



**MPF FEATURED ARTICLE**

**VOLATILITY ABOUNDS IN LARGE LAW FIRM GROWTH**

*by*

*Katelyn Polantz*

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## Volatility Abounds in Large Law Firm Growth

Katelyn Polantz, The National Law Journal

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The largest law firms appear to be getting smarter about what sizes they want to be.

In a world where size and growth is a near-obsession at some of the country's largest firms, many have continued to grow at a rate that's more volatile than what the average nationwide statistics suggest. And inversely, some of the biggest firms have decreased their footprints in a noticeable way.

That amount of movement isn't always captured in industry averages. Overall, the number of lawyers last year who work at the country's largest 500 law firms increased by about 2 percent, to 163,700. The average firm size was 327 lawyers, up a hair from 320 the year before.

In comparison, only a handful of firms among the 20 largest on our list changed their size by fewer than 2 percent plus or minus.

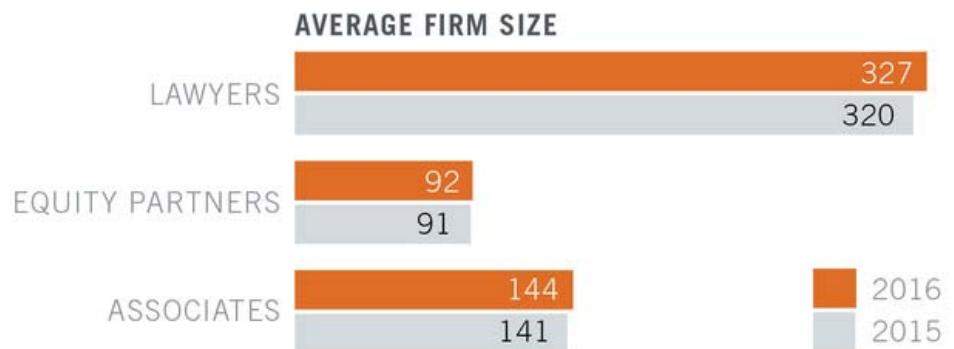
Law firm consultant Miriam Herman, who regularly advises major firms on global growth, called the phenomenon "continuous recalibration."

"Savvy firms will be adding and shedding consistent with a strategy geared to the particulars of their practice, client and geographic strengths," she added.

Baker McKenzie, the largest U.S.-centered law firm in the NLJ 500, grew almost 6 percent. That change in size came without the firm completing a merger or opening a new office.

DLA Piper, the second largest firm in the survey, declined in head count by 4 percent, even in a year it acquired three small firms, in Sweden, Finland and Canada.

In the two greatest swings among the 20 largest firms, Lewis Brisbois Bisgaard & Smith grew by almost 12 percent, while Reed Smith shrank by more than 5 percent. (Dentons, whose leadership is primarily based in the United States and which claims to be the world's largest firm, is not included in the NLJ 500 survey because it counts more lawyers in China than in the U.S.)



Michael Wagner, Baker McKenzie's chair for North America, said that programs at his firm that focus more on client relationships and feedback — plus emphases on certain industries — allow for more targeted lawyers to come aboard.

At the geographic level, Baker McKenzie added the most lawyers to its São Paulo office last year, for an addition of 50, or more than 30 percent growth. The office now has almost 200 lawyers. Wagner noted how the firm is leading compliance and investigations work for several clients in Brazil, previously including JBS SA, a meat processing company facing a bribery investigation.

"No one wants to slip in their market ranking. [But] our focus is on the clients, not on the prestige, not on the reach and so forth," Wagner said. "We're just targeting our investments to things clients tell us in the market to do."

Roger Meltzer, global co-chairman of DLA Piper, called his firm's loss of lawyers in 2016 a "result of natural attrition and the constant reshaping of our professional workforce."

Even the firm Jackson Walker — which with 347 lawyers and 2.8 percent growth last year, making it a quintessentially average firm in our survey — has taken on a nuanced approach to firm size.

"We continue to believe we're in a slice of the market where we can continue to grow," said Wade Cooper, managing partner of the Texas-based firm. "We don't have ambition to grow outside the state."

Jackson Walker has made strategic plans twice since the recession, when all firms' annual growth rates largely abandoned a steady ascent. The firm decided it was comfortable being a regional firm, and could find laterals from both national practices and locally. Jackson Walker hopes to continue to grow, but Cooper said he's not interested in doing so the classic way, via merger.

"Since our last strategic plan, my instructions are not to entertain any [merger] conversations," Cooper said.

*Note: This story has been updated to clarify the relationship between Baker McKenzie and client JBS SA. It also now reflects Dentons' assertion that the firm is not based in any single country.*

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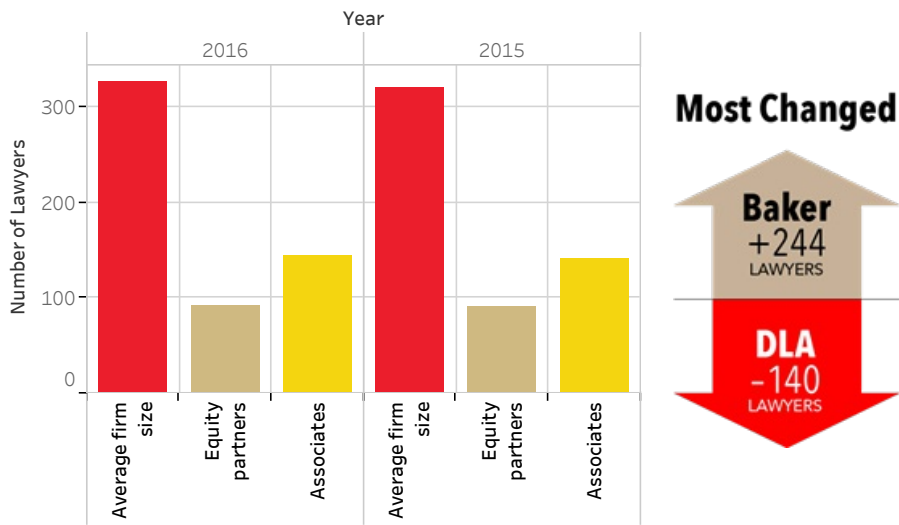
For more NLJ 500 coverage, [click here](#).

To view charts on a mobile device, [click here](#).

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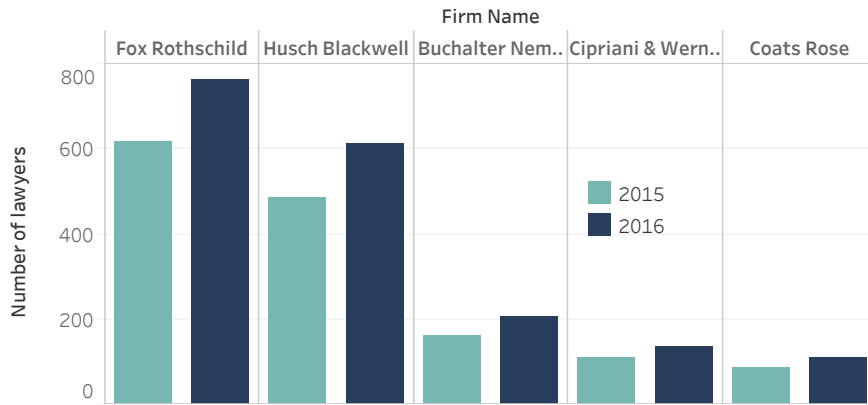
Biggest firm: **Baker McKenzie**  
Lawyer counts in U.S. v. abroad

4607  
U.S. lawyers



4600  
lawyers in  
foreign offices, FTEs

### Largest growth increase



### Largest decrease in firm size

