

BOSTON BUSINESS JOURNAL

How Boston's fastest-growing large law firm increased its revenue 15% last year

GREG RYAN
Boston Business Journal

Brown Rudnick LLP increased its gross revenue more than 15 percent in 2014 to \$191.5 million, more than any law firm with 75 or more attorneys in Massachusetts, according to *The American Lawyer*. (The firm had 76 lawyers in the state as of Jan. 1, and 230 lawyers worldwide.)

The bump was good enough to improve its AmLaw200 ranking from 158th to 153rd, in a year in which some big Boston firms, including K&L Gates LLP and Nixon Peabody LLP, saw decreases in revenue.

The Boston Business Journal recently spoke with Brown Rudnick Chairman and CEO Joseph Ryan about the big gains it earned in 2014 and what the future holds for the firm.

The firm's revenue rose 15 percent last year, one of the highest increases of any AmLaw200 firm. To what do you attribute that sort of increase?

It's not a one-year thing. It really has been a development you can trace over time. We've taken a somewhat different path than many of our competitors, in that we're focused on a few practice areas... we put a lot of resources into those practices, and those are the practices in which I think we're competing very successfully for the most high-value work. We're typically competing against firms five to 10 times our size... Our size can be an advantage. People sometimes think the bigger you are, the better. But [being relatively small] allows you to be more nimble and more efficient, very often.

We've got a lot of offices, spread from southern California to Paris. There's a tremendous amount of collaboration between lawyers in different offices. I think we just do a better job of marshaling our collective skills and experience.

And there's our international reach: about a third of our lawyers are in Europe, which I think is pretty unusual for a firm of our size, and pretty unusual for a Boston-based firm of any size. That's been an important driver as well, particularly in the litigation and corporate transactional practices.

What role has the Boston office played in that growth?

The Boston office is our largest office, and

it's the office where we have probably the most breadth of coverage, in terms of the practices. It's really the center of gravity, for example, for our life sciences practice. Because of the strength of that life sciences practice, we were able to expand to California, in Orange County. We've been able to grow the practice there, because of the reputation and strength of our practice here. We had clients out there before we had a presence out there.

Our restructuring practice is a very strong practice as well. Boston may not be as large of a restructuring market as Manhattan, but there have been a number of significant matters recently, and we're typically involved in those [including the New England Compounder Center bankruptcy]. We're very pleased to be instrumental in what was the generation of a \$200 million fund for victims as a consequence of our efforts and those of the trustee in pursuing recoveries.

Profits per equity partner and revenue per lawyer are both up significantly since 2008. To what do you attribute that sort of long-term growth?

It's a reflection of the value we're bringing to clients. The reality is, when your revenue per lawyer goes up, your lawyers are producing more revenue, and that's a function of the fact you're doing more valuable work for your clients.

Do you think you can sustain this level of growth?

Well, I certainly hope so. I'm rather bullish about the firm. It's a very challenging business for lots of reasons, not the least of which is demand for legal services has fallen relatively flat for the last few years. It's hard to grow your profits in the face of that sort of macro-economic conditions. But, on the other hand, I think what we're doing, it's one way to be successful in that environment. Focusing on and investing in our strengths, I think we're going to continue to do that. We're very fortunate to have a very collaborative group of partners and lawyers. We move together without a lot of friction.

We're going to continue to try to go down this path where we're really investing in our featured practices and trying to take advantage



BILL HORSMAN

Joe Ryan's Brown Rudnick LLP saw its gross revenue increase by more than 15 percent in 2014.

of opportunities in the marketplace. There's been some changes in French law that may result in much more robust restructuring activity in France. We've literally, just this month, brought on board two very excellent French restructuring partners. The French restructuring market, is sort of a market onto itself in many ways. That's an opportunity we've tried to look at and see how we can play a role, and we'll continue to do those kinds of things.

There are always new areas emerging. Anti-trust and intellectual property litigation, those are new for us. There may be others as we look ahead. We're always looking for things that make sense.

How do you plan to invest the net income you've achieved in the firm?

We have a lot of partners who have invested a lot of capital in the firm, and we use that, essentially, to invest in the growth and development of our future practices. It allows us to do things like the offices in Orange County and Paris, and to bring onboard top-tier lawyers in those jurisdictions and grow those practices. That does take investment and that's something the partners here are willing to do and will continue to do.