

# State of the Market - 2010 Winter

Southern California (Orange County, San Diego and Los Angeles)

The Northeast (New York, Washington, DC, New Jersey and Pennsylvania)

The Southwest (Texas)

The Midwest (Chicago, Wisconsin, Michigan, Colorado, Minnesota, Indiana, Ohio, and Utah)

International (Europe and Asia)

## **State of the Market: California, Arizona, Nevada, Washington and Oregon**

by *Claudia Barnes*, Managing Director, BCG Attorney Search

It is no surprise to hear that 2009 was the worst lateral attorney hiring market in many, many decades. I am optimistic 2010 will prove to be a better year for everyone although not all of the [BCG recruiters](#) feel the same way. While I do believe there will be more opportunities for lateral associates, it will not be a drastic change and firms will first focus their hiring efforts on mid-level candidates who graduated between 2005 and 2007. Over the next six months, we will see a great deal of activity in the partner level as well as global level. There will be a number of branch offices that open and close and potentially several law firm mergers. Every law firm continues to put great emphasis on hiring partners with significant and established portable books of business (at least \$750,000). Partners must always show at least a three-year history of generating their business. In projecting your business for 2010, make sure to have a conservative (worst-case scenario), realistic, and best-case scenario projection. The best candidates do not have just one or two large clients but a roster. Senior associates with stable work histories and a portable book of at least \$250,000 will also be attractive to many firm clients.

*General advice for associates who are currently looking for a position or planning to do so over the next few months (this advice was given in our Fall 2009 State of the Market Report, but it is still applicable so I am listing it again):*

*Be flexible in all respects.* This includes being flexible with respect to entry level, geography, and in just about any other way that flexibility is requested. Make no mistake - the market is currently dominated by the law firms' needs. Be ready to show that you understand this fact and are willing to adjust accordingly.

*Exercise scrutiny if working with a recruiter.* It is always important to pick carefully when choosing to work with a recruiter. But in the current market, this is absolutely crucial. You need to make sure you are working with an ethical recruiter who will be honest about the openings s/he can offer and who will also tell you if you are better off submitting to a particular firm on your own. Your recruiter should be a resource that is helping you weather this storm-not someone who is making a difficult search impossible.

*Work all angles.* Do not underestimate the importance of marketing yourself. Reach out to colleagues and other professional contacts. As long as you are confident that the person to whom you are reaching out will protect the confidentiality of your search, there isn't anyone who is off limits. Contact your law school's career services office and spend some time combing through legal periodicals yourself. In this market, you must be extremely proactive (without becoming a stalker).

*Don't give up.* Most attorneys are individuals who have been extremely successful their entire lives. It is sometimes shocking that all of sudden, finding a new job is not only difficult but also a bit frustrating. Do not give up. There are already signs that the market will turn around. And, for those who achieve the right balance between persistence and patience, it will work out in the end.

*Partners please read this: The importance of maintaining confidentiality during your job search (this advice was given in our Fall 2009 State of the Market Report, but it is still applicable so I am listing it again):*

It goes without saying that it is extremely important to make sure your job search is kept confidential. If it becomes known that you are investigating a lateral, the results could be extremely damaging. If you do

choose to work with a legal recruiter, it makes sense to begin by interviewing a handful of individuals. Insist on a face-to-face meeting in which you have the opportunity to assess the person's experience, character, and professionalism. If you do not work with a legal recruiter and decide to make contact with potential firms on your end, make sure you are reaching out to trustworthy individuals who will protect the confidentiality of your search.

The following highlights the healthy, steady, and slow practice areas throughout each major legal market in California. Please note the competition is steep in every category. Firms are looking for reasons NOT to hire you, so be prepared to talk about everything on your resume. Also, for those who are looking to move to California from out-of-state, it will be nearly impossible to make a move without having taken the California Bar. In years past, for certain practice areas like corporate, tax, even patent prosecution/litigation, many firms would consider candidates who had not yet taken the Bar. Now almost every firm requires membership to the California Bar to even be considered for a position with the firm. So...if you are serious about moving to California, buckle down and sign up for the July 2010 California Bar. It is too late to sign up for the February 2010 exam.

## **SOUTHERN CALIFORNIA**

### **State of the Market: Orange County**

*by [Claudia Barnes](#), Managing Director, BCG Attorney Search*

#### **Healthy Practice Areas:**

##### **Patent Prosecution**

The need for well-qualified patent prosecutors continues into 2010. Presently, our firm clients are seeking [patent attorneys](#) at all levels, although most seek an attorney with at least 2 years of prior firm experience. In Orange County, the "hot" scientific backgrounds remain electrical engineering, computer science, and physics. Candidates should have USPTO membership, and ideally California Bar membership. Abundant prosecution experience will be very marketable, along with prior engineering experience.

#### **Steady Practice Areas:**

##### **Labor & Employment**

Strong employment law candidates will do well in Orange County market. Most firms are seeking candidates who are licensed in California, and retain both litigation and counseling experience. Senior associates and mid-level candidates will garner the most interviews in this area of law. For mid-level associate candidates, firms are seeking candidates with steady work histories (meaning the candidate has not yet moved firms in his/her career).

Employment law candidates should have focused labor and employment experience at either a large firm or a reputable employment law firm. As mentioned above in the Los Angeles report, this is a recession-proof practice area for the most part.

##### **Litigation**

Litigation remains a steady practice area in Orange County. Trial and deposition experience are valued, as firms want to hire self-sufficient candidates that can handle cases on their own. Senior associates who do not have a portable book will need to market themselves as attorneys that can do partner-level work, but who are amenable to associate-level compensation. Candidates should have impeccable credentials (e.g. large firm experience, minimal job movement, top law school graduate).

## Bankruptcy

In 2009, Bankruptcy had intermittent spikes of "hotness." Firms are generally seeking those candidates with solid bankruptcy litigation experience, who are also licensed in California. Firms place an emphasis on mid to senior level associates. Senior associates with at least \$250,000 in portable business will receive a lot of attention.

### Growing Practice Areas:

In 2009, there was a major decrease in need for intellectual property (mainly patent) litigators and environmental attorneys. We are seeing a slow increase in need for both of these areas. Stellar mid-level candidates with excellent law firm experience, minimal job movement, and degrees from well-respected law schools (or who did very well at a local school) should get several interviews. We believe the need for patent litigators in particular will increase over the year. Like the need for patent prosecutors, firms seek candidates with electrical engineering degrees and will also consider physics and computer science. Candidates with biology, chemistry and mechanical engineering backgrounds will likely get some interest as well. Ideal candidates will have membership to the USPTO and California Bar.

### Slow Practice Areas:

Transactional areas of law like corporate, real estate, tax, executive compensation/ERISA, and health care have seen virtually no activity. Trademark and trusts and estates are very slow as well. That being said, candidates who have outstanding academic and professional credentials, 3-5 years of experience in their field, and membership to the California Bar will definitely get interviews. We anticipate the market for our transactional practices will pick up a little in the first two quarters of 2010.

#### State of the Market: San Diego

by [Claudia Barnes](#), Managing Director, BCG Attorney Search

### Healthy Practice Areas:

## Labor & Employment

Well-credentialed mid- and senior- level employment law candidates will do very well in the current San Diego market. In 2010, we are already seeing an immediate need for attorneys with trial and deposition experience who can take a case and run with it.

### Steady Practice Areas:

## Patent Prosecution

The openings for patent prosecutors has decreased but remained steady in San Diego. We believe this is a result of the decrease in patent filings for 2009. Firms continue to seek junior and mid-level associates with at least one year of experience. There is an increase in the need for candidates with a biology background.

## Litigation

Litigation remains a steady practice area in San Diego. Firms are generally seeking mid-level and senior-level attorneys who can handle their own cases, and have ample deposition and trial experience. General litigation candidates without the California Bar should really wait until they are licensed in the state or have at least taken the bar to successfully apply for openings in San Diego.

## Tax/Employee Benefits/ERISA

In addition to litigation, we have also noticed some firms seeking attorneys with tax expertise. Senior-level attorneys are the most highly recruited at this time within tax law. Candidates that have experience in areas like employee benefits or charitable organizations will be considered versatile and attractive to potential employers. In order to be competitive in San Diego, attorneys should be licensed in California and they should also retain both state and federal tax law experience.

## Slow Practice Areas:

Surprisingly, intellectual property litigation slowed down a great deal in 2009. We do not believe this will continue in 2010, but it may take a quarter or two before the market for patent litigators picks up. There are additional slow practice areas, where we are not currently seeing a lot of hiring activity. These include: real estate, corporate, trusts and estates, health care, bankruptcy, and trademark. Anyone in these practice areas should seriously consider looking into the Orange County and [Los Angeles markets](#)

### State of the Market: Los Angeles

by [Claudia Barnes](#), Managing Director, BCG Attorney Search

## Healthy Practice Areas

### Labor & Employment

Well-credentialed mid- and senior- level employment law candidates will do well in the current Los Angeles market. Historically, firms have sought candidates who are already members of the California Bar and have experience with California labor and employment codes. This practice area is recession-proof for the most part. I encourage any general litigator who has some experience in this area to seriously consider applying for positions in this practice area. If you are a litigator who has spent at least 30% of her time on labor and employment matters, it would be wise to market yourself as an employment attorney who is flexible on class year. For instance, if you are a 5th year litigation associate, then tell firms you will come in at a lower level (leave it up to the firm to decide where they should place you) if you can become a full-time employment attorney.

### Litigation

There appears to be a need for experienced litigators with at least 3 years of experience, and preferably more. We are seeing more openings require solid hands-on experience, including trial and deposition work. Firms are not looking to train laterals. They want someone who can hit the ground running and help train the more junior associates.

## Steady Practice Areas:

### Bankruptcy

In 2008, we anticipated a tremendous need for [bankruptcy attorneys](#) would eventually hit, but it didn't. We believe most firms transitioned their corporate and real estate attorneys into their bankruptcy practice. This is the right thing to do in order to hold onto talented and bright attorneys. Bankruptcy associates with an impeccable pedigree (Top 50 law school and/or currently work at a boutique or large firm) in most class years should be able to get an interview or two. If you are a well-credentialed candidate with 2-5 years of solid bankruptcy experience, you will likely get several interviews.

### Corporate

Large firms are generally not hiring laterals for their corporate practices but they will consider someone with

2-4 years of experience and who has impeccable academic and professional credentials. The activity we are seeing is for the small and mid-size law firms. This makes sense. With the downturn in the economy, clients will look to firms that have lower billing rates to handle their deals. As firms continue to merge and become "mega-firms," we will see more and more need for mid-senior level corporate attorneys with big firm experience for small and mid-size firms.

## Patent Prosecution

We have seen more and more patent prosecutors on the market - which is not a good sign. After doing some research online, it appears filings were down throughout the US in 2009. However, law firms continue to seek well-qualified patent prosecutors. Firms that are hiring are extremely particular about what they want and are not flexible - they are happy to wait and wait and wait for the right person. The major focus is on candidates with 2-4 years solid prosecution experience with backgrounds in electrical engineering (#1 preference), computer science (#2), or physics. Those with biology or chemistry backgrounds, generally need to have a Ph.D. or at the very least a M.A. in their discipline. Those with mechanical engineering degrees are in much less demand. You must have membership to the USPTO, and there is a strong preference for candidates who are admitted to the California Bar. Many firms seek partners with an established patent prosecution portfolio.

## Patent Litigation

Generally speaking, the patent litigation market is much softer than in recent years. But it is considered "steady" since firms are truly looking for patent litigators. Firms are very specific about what they want and are willing to wait and wait and wait until they find the right match. There is no rush to hire anyone. Like patent prosecutors, litigation candidates who also possess an electrical, computer science or physics degree will do very well. Patent litigators should also be a member of the USPTO, and if possible, the California Bar - although firms are more flexible with bar membership requirements if you have the right science degree. Ideal candidates have 2-5 years of experience. But, anyone who has solid patent litigation experience AND a technical degree should have several interviews.

## Trusts & Estates

A couple of Los Angeles firms are seeking experienced [trusts and estate associates](#) who have at least 4 years of experience. This practice area is unusual in that many firms will only hire laterally if an attorney has a lot of experience (at least 5 years).

## Slow to Dead Practice Areas:

The following practice areas have very little activity: *Real Estate, Environmental, Health Care, Employee Benefits/ERISA, and Tax*. However, firms are willing to look at stellar candidates (top law school/law firm) with 2-5 years of experience in these areas.

### NORTHERN CALIFORNIA

#### State of the Market: Silicon Valley

by [Claudia Barnes](#), Managing Director, BCG Attorney Search

Like San Francisco, 2009 was a difficult year for the Silicon Valley market. To be competitive in the current market, the successful lateral associate candidate will have graduated from a top tier law school; be admitted to the California Bar; and possess longevity (at least 2 years) with a big name law firm - there is a very strong preference to hire candidates who already work in Silicon Valley.

## Healthy Practice Areas:

### Corporate

Mid-level corporate attorneys with training from well-regarded law firms (especially those in the Bay Area) will do very well in Silicon Valley. The greatest needs are in mergers & acquisitions, emerging companies, venture capital, finance, and capital markets. Due to the healthy corporate practices of Silicon Valley law firms, we are also seeing an increase in need for attorneys with experience in executive compensation/employee benefits and ERISA.

### Intellectual Property (Litigation and Prosecution)

Junior and mid-level intellectual property litigators and patent prosecutors is among the most sought-after commodities in Silicon Valley but you must have experience in a big firm, appropriate for your level, and a strong technical background. Ideal candidates will have a background in electrical engineering, computer science, mechanical engineering, biotechnology, organic chemistry, biochemistry, pharmaceuticals, chemical engineering, and medical devices. Those in bio fields are usually expected to have a Ph.D. or Masters degree. Registration with the United States Patent and Trademark Office is a must.

The [job listings in the Silicon Valley](#) for patent prosecution, intellectual property litigation, and intellectual property transactions remain very healthy. There is a real focus on junior to mid-level candidates.

### Labor & Employment

Unlike 2009, there is a growing need for [employment attorneys](#) at both mid- and senior level.

## Steady Practice Areas:

### Litigation

We believe for general litigators and those with securities experience will increase over the year - hitting a pick at the second and third quarters of 2010. The need is steady at the moment with focus on mid-level candidates. Silicon Valley firms often require top academic credentials, big law firm experience and/or a judicial clerkship.

### Tax

While it is a "steady" practice at the moment, we believe there will be a growing need for tax attorneys in 2010. The corporate market is sure to grow, and often this spins off tax work. Most firms appreciate (or require) an LL.M. in tax; international experience; big firm experience or time at a major accounting firm; a background in accounting, economics, or finance; and nearly always, the California Bar.

## Slow Practice Areas:

There is currently no activity in bankruptcy, environmental, health care, trademark, real estate and trusts and estates.

### State of the Market: San Francisco

by [Claudia Barnes](#), Managing Director, BCG Attorney Search

2009 was a tumultuous year for the [San Francisco legal market](#). With the dissolution of Heller Ehrman and Thelen, there were many well-qualified attorneys seeking jobs in an already tight market. Historically, the primary areas of opportunity for lateral moves include: corporate, employment and labor, environment and

land use, intellectual property (litigation and prosecution), litigation, real estate, and tax. It is hard to say what to expect from 2010, but we anticipate the hot practice areas will remain hot, the steady ones will grow, and we may see some activity in the slow areas. Overall, I suspect 2010 will be a much better year than 2009.

## Healthy Practice Areas:

### Labor and Employment

The need for employment (and less commonly labor) attorneys has picked up since the fall. There are opportunities with firms of all sizes, particularly with the boutiques. There is a focus on the mid- and senior level, particularly partnership. Candidates with some trial and deposition experience will do well.

### Patent Prosecution

While a great deal of IP work is out in Silicon Valley, there is a strong emphasis on patent prosecution in San Francisco. Firms are focusing on junior and mid-level (1-5 years) prosecution candidates. They are not very flexible, and require a strong technical background. There is a focus on biotech and chemistry backgrounds. Those with Ph.D.s will do incredibly well. Candidates with electrical engineering, computer science and physics background should do quite well also.

IP transactional positions arise from time to time but this area is slow at present.

### Executive Compensation/ERISA

Surprisingly, there has been a sudden need for candidates with at least 2-3 years of experience in employee benefits/executive compensation and ERISA. In some cases, firms require a minimum of 5 years of experience. Candidates must have training from a large law firm or an exceptional boutique. This is a true niche practice area, and if you have even just one year of experience, you may be marketable. This is also a practice area where firms will typically take a look at any experience attorney with a steady work history and training from a well-recognized law firm. We believe the need for attorneys in this practice will continue throughout the first half of 2010.

## Steady Practice Areas:

### Intellectual Property Litigation

Unlike prosecution, intellectual property/patent litigation is not as hot as it once was. We believe this will change over 2010. That being said, firms continue to look for candidates with 2-5 years of patent litigation experience from well-regarded law firms. A technical background is not required but certainly preferred. Admission to the USPTO and California Bar is preferred as well.

### Litigation (including Securities Litigation)

The litigation market is steady, but not nearly as vibrant as it has been in years past. The focus is on: torts (often toxic torts), products liability, commercial/general, securities, white collar, fraud, antitrust, and construction.

### Environmental, Real Estate and Trusts & Estates

Each of these are considered a niche practice, with Real Estate being the broadest. We are seeing a little activity in each of these practice areas. The focus is on mid-level candidates with stellar academic and

professional backgrounds. Trusts & Estates candidates with LL.M.s in Taxation will do well.

## Slow Practice Areas:

There are few to no active job openings in the following areas: corporate, tax, bankruptcy, health care, and trademark. However, we predict there will be an immediate need in corporate and tax during the first quarter of 2010. Tax candidates should have an LL.M in Taxation. We anticipate an immediate need in bankruptcy as well. While some companies are improving, others continue to decline and need to be restructured. Firms will likely consider any mid-level candidate with a stable work history and solid pedigree from a well-regarded law firm. There is a strong preference to hire candidates who already reside in the Bay Area.

## THE NORTHEAST

### State of the Market: Washington, DC

by *Dan Binstock*, Managing Director, BCG Attorney Search

## Partner Market:

Our partner practice continues to have the highest level of demand. In fact, the demand for lateral partners seems to be inversely proportional to the demand for associates.

For example, within just the past month or so, we have met with numerous firms seeking to recruit partners in a range of practice areas. Here is a sampling of the most recent partner-level searches we have received:

A national firm seeks an information/data privacy partner for its DC office.

A West Coast-based firm with a growing DC office is looking to add a public securities partner with deal experience.

An East Coast-based firm is looking to enhance its health care presence in DC by adding health care partners with experience in either (1) health care transactions; (2) health care enforcement and fraud and abuse compliance; (3) Stark and Anti-kickback; (4) FDA; or (5) health care policy.

An international firm is looking to recruit an international arbitration practice (with a focus on ICSID/Investor-State Arbitrations) for its DC office.

A West Coast-based firm with a growing DC office is looking to enhance its corporate (M&A and financial transactions) practice in DC.

An East Coast-based firm with a growing DC office is seeking to enhance its New England-based energy practice with a DC-based energy practice.

An East Coast-based firm is seeking a health care partner with a hospital-oriented practice.

A Northeast-based firm with a very collegial DC office is seeking to add either a trademark practice or a patent (life sciences/bio) practice in DC.

A Southeast-based firm is seeking to add an environmental group (non-litigation) in DC.

A West Coast-based firm is seeking to enhance a number of practice areas in DC, including FDA, trademark, patent (bio or pharma or medical device), telecom, and corporate transactions (with a focus on technology based companies).

A boutique in DC is seeking to add real estate/affordable housing attorneys.

These searches are just a small fraction of the many partner searches in the entire DC market right now. This above list is akin to a fly on an elephant.

So the question for our law firm clients is this: What are you doing to stand out from your competitors - with similar reputations to your firm - who are targeting the same candidates? Is your recruiting message merely a thin "We are looking for partners in X practice area with Y in portable business... and we are very collegial"? If so, here's a warning: You are not maximizing your chances at attracting lateral partners because your recruiting message will sound very similar to that of your competitors. (See the following Legal Times article entitled "Everybody Loves Rainmakers")

Over the past year, we have been spending a lot of time helping our law firm clients craft and develop cutting-edge lateral partner recruiting strategies that enable them to stand out from the clutter of other firms. In this market, law firms must think outside the box when it comes to lateral partner recruiting and not just continue to do things the way they have always been done. Those firms who are creative and bold in their approach to lateral partner recruiting will have a distinct advantage.

If you are interested in learning how we help our law firm clients dramatically improve their chances of securing meetings with lateral partner candidates, please contact us and we will be happy to share some of these cutting-edge strategies.

If you are a partner-level candidate interested in learning about other firms, how to best market yourself, or have other questions about the DC market, please contact us for a confidential "market and marketability" analysis.

### **Associate Market:**

The associate market continues to remain very tight, but we have seen a distinct improvement during the summer. We have made more associate placements during the summer than we made during the first half of the year and we are receiving new openings on a much more frequent and consistent basis.

During the first half of the year, firms that had enough work in certain practice areas to justify a lateral hire still held off on hiring because they were just too frightened. It was akin to a tornado hitting a large city where everybody was battening down the hatches, even if their home was not in immediate danger. Most firms were in a survival and contraction mindset and the thought of hiring lateral associates - when many were underutilized and struggling to make hours - was almost laughable.

Now, like most things in life, the passing of time breeds a certain level of "business homeostasis." As we have grown more used to this economic thunderstorm, firms are peeking out of their windows, realizing that the sun still rises, and there is work that needs to be done by associates with the right experience. The immediate panic from a number of firms has receded and some of these firms have decided to hire laterally because the demand for capable associates in certain practice areas has been ongoing and does not seem to be relenting. For example, government contracts is a practice area that is particularly busy right now in DC.

Firms who have tried to avoid hiring laterally by retraining underutilized associates from other practices within the firm are having mixed results. If the associates are junior and have a good-faith interest in the new practice area, they are more malleable and the transition is easier. If the associates are more senior, this can be tougher for a number of reasons.

Some firms are also taking advantage of this slowdown to "cherry pick" superstar associates from firms that are less stable. However, we have noticed that some firms have a slightly unrealistic and over-inflated sense of their own market value and believe they can easily recruit non-laid-off superstars regardless of how appealing their own opportunity is. There is a sense of "We know the market is flooded with candidates so we can get whoever we want." Sometimes this is true, but sometimes it is not. We are also noticing some firms experiencing a rude awakening when they take too much time to search for the "perfect" candidate and the one candidate they were seriously considering - who would have been a good fit - ends up accepting another position or loses interest and decides not to make a move. It is obviously important for firms to take their time to find the right person, but we have seen this backfire for some firms who held out for too long because they had a fear that they were somehow missing out on that elusive perfect candidate (that may or may not have existed).

In closing, we are cautiously optimistic that the lateral associate market will very slowly but steadily continue to regain traction in Washington, DC.

### State of the Market: New York

by *Carey Bertolet*, *Founding Managing Director, BCG Attorney Search*

Conventional wisdom tells us that the recession is lifting and that economic signs and (however meekly) pointing upwards. This is true in the law firm hiring world, which appears to be recovering from a profoundly difficult last year.

Law firm data suggests that the most demand for legal services is in the bankruptcy practice, which is certainly not surprising given our overall economy. Hiring trends on the associate level are reflecting this demand. In New York, large debtor practices continue to seek out bankruptcy lawyers, and the changing business landscape continues to provide a great deal of creditor side experience as well.

The second most in-demand area in terms of demand for legal services is litigation. While we certainly did not see litigation needs in the way we thought we might through the past year, which is most certainly changing, even just in these first few months of the new year. We are particularly seeing needs for junior litigation associates, and the practices that seem the most vibrant are white collar litigation and securities litigation practices. This is consistent with trends for a struggling economy, and is certainly a trend we expect to see sustained given the scrutiny on Wall Street.

We continue to get mixed signals about employment litigation. The overall trend seems to be an increased demand, though not all of the employment practices are thriving these days. For employment litigators, there are increasing opportunities, but not necessarily with all of the players that would normally be on the market for talent. Having said that, several major players in the employment and labor practices have been expanding fairly aggressively on the partner and practice group side. I see continued reshuffling among employment firms and practices through 2010.

The benchmark for New York's recovery is [hiring in the corporate area](#). We've actually seen some! That's the good news. There are needs in capital markets, securities, and even corporate mergers & acquisitions practices. The bad news for the myriad of New York lawyers who are currently unemployed is that the requirements we're seeing from the firms that are hiring are quite rigid. Because it is such a 'buyer's market' for transactional lawyers, the firms that have needs are being extraordinarily picky. In other words, we simply don't see these firms hiring anyone other than a currently employed lawyer at a major firm. Time will tell about how open this market becomes. At the moment, this increase in demand will benefit only a few highly credentialed few. For many people still on the market, it is simply evidence that the market may be reviving.

We haven't seen transactional tax moving much if at all-that typically follows what is going on in the corporate world, but we have seen more interest in controversy based tax practices, such as state and local litigation. We've also seen modest interest in trusts & estates.

I think that the intellectual property arena is going to prove quite interesting in New York over the next year. Surprisingly, the ever-insulated patent lawyers in New York ended up being vulnerable to the economy, and there have been a great many intellectual property lawyers looking for work in practices where we would have never thought there would be a decrease in demand. Towards the end of last year and continuing into 2010, several firms have been bolstering both their soft and patent intellectual property groups, and we anticipate continued demand on the partner level, and some associate needs further along into the year.

In general, we've seen positive signs for New York's legal community, and expect those economic factors to show continued, but modest improvement throughout the year.

### State of the Market: New Jersey

by *Carey Bertolet*, *Founding Managing Director, BCG Attorney Search*

New Jersey firms have done fairly well in terms of weathering the recession, since they are generally not so highly leveraged in the corporate/finance world, and because their employment and other overhead costs are not so extreme as their across-the-Hudson neighbor. Even so, many New Jersey firms are coming off some lay-offs and focusing on reinforcing core business lines, so we are currently seeing more partner and practice group movement than anything else. Again, this movement reflects a particular firm's strengths, so these acquisitions have been corporate, or litigation, or intellectual property, depending on the firm.

We anticipate [intellectual property hiring](#) increasing a good deal through 2010, and we've already seen good signs of health for employment litigators and commercial litigation attorneys-particularly at the more junior levels.

### **State of the Market: Connecticut**

by *Carey Bertolet*, *Founding Managing Director, BCG Attorney Search*

The Connecticut market has been active on the partner side, with an emphasis on corporate and tax, but remains fairly quiet with respect to associate hiring. The first signs of life in the associate market are focused on intellectual property, a historically core practice area for several large Connecticut firms. We anticipate that litigation and intellectual property will be the first to emerge in Hartford area firms, and a slower recovery in Southern Connecticut.

### **State of the Market: Philadelphia**

by *Carey Bertolet*, *Founding Managing Director, BCG Attorney Search*

At the end of last year, Philadelphia was heralded as one of the markets who had survived the market best. That made some sense to me, since Philadelphia firms had largely declined to raise associate salaries to New York numbers, and are generally less tied to the financial services industry than some other large city markets. Having said that, Philadelphia law firm associates suffered a great many lay-offs, so I suppose the rosiness of the Philadelphia market depends in part on your perspective. In any event, if it is true that the Philly market is generally quicker to cut-cost and keep overhead low, they may be in a stronger position to active hire in 2010.

The two areas we are seeing emerging early in the year are intellectual property (generally in Philadelphia-this is a more life sciences oriented practice) and tax, specifically state and local and trusts. We haven't yet seen the corporate transactional market rebound in Philadelphia and controversy practices remain relatively flat.

## **THE SOUTHWEST**

### **State of the Market: Texas**

by *Suzanne Dupree Howe, Esq.*, *Managing Director, BCG Attorney Search*

The Texas market is still quite slow as firms are still regrouping as the recession eases. Layoffs seem to have abated somewhat and there are more positions available as we enter 2010. As I mentioned previously, Texas is still poised to be one of the first major legal markets to exit recession conditions and begin new hiring.

Statistically, Texas has been impacted much less than other legal markets. And unemployment overall in Texas is much better than in other parts of the country. Furthermore, Texas has not suffered as much from the housing market as many other states. Recent reports have indicated that Texas has one of the strongest housing markets in the country. With its low cost of living yet comparable firm salary structure, Texas remains a great option for partners and associates.

Below is a breakdown of various practices areas as they relate to firms' needs in Texas.

## Partners

Partner movement remains high nationally and in Texas. Many firms have expressed their desire to review partner candidates with at least 500k in portable business. BCG Attorney Search is a leader in partner placements nationwide, and we can use our contacts to make that transition very smooth for you. If you are interested in confidentially discussing in any of these opportunities, please contact me at 713-270-1199.

## Bankruptcy

As predicted, we continue to receive consistent requests for bankruptcy associates and partners. Mid-level and senior level associate candidates are in the most demand.

## Litigation

Litigation candidates are actively being sought in Houston and Dallas right now. While we haven't seen the marked increase in litigation needs that we were expecting in 2009, we continue to have scattered opportunities at the mid and senior associate levels. Candidates with judicial clerkships and solid writing skills have a definite competitive edge.

## Labor and Employment

Our law firm clients continue to tell us that Labor & Employment is one of their busier practice areas, consistent with what we would expect from a recession. We have had regular needs for Labor and Employment candidates in Houston and Dallas at large firms, Labor and Employment boutiques, and mid-sized firms.

## Corporate

This area of practice remains very slow in Texas, and indeed, nationally. This is one of the hardest hit areas of the law and there are very few positions available.

## Tax

Tax needs have slowed dramatically with the drop in the transactional markets, although since this is a niche practice, we still have a need here and there. Candidates with an LL.M from top programs such as NYU, Florida, and Georgetown are most valuable to the firms.

## Intellectual Property

In the last few years, many plaintiffs chose to file their IP cases in the Eastern District of Texas, but the docket, while still appealing, has slowed. IP litigation associates are not as in demand as they once were in Texas, and the flood of laid-off candidates trying to relocate from California and the East Coast has affected the market dramatically.

Patent prosecution needs have increased somewhat at firms in Texas, especially at mid-sized and smaller firms. While the firms still are actively seeking strong candidates with technical backgrounds, the needs are not as strong as they once were. Many firms are indicating to us that new higher billing rates are changing the landscape of firms doing prosecution practice, because technology clients are usually unwilling to pay the higher rates for their prosecution work. Particularly attractive to firms are those attorneys with a

background in Electrical Engineering, Chemical Engineering, Physics or Computer Science.

## Energy and Project Finance

Transactional Energy associates are still much less in demand than they have been in recent years. However, candidates with remarkable experience and strong academics are still being considered. With the new administration in place, we expected a rise in energy litigation needs across the state. However, we have not seen a major increase as of yet and continue to watch this practice area closely.

## Employee Benefits/ERISA

Candidates with heavy tax-based Employee Benefits and ERISA experience are finding it harder to secure a position.

## Real Estate

This practice area tapered off a great deal in the latter half of 2008 as financing has become less and less available. We have seen very few positions in this practice area in recent months.

### THE MIDWEST

#### State of the Market: Chicago

by *Jamie Bailey*, Managing Director, BCG Attorney Search

We enter 2010 with cautious optimism. The [Chicago market](#) continues to reflect other major markets and we have not yet seen any significant upswing in corporate deals, although we have been hearing more optimistic reports from Managing Partners and Hiring Partners regarding their outlook for 2010, and that some clients are moving forward with deals which were previously on hold. We hope this bodes well for what lies ahead. No doubt, 2009 brought many hurdles for law firms and the downturn in lateral hiring at the associate level reflected the financial strain many firms faced. However, with the economic downturn came increased opportunities and movement at the partner level, new practice areas being created, and a focus of firms on providing excellent client services at competitive rates. In any economy there are still opportunities and hiring is taking place in targeted practice areas. We monitor these areas closely and seek to respond effectively to these trends. Our cautious optimism for 2010 stems from knowing that at some point the economy will recover (as it always does), and with the recovery will come a very predictable need for talented laterals and firms will be looking to replenish their ranks. Thus, we look forward to future state of the market reports and sending you what we hope will be progressively good news about opportunities in the Midwest market.

## Partners with Portable Business

In Chicago, we are continuing to focus our attention on partner level searches for firms that are seeking assistance in hiring partners with portable clients to contribute to their bottom line. Chicago firms have been receptive to income and equity partners with portable books of business who are highly motivated to continue to grow their books in law firm environments well equipped to service their clients' increasing demands for diverse services and attractive billing rate structures. We would be interested in speaking with energetic junior partners who have growing books of business. We would also like to speak with more seasoned partners who have well established clients seeking environments which are financially stable and will offer their clients creative fee structures, excellent representation in key practice areas and the ability to cross-sell services. Partners who have significant portable business in any of the following areas should contact our Chicago office: healthcare (particularly partners with experience in representing pharmaceuticals, hospitals or healthcare providers), corporate transactions, bankruptcy, employee benefits

and executive compensation, real estate finance, litigation, environmental litigation, mass torts litigation, products liability, private equity, labor and employment, immigration, patent prosecution, intellectual property litigation and trademark litigation. Chicago firms are generally looking for a minimum of \$1-2 million in portable business, but some smaller and mid-sized firms will consider books starting at \$500,000.

## Bankruptcy - Creditors Rights

We've received requests from some firms in Chicago for [bankruptcy associates](#) with anywhere from 3-6 years of experience in bankruptcy litigation and specifically, creditors rights experience. Top tier law firm experience and excellent academics are generally required.

## Litigation - General Commercial; Construction

We are starting to see a few requests for general commercial [litigation associates in Chicago](#) at the 4-5 year level. We would also like to speak with junior to mid-level construction associates who bring previous construction experience (both transactional and litigation) and have excellent credentials. (A willingness to travel is required for these construction positions.)

## Corporate - Finance; Equipment Finance

Although the corporate transactional area remains very slow in Chicago, we have had a few requests in the past few weeks for corporate finance and/or equipment finance associates with 2-4 years of experience.

## Health Care

As we entered first quarter 2010, we anticipated quite an upswing in healthcare requests and a number of firms are reporting that their healthcare practices are definitely very busy. We are particularly interested speaking with healthcare associates with regulatory compliance backgrounds and we have a firm that is aggressively pursuing highly qualified healthcare associates with biomedical research backgrounds.

## Intellectual Property - Patent Prosecution

We have not seen a pick up in demand in intellectual property this past quarter, although this tends to be an area in which demand is fairly consistent, despite the economic downturn. We would be interested in speaking with associates with anywhere from 3-6 years of experience in patent prosecution and a background in electrical engineering, mechanical engineering, computer science, chemical engineering or chemistry. USPTO admission is definitely preferred and in many cases required.

### State of the Market: Wisconsin

*by [Jamie Bailey](#), Managing Director, BCG Attorney Search*

## Milwaukee and Madison

## Partners with Portable Business

Similar to other markets, we have seen very little lateral associate [hiring in Wisconsin](#) over the past quarter. However, as in other legal markets, law firms in Wisconsin are focused on increasing their bottom line and we are already seeing a lot of movement among the partner ranks during the first few weeks of 2010. We would be interested in speaking with partners who have portable business in key practice areas generally found in large general practice firms.

## Intellectual Property - Patent Prosecution

Intellectual property associates with 1-4 years of experience in patent prosecution and counseling should contact our Chicago office to discuss openings we have in Milwaukee and Madison. A background in life sciences is generally required and firms would like to see associates with undergraduate or advanced degrees in molecular biology, cellular biology, biochemistry or organic chemistry.

## Labor and Employment

Traditionally a counter cyclical practice that does very well in economic downturns, labor and employment is an area in which we have had a few requests at the 2-4 year level from firms in Milwaukee and Madison. Traditional labor experience representing management is required and Wisconsin Bar admission is preferred.

## Trusts & Estates

Although not generally an area in which we have seen much need in the last quarter of 2009, we do have a Madison firm seeking a trusts and estates associate with 3+ years of experience.

### **State of the Market: Michigan**

*by Jamie Bailey, Managing Director, BCG Attorney Search*

## Partners with Business

We are interested in speaking with partners practicing in Michigan who are seeking opportunities in Detroit and/or the surrounding legal markets, including Lansing, Southfield, Ann Arbor, Grand Rapids, Novi or Troy. In particular, we would like to speak with partners with a minimum of \$300,000 in portable business. Of particular interest are partners with portable business in the following areas: intellectual property, employee benefits, tax, employment, general commercial litigation, construction, healthcare, and corporate transactional.

## Detroit, Lansing and Southfield

The Detroit market continues to be hard hit by the economic downturn, but we are seeing opportunities for more senior level attorneys in this market. In particular, we would be interested in speaking with senior associates or junior partners with significant debtor-side experience. (Portables are not required for this position.)

Additionally, attorneys with 8-12 years of construction experience should contact us.

We also have [opportunities for patent attorneys](#) with 6+ years of experience (and a small book with local contacts) in Southfield. Technical backgrounds in mechanical, electrical, computer science, chemical and/or biotech will be considered.

Healthcare associates with 5+ years of experience in healthcare transactional and compliance matters (state and federal) and exposure to anti-kickback, physician self-referral laws and Medicare/Medicaid regulations should get in touch with us regarding opportunities in Southfield.

We also have a need in Southfield for patent attorneys with 6+ years of experience (and a small book of business) with backgrounds in one or more of the following areas: mechanical engineering, computer science, chemical or biotech.

## Grand Rapids, Novi, Troy

The markets surrounding Detroit have remained fairly quiet on the associate lateral front during the last quarter 2009. We have seen very little activity in these markets, except for healthcare positions at the 3-5+ year levels at firms in Grand Rapids and Troy. These firms are seeking healthcare associates who have experience in healthcare transactional and compliance matters (state and federal) and exposure to anti-kickback, physician self-referral laws and Medicare/Medicaid regulations, as well as exposure to physician and hospital contracting and regulatory reimbursement issues.

### State of the Market: Colorado

by *Jamie Bailey*, Managing Director, BCG Attorney Search

## Denver

### Partners with Portable Business

Denver firms are actively seeking partners with portable business in litigation, tax, corporate, M&A and securities. Larger firms are requiring significant books of business, but we do have some smaller firms in this market that will look at \$300,000+ in portables.

### Litigation

We have a number of [litigation openings in Denver](#) at smaller firms for attorneys with anywhere from 3 years to 15 years of experience. These firms would like to see experience in general commercial, construction or labor and employment litigation. Strong skills, including court room and deposition experience, first/second-chair experience and extensive motion practice and discovery skills are preferred. The Colorado Bar is most often required and many of these firms would like to see law review and prior judicial clerkship experience.

### State of the Market: Minnesota

by *Laura Rusche*, Legal Recruiter, Chicago Office of BCG Attorney Search

### Partners with Portable Business

We continue to see firms focus their recruiting efforts on partners with portable business. The amount of business required varies from firm to firm, but the largest and most prestigious firms seek a minimum of \$1 million. However, the smaller and mid-sized firms will consider less if the practice area and attorney are a good fit for the firm. At the present time, the firms in Minnesota are particularly interested in partners with portable business in the area of tax, corporate, labor and employment and intellectual property, among others. Partner-level candidates with a reasonable book of portable business should contact our Chicago office.

### Intellectual Property - Patent Prosecution and Litigation and Trademark

While Minneapolis is usually a hot bed for intellectual property attorneys, the associate market remains somewhat quiet. A few firms are seeking intellectual property litigation associates with strong academics, technical backgrounds and large law firm experience. On the transactional side, firms generally seek associates with technical backgrounds in the areas of electrical or mechanical engineering and biotech.

### Bankruptcy

Bankruptcy remains steady in Minnesota, although not as active as we have seen in prior economic recessions. Firms generally look for associates with both strong bankruptcy and litigation experience so that if/when bankruptcy dies down, they can focus on general litigation. Top quality candidates from Minnesota or with significant connections to the state are encouraged to contact our Chicago office for details about these

opportunities.

## **Corporate - Mergers and Acquisitions; Securities; Finance; Others**

While we have not seen much of an increase in demand for transactional associates in Minnesota, we are seeing a continued demand for corporate partners with business. We hope to see some new positions for corporate associates in the coming months as the economy continues to recover. In the meantime, we periodically receive corporate/M&A positions for top quality candidates, so please contact our Chicago office if interested in hearing more about these opportunities.

## **Litigation-General, Energy Litigation and IP Litigation**

While we have seen an increase in demand for litigation associates in the last month. Some firms are seeking former U.S. Attorneys while others are merely looking for talented attorneys with strong experience, preferably from a large law firm. Firms are generally looking for candidates with very strong academics and 3 to 6 years of sophisticated experience.

## **Tax, Trusts & Estates**

Over the last few months, we have received the occasional tax and [trust and estates position](#) for associate-level candidates, but the demand remains at the partner level. Most firms are looking for significant business, but a few small firms are looking for a minimum of \$100,000.

### **State of the Market: Indiana**

*by [Laura Rusche](#), Legal Recruiter, Chicago Office of BCG Attorney Search*

Like our other markets, there is an increased interest among Indiana firms for partners with solid books of portable business. The amount of business required varies from firm to firm, but in general, firms will take an interest in partners with \$500,000 or more in business. Partners with a portable book of business who are currently practicing in Indiana or interested in moving their practice there should contact our Chicago office.

In general, Indianapolis appears to have weathered the recessionary storm better than some of the larger cities in the United States. As a result, Indianapolis continues to offer positions for strong associates in the areas of labor and employment, employee benefits, litigation, healthcare and business law. Firms continue to look for strong candidates with at least 3 or more years of law firm experience. Candidates with top credentials should contact our Chicago office for assistance in applying to these positions.

### **State of the Market: Ohio**

*by [Laura Rusche](#), Legal Recruiter, Chicago Office of BCG Attorney Search*

## **Cleveland and Cincinnati**

### **Partners with Portable Business**

In both Cleveland and Cincinnati, demand continues for highly-qualified partners with portable business. Most firms are looking for partners in all areas of law, including but not limited to corporate, real estate, labor and employment, intellectual property, trusts and estates, tax, ERISA/employee benefits, litigation and health care. The amount of portable business required varies from firm to firm, but in general there are opportunities for partners with \$500,000 or more in portable business.

## **Labor & Employment; Litigation**

A few opportunities for mid-level litigators exist in Cleveland and Cincinnati. Most such firms seek associates

in the 3 to 6 year range with superb academic credentials and experience in general business litigation and labor and employment. As with other geographic locations, we remain cautiously optimistic that we will see an increase in demand for litigation and labor and employment associates in the coming months.

## Intellectual Property

We have not seen a recent increase for intellectual property associates in Cleveland and Cincinnati, but we are optimistic that this will change as the market continues to improve. Traditionally, firms in Cleveland and Cincinnati seek associates with technical backgrounds in electrical engineering, mechanical engineering, biochemistry, organic chemistry or chemical engineering. Interested candidates should contact our Chicago office for more details.

## Tax, Employee Benefits and Trusts & Estates

A few opportunities for tax, employee benefits and trusts & estates associates remain in Cleveland and Cincinnati. Because there are so many candidates on the market these days, firms tend to focus on associates with superb academic and law firm credentials. Most firms are looking for attorneys with 2 to 6 years of experience. If you have such credentials, please contact our Chicago office to hear more details about the specific opportunities in this region.

## Dayton, Columbus, and Toledo

Like the other Ohio cities, we continue to see opportunities for partners with portable business. Practice areas of interest include: corporate, litigation, bankruptcy, labor and employment, real estate, intellectual property, health care, tax, estate planning and employee benefits. Recently, we have seen an increase in opportunities for litigation associates in these cities. Generally, the demand is for attorneys at the two to four year range, although some firms will consider more senior associates as well. We also have a position available for an experienced government contracts associate, which is unusual but exciting.

### State of the Market: Utah

by *Laura Rusche*, Legal Recruiter, Chicago Office of BCG Attorney Search

## Partners with Portable Business

Firms in Utah are always interested in speaking to partners with significant portable business, especially if currently practicing in Utah or with strong ties to the area. Firms are skeptical of attorneys without connection to Utah who seek to move there, so if you are such an attorney, be clear as to your reasons for moving there. The amount of portable business required varies from firm to firm, so contact the Chicago office for more information.

## Litigation, Bankruptcy, Corporate and Intellectual Property

We have seen a slight increase in demand for mid to senior level corporate and securities associates in Salt Lake City, especially for those with a tax and/or real estate background. We are also seeing a mild demand for intellectual property associates with technical backgrounds. As the economy continues to improve, we are optimistic that we will see additional associate-level opportunities in a variety of areas.

### INTERNATIONAL

### State of the Market: Europe

by *Danice Kowalczyk, Esq.*, Managing Director, BCG Attorney Search (East Coast and International Markets)

With Twenty-10 now upon us, many are hopeful that the slight uptick we are seeing in the U.S. law firm job market will extend to our Europe- and Asia-based firm counterparts. Whether that happens remains to be seen. What we can tell you is that, traditionally, the third week of January triggers the beginning of the Winter/Spring hiring season, which typically lasts through the second week of May. It is during this time period that we see the most activity during a given year, and it is during January, in particular, that we most clearly see firms positioning themselves for the hiring of talent in anticipation of the year ahead. In January, firms: (i) reset their hiring budget; (ii) tally up who has left at the end of the year and the turn of the year; (iii) determine their needs for the upcoming season; and (iv) restructure their hiring prerogatives for the upcoming twelve-month time frame. All of this shapes the perfect storm for hiring, and with a slight uptick in legal hiring in the U.S. since the New Year began, we are hoping for similar signs of recovery in Europe and Asia.

While the next few weeks will be most telling, to date, we are seeing the following blips of activity in the associate sector:

## London

At the close of 2009, we saw London asking for candidates with backgrounds in corporate, restructuring/insolvency, and litigation. With the onset of 2010, we are seeing increasing numbers of firms looking for those same litigators, most particularly with a focus on complex commercial litigation (in general) and shipping litigation. On that same note, a number of groups have been asking for candidates who are versed in shipping finance and public international law (advising on maritime and land boundary laws, international investment law, transboundary pipeline projects, sovereign immunity, and trade sanctions). Insolvency candidates also remain hot, with the added request for candidates versed in financial regulation. Specifically, associates with knowledge of the Consumer Credit Act, other consumer laws and regulations in the consumer finance and retail banking arenas, and experience working with banks, consumer lending companies, and major credit card providers are in demand.

## Paris

At the close of 2009, Paris was still very quiet. Lately, the only activity we have seen has been in the finance area and areas attendant to power, energy, and infrastructure projects.

## Germany (Dusseldorf, Frankfurt, Munich)

As 2009 ended, the German market was marked by a number of closings (Davis Polk) and departures of talent - with a small number of firms building up instead of down. As 2010 breaks open, we are seeing one or two firms looking for corporate associates with diverse backgrounds, but that's it. I would venture a guess that many firms in these regions are still trying to formulate their business goals for 2010 and come up with a relatively acceptable body count to meet those goals - with none such determinations reaching the point of certainty (and new hiring) just yet.

## Moscow

Similar to other regions, there remains a significant reduction in work in the Moscow market as well as decreased profitability due to pressure on fees. As such, we are not seeing a lot, or any, activity here. December yielded a second round of redundancies for several top firms, which means we probably won't see any real hiring in this region for a while.

## State of the Market: Asia

by *Danice Kowalczyk, Esq.*, Managing Director, BCG Attorney Search (East Coast and International Markets)

As always, Hong Kong and Beijing are the cities which tend to offer the largest range of opportunities in Asia with Shanghai, Tokyo, and Singapore coming in second. Jobs remain fixated in the corporate sector, primarily capital markets, and the financial markets as firms look for associates with experience advising both domestic and international banks and other financial institutions with regard to the legal and regulatory

regime in the PRC. [Note: There has been an increase in firms asking for PRC-qualified candidates only.]

While the above references the goings-on in the associate world, it is important to note that the partner market remains hot as indicated below:

Partners with portables above U.S.\$1.5 million remain in high demand in any region - but, particularly, in Asia. We have received the greatest number of inquiries from Asia-based firms seeking new partners with portables in the corporate and IP practice areas.

### **For All Regions**

Finally, for any of the above regions, be aware that fluency in the language and proper qualifications, where requested, remains paramount to hiring. Anyone looking to make a "practice switch" or with "conversational" language skills need not apply until the markets even out a bit further - and we expect that to be in late 2010, early 2011. Until then, proper academics, top firm experience, fluent language skills, some sort of "tie" to the region (family or otherwise) and set jurisdictional qualifications - if requested - remain the roadmap to success in the international markets.