FICPI WORLD CONGRESS
Change, Strategy and Strategic Thinking
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GUESS WHO JUST CALLED?
WHAT DO THE FOLLOWING HAVE IN COMMON?

- iPod/Conduit Law
- iPhone/Caravel Law
- Facebook/Axiom Law
- Netflix/Riverview Law
- Uber/LegalZoom
- Google / Keystone Law
WHAT IS STRATEGY ABOUT?

Change
Making Choices
Increasing the odds of success
Porter's 5 Competitive Forces That Shape Strategy

- Bargaining Power of Customers
- Threat of New Entrants
- Bargaining Power of Suppliers
- Threat of Substitute Products
- Competitive Rivalry within an Industry
WHAT DO THESE LAW FIRMS HAVE IN COMMON?

Source: Beaton Capital
WHAT DO THESE COMPANIES HAVE IN COMMON?

Source: CB Insights
SO, WHAT DO WE NEED TO KNOW?

The Man Who Invented Management Consulting

“every organization must prepare for the abandonment of everything it does”

Peter Drucker, Consultant
Average company lifespan on S&P 500 Index (in years)

Year (each data point represents a rolling 7-year average of average lifespan)

DATA: INNOSIGHT/Richard N. Foster/Standard & Poor’s
WHO WOULD HAVE THOUGHT?

Top 5 Publicly Traded Companies (by Market Cap)

2006
- EXXON: $446B
- GE: $383B
- TOTAL: $327B
- Microsoft: $293B
- Citi: $273B

2011
- EXXON: $406B
- Apple: $376B
- PetroChina: $277B
- Shell: $237B
- ICBC: $228B

2018
- Apple: $926B
- Alphabet: $765B
- Amazon: $783B
- Microsoft: $750B
- Facebook: $533B
“Upstarts will capture new and low-end customers and then gradually move upmarket to pick off higher end customers from incumbents”

Clayton Christensen, Harvard Business Review
WHAT DO YOU SEE INSIDE THE CIRCLE?
WHAT DON’T YOU SEE NOW?
STRUCTURAL CHANGE
ANATOMY OF INDUSTRY DISRUPTION

- Rapid Innovation & Investment
- Applications – Better Economics
- Legal Services Inflection Point
- Consumer Behaviour Change

SHORT-TERM
LONG-TERM
“You cannot always control what goes on outside. But you can always control what goes on inside”

Dr. Wayne Dyer, Philosopher and Motivational Coach
EFFICIENCY IS IMPORTANT...BUT?

Efficiency = doing the same things better

Or maybe......

Your firm should be Running a Different Race
“Watson could pass a multistate bar exam without a second thought”

Robert Weber, GC IBM, 2015
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“It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is most adaptable to change.”

- Charles Darwin -
TAKEAWAYS – Connect The Dots

• **The Past** worked well – old approaches are NO LONGER WORKING AS WELL

• **The Present** - THREATS that didn’t exist before exist now – recognize them before it is too late

• **The Future** - Strategy is about Change - DO OR DO NOT – DRIVE CHANGE IN YOUR FIRM OR BECOME A VICTIM OF IT
"Do... or do not. There is no try."
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