

# Deloitte Expands US Legal Ambitions With Epstein Becker Alliance

The Big Four firm is turning to employment law and workforce management in its next law firm alliance.

By Dan Packel  
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Employment law and workplace services are next on the agenda for Deloitte, as the Big Four firm strategizes over how to deliver legal services in the United States to its global clients.

Nearly a year after announcing a **first-of-its-kind alliance** with U.S. immigration firm Berry Appleman & Leiden, it's taking a similar approach to employment issues through a new alliance with Epstein Becker Green.

Through what's formally referred to as a non-exclusive alliance, Epstein Becker attorneys will advise Deloitte's clients on the legal ramifications and related complexities of operating a workplace in the U.S., the firms are expected to announce Tuesday.

As the alliance envisions, Deloitte will point clients toward Epstein Becker for U.S. legal work on employment and workforce-related matters, while Epstein Becker will point its clients with international employment concerns to Deloitte.

The Big Four firm's "U.S. program" aims to provide global legal services to U.S.-based multinationals. As it stands, a "central team" and "strike teams" of lawyers in their home countries work with Deloitte's tax partners and consulting partners in the U.S.

Piet Hein Meeter, global managing director of Deloitte Legal, acknowledged that Deloitte is barred from delivering legal services in the U.S. It first responded to this challenge by setting up a legal liaison desk in New York to connect the international



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Deloitte Legal practices to U.S. law firms as well as its own tax, consulting and advisory professionals, but that approach came up short.

"We decided we cannot cover the U.S. from one location; therefore, seeking alliances is the answer," he said. "BAL was the first step into that journey."

After immigration, Deloitte Legal identified employment law as another area of client need.

But it had to find a partner. Deloitte analyzed the U.S. legal market, identifying boutiques that did not have international operations, in order to make the deal easier and deliver more synergies. Epstein Becker, a 45-year-old firm that focuses on the health care industry and litigation, as well as employment law, was the No. 1 candidate and the first firm Deloitte

approached. Epstein Becker was also a significant player in the immigration arena until October, when a **60-person team in New York left** to open Berry Appleman's first office there.

After just two meetings in New York last fall, Deloitte and Epstein Becker were ready to commit to an alliance.

"It was pretty natural. We had existing relationships that worked with folks at Deloitte," said Epstein Becker managing partner Jim Flynn. "We were looking for additional assets overseas."

Executing the arrangement required a little more work. Deloitte had teams in 11 different countries to coordinate.

"The good news was that we had done this before in the BAL transaction, so many of these restrictions that we are all aware of had all been addressed," Meeter said. "We are very aware but becoming more and more comfortable with those rules, and I think they are very manageable knowing that the legal services and legal activities will be done by EBG and we will focus on anything outside of the U.S."

Now, Deloitte's Meeter sees further opportunities for similar alliances in the U.S., flagging intellectual property, information technology law and privacy. "Those are areas we would like to offer clients coverage," he said.

### **Client Business Collaboration**

Deloitte and Epstein Becker are already working on one matter together. One Deloitte client, a European manufacturing company with a plant in the U.S., is considering a range of options on what to do: closing it, reducing operations, refocusing on different manufacturing opportunities or selling.

"It's a consulting exercise that extends into legal," Meeter said, with Epstein Becker lending expertise on the consequences of each of these potential options.

Deloitte clients will also benefit from Epstein Becker's familiarity with the panoply of regulations at the state and federal level in the U.S., according to Meeter.

"Equal pay, whistleblowing, diversity regulations: more and more things are being regulated federally or in states," he said. "We feel that type of development is a trend, and we see that development coming to Europe and Asia."

Meanwhile, Flynn, at Epstein Becker, said the firm's U.S.-based clients with European operations and a unified system of managing employee data will likely immediately benefit from the arrangement, particularly with growing regulatory complexity on the European side.

"When you're making global workforce decisions, you want to have access to similar data and keep it in the same way," he said. "The folks in the Deloitte network can come up with an overall plan for our clients."

Other potential examples of collaboration include global corporate reorganizations, compensation and benefits design across borders and advice on the legal risks and organizational implications of putting artificial intelligence to use in human resource matters.

Flynn and Meeter both emphasized that the "non-exclusive" nature of the alliance is both a response to technical restrictions and a recognition that under certain circumstances, clients on both sides might be better served with alternative expertise.

Financial arrangements under the alliance agreement will be addressed client-by-client and project-by-project, according to Flynn.

Epstein Becker chief operating officer Steven Di Fiore, who declined to disclose any revenue projections from the alliance, offered one longer-term reason why the alliance makes sense for the firm.

"Legal services, consulting services, risk advisory services or any professional service delivered in a silo is not what clients are looking for," said Di Fiore, who started his career at Deloitte. "Clients are looking for complete solutions to these issues that they face."

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