

# 2015

# CALIFORNIA

# 50

Our annual survey of the state's largest firms reveals trends in hiring.

by the staff of *California Lawyer*

**T**he most notable changes in the past year at firms with the biggest presence in California involved mergers and hiring. One major reshuffling has reshaped Morgan, Lewis & Bockius, a mainstay of our annual California 50 list of the state's largest firms (see chart on page 26). And a merger that took effect just after the June 30 reporting cutoff for the list could add international powerhouse Dentons for the first time next year.

Last November, Morgan Lewis took on 47 partners and 58 associates in California from Bingham McCutchen, which is in dissolution. Morgan Lewis now has 350 lawyers in California, including a new twelve-attorney office

in Santa Monica. The move gave a big boost to the litigation groups in the firm's patent, trade secrets, white collar, and commercial practices.

"IP is an area where we already have an incredible team, but that's always an area where we're looking to grow," says Molly Moriarty Lane, co-managing partner of Morgan Lewis's San Francisco office. "We're trying to digest what we have now, and then [we'll be] looking for opportunities to add strategically."

On July 1, Dentons merged with McKenna Long & Aldridge. The firm says it now has 190 lawyers and professional staff in California but declined to break out the attorney count. Dentons added McKenna's San Diego and Orange County offices, and its co-CEO for the United States, Jeffrey Haidet, says the firm plans to further expand its

public policy, litigation, and transactional practices in California.

"California and New York remain the two hottest places in the country for firms that want to grow and expand," says principal Ward Bower with consulting firm Altman Weil.

But it's a national trend: The first half of 2015 brought 48 law firm deals in the United States, according to Altman Weil. That's the highest midyear tally since the firm started counting mergers nine years ago.

Although many firms may be wary of joining forces, Bower says, that won't stop prospective shoppers: "I think we can expect to see continued activity."

Other California 50 firms grew significantly *without* mergers, including Knobbe, Martens, Olson & Bear; Laughlin, Falbo, Levy & Moresi; Man-

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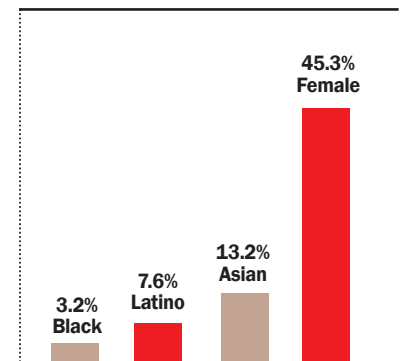
## ADVANCEMENT OF WOMEN AND MINORITIES

Overall, no broad subgroup of California 50 lawyers—not women, African Americans, Latinos, or Asians—has as many associates per partner as the average at all the firms in our ranking. And it's not always for lack of candidates.

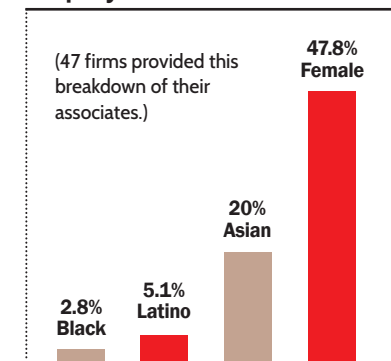
In the past year, women and Asians were hired as associates by the California 50 in greater proportion than their shares among candidates who passed the State Bar exam. Blacks and Latinos are underrepresented among associates, compared with their shares of candidates who passed the bar.

Hiring experts say the ratio of associates per partner is the best way to measure a subgroup's parity in advancement.

56,976 people have passed the State Bar exam since 2007



The largest firms in California employ 5,477 associates



Number of CA 50 associates per partner in the same subgroup

	In CA	Nationwide
Overall	1.1	1
Latino	1.4	1.5
Black	1.7	1.8
Female	2.2	2.1
Asian	2.7	2.9

**A Note on Parity:** A value higher than 1 (or 1.1 in California) indicates that a group has more associates per partner than average, meaning it is relatively poorly represented among partners. (A value lower than 1 would mean the group is better represented than average.)

## PARTNER SNAPSHOT\*

### Partners with equity

	2015	2014
In CA	65.5%	57.8%
Nationwide	70.9%	65.1%

### Partner elevations overall

	2015	2014
In CA	220	186
Nationwide	646	548

Among partners elevated in 2014-15 in California, women were underrepresented compared with their share of associates (35.6% vs. 48%), and minorities were overrepresented compared with their share of associates (25.5% vs. 18.8%).

### Elevation of women

	2015	2014
In CA	35.6%	38.5%
Nationwide	35%	34.1%

### Minority elevations

	2015	2014
In CA	25.5%	24.7%
Nationwide	16.1%	16.4%

\* Partners with equity reflects just the 38 firms that provided this information in both survey years. Partner elevations overall includes 47 firms that provided information both years. Two California 50 firms did not provide data on elevations of women, and five declined to report on minority partner elevations. (For details, visit "2015 California 50" online at callawyer.com.)

## PRO BONO HOURS

On average, lawyers in the California 50 in 2014-15 donated less than the 50 hours that the ABA says they should (see Model Rule 6.1). But 14 firms wouldn't say how much time they donate, and there is no standard or requirement for reporting pro bono time.

### Total hours logged (36 firms)

In CA	123,832
Nationwide	274,303

### Average hours per lawyer

In CA	14.1
Nationwide	11.6

Each year, *California Lawyer* surveys about 70 firms with the biggest presence in the state to determine the California 50.

► The first two columns show how the California 50 ranked this year and last.

► The middle columns of data explore each firm's California attorneys: how many there are, how the counts changed this year, and what percentages identify as African American or black, Hispanic or Latino, and Asian or Asian American.

# 2015 CALIFORNIA 50

[Survey of the State's Largest Law Firms]

RANK	2015	2014	FIRM	FIRM'S LAWYERS IN CALIFORNIA *				GEOGRAPHIC SPREAD			
				Head count	Increase or decrease from 2014	Share who are black/African American	Share who are Hispanic/Latino	Share who are Asian/American	Share who work outside California		
1	1		LATHAM & WATKINS	545	2.8%	2.4%	5%	18.3%	75%		
2	3		SHEPPARD, MULLIN, RICHTER & HAMPTON	519	4%	2.5%	3.5%	8.3%	24%		
3	2		LEWIS BRISBOIS BISGAARD & SMITH	513	-2%	2.3%	7.4%	14%	48%		
4	6		WILSON SONSINI GOODRICH & ROSATI	457	5%	2.8%	4.8%	18.2%	34%		
5	4		GIBSON, DUNN & CRUTCHER	446	-4%	1.1%	3.1%	15%	64%		
6	5		MORRISON & FOERSTER	424	-9%	1.4%	5.4%	15.8%	57%		
7	9		COOLEY	382	2%	1%	3.4%	13.6%	55%		
8	7		O'WELVENY & MYERS	359	-8%	2.8%	3.6%	15%	47%		
9	19		MORGAN, LEWIS & BOCKIUS	350	28%	2.3%	2.9%	18.9%	81%		
10	10		DLA PIPER	341	3%	2.3%	3.5%	13.8%	92%		
11	8		ORRICK, HERRINGTON & SUTCLIFFE	331	-14%	3.3%	4.5%	18.4%	63%		
12	13		GORDON & REES	320	6%	2.5%	3.8%	4.7%	48%		
13	11		FENWICK & WEST	310	-2%	2.3%	3.2%	23.5%	11%		
14	14		PILLSBURY WINTHROP SHAW PITTMAN	297	2%	1.7%	4%	11.1%	57%		
15	12		JONES DAY	291	-7%	0.7%	4.8%	11.3%	89%		
16 (tied)	15		LITTLER MENDELSON	278	0%	4.7%	8.6%	9.4%	73%		
16 (tied)	17		PAUL HASTINGS	278	4%	1.4%	4%	16.9%	72%		
18	16		REED SMITH	260	-6%	4.2%	3.5%	19.2%	86%		
19	22		KNOBBE, MARTENS, OLSON & BEAR	254	11%	0.4%	2%	18.5%	7%		
20	20		MANATT, PHELPS & PHILLIPS	253	0%	3.2%	5.9%	11.9%	30%		
21	21		SIDLEY AUSTIN	250	9%	1.6%	5.2%	13.2%	86%		
22	18		QUINN EMANUEL URQUHART & SULLIVAN	239	-11%	0.8%	0.8%	10.5%	64%		
23	26		MUNGER, TOLLES & OLSON	228	19%	3.1%	2.6%	12.7%	All in CA		
24	23		SEYFARTH SHAW	227	5%	4%	4%	11%	74%		
25	24		KIRKLAND & ELLIS	205	2%	1%	6.3%	20%	87%		
26	25		ALLEN MATKINS LECK GAMBLE MALLORY & NATSIS	195	1%	2.1%	2.6%	8.7%	All in CA		
27	27		PERKINS COIE	187	3%	2.7%	4.8%	21.4%	81%		
28	28		BEST BEST & KRIEGER	171	-1%	1.8%	9.4%	7.6%	3%		
29	29		GREENBERG TRAURIG	166	5%	1.2%	6%	12%	91%		
30	34		HANSON BRIDGETT	161	4%	1.2%	2.5%	8.7%	All in CA		
31	31		SKADDEN, ARPS, SLATE, MEAGHER & FLOM	158	-4%	5.1%	5.7%	20.3%	90%		
32	40		LAUGHLIN, FALBO, LEVY & MORESI	155	10%	4.5%	6.5%	16.8%	All in CA		
33	41		MANNING & KASS, ELLROD, RAMIREZ, TRESTER	153	11%	Declined to state	Declined to state	6%	6%		
34	38		ATKINSON, ANDELSON, LOYA, RUUD & ROMO	149	3%	4%	10.1%	8.7%	All in CA		
35	30		SEDGWICK	147	-16%	3.4%	4.1%	5.4%	51%		
36	41		BUCHALTER NEMER	146	6%	1.4%	3.4%	5.5%	8%		
37 (tied)	36		PROCOPIO, CORY, HARGREAVES & SAVITCH	145	-1%	1.4%	8.3%	9%	3%		
37 (tied)	39		RUTAN & TUCKER	145	3%	0.7%	4.8%	8.3%	All in CA		
39	36		ARNOLD & PORTER	139	-5%	1.4%	2.9%	10.8%	81%		
40	46		KILPATRICK TOWNSEND & STOCKTON	135	2%	2.2%	3.7%	21.5%	78%		
41	34		IRELL & MANELLA	132	-17%	0.8%	2.3%	11.4%	All in CA		
42 (tied)	47		FARELLA BRAUN + MARTEL	126	-3%	1.6%	4%	8.7%	All in CA		
42 (tied)	NA		STRADLING YOCCA CARLSON & RAUTH	126	6%	0%	4%	14.3%	2%		
44 (tied)	44		BRYAN CAVE	123	-9%	4.1%	4.1%	12.2%	88%		
44 (tied)	48		JACKSON LEWIS	123	-4%	4.1%	4.9%	15.4%	84%		
46 (tied)	NA		NIXON PEABODY	121	4%	4.1%	4.1%	8.3%	82%		
46 (tied)	50		WINSTON & STRAWN	121	-2%	0.8%	5%	16.5%	86%		
48	NA		COX, CASTLE & NICHOLSON	120	2%	Declined to state	Declined to state	All in CA	All in CA		
49 (tied)	NA		FOLEY & LARDNER	117	5%	0.9%	10.3%	15.4%	86%		
49 (tied)	43		McDERMOTT WILL & EMERY	117	-15%	0.9%	4.3%	17.9%	89%		
TOTALS				11,935	1%	2.2%	4.4%	13.6%	63.9%		

\* Includes associates, partners, and all other non-contract lawyers.

Source: California Lawyer annual survey. All data as of June 30, 2015.

## HIRING: LOTS OF CHURN

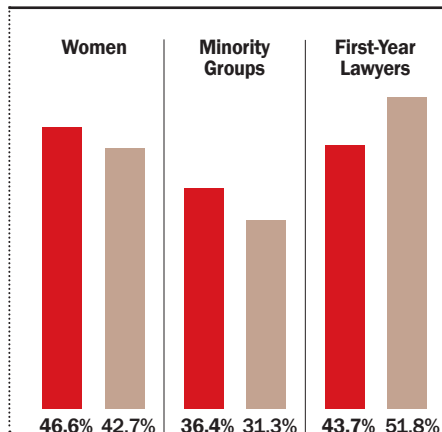
Despite hiring more non-contract lawyers than they did in 2013-14, the California 50 firms overall are not growing.

The firms on this year's list have a total of 11,935 lawyers in the state, a minuscule uptick of 104. (That's smooth sailing compared with the drop nationwide: The same firms lost 2,218 attorneys across the country, falling to a total of 31,159.) Four firms on the California 50 didn't answer detailed questions about hiring. The other 46 hired 1,660 attorneys in California in 2014-15, up from 1,427 last year. At those firms, 26.5 percent of all associates in California were new this year.

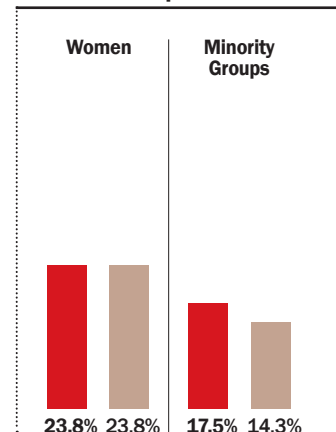
77.3% of new hires were associates (down from 78.6%), and 12.4% were lateral partners (up from 10.7%)

2015  
2014

### Associates hired 2014-15



### New lateral partners



## SUMMER ASSOCIATES

### CA 50 firms

	2015	2014
In CA	683	683
Nationwide	1,971	1,743

Summer associate hiring held fairly steady.

### One year of law school

	2015
In CA	10.5%
Nationwide	9.5%

A surprising share of this year's summer associates had finished only one year of law school by June.

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ning & Kass, Ellrod, Ramirez, Trester; and Munger, Tolles & Olson.

Knobbe Martens managing partner Steven J. Nataupsky says the firm's clients are emerging "strongly" from the Great Recession. The firm added 27 attorneys in California and plans to add a total of 30 more across all seven of its offices this fall, Nataupsky says. More than half will be based in Orange County.

Numbers for the hiring of associates varied widely, but the share of first-years joining California 50 firms

declined from 51.8 percent of all associates hired in 2013-14 to 43.7 percent this year. (The figures include only the 46 firms that provided detailed data on new hires.)

Our survey also found high turnover nationally and in California: 26.8 percent of all U.S. associates working at California 50 firms—and 26.5 percent of those in California—were new hires.

"There's plenty of lateral activity in California," says Bower, adding that this has been true for years and is likely to continue.

Natasha Innocenti, a partner with the legal-recruiting firm Major, Lindsey & Africa in San Francisco and Palo Alto, says she's seeing a lot of lateral movement among corporate transactional partners, especially lawyers seeking to join firms with the largest transactional departments. Firms on the California 50 took on 830 lateral partners nationwide, including 206 in California, according to our survey. "They want strong associate support; they want strong ancillary services ... they want a footprint that supports their client work," she says.

Innocenti says there was extra activity among capital markets and M&A attorneys in California. "Competition for corporate talent in San Francisco is high," she says. "[It's] a very frothy market." 📌

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—NATASHA INNOCENTI, MAJOR, LINDSEY & AFRICA