



New Study Reveals How GCs and CFOs Across Industries Manage Legal Risk and Value in an Uncertain Climate

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Senior in-house legal and finance department leaders across industries reveal differing plans for future legal and legal AI spend, but share commitment to seeking innovation and new ways to add value

NEW YORK, May 15, 2024 /PRNewswire/ -- Burford Capital, the leading global finance and asset management firm focused on law, today releases a new [study](#) that examines how senior legal and finance department leaders across industries approach litigation spend, legal cost and risk management and optimizing legal department value.

Much has changed in the 15 years since Burford's inception in the wake of the global financial crisis. Economic, political and societal changes have impacted different industries and their legal functions in different ways. This study reveals how leaders from both legal and finance functions in various industries are responding to both external and internal factors—adapting their legal strategies to navigate the evolving landscape effectively—and where they plan to allocate resources moving forward.

The research is gathered from online interviews with 400 senior lawyers and finance professionals across ten industry sectors, shedding light on their decision-making processes regarding commercial disputes as well as cost and risk management within their legal departments. Industry sectors addressed are **construction and real estate; consumer goods and services; energy; food; healthcare; manufacturing; mining; pharma and life sciences; retail; and transportation and supply chain.**

Key findings from the study include:

- Senior legal and finance leaders in **construction and mining** expect the biggest increases in litigation spend in the next five years, with **pharma and food** close behind.
- 3 of 4 GCs and CFOs in **construction and real estate** say a top priority is to increase certainty and predictability of legal costs—25% higher than the average across all industries.
- **Pharma and life sciences** GCs and CFOs are four times more likely than the average across all industries to say they could reallocate \$50 million or more elsewhere in the business by financing litigation and arbitration.

- Almost two thirds (65%) of senior finance and legal leaders at **mining** companies say that in the next 15 years they are likely to use [monetization](#), a legal finance solution that provides businesses immediate capital by advancing some of the expected entitlement of a pending claim, judgment or award.
- Half of GCs and CFOs at **food** companies expect their organization's litigation and arbitration spend to increase by more than 25% over the next five years; they are also 54% more likely to have used legal finance than the average across all industries.
- A third of senior finance and legal leaders at **energy** companies say they already have a robust [affirmative recovery program](#) in place, nearly twice as many as the average across all industries.
- **Healthcare, retail** and **consumer** GCs and CFOs are more likely to say [legal finance](#) can play a significant role in reducing overall litigation and legal costs, perhaps reflecting these sectors' typically thin margins and their desire for innovative cost-saving measures.
- Finance and legal leaders at **retail** companies are the most likely to say they intend to invest heavily in legal technology and AI over the next year.
- Industries in which leaders anticipate the largest increases in future litigation spend do not currently have the largest budgets, suggesting a significant shift in litigation priorities among some industries.

Christopher Bogart, CEO of Burford Capital, said: "Burford's latest research affirms that GCs and CFOs across industries are thinking about new ways to create value for the business, which is at the heart of our work to help clients reframe the legal department from cost center to capital source.

"Burford was founded in the wake of the 2009 global financial crisis, and we recognize that our capital and expertise are especially valuable in challenging times. A major shift since our founding is the continued expansion of our client base from law firms to companies, including very large ones, and financing arrangements with companies now account for the majority of our business. We help all our clients navigate risk and exploring innovative capital solutions, but the growth of our business with corporate clients—including a recent \$325 million deal with a single Fortune 500—is exemplary of how much our capital and expertise can help businesses both survive and thrive in today's uncertain landscape."

The latest research is based on an online survey of senior financial officers and in-house lawyers of companies across ten different industries and with annual revenues of \$50 million or more in the US, UK, Australia, Singapore, Germany, France, Spain, Switzerland, Sweden, The Netherlands and the UAE. All respondents are in roles that include knowledge of their companies' litigation expenditures and decision-making.

The [Industry perspectives on litigation and arbitration](#) survey can be downloaded on Burford's website. The research was conducted by GLG from December 2023–January 2024.

About Burford Capital

Burford Capital is the leading global finance and asset management firm focused on law. Its businesses include [litigation finance](#) and risk management, asset recovery and a wide range of legal finance and advisory activities. Burford is publicly traded on the New York Stock Exchange (NYSE: BUR) and the London Stock Exchange (LSE: BUR), and it works with companies and law firms around the world from its offices in New York, London, Chicago, Washington, DC, Singapore, Dubai, Sydney and Hong Kong.

For more information, please visit www.burfordcapital.com.

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