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DAILY BUSINESS REVIEW

REVIEW 100

As the economy gropes for stability, some law firms find post-recession realignments are finally paying dividends

ALSO:

Ranking the 100 largest firms in Florida

It's the dawn of better times as law firms open offices in South Florida, where they have access to Latin American business and foreign-driven development

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Just 90 days after hatching the idea of opening in Miami, Jacksonville law firm Boyd & Jenerette had leased a downtown office, hired four lawyers and planted a flag in the city the firm is hoping will expand its business reach to Latin America.

"Miami is to Latin America what New York was to Europe," said Glen McCarty, managing partner of the 36-lawyer firm. "We want to tap into the market, the talent and the geographics of Miami itself. Other markets outside the United States have flourished in the economic downturn. We're seeing the opportunity for more inbound traffic wanting to enter into the marketplace through Miami."

Boyd & Jenerette is not alone. It's one of a host of regional and national law firms to open South Florida offices this year, eager to break into the region, particularly Miami, as a jumping off point to Latin America and a place where foreign dollars are fueling post-recession development and cross-border deals. Others include giant DLA Piper, which launched a Miami office in March; Foley & Lardner, which launched a Latin American practice this month in its Miami office; Wilson Elser, which opened a West Palm office in May; McGlinchey Stafford, which is opening in Fort Lauderdale this month; and Gordon & Rees, which opened in Miami last year.

The new arrivals showcase what is already known to many South Florida law firms — business is returning, the local economy is improving and the legal market is well on its way to digging out of one of its worst runs ever. With layoffs done and staffing leaner, law firms are returning to profitability.

"Real estate is coming back, corporate is definitely coming back and litigation continues to be strong," said Cesar Alvarez, executive chairman of Greenberg Traurig. "Across the board the practices are beginning to get better as the economy improves. The year 2009 was a very difficult year for every law firm I know. But



Alvarez

we've all adjusted to the new way you have to think. We're out of the woods."

That reality is reflected in the Review 100, the Daily Business Review's annual survey of the top law firms in Florida, as well as interviews with top managing partners.

While lawyer head counts are down slightly at the state's top three law firms — Akerman Senterfit, Greenberg Traurig and Holland & Knight — most of the state's largest firms and the Big Three report first-quarter growth and hiring in many practice areas.

The year's big losers were Fort Lauderdale-based Ruden McClosky, which has been hunkering down for two

years and is down to 65 lawyers, and Yoss LLP, which shut down in March, largely due to the fallout from firm founder Henry "Hank" Adorno's Florida Bar suspension. All the Yoss lawyers have landed other jobs.

LATIN AMERICA

Managing partners and legal experts say that while 2010 was a year of recovery for the South Florida legal market, that trend intensified this year for a variety of reasons: general economic improvement, the thawing of capital markets, the return of real estate investment, continuation of litigation and booming development in Miami.

Among the green-lighted projects in Miami are a \$1 billion Port of Miami tunnel, the \$236 million sale of the Miami Herald building to a Malaysian concern, the revived Brickell CitiCenter project, a new \$130 million Miami Art Museum, a \$500 million Metrorail car replacement project, a \$1 billion Port of Miami tunnel and the University of Miami Life Science and Technology Park.

"It's clear that corporate work in Florida is slowly picking up," said Joe Altonji, a vice president at international law firm consultant Hildebrandt Baker Robbins. "There's been some slow growth in real estate, too. And parts of health care are doing well, and obviously Florida will be a big market for that. It's a broad mix."

AVERAGE PARTNER COMPENSATION

2011	2010	Firm	Average partner compensation	Florida partners	Florida attorneys
1	1	White & Case	\$1,530,000	24	90
2	2	Bilzin Sumberg	\$806,498	46	95
3	3	Greenberg Traurig	\$702,000	230	357
4	NA	Avila Rodriguez	\$577,815	8	17
5	NA	Fox Rothschild	\$528,600	9	20
6	NA	Carlton Fields	\$501,378	148	241
7	5	Akerman Senterfitt	\$436,669	145	373
8	6	GrayRobinson	\$366,250	165	245
9	8	Becker & Poliakoff	\$348,980	49	116
10	7	Hinshaw & Culbertson	\$284,374	39	76

PROFIT PER EQUITY PARTNER

2011	2010	Firm	Profit per equity partner	Florida equity partners	Florida attorneys
1	1	White & Case	\$1,665,000	21	90
2	2	Bilzin Sumberg	\$1,429,498	18	95
3	3	Greenberg Traurig	\$1,322,000	71	357
4	NA	Carlton Fields	\$777,729	56	241
5	NA	Avila Rodriguez	\$698,833	6	17
6	NA	Fox Rothschild	\$660,667	6	20
7	5	Hinshaw & Culbertson	\$566,463	10	76
8	7	Becker & Poliakoff	\$507,727	22	116
9	6	Akerman Senterfitt	\$489,728	200	373
10	8	GrayRobinson	\$393,382	143	245

NA Not available

Some out-of-town firms are responding to strength in Latin American markets, particularly Brazil, by opening outposts in South Florida or Miami-based Latin American practice groups. Others like Jones Day have reportedly been scouting for space and talent for at least two years.

DLA Piper, the second largest law firm in the United States according to the 2011 National Law Journal's NLJ 250 rankings, opened a Miami office March 1, snagging three veteran lawyers including managing partner Craig Rasile. The firm is already up to 11 lawyers and plans to have 30 by the end of the year.

DLA is clearly looking to capitalize on Latin American markets, said Pedro Martinez-Fraga, the hiring partner who launched DLA's Miami office.

"Every significant captain of industry in Latin America has meaningful investments in Miami," Martinez-Fraga said. "We're seeing countries like Peru and Colombia developing at rates that are unprecedented."



Rasile

Foley & Lardner formally launched its Latin American practice this month with a cocktail party at its Miami office. In a speech that evening, Francisco Cerezo, the head of the new practice, acknowledged the dichotomy of the new practice area in a firm founded in Wisconsin 150 years ago.

"People here get nervous when a Puerto Rican shows up to work in a guay-

abera and jeans," he cracked. "There's a strong Midwest sensibility to this firm."

NATIONAL FIRM OUTPOSTS

San Francisco-based Gordon & Rees jumped into the Miami market last year after years of looking to establish a foothold in the southeastern United States, but it was motivated to serve the region rather than to springboard into Latin America.

"When you think of the Southeast and the big population centers, you think Miami and Atlanta," firm managing partner Dion Cominos said. "The opening of the office was due to client demand, people wanting assistance from us in

Florida. It's more driven by the South Florida economy."



Martinez-Fraga

When the firm found "the right person" to lead the office, Robert Mayer, it made its move, Cominos said, noting the office is now up to 14 lawyers and grew faster than any other new office.

New Orleans-based McGlinchy Stafford is establishing an outpost in Fort Lauderdale this month to service demands from its financial institution clients. The firm, which also opened in Jacksonville this year, is looking for space and has hired a local lawyer, Paul Minoff, to lead the office, which it hopes will grow to six lawyers rapidly.

"We started contemplating opening an office in Miami or Fort Lauderdale to follow our clients a year ago," said Rudy Aguilar, McGlinchy's managing member, noting law firms are expanding after a period of contraction in 2007 and 2008. "They're growing from that point."

Not every law firm will succeed in its quest to conquer Latin America, legal experts say.

Greenberg's Alvarez said: "Some firms think Latin America is going to be a boom for them, but they hang around for a few years and then close shop. Growing a Latin American practice takes longer to build than an American practice, it takes years of developing relationships. Firms have tried this many times before with very few long-term success."

Altonji, the law firm consultant, agrees.

"The Latin American market is a very hard business to be in unless you have the right connections," he said. "Not everyone

SEE REVIEW 100, PAGE A10



J. ALBERT DIAZ

Francisco Cerezo heads Foley & Lardner's new Latin American practice in Miami. He jokes that people at the Midwest firm "get nervous when a Puerto Rican shows up to work in a guayabera and jeans."

FROM PAGE A9

REVIEW 100: State firms reporting growth, hiring again

can play the Latin American game. For the right firms with the right connections, there's a lot of money coming in, especially from Brazil. Are they all going to succeed? No."

In fact, another giant international firm, Jones Day, apparently has been stymied in its efforts to open a Miami office with an international practice. According to three sources, that firm was close to opening a Miami office two years ago and actually leased office space. But the lawyer picked to lead that office wound up staying at her current firm after it made her a better offer. Jones Day did not respond to calls for comment by deadline.

Firms with a well-established Latin American practice like Holland & Knight say they are experiencing unprecedented growth.

"In South Florida we see continued growth in our Latin American practices, which includes the Caribbean, Central and South America," said Steve Sonberg, Holland's managing partner. "That's been driven by inbound and outbound work as well as clients from Europe and Asia who are interested in doing business in Latin America. Miami has very much become a pivotal point of contact."

For the first five months of 2011, Holland's 50 "bicultural" lawyers in Miami have handled energy and finance deals in Mexico, Brazil, Colombia, Venezuela, Honduras, El Salvador and Puerto Rico, he said.

Sonberg said he's not concerned about the competition.

"Fortunately we've had very strong relationships and very strong practices

throughout Latin America for 25-plus years," he said. "Obviously competition always makes you focus more on how well you can do. Good for the bar in South Florida. It enhances everyone's level of work."

ON THE REBOUND

Other practice areas rebounded last year in South Florida, too. Miami-based Bilzin Sumberg Baena Price & Axelrod had its best year in two decades, thanks largely to workouts handled by its distressed property group, which represented Rialto in the acquisition of \$3 billion worth of distressed debt from the Federal Deposit Insurance Corp.

"There were 5,000 assets in that group," said John Sumberg, Bilzin's managing partner. "We did the due diligence, the acquisitions, the workouts. We had lawyers in every department working on it, from environmental to real estate to litigators to bankruptcy. We had virtually every associate and partner working in the firm working on it."

Even real estate and mergers and acquisitions are picking up. Akerman's real estate department has been swamped, representing the buyer of the Miami Herald site, the developer of the Brickell CityCenter and developer Craig Robbins on a major project in the Miami Design District.

"I do see real estate coming back in South Florida," said Andrew Smulian, Akerman's chairman and CEO. "We're seeing increased activity in litigation, consumer finance, public finance and real estate. With the credit coming back, we're working on major transactions. Miami is a very attractive market. We're getting investors from Malaysia and Hong Kong. We're hiring, both laterals and as-

“ The Latin American market is a very hard business to be in unless you have the right connections. Not everyone can play the Latin American game. For the right firms with the right connections, there's a lot of money coming in, especially from Brazil. Are they all going to succeed? No.”

JOE ALTONJI
VICE PRESIDENT
HILDEBRANDT BAKER

sociates.”

Along with expansion in South Florida comes a war for talent. Exemplifying how heated the war has become was a recent email exchange between GrayRobinson managing partner Byrd "Biff" Marshall and Foley & Lardner's Orlando managing partner Michael Gay.

After Foley pitched GrayRobinson's Florida lawyers, Marshall reciprocated by sending out a mass email to Foley lawyers offering them potential jobs.

"The war for talent has always been there, but it used to be a guerrilla war," said Joe Ankus, a legal recruiter with Ankus Consulting of Weston. "Now it's more of an open battlefield. It's a sign of the times."

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FLORIDA GROSS REVENUE

2011	2010	Firm	2011 revenue (millions)	2010 revenue (millions)	% change
1	1	Greenberg Traurig	\$260	\$253	2.6
2	2	Akerman Senterfitt	\$196	\$201	-2.5
3	3	Holland & Knight *	\$187	\$188	-0.3
4	4	Carlton Fields	\$142	\$129	10.1
5	5	GrayRobinson	\$114	\$106	7.2
6	6	Foley & Lardner *	\$80.6	\$88.3	-8.7
7	8	Boies Schiller & Flexner *†	\$74.7	\$64.1	16.5
8	7	White & Case	\$65.2	\$70.5	-7.5
9	9	Bilzin Sumberg	\$63.1	\$58.5	7.8
10	11	Becker & Pollakoff	\$55.7	\$55.9	-0.3
11	10	Fowler White Boggs	\$53.6	\$56.1	-4.5
12	12	Shook Hardy & Bacon *	\$42.4	\$40.6	4.4
13	13	Squire Sanders & Dempsey*	\$37.7	\$39.7	-5.1
14	16	Baker & Hostetler *†	\$35.9	\$32.9	9.2
15	14	Hunton & Williams *	\$31.3	\$36.2	-13.6
16	26	Duane Morris *	\$30.0	\$14.5	107
17	17	Hinshaw & Culbertson	\$29.6	\$25.0	18.6
18	20	Weil Gotshal & Manges *†	\$26.8	\$24.4	9.8
19	19	Morgan Lewis & Bockius *	\$26.4	\$24.5	7.6
20	21	McDermott Will & Emery *	\$22.8	\$24.0	-5.1
21	15	Hogan Lovells *†	\$22.6	\$33.4	-32.3
22	18	Proskauer Rose *†	\$22.4	\$24.8	-9.8
23	22	K&L Gates *	\$22.2	\$19.5	13.7
24	29	Baker & McKenzie	\$20.1	\$12.9	55.8
25	23	Jackson Lewis *†	\$18.3	\$16.2	12.9
26	25	Adams and Reese *†	\$17.4	\$15.3	13.9
27	NA	Siegfried Rivera	\$15.4	\$16.3	-5.9
28	37	Quarles & Brady *†	\$14.6	\$14.0	4.3
29	32	DLA Piper *†	\$12.9	\$12.2	5.7
30	30	Edwards Angell *	\$12.4	\$12.9	-4.1
31	33	Littler Mendelson *	\$12.1	\$11.9	1.9
32	28	Fisher & Phillips *	\$11.9	\$13.0	-8.5
33	36	Stroock & Stroock & Lavan *†	\$11.6	\$9.4	23.4
—	34	Burr & Forman *†	\$11.6	\$10.0	15.7
35	38	Sedgwick Detert *†	\$11.2	\$8.7	28.7
36	40	Ogletree Deakins *†	\$11.1	\$8.0	38.8
37	41	Wilson Elser *	\$9.5	\$7.9	19.6
38	NA	Avila Rodriguez	\$8.1	\$7.2	12.5
39	39	Kasowitz Benson *†	\$8.0	\$8.3	-3.6
40	35	Fox Rothschild	\$7.3	\$9.8	-25.0
41	31	Buchanan Ingersoll *	\$6.6	\$12.5	-47.4

* Extrapolated figures † From Web NA Not available

TOP PROFIT MARGIN

2011	Firm	Profit margin %	Florida attorneys
1	Greenberg Traurig	62.2	357
2	Avila Rodriguez	57.1	17
3	White & Case	56.4	90
4	Bilzin Sumberg	54.0	95
5	Carlton Fields	52.1	241
6	GrayRobinson	51.6	245
7	Akerman Senterfitt	45.8	373
8	Hinshaw & Culbertson	37.5	76
9	Fox Rothschild	36.2	20
10	Becker & Pollakoff	30.7	116

TOP 10 BY REVENUE

2011	2010	Firm	Revenue (millions)	Florida equity partners	Florida attorneys
1	1	Greenberg Traurig	\$260	71	357
2	2	Akerman Senterfitt	\$196	200	373
3	3	Holland & Knight *	\$187	75	309
4	4	Carlton Fields	\$142	56	241
5	5	GrayRobinson	\$114	143	245
6	6	Foley & Lardner *	\$80.6	56	114
7	8	Boies Schiller *†	\$74.7	NA	59
8	7	White & Case	\$65.2	21	90
9	9	Bilzin Sumberg	\$63.1	18	95
10	NA	Becker & Pollakoff	\$55.7	22	116

* Extrapolated figures † From Web NA Not available