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While post-crisis fiscal pressure persists, Austria's economy is performing comparatively well: GDP expanded marginally in the third quarter of 2013, and further growth is forecast for 2014.

Law firms' banking and finance practices are becoming increasingly broad, covering issues including financial restructurings, bank and investor liability, and regulatory advice. With the ECM side remaining very quiet, debt products remain the focus of capital markets practices. In the corporate area, a sense of optimism is prevailing, based on a modest but steady increase in M&A activity. IP lawyers, however, are less optimistic; they fear that the arrival of the EU patent regime will further diminish Austria's already small market for patent work, with Germany dominating European Patent Office work. In terms of international work, Austria remains an entry point to Eastern Europe, and a number of firms have also recently opened offices in Turkey. Some firms are also increasingly looking beyond CEE, to economies such as Brazil, India and China.

A continued trend is the establishment of smaller practices alongside the larger international firms, with spin-offs such as **Gramma Schwaighofer Vondrak Rechtsanwälte**, **Aigner Buzanich Rechtsanwälte**, **Jank Weiler Rechtsanwalte OG** and finance boutique **Rautner Huber Rechtsanwälte OG** successfully making their mark on the Austrian legal landscape over the past few years. Among notable recent partner moves, labour law expert Franz Marhold and M&A specialist Phillip Dubsky left **DLA Piper Weiss-Tessbach** for **Herbst Kinsky Rechtsanwälte GmbH**, and renowned corporate lawyer Stephan Frotz left **Schoenherr** with plans to open his own firm. After ten years in the market **Skadden, Arps, Slate, Meagher & Flom LLP** closed its Vienna office, with managing partner Rainer Wachter joining **CMS'** corporate transactions practice.