

Survey Shows In-House Counsel Concerned About Litigation, Brand Equity, Data Security

Morrison & Foerster announced the results of “**Legal Risks to Consumer Products Companies in 2018**,” a survey of senior in-house legal counsel at consumer products companies. Morrison & Foerster commissioned the survey to gain and share insights into consumer products companies and their key legal concerns, perceptions of emerging risks, and expectations for 2018.

The report includes the following findings:

- The most important drivers of change for consumer products companies in 2018 will be the economy (78%), government regulatory change (71%), and technological advancements (59%).
- 69% of respondents said that litigation was their biggest concern, followed closely by protection of brand equity (60%) and privacy and data security (56%).
- Approximately two out of five legal departments expect their litigation costs to increase in 2018. Estimated cost increases ranged from 5% to 11% or more.
- Approximately one in three legal matters in 2017 were considered high risk or complex, with one out of five in-house counsel expecting more high-risk lawsuits in 2018.
- Survey respondents expect that product liability (45%), data privacy (44%), and regulatory/compliance (42%) will give rise to the most new case activity.

“Consumer products companies have always faced unique legal challenges, but in-house counsel are now under more pressure than ever to protect their brand and keep their consumers’ trust,” said Erin Bosman, chair of Morrison & Foerster’s Product Liability and Counseling Practice. “Our survey revealed that, while reputation and litigation threats continue to grow, advancing technology – like the Internet of

Things – has created an even more complex legal landscape that will force companies to anticipate and plan for previously unknown risks.”

“Our survey results show that the ever-changing regulatory environment is also top-of-mind for consumer products companies,” stated Julie Park, a partner in the Product Liability and Counseling Practice. “While the current federal government is unlikely to add regulations, state and local governments are taking a different approach and could implement changes on everything from climate change and nutrition to privacy and labor laws.”

Morrison & Foerster’s “Legal Risks to Consumer Products Companies in 2018” survey of consumer products companies was conducted in late 2017 by telephone, primarily by market research company YouGov. The survey incorporates responses from senior in-house counsel at more than 60 consumer products companies in the United States with revenues ranging from \$250 million to \$1 billion. Companies participating in the survey represent a range of consumer products, including electronics, foods and beverages, household products, apparel, cosmetics, and office products.

Read the report.