad faith claims, Rambin said.

Additionally, the firm maintains offices in major insurance litigation and business centers, including New York, London and Bermuda.

The strength and depth of the firm's insurance practice has helped it weather the recession, as the downturn has led to an increase in professional liability and directors and officers coverage litigation, Rambin said.

"The firm is intentional about molding the diverse expertise and geographic location of its attorneys into a coordinated approach to the representation of the insurance industry," he said.

Clients include many major insurers throughout the world, he said, though he declined to identify them specifically. Recent case information shows Sedgwick's client roster includes companies such as XL Insurance America Inc., Metropolitan Life Insurance Co. and Ace American Insurance.

Going forward, the firm expects to see increased opportunities for growth in its life, health and disability insurance areas and in its regulatory and corporate governance practices, Rambin said, adding that the firm also intends to expand its business abroad by adding attorneys in international offices.

3. Lovells LLP: 35% of practitioners

Lovells, on the other hand, is more diverse on an international level, with only about 2 percent of its revenues firmwide coming from insurance, said Pieter Van Tol, managing partner of the firm's New York office.

But in the U.S. about 25 percent of the firm's business stems from insurance, owing in large part to the expertise of a Chicago-based partner who helped establish Lovells' presence in the U.S. in the 1990s, he said.

In dealing with insurance and reinsurance issues specifically, "the depth and breadth of our practice, I think, is unmatched in the U.S.," Van Tol said, adding that the firm's clients include major insurance and reinsurance companies including AXA, ING, Berkshire Hathaway Inc., John Hancock and others.

Insurance client's also benefit from Lovells attorneys' strong background in general commercial litigation, helping the firm to achieve victories in two major insurance cases, Van Tol said.

In April 2009, the U.S. Court of Appeals for the Second Circuit affirmed an arbitration panel's ruling awarding attorneys' fees to Lovells' client ReliaStar Life Insurance Co. of New York in a bad faith suit against EMC National Life Co., reversing a ruling to the contrary by a district court, according to the firm.

Meanwhile, in 2008, Lovells obtained a jury verdict in the amount of \$35 million, plus \$5.75 in punitive damages, for its client AXA Versicherung AG in a fraudulent inducement suit against insurer AIG. In October 2009, the Second Circuit remanded the case for further development on other issues, but did not address the punitive damages award, the firm said.

The strength of the insurance practice has contributed substantially to the firm's success in the U.S. during the recession, Van Tol said, adding that the firm has "been able to maintain that by emphasizing the quality of our practice."

Although the firm is discussing a possible merger with Hogan & Hartson LLP, it is expected that the insurance business of Lovells would continue to play a crucial role in the combined firm's business strategy going forward, he said.

--Additional reporting by Nick Brown, Nick Malinowski and Liz McKenzie