

Riding it Out

The hatches have been firmly battened down. Last year's *Legal Business* report found Ireland had been resilient in weathering the storm of 2020, with the impact wrought by the Covid-19 pandemic on the economy far below the average for the eurozone. There were, however, still clouds on the horizon: a looming second wave of the pandemic and a no-deal Brexit, both potentially disastrous for the Irish economy.

Since then, resilient seems like an understatement when describing the Irish market. Reports from the Central Statistics Office show that the economy grew by 3.4% in 2020 – the only EU member state to do so – despite a series of lockdowns that were among the most stringent in the world, introduced in March, October and December 2020.

After a devastating second wave of the virus, which saw Ireland record the world's highest Covid-19 rate in January 2021, restrictions gradually began to be lifted in May, although indoor hospitality was not reopened until July – later than in all other European countries – and measures including vaccine passports for bars and restaurants and restrictions on attendance at indoor and outdoor events remained in place until 22 October.

Despite the restrictions, and bolstered by a highly successful vaccine rollout, Ireland's economy is forecast to grow 7.1% in 2021, according to the European Commission's summer 2021 report – outstripping the 4.2% growth predicted in May. A key factor driving this growth is the surge in exports from Ireland-based multinationals, particularly in-demand medical and pharmaceutical products.

The picture has been less rosy for the domestic economy, which contracted by 5.4% in 2020 as pandemic-related restrictions hit the distribution, transport, hotels and restaurants, and construction sectors hard. However, with the reopening of hospitality and the associated increase in domestic spending, Goodbody Stockbrokers' report on the second quarter of 2021 shows the domestic economy is beginning to stage a recovery, reporting a 16% growth year on year in modified domestic demand (and a 7% growth compared to Q2 2019).

Twelve months ago, the firms that *Legal Business* spoke to had overcome the initial crisis and felt a sense of cautious optimism. While the first half of 2020 was a mixed picture, across the board firms had found that by September transactional activity was picking up strongly. Still, there were concerns that a resurgence of Covid and the introduction of another lockdown could simply start the cycle over again. But these fears did not come to pass – far from it, in fact.



Would it be possible to provide me with an overview of how the last 12 months have been for the firm? How has the pandemic affected workflow and the types of work that you are seeing?

Back in March 2020 at the start of the pandemic in Ireland, we faced considerable uncertainty. We ran all sorts of modelling, trying to anticipate certain scenarios. None of the worst-case scenarios happened, thankfully. We saw a hiatus on transactional workflows, not falling off a cliff, although our property and asset finance - aviation, in particular - were challenged last year, and to a degree this year albeit notably less so.

However, despite the considerable logistical and other headwinds created by the pandemic we have remained very busy across our broad range of practice areas. Areas such as Funds & Investment Management, Finance, Corporate, Tax, Employment, Financial Services Regulatory, Dispute Resolution & Insolvency and Projects and Construction have all proved resilient throughout the pandemic. The finance sector in particular proved especially resilient across the globe.

We have not scaled back any of our practice areas during the pandemic period, but have worked to respond to the ongoing and ever-changing needs and requirements of our clients. For example, in late 2020, we added Claire Morrissey to our Partnership to build and develop our data commercial and technology practice.

Obviously, the commercial property sector in particular faced considerable challenges initially, but it is returning to form. Our Property team has seen a strong increase in activity levels across all market sectors, including logistics, PRS, retail and offices resulting in a number of significant transactions. Recent transactions include the team advising Oaktree on the corporate acquisition of the Irish Glass Bottle site as part of a joint venture involving Ronan Group, Oaktree and other parties advising.



Are there any particularly significant deals or cases the firm has handled over the last 12 months that you would like to highlight?

Our Funds & Investment Management practice, along with our Fund Services team were selected to advise on the first ILP authorised under the recently updated legislation. This much-anticipated reform of the ILP regime is an excellent example of how Ireland is evolving and innovating to compete internationally for investment business, and has the potential to radically expand the Irish private markets, real assets, and sustainable finance sectors.

On a practical level, we saw deals being harder to complete in 2020 probably as a consequence of buyers, lenders and other financial sponsors being more cautious and carrying out more detailed due diligence than perhaps they would have in the past.

Despite these challenges, there was still a healthy level of activity, particularly in the latter half of the year, and M&A activity has continued to grow significantly since then. Certain sectors, such as healthcare, technologies and IT services were particularly resilient. We were involved in a number of deals successfully completed in these sectors, such as Welltel on its acquisition of Fulnett Ltd, Version 1's acquisition of Nueda and the sale of Asavie to Akamai Technologies.

Specifically, we advised Cardinal Capital Group, a private equity fund, on the employment aspects of a share purchase transaction whereby Cardinal Capital acquired Mowlam Healthcare in a €43 million deal.

Our Corporate practice also advised Taxamo on its acquisition by US company Vertex. The Co Kerry based fintech company, [Taxamo](#) was acquired earlier this year in a \$200 million (€165.5 million) deal.



How robust do you feel the Irish legal market is in the face of the challenges of Covid-19 and Brexit?

I believe the Irish legal market is in a very robust position at the moment. We in particular were well prepared for any major challenges that came our way over the past few years. The Maples Group has now been in Ireland for over 15 years, and we are very well established with over 400 lawyers and professionals. We are at a very different stage of development to others in the market – both domestic firms, and the more recent arrivals taking advantage of Brexit.

There is no doubt that Covid-19 and Brexit have brought challenges to the market but we are consistently looking for solutions. We were ahead of the curve when we extended our Irish legal services offering to London in 2017, at a time when other firms were eagerly anticipating a wholesale flight of legal work from the UK to Ireland as a result of Brexit. We also expanded our legal services offering in 2018 with the launch of our Jersey and Luxembourg law firms and notably, we are the only international firm here who also has a Luxembourg legal tax practice.

Along with this, our Financial Services Regulatory team continue to guide clients ranging from MiFID investment firms to eMoney companies, many of whom have relocated to Ireland as a result of Brexit-related regulatory obligations.

Overall we never anticipated a wholesale flight of financial services business out of the city as a result of Brexit as English law is far too entrenched and sophisticated in complex matters given the historical significance of London as a global financial centre. The Maples Group has been operating in London for over 20 years and our London office continues to be a strategic location, serving as another important European hub for our international client base.

With regards to the pandemic, the fact that we are a well-diversified and truly international business with the right balance of transactional and advisory work has definitely been an advantage to us. We utilised the time during the pandemic to reassess our business model and our people very much proved their resilience and agility to work anywhere, both with clients in Ireland and internationally across a range of jurisdictions.



There has been an influx of UK/international firms into the Irish market in the last couple of years. Do you foresee any competition from these firms over the next few years?

The Maples Group in Ireland's USP is that it is a genuine international business, with all of the perspective and comprehensive expertise that brings. What we do well in Ireland, we also do well globally and we reflect our client base which is an international business serving international clients. We absolutely welcome competition in the Irish market and we are pleased to have the company. The Maples Group has been here a decade and a half as an international law firm and it is great to see other global law firms also arriving and bringing first class clients and people with them. Personally I believe it can only add to the quality, depth, and sophistication of the jurisdiction. It's also a huge vote of confidence that firms of that calibre and stature feel confident about the Irish market and the jurisdiction.

No doubt it will bring more competition in the recruitment and retention of staff but the pie is growing as new clients come in and a core focus for us is to retain and grow our top talent over the coming years. To achieve this we have a range of targeted strategies in place such as offering university scholarship programmes, employee training seminars, developing and engaging in formal mentoring programmes, extensive leadership development retreats, and ongoing professional coaching to attract, retain and advance a diverse workforce; promote equitable and inclusive workplace practices; and foster both employee engagement and a positive working culture.

Our long-standing presence and commitment to Ireland has meant we have an established reputation, an outstanding team, and the quality experience to be a leader for the sector in Ireland. There is currently lots of opportunity for Ireland to grow its presence within the international sector thanks to huge talent potential and we expect this to continue and for Ireland to grow in the coming years.



If there are any other comments you have about the firm or about the Irish legal market generally, please feel free to include them here.

At the Maples Group, we recognise that our people are our greatest asset. As such, recruitment and retention of talent is a core part of our business strategy and identifying and retaining top tier talent in a competitive labour market is critical for us as we look towards the future of the firm. The Irish legal market, in terms of personnel and resources, is relatively small. Many firms are chasing the same pool of available talent and we have certainly seen an impact in recruitment and retention. It's a challenge, but as with all challenges, it brings opportunities.

Our D&I Steering Group at the Maples Group also continues to drive forward with our commitment to diversity and inclusion across the firm. In September, Maples and Calder Ireland became a signatory to the **Law Society of Ireland Gender Equality Diversity and Inclusion Charter**. We are proud to become signatories to the Charter which acknowledges our commitment to the importance of a diverse and inclusive workplace and to commit to continuing to uphold the principles of the Charter. Our D&I Committee members reflect the vast array of individual and group identities and perspectives that together comprise our global workforce. As a truly international business, with over 2000 employees hailing from 76 different nationalities, we recognised the importance of fostering an inclusive culture across the Maples Group.

The Maples Group is also a proud Leadership Council Member of 100 Women in Finance, with our people globally serving in different levels of leadership within that organisation. Two of our female senior leaders have been elected to the national committee of the Irish chapter 100 Women in Finance and we also have leadership roles within Women in ETFs.

ESG is also a focus for us and it is driven by regulation, but also by our politics and our philosophy. We are currently working with government to create a roadmap to build Ireland as a Centre of Excellence for Sustainable Finance, and we have long been supporters of Climate Finance Week, the initiative in conjunction with Sustainable Finance Ireland, with a focus on responsible investment and investing in a net zero future.

Looking towards the future the Maples Group is heavily focused on growth sectors such as fintech, alternative lending and sustainable finance and we expect this to continue to be a booming sector in Ireland in the coming years. Beyond that, we anticipate that there will be continued demand for core Funds and Investment Management and Finance related legal advice both of which are at the heart of our business in Ireland.

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