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Conveyancing slump claims Hammonds Direct

By **Catrin Griffiths** and **Ben Moshinsky**

HAMMONDS Direct, the bulk conveyancing business spun off from Hammonds in 2001, will enter into prepackaged administration this week.

The company, which has a turnover of more than £14m and employs 250 people in Bradford, has been hit by the collapse of the conveyancing market. A source said margins on the business had fallen from around 80 per cent to less than 20 per cent.

Former Hammonds senior partner John Heller became chief executive of Hammonds Direct in 2002 after helping to set up the company in 1995. Sources have said the management is in discussions with several potential buyers to sell the

business as a going concern.

A videoconference crisis meeting was convened on 8 January in the Leeds and London offices of Hammonds to inform the partners of the difficulties at Hammonds Direct.

One Hammonds Direct

shareholder said there was "no question" of any action being taken against the company's management, adding: "We know full well that the core business they [Hammonds Direct] operate in is remortgages, and that has fallen off a cliff"

Cameron's in hunt for UK merger firm

By **Kit Chellie**

CMS CAMERON McKenna has set up a taskforce with the aim of finding a firm it can merge with in the UK.

Managing partner Duncan Weston and senior partner Richard Price have been tasked with finding a 'pearl' (a small but profitable boutique practice) to expand its UK business.

Following a meeting last year, the firm set out a number of options that include

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My preferred approach would be to find

a firm that fits our practice perfectly"

Duncan Weston,

CMS Cameron McKenna

combining with a similarly sized rival, being swallowed up by a larger firm or taking on a small specialist practice.

Weston said: "We're open to a pearl-type concept. My preferred approach would be to find a firm that fits our practice perfectly, although those are very hard to find."

Weston denied he and Price had discussed specific targets. Cameron is pursuing an aggressive UK growth strategy as part of its integration with the CMS network of European law firms, and Weston said no decision would be made on a merger without consulting member firms.

Freshfields out in the cold as L&G unveils new panel

Magic circle firm ditched despite FSA triumph; BLP clings on after Veneik debacle

By **Luke McLeod-Roberts**

ALLEN & Overy (A&O) has usurped Freshfields Bruckhaus Deringer on Legal & General's (L&G) panel after the insurer completed a full review of its legal advisers.

Freshfields is the only magic circle firm not to win a place on the new three-year roster, with A&O among the nine new advisers to secure a spot.

Berwin Leighton Paisner has retained its place on the panel despite relationship partner Vinay Veneik leaving the firm last year after failing to pay stamp duty on numerous transactions.

Commenting on the decision not to include Freshfields, L&G group legal manager Sarah O'Malley said: "We weren't really using them a fantastic deal. There are only so many magic circle firms you can have."

Freshfields had worked for L&G for a number of years and in 2005 successfully advised the company on a challenge to a Financial Services Authority claim of widespread mis-selling. Disputes partners David Scott and Simon Orton acted on the case.

A Freshfields spokesperson argued that the L&G account "is quite a big relationship for us", but declined to comment specifically on the panel review.

"We've been involved with them in a number of practice areas. We've worked on a huge amount," she said.

O'Malley said L&G head of legal Geoffrey Timms will be able to go off-panel in exceptional circumstances, but added: "There isn't a major name that we're currently working with that isn't on the panel."

This is the company's first



LEGAL & GENERAL'S NEW PANEL

- ▶ Allen & Overy
- ▶ Beachcroft
- ▶ Berwin Leighton Paisner
- ▶ Clifford Chance
- ▶ Dundas & Wilson
- ▶ Eversheds
- ▶ Halliwell
- ▶ Jones Day
- ▶ LG
- ▶ Linklaters
- ▶ Macfarlanes
- ▶ Maples Teesdale
- ▶ McGrigors
- ▶ Olswang
- ▶ Sacker & Partners
- ▶ Simmons & Simmons
- ▶ Slaughter and May
- ▶ Speechly Bircham
- ▶ Wragge & Co

review since 2004, when 16 firms won places. Other firms on the previous panel that are not included on the new list are Ashurst, Clyde & Co, CMS Cameron McKenna, Norton Rose and Taylor Wessing.

One Ashurst partner with knowledge of the L&G account denied his firm's relationship had come to an end, saying: "We continue to act on L&G Ventures."

Unlike in previous years, when five separate panels were launched, on this occasion L&G decided to amalgamate the firms advising on property, investment management, ventures, savings and risk, as well as the group-wide corporate relationship, under one roof.

"I could instruct any of the firms on here for anything I think suitable - it gives us more flexibility," said O'Malley.

THIS WEEK

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