



Debevoise
& Plimpton 
30 Years in London

Debevoise in London
30 Years of Landmarks

Debevoise in London: 30 Years of Landmarks

A lot has happened since Debevoise & Plimpton first opened the doors to its UK office. The year was 1989, and US lawyers in London were still a relatively rare sight.

Since then, we've seen the end of the Cold War, a global financial crisis, a wave of regulatory change, seven different Prime Ministers, the advent of Brexit, and much more besides.

Through it all, the Debevoise team in London has continued to grow its core practice areas, as well as developing new ones in response to a changing world. From two partners and three associates on day one, the firm now has 120 lawyers and a leadership team of 38 partners and counsel in London.

In this publication, we discuss the practices and industries that Debevoise has helped shape during its 30 years in the UK, and try to pinpoint some of the landmark events and trends that have characterized their development.

Aviation

Over the past three decades, we have seen huge growth in the aviation sector. The rise of the low cost carrier model and the rapid growth of aircraft leasing companies have resulted in a continuous demand for novel leasing structures and financing solutions. As manufacturers strive to improve aircraft, the pace of change in technology means that purchase agreements are becoming ever more complex and issues which could not have been predicted 10 years ago now need to be catered for.

The uncertainty around Brexit and the lack of clarity over Britain's position in EASA and the role of the CAA means there is likely to be upcoming significant change to the landscape of UK aviation.

Capital Markets

The past 30 years has been marked by the significant growth of London as one of the world's leading financial centres. Our London office opened just a few years after the "Big Bang" deregulation of London's financial markets – which strengthened its position as a financial hub – and just before the end of the Cold War. Since then, London has become an increasingly attractive place to list, driven in large part by companies from emerging and growth markets seeking listings in London. The 1990s and 2000s in particular saw rapid growth in offerings by issuers from Eastern Europe and Russia, a trend which we, working closely with our Moscow office, experienced first-hand.

While the effects of the financial crisis of 2008, Russia-related sanctions and Brexit have brought challenges, the depth of London's markets, the strength of its regulatory system and reliability of English law and court system make it likely that London continues to attract issuers from around the globe with sophisticated and complex capital markets transactions.

Commercial Litigation

The biggest landmark development to impact the commercial litigation practice in London in the last 30 years is undoubtedly the Lord Woolf reforms introduced in the late 1990s, which led to the introduction of the Civil Procedure Rules of 1998 (“CPR”). The CPR continues to govern English civil procedure and the CPR’s Overriding Objective upholds the courts’ duty to deal with cases justly, requiring all parties to be on an equal footing and that cases are dealt with proportionately to their importance and to the amount of money involved. Lord Woolf also introduced the concept of pre-action protocols, which is enshrined in the CPR, to encourage parties to cooperate before any litigation, by exchanging information and settling disputes where possible. Lord Woolf’s reforms and the CPR have had positive impacts on the English civil justice system through streamlining the civil procedure process and encouraging the use of alternative dispute resolution before entering into litigation.

Competition

Competition law today is unrecognizable compared to 30 years ago. UK antitrust policy then was tentative, partial and under-enforced. EU competition law was similarly developing, with the first Merger Control Regulation transferring jurisdiction to the EC over all large mergers only just introduced. Today competition law has gone global, from fewer than 20 countries in 1989 compared to at least 120 today. Most cases now have an international dimension, with M&A activity routinely having cross-border impacts presenting a particularly complex challenge in terms of timing, coordination and consistency across multiple filings. Global cartels similarly face multiple parallel investigations and often inconsistent prosecution.

Finance

One of the most notable developments in European finance in the last 30 years has been the import of terms from US loans and high yield bonds into European loans. We have seen a gradual shift away from the traditional LMA-style loan, with numerous restrictive undertakings and financial maintenance covenants, to the now prevalent “covenant-lite” loans with much looser terms and primarily bond-like incurrence covenants. Drivers for the shift include the market’s investor diversification in the years following the financial crisis, with institutional investors more accustomed to high yield bond-like terms. This, coupled with the increased liquidity of the secondary market, has given Sponsors and borrowers the upper hand to push for more flexible terms. Another reason is the globalization of the financial markets, with increased competition from US investors as well as US sponsors. Sponsors operating in the London market have successfully imported terms from financings across the Atlantic.



Insurance

The London insurance market – long one of the key insurance markets in the world – has witnessed extraordinary change over the past 30 years, driven by the impact of increasingly tough new regulation, consolidation in the industry and the entry of private equity and other new players in the market. Solvency II, which went into force in 2016 after nearly 15 years of development, transformed the way insurance companies were regulated, including a new risk-based capital regime that had a significant effect on the profitability of some products and markets. This, together with the impact of the credit crisis and the low interest rate environment that followed, has contributed to a significant amount of consolidation, particularly in the mutual and life sectors and most recently at Lloyd’s.

Meanwhile, private equity has increasingly become interested in the industry, driving M&A competition, while insurance-linked securities and other alternative capital sources have depressed reinsurance pricing, adding stress to the reinsurance sector as well.

These developments have affected not just the London and European insurance markets, but the industry worldwide, and our global insurance practice has been more and more involved helping guide insurance companies and other market participants through an increasingly complex environment.

International Arbitration

Perhaps the biggest landmark for the practice of international arbitration in England and Wales over the last 30 years was the passing of the Arbitration Act in 1996. It consolidated the morass of arbitration law previously scattered through statutes and case law, and substantially amended key aspects of the law. It is based on (although does not replicate) the UNCITRAL Model Law. By increasing party autonomy, strengthening the powers of arbitral tribunals, and limiting court intervention (reflecting the sentiment that “people go to arbitration because they do not want to go to Court”), the Arbitration Act 1996 secured London as a key destination for the resolution of global arbitration disputes; a position that is unlikely to be impacted by Brexit. More than 20 years on, reform of the Act is inevitably debated. For example, whether the Act should expressly address summary judgment procedures, multi-party disputes, and confidentiality (or, conversely, transparency).

Private Equity Funds

When Debevoise’s London office opened in 1989, the private equity and venture capital industry was just beginning to gather momentum in Europe. The UK and European venture capital associations were barely six years old, and the first ever £1bn+ deal had just been done. Since then, and with some notable slips, private equity has seen rapid growth. Among the challenges along the way were the dot.com bubble and subsequent fall out, and the huge drop in fund raising after the financial crisis. The crisis also heralded calls for tighter regulation, culminating in the introduction of far-reaching pan European regulation in 2013. But the industry weathered these storms, and has emerged stronger and with a better reputation for responsible investment. Indeed, the industry will continue to evolve in response to a rapidly changing investment environment and – with investor demand higher than ever – we believe it will continue to go from strength to strength.

M&A

The M&A market in Europe has evolved significantly in the last 30 years. One of the most noticeable changes has been the increasing role of the private equity buyer. Private equity was a small industry in the 1990s, and has grown to become a major player in many European market segments.

The rise of US law firms in London has also had a significant impact on M&A. They lead a growing percentage of deals in the UK and across Europe, especially those involving private equity. The work of these US firms has led to a much greater cross-pollination of M&A “technology” between the US and European markets.

Pro Bono

The term “pro bono” in London in 1989 was more likely to have been in reference to the lead singer of Irish rock band U2 than the provision of free legal advice to those unable to pay. It has only been in the last 30 years that pro bono has formalised in London, with the first ever full time pro bono manager being appointed in the City in 1997. Since then, we have seen the proliferation of pro bono work across the country. A key landmark was the formation of the Access to Justice Foundation, a charity set up in 2008 to distribute funds received through Pro Bono Costs Orders made in civil actions to advice agencies across the UK. This marked a milestone in pro bono history, demonstrating that pro bono had truly embedded in the legal culture. Debevoise partner Lord Goldsmith QC was the Foundation’s first chair, and remains Chairman of the Board of Trustees.

Public International Law

The key trend for the practice of public international law in the UK over the last thirty years has been its increasing prominence in national policy, dialogue and our everyday lives. The recent Brexit debates have highlighted the relevance of international law, including in political discourse, for example in the interpretation of trade treaties and rules or the Lisbon Treaty. The Paris Agreement has fuelled the debate on climate change and the UK’s commitments to achieve net zero emissions. Human rights obligations or questions of immunities also make a more frequent appearance in courts and international legal practice, and the Rome Statute has altered national criminal law and practice. And as the name would suggest, the nature of the practice itself has become increasingly international, in terms of clients, location of the events being considered, practitioners, language and other features.



Tax

Looking back on the past 30 years, the changes to the international tax landscape for multinational companies and investors have been tremendous. From FATCA to CRS, DIMF, BEPS, ATAD, GILTI and BEAT, to name a few, the pace of the changes is faster now than at any time over the past 30 years.

As economies have become more integrated and new sectors have developed, new international tax rules have emerged across the globe—including as a result of both the US tax reform and the implementation by OECD member countries of the BEPS recommendations—to ensure that profits are taxed where the economic activities are located, minimize tax arbitrage among jurisdictions and increase tax transparency.

As the rules of the game are continually being updated, we have seen the benefit of having tax lawyers qualified in the UK, the US and continental Europe in our team, as businesses navigate this increasingly complex global tax landscape.

White Collar & Regulatory Defense

Criminal and regulatory enforcement of large-scale corporate wrongdoing, and the accompanying internal investigation by companies, is a relatively new field of specialism. We can probably date it back to the mid-2000s, which marked somewhat of a step change in this area. During that period, U.S. enforcement of the Foreign Corrupt Practices Act, particularly against non-U.S. multinationals, became more aggressive, so we saw larger investigations and more significant settlements come to characterise the market.

From a London perspective, the implementation of the Bribery Act in July 2011 marked a particularly significant development in the practice, giving the UK authorities similar tools to its U.S. counterparts to investigate and prosecute complex international bribery and corruption cases. Since then, the UK has remained at the forefront of this area of enforcement with numerous high profile cases, including resolutions by Deferred Prosecution Agreements since their introduction in 2014.

Other Emerging Areas – Cybersecurity & Data Privacy

Cybersecurity and data privacy as a practice, quite literally, did not exist 30 years ago. While the EU Data Protection Directive marked a sea change in EU data protection law over 20 years ago, the EU General Data Protection Regulation which came into force in 2018 catapulted data protection to the top of many board room agendas.

Businesses are also more aware than ever of the legal, reputational and regulatory risks that cybersecurity threats pose. No longer “just” an IT issue, businesses’ ability to prevent and recover from cyberattacks is now heavily scrutinized by regulators, law enforcement and the general public.

1989 - 2019: 30 Years of Debevoise in London

Steady Growth



Consistent Partnership



Organic Growth



Debevoise & Plimpton

New York

919 Third Avenue
New York, NY 10022
Tel: +1 212 909 6000
Fax: +1 212 909 6836

Washington, D.C.

801 Pennsylvania Avenue N.W.
Washington, D.C. 20004
Tel: +1 202 383 8000
Fax: +1 202 383 8118

London

65 Gresham Street
London
EC2V 7NQ
Tel: +44 20 7786 9000
Fax: +44 20 7588 4180

Paris

4 place de l'Opéra
75002 Paris
Tel: +33 1 40 73 12 12
Fax: +33 1 47 20 50 82

Frankfurt

Taunustor 1 (TaunusTurm)
60310 Frankfurt am Main
Tel: +49 69 2097 5000
Fax: +49 69 2097 5555

Moscow

Business Center Mokhovaya
Ulitsa Vozdvizhenka, 4/7
Stroyeniye 2
Moscow, 125009
Tel: +7 495 956 3858
Fax: +7 495 956 3868

Hong Kong

21/F AIA Central
1 Connaught Road Central
Hong Kong
Tel: +852 2160 9800
Fax: +852 2810 9828

Shanghai

13/F, Tower 1
Jing'an Kerry Centre
1515 Nanjing Road West
Shanghai 200040
Tel: +86 21 5047 1800
Fax: +86 21 5047 1600

Tokyo

Shin Marunouchi Bldg. 11F
1-5-1 Marunouchi, Chiyoda-ku
Tokyo 100-6511
Tel: +81 3 4570 6680
Fax: +81 3 4570 6681