

What attorneys are seeing in Birm

WE ASKED BIRMINGHAM LAWYERS TO SOUND OFF ON LEGAL HOTSPOTS THE BUSINESS COMMUNITY SHOULD BE WATCHING. HERE'S WHAT THEY SAID:

Between the ever-evolving regulatory world, the rise of the "Me Too" movement and rapidly increasing technology, legal concerns for Birmingham businesses continue to grow.

We asked attorneys at several of Birmingham's largest law firms to share their insights about key legal hotspots and areas that businesses need to be watching to avoid potential legal pitfalls or litigation.

Here's what they said. Look for more at BBJ.com:

ARTIFICIAL INTELLIGENCE



"The use of artificial intelligence (AI) is playing an increasingly important role in the delivery of legal services. Our firm is now using AI tools for the review of briefs and memos, matter outcome predictability, contract review and analysis, and due diligence for mergers and acquisitions, among other applications. And we're continually evaluating new solutions, as AI offerings are rapidly advancing. These types of tools improve accuracy and allow for more efficient and cost-effective delivery of legal services. AI may not yet be common among law firms, but it is quickly becoming a value-add solution that businesses will expect from their legal services providers."

ANDY ROTENSTREICH, managing shareholder, Baker Donelson

ECONOMIC DEVELOPMENT



"The recent tax reform legislation created a new tool called 'Opportunity Zone Funds'

that can be used to make tax-advantaged investments in certain designated areas. As previously reported by the BBJ, much of Birmingham (including areas like downtown, Southside, Avondale, Woodlawn and Ensley) will qualify for Opportunity Zone Fund investment. Once regulations are published, this vehicle could become the preferred method for equity-based project and startup financing in these and many other areas around the state (and across the country)."

ALEX FLACHSBART, attorney in economic development incentives practice, Balch & Bingham LLP

COMPLIANCE



"'Corporate compliance' as a risk management tool for businesses large and small has evolved rapidly over the past five years. Government regulators now expect that business will take a proactive approach and implement compliance programs to both prevent and detect regulatory shortcomings in their business operations. There is good and bad news here. The good news is the government, primarily the U.S. Department of Justice, has forged a policy position that it will not prosecute companies with robust compliance programs with occasional and isolated failures. The bad news is that the consequences of not having an adequate compliance program in place are greater than ever. This is a fact that holds true across all industries."

BRANDON ESSIG, partner, Lightfoot Franklin & White LLC



"Today, more than ever, businesses should invest in legal time for compliance and for contract review. Complying with the alphabet soup of federal statutes and regulations with the reams of contract language will tax even the most sophisticated businessperson. Almost every year, the complexity and number of such statutes, regulations and contracts increase. Spending money now can avoid a tremendous expense later in defending a class action, paying a class-action verdict or paying a federal agency a penalty."

GREG COOK, partner in financial services litigation practice, Balch & Bingham LLP

BANKING



"For 2018 year to date, we are seeing significant growth in middle market M&A activity in Birmingham and across our markets and improved small business optimism. Private equity firms, family offices and corporate buyers have plenty of capital to invest, debt has remained historically cheap and available, organic growth has been somewhat slow, and CEOs are as optimistic as ever, creating very favorable market conditions and valuations for sellers. While interest rates have been persistently low, there is consensus of gradual increases, so prospective sellers should consider acting now unless they have the patience to ride out the next cycle."

STUART M. MAXEY, partner, Bradley Arant Boult Cummings LLP



"Birmingham remains an important player in the banking business. A major, positive impact on banks' legal concerns has been a moderate relaxation of regulatory pressures as the change of administration in Washington has impacted such agencies as the Consumer Financial Protection Bureau. At the same time, however, consumer litigation against banks continues to be heavy, with new theories being developed by the plaintiffs' bar, including a current trend of suing banks under the Americans with Disabilities Act based on allegations that their websites are not properly designed for the sight-impaired."

BERT SPENCE, partner, Rumberger Kirk & Caldwell

CORRUPTION



"Public corruption investigation and prosecution will only increase. Despite its name, 'public' corruption, exposure is as dangerous to businesses as it is to an officeholder. The Department of Justice has a renewed interest in pushing the envelope of what counts as 'public corruption.' Companies, firms and nonprofits involved in the public sphere are ready and often unwitting targets for regulators, agents and prosecutors. Drawing on my experience as special counsel to the House Banking Committee for the Whitewater investigation of President and Mrs. Clinton and on my time as special counsel to the Alabama House Judiciary Committee for the impeachment investigation of then-Gov. Robert Bentley, in the government's view, 'the line between poor ethics and actual corruption can be easily crossed.'"

JACK SHARMAN, partner and head of white-collar defense and internal investigations group, Lightfoot Franklin & White

OPIOID LITIGATION



"You'll hear a lot about opioid litigation in coming months. Cities, counties and states

nationwide are suing opioid manufacturers to force them to pay to clean up the costly fallout the opioid industry has caused. We're proud to be at the forefront of this litigation. Drug companies have aggressively marketed these highly addictive drugs that rake in billions in profits at the expense of taxpayers, employers, communities, the health care system and human lives."

ERNEST CORY, founding shareholder, Cory Watson Attorneys