



Portfolio Media, Inc. | 111 West 19th Street, 5th floor | New York, NY 10011 | www.law360.com
Phone: +1 646 783 7100 | Fax: +1 646 783 7161 | customerservice@law360.com

Microsoft Spends \$100M With Women-, Minority-Owned Firms

By **Melissa Maleske**

Law360, Chicago (November 1, 2016, 8:50 PM EDT) -- Microsoft has spent \$100 million with women- and minority-owned law firms since 2010 the company said Tuesday, an announcement the president of the National Association of Minority & Women Owned Law Firms hopes will propel other companies to follow suit.

"This spend not only represents the valuable contributions made by these firms to our business, but signifies Microsoft's deep engagement with law firms owned and operated by underrepresented groups in the legal profession," Microsoft President and Chief Legal Officer Brad Smith said in a blog post.

Microsoft in 2010 was one of the original 11 companies to sign on to the Inclusion Initiative, an effort to increase their use of women- and minority-owned firms. Sponsored by the NAMWOLF, the program has since grown to 31 participating companies, including Wal-Mart, AT&T, Google, JPMorgan Chase, Bank of America, DuPont and Morgan Stanley.

In every year since the Inclusion Initiative's launch, the participants have exceeded spending targets, and in March NAMWOLF said the participating companies had spent more than \$1 billion on women- and minority-owned firms since the program's launch. In that context, Microsoft's \$100 million commitment is a huge amount of money, said NAMWOLF President Joel Stern.

"\$100 million is something to be proud about, and just sharing that number gives other corporations the competitive desire to do more, so I think it's great news," Stern said.

In Smith's blog post, he cited Snodgrass Annand PLLC, one of the law firms that has gotten a chance to compete for Microsoft's business against larger, more established firms because of the company's focus on increasing the retention of women- and minority-owned firms. Increasing opportunity for small firms will allow them to offer more leadership opportunities for diverse talent, Smith wrote, which will address the legal industry's dismal diversity statistics.

He also emphasized that working with diverse talent is good for business.

"Our work with firms like Snodgrass Annand has made us better lawyers," Smith wrote. "These diverse teams bring experience, perspectives and creativity into our business that help us better understand and connect with legislators, regulators and customers around the world."

Stern said his hope is that all corporate legal groups will set a goal of spending at least 5 percent of their outside counsel budget on women- and minority-owned firms. Some will

easily exceed that target, he said, but if every company adopted the goal, it would move the dial significantly.

Those efforts have to start with the premise that quality and value matter first and foremost, Stern said. Companies like Microsoft have figured out how to do great things with diversity and inclusion while sourcing high-quality, high-value legal services, Stern said.

“We’re not suggesting that corporations give business to [women- and minority-owned] law firms so they feel good or they sleep well at night, we’re saying to give these law firms the opportunity to compete because they provide an amazingly high level of quality and value,” Stern said. “In addition, most of these corporations have highly touted supplier diversity programs, and this is a way for the legal group to support them — and sometimes that’s an epiphany for legal groups.”

--Editing by Brian Baresch.

All Content © 2003-2016, Portfolio Media, Inc.