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Entering the Metaverse, Benesch Sees the 'Next Iteration of the Commercial Internet'

The Am Law 200 firm hopes to assist companies that are seeking to get into the metaverse as well as help those already there.

By Patrick Smith | June 30, 2022



Photo of LawCity.com in the metaverse, showing Benesch's new space. Courtesy of LawCity.com

Another Am Law 200 firm has entered the metaverse, with Benesch signing a virtual land lease in new virtual legal district LawCity.com. Benesch leadership said joining the space as an early entrant is a competitive advantage for the firm, seeing a promising future of the metaverse.

The 300-attorney Benesch, No. 155 in the Am Law 200, will be an anchor tenant for LawCity.com's Unitas Tower, located at 37, -58, Decentraland (<https://decentraland.org/>), according to a Thursday announcement from LawCity.com parent company Meta Productions.

As it enters the space, the firm looks to both assist and advise companies that are looking to get into the metaverse as well as help those already there to navigate the fledgling law governing it, said Michael Stovsky, chair of Benesch's innovations, information technology and intellectual property (3iP) group and 3iP group lead for IP and technology transactions.

"We have the right skills, and since we are an Am Law 200 firm, our rate structure might be more appealing," he said when asked if the firm expected a spike in business from the move. "We have clients that are using us to develop their presence in the metaverse. And these are clients that came to us. It wasn't the result of a marketing campaign or publicity."

Benesch is one of the first major law firms, along with Arent Fox, (<https://www.law.com/americanlawyer/2022/02/15/arent-fox-buys-property-in-the-metaverse-becoming-first-big-law-firm-with-serious-presence-in-the-virtual-world/>) to establish a presence in the metaverse—the name for the combined network of 3D virtual worlds in which people work, play and socialize.

Stovsky has been practicing law for almost 30 years and has spent the last 25 of those years working in technology-related transactions and data privacy. He sees similarities between the emerging metaverse and the arrival of the first commercial internet, widely recognized as coming into focus in the mid-to-late 1990s.

"During those initial years, websites were rudimentary," Stovsky said. "Very similar to what the metaverse is now. This is sort of a repeat of the late 1990s and early 2000s."

Stovsky sees getting Benesch in early as a competitive advantage, calling the metaverse the "next iteration of the commercial internet."

"We watched all this stuff advance," Stovsky said. "We researched what the possibilities were. It is clear to us that this is something that is going to be big, and every company will eventually have a presence. Every company might not jump in at the beginning. But we knew we had the skillsets that would be necessary to help companies. We can apply those same skill sets in the metaverse. And we think that is going to be most companies that eventually have a presence there."

The firm decided to essentially rent space instead of buying it outright, following the same path the firm did with its tangible real estate in the physical world, he said.

"You can either buy the property and build yourself or have a partnership with an entity that already has a presence," he said. "Buying could reach into the seven figures. Renting is a fraction of the cost."

Stovsky said that seeing that other firms, large and small, are in there already was not necessarily a driving factor behind the decision to invest in the metaverse, but it was "validating."

"And it will be more for firms that aren't in the game yet," he added.

LawCity.com, for its part, is portrayed as the first legal district in the metaverse, and having a Big Law firm come in to anchor its flagship space was a win. Going forward, it said it expects other law firms to join the metaverse.

“We expect additional business law firms to follow in Benesch’s pioneering footsteps as they realize the opportunities available to them in the metaverse for engaging with their clients,” said Richard Grungo, Jr., a founder of LawCity.com, in a statement, adding that LawCity.com is moving forward in “solidifying its legal district as the definitive place in the metaverse where people and organizations in need of legal services can find anything law-related.”

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