

ARC de Triomphe

The ARC Group Canada Inc. is a new national network of insurance lawyers

By David Gambrill

Just as globalization motivated the formation of both international and national adjusting firms and insurance brokerages, so, too, it helps explain the emergence of The ARC Group Canada Inc., a national affiliation of law firms specializing in insurance law.

ARC launched in late October 2006 with an insurance law seminar and cocktail reception held at the Ontario Club in downtown Toronto. The group is made up of prominent insurance law firms throughout the country, including Alexander Holburn Beaudin & Lang LLP in B.C., McLennan Ross LLP in Alberta, Campbell Marr LLP in Manitoba, Hughes Amys LLP in Ontario, Gasco Goodhue LLP in Quebec, Martin Whalen Hennebury Stamp in Newfoundland, Burchell Hayman Parrish in Nova Scotia, and Barry Spalding in New Brunswick.

Collectively, ARC's network of independent law firms pools the intellectual capital of 250 notable lawyers throughout the country. Focusing on the areas of insurance law and risk management, members of the ARC Group deliver services to insurers, self-insured companies and other entities needing assistance with various insurance and risk-related legal matters.

The principle behind the network is simple, according to two of the legal minds contributing to ARC's creation, Jamie Trimble of Hughes Amys and Bob Gasco of Gasco Goodhue LLP. Since the country's insurance law cases are increasingly related to multiple jurisdictions, clients will be looking for legal advice from various provinces across the country. And thus a network of firms can provide streamlined, pan-Canadian legal services to clients of independent, provincially licensed firms.

"As independent firms, working collegially together, we can offer to the insurance industry, to the risk management industry, national accounts, services that, acting solely, we are not capable of providing," Gasco says. "For example, if a client has a national franchise,



and they would like to have a coordinated, smoothly-functioning provision of legal services across Canada through a facility such as ours, that opportunity is afforded to them....

"This isn't really unique. Some adjusting firms are national or international in scope. You also have some that are strictly provincial. And you have the same thing with brokerage firms. There is a need within the insurance industry for the regional local practitioner, if you will, but there also is a need for a group that can offer a Pan-Canadian, national or international service to the client when that particular need is there."

The potential benefits of the affiliation are many, Gasco said. For example, ARC's members could potentially develop a common jurisprudence bank, authorities bank or experts bank, and disseminate such information through the group. They could also coordinate a periodic reporting system that would allow ARC's lawyers and clients to track claims right across Canada.

Trimble, who has practised law for 18 years, says he has witnessed many examples of the need for coordinated legal services that a network like ARC can provide. "At our firm, at Hughes Amys, we've always done a fair amount of coverage work and policy drafting," he said in a conference call with Gasco shortly following ARC's October 2006 launch. "What ARC allows us to do now is something we haven't been allowed to do before because we are provincially licensed. I have the liberty now of tapping the [ARC] network and saying: 'If we use wording such as this, what does it do in Newfoundland? What does it do in B.C.?'"

ARC also allows members to tap into the legal landscape of various provincial jurisdictions. "Very frequently, you get litigation in other provinces that really uses Ontario law because of the head offices being here and [litigation involving] contracts that specify Ontario law," Trimble observed. "Turning that around, we often get cases in Ontario that deal with issues of jurisdiction. It's great to be able to phone someone in Manitoba and say: 'Look, before I tell my client to spend a lot of money on an opinion, can you give me a very quick rendition of the Manitoba legal position on the point?'"

"The client is looking at a reasonable, cost-effective way of making a decision. And that doesn't necessarily mean a 20-page opinion. It may mean getting the essentials of the law in competing jurisdictions and then making a decision. The client may want more, they may want less. It allows us to expand the services that individual firms can offer in the group to our clients."

The ARC Group offers expertise in a wide range of insurance and risk-related litigation matters, including (to name a few): accident, aviation, class actions, coverage, D&O, E&O, energy, environmental, product liability, professional lines, property and casualty and health, life and disability. In addition to aiding with legal opinions, the group offers non-billable access to a broad array of educational resources, including industry-specific newsletters, seminars, e-alert notifications and Web site resources at www.thearc-group.ca.



ARC members Robert (Bob) Gasco of Gasco Goodhue LLP (left) and Jamie K. Trimble of Hughes Amys LLP.

Gasco said ARC was conceived when a base group of law firms in New Brunswick, Newfoundland, Manitoba and Quebec expressed interest in an affiliation concept. Over time, the group looked to add like-minded firms across Canada – firms that shared a common philosophy and culture and could work together collegially. Over the course of about two or three years, individual firms were added to the group following what lawyers refer to as "due diligence." The first meeting of all the current participants in The ARC Group happened in November 2005, Trimble said.

"We all know each other by reputation, but when you are discussing the prospect of a more formal arrangement between you, as this national network is, you do a little bit more homework," said Trimble. "That probably took a year in the formulation."

"I'll tell you, I was phoning my client base to ask: 'What can you tell me about these people [at the other firms]?' I was impressed with the responses I got. They were all very positive. In some cases, the response I got was: 'You know I got the same questions from those people about you.' So we all did our homework. We're all of one mind."

The process is continuing, as ARC is looking for firms to fill holes in Saskatchewan and Prince Edward Island. Discussions with a Saskatchewan firm are in the works and, for the time being at least, there are no immediate plans in P.E.I. On the question of future expansion, ARC is cautious about predicting the future, saying only that it would consider client-driven expansion if the right opportunities arise.

Gasco points out that The ARC Group Canada also has a formal association with the Benefit Insurance Lawyers Group (B.I.L.G.) in Europe. B.I.L.G. is a European network of law firms, which specializes in insurance and reinsurance law, somewhat predates – and formed independently of – The ARC Group Canada. Gasco said he connected with B.I.L.G. chairman Alessandro P. Giorgetti "by pure chance" when he was in Europe on business.

Would The ARC Group Canada be interested in a similar kind of association with a legal network in the United States? "We're looking into that," Gasco said. "As I say, I think if the right firms are found, then that is something to which we would give serious consideration."

But any cross-border association with U.S. firms would have to involve a good fit, Trimble added. "Whether we are looking at relationships within firms in Canada when we created ARC, or when we look at Europe, or when we look at the States, what we're going to be looking for first is the needs of our clients," he said. "We're going to be looking at other groups that have the same level of excitement and commitment to service that we have. That won't happen overnight."

As it stands, Gasco said: "We are fortunate enough to find ourselves in an affiliation with excellent firms right across Canada. In each of their provinces, the firms that comprise the affiliation are all without exception well-recognized, well-known, well-respected and highly competent in their chosen field." ■