

- **BoFoley Hoag**
Finally, some good news for law firms.

The mood among managing partners improved during the first quarter, according to the **Citi Private Bank** Law Firm Group's managing partner confidence index.

Per the new survey, the overall confidence index gained nine points in the first quarter to hit 127, which marks the highest level for the index in nearly three years.

"I am feeling more positive because the transactional side of our work has stabilized and so that complements the litigation side, which was extremely strong in 2009. The combination of those two makes me more confident," said Ronald Ruth, managing partner of Sherin and Lodgen in Boston. "When I talk to other lawyers around town there's a general and audible sigh of relief."

Managing partners feel that the economy is improving and they feel better about their respective firms' prospects as well, according to the report.

Overall, they are also feeling much better about the legal market. About 69 percent of the survey's respondents say that the legal market is stronger today than it was six months ago.

Further, the survey's profit index gained 15 points, which boosted the profit index to its highest level since 2007 at a total of 113 points.

For the first quarter, 78 percent of managing partners said they expect profits to grow over the next 12 months, and the majority of the rest of the managing partners think that profits will stay flat, according to the survey.

The survey's results come as most law firms are reporting an overall drop in revenue last year, but a very slight increase in profits per partner, according to a recent report from New York-based American Lawyer.

Overall, there were 16 law firms out of the top 100 firms in the country that had profits-per-partner of \$2 million or more last year. And that was the same number in 2008. According to the American Lawyer list, there were no Boston-area firms ranked in the top 10 of law firms with the highest profits per partner.

And after a year marked by huge numbers of layoffs, managing partners are feeling better about hiring, the Citi survey's findings indicate. About 57 percent said they predict they'll hire associates over the next year, and about 14 percent of managing partners are reporting plans to open new overseas offices.

Last year was also marked by a dip in demand, as clients scrutinized legal budgets and tried to bring more work in-house.

According to the Citi survey, the demand index added 10 points to hit 148 — which is a return to late-2007 levels. The survey states that “a strong majority of respondents (72 percent) expect demand to grow over the next 12 months, one in five thinks it will stay unchanged and just 7 percent predict a decline.”

Foley Hoag adds to health care discussion

Boston-based law firm Foley Hoag has launched a new health care policy blog.

Noting that the recent passage of health care reform legislation “is by no means the end of the debate over how to overhaul the U.S. health care system,” the law firm said its new blog will focus on fresh postings about the legal, policy and regulatory features of the changing health care landscape.

The blog can be found at <http://www.healthcarelawandpolicy.com/articles/health-reform>.

Topics that the Foley's bloggers plan to cover include federal enforcement, bioterrorism, and medicare, among others.

Blog contributors will include Foley Hoag attorneys.

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