



LATERAL PARTNER DEMAND

- Demand far exceeds supply
- Different practice areas respond differently to market conditions



ASSOCIATE AND PARTNER CORRELATION

- Associate movement correlates with partner movement
 - Partners generate the work associates service
 - Increased demand in associate hiring means more business from lateral partner additions (and an increase in business from existing partners)



LATERAL PARTNER COURTSHIP

- Firms seek laterals based on:
 - Bill rates
 - Portable business
 - Clients
 - Conflicts
 - Personality fit
- Problem with this approach: Firms often seek the same partners, more or less
- Firms often assume partners are already interested in them



INFORMATION SHARING

- Agency-side recruiters present opportunities based on our knowledge of the market as well as information firms communicate in marketing decks.
 - Can often become outdated quickly
 - Sometimes vague
 - Oftentimes client oriented



CLOSE THIS PARTNER

Partner: Alexandra Cabot
Bill Rates: \$800/hour
Portable Business: \$4 million
Current Firm: AmLaw 50
Clients: PE Firms
Practice Area: Litigation
Associates Needed: 3-4
Partners Needed: 0
Conflicts: Chevron
Office Location: New York
Law School: Harvard Law
JD Year: 1978





CLOSE THIS PARTNER

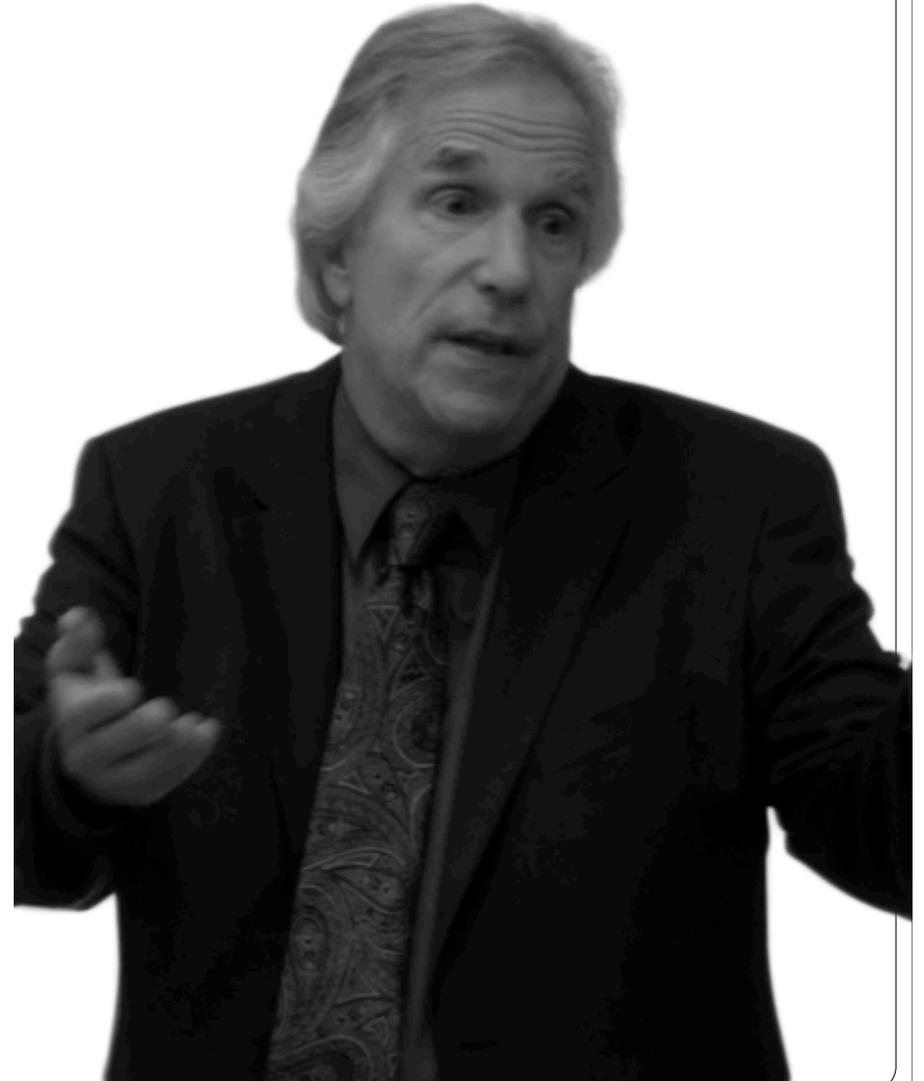
Partner: Lt. Daniel Kaffee
Bill Rates: \$500/hr
Portable Business: \$1 million
Current Firm: AmLaw 200
Clients: Public Companies
Practice Area: Transactional
Associates Needed: 0
Partners Needed: 0
Conflicts: None
Office Location: LA
Law School: Berkeley
JD Year: 1996





CLOSE THIS PARTNER

- Partner: Barry Zuckerkorn
- Bill Rates: \$800/hour
- Portable Business: \$15 million
- Current Firm: AmLaw 50
- Clients: Banks
- Practice Area: Securities Lit
- Associates Needed: 9
- Partners Needed : 4
- Conflicts: BofA, Chase, Wells Fargo
- Office Location: San Francisco
- Law School: NYU
- JD Year: 1992





KNOW YOUR FINANCIALS

- Financials
 - Profitability
 - PPP
 - Gross Revenue
 - RPL
 - Leverage
 - Equity/Non-equity ratio
 - Fixed liabilities
 - Pension plan
 - Leases
 - Return of capital



KNOW YOUR COMPENSATION

- Compensation
 - PPP vs. **PPME**
 - Black Box v. Transparent Compensation
 - Bonuses
 - Structure
 - Credit



KNOW YOUR SIZE

- Size - Conflicts vs. Opportunities
 - International Locations
 - Satellite or Headquarters
 - Verein structure
 - Conflicts vs. Opportunities



KNOW YOUR CAPITAL CONTRIBUTION

- Capital Contribution
 - Income vs. Equity, not all partners prefer equity tier
 - Amount required
 - Forfeiture potential
 - Partner distributions & loans
 - Timing of return



KNOW YOUR PLATFORM

- Firm's Platform
 - Rate flexibility
 - Cross-selling opportunities
 - Office locations
 - Satellite Vs. Headquarter offices
 - National practice groups vs. regional leadership



KNOW YOUR CULTURE

- Firm culture
 - Political leanings
 - Personality magnet
 - Concentration of leadership
 - Diversity
 - Collaborative or competitive



KNOW YOUR LATERAL INTEGRATION PROCEDURE

- Lateral Integration
 - Partners are paying more attention to firms with formal process of integrating laterals
 - Partners want a concrete plan:
 - Executive involvement
 - Marketing plan
 - Support system



KNOW YOUR PERCEIVED PRESTIGE

- Prestige
 - Partners value prestige
 - Chambers Ranked Practices
 - Litigation wins, Deal Sheet, recent hires
 - Credibility comes from doing, not saying, w/ recently acquired marquee partners.
 - Easy to market (when you have it)
 - Vault rankings
 - Chambers rankings
 - Word of mouth (intangible)
 - Daily Journal
 - Etc.



KNOW YOUR LEADERSHIP OPPORTUNITIES

- Career Advancement Opportunities
 - Equity Partnership opportunity
 - Leadership opportunities
 - Mentorship opportunities
 - Succession planning opportunities



KNOW YOUR LATERAL TIMING

- Timing
 - One of the most important factors
 - How long does your lateral hiring process take?
 - Who is championing the process?
 - Where are the hiccups?



HELLERMAN, AND BROWN

- Gross Revenue \$192,000,000 (140)
- RPL \$960,000 (54)
- PPP \$1,010,000 (90)
- Comp Average (All Partners) \$700,000 (101)
- Number of Lawyers: 400
- Offices: D.C., NY, LA, Stamford
- Areas of Practice Strength: M&A & PE
- Unusable Words: Culture



PEARSON HARDMAN

- Gross Revenue \$914,000,000 (19)
- RPL \$865,000 (44)
- PPP \$1,605,000 (26)
- Comp Average (All Partners) \$1,110,000 (42)
- Number of Lawyers: 1054
- Offices: LA, NY, DC, CHI, SF, TX, CO etc.
- Practice Strength: IP Lit, Patent Prosecution
- Unusable Words: Culture, Platform



SEBBEN & SEBBEN

- Gross Revenue \$332,000,000 (83)
- RPL \$625,000 (119)
- PPP \$840,000 (98)
- Comp Average (All Partners) \$640,000 (101)
- Number of Lawyers: 532
- Offices: DC, NY, NJ, Dallas, Denver, Saudi Arabia, UAE,
- Practice Strengths: International Arbitration, Commercial Lit, Project Finance
- Unusable Words: Culture, Platform, We move quickly