

## Cherry-picked

guns from the state's biggest and best firms, enticing them with flexible billing rates, shorter partnership tracks, oodles of support and a free rein. He gets their untapped potential, while they get a chance to shift their careers into high gear. With clients such as Visa USA, Lockheed Martin and Sun Microsystems, Match.com couldn't have done better.

His is a more proactive — if tedious — hiring strategy other mid-market firms are adopting. Rather than target highly sought-after rainmakers or hope for a ready-made practice group to shake loose from a large firm, these practices are building their offices piecemeal.

"It gives us the opportunity to service a niche — still premium — and attract really high-caliber people," Lund said.

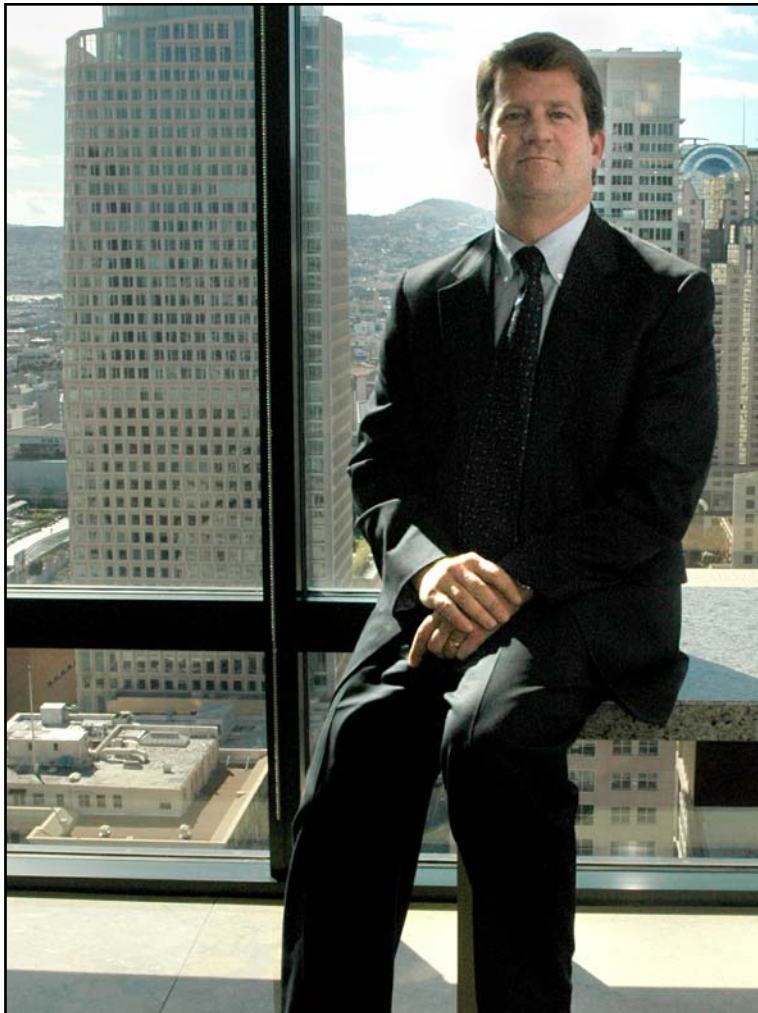
To offset the risks associated with not hiring tried-and-true rainmakers, Lund often consults with clients on which lawyers they trust. This also has the added benefit of building up client relationships and ensures a good match between lawyer and customers. So far, his strategy has paid off. Book-ending his days with a cup of coffee and a glass of wine, Lund flies out every week from his Denver-based firm to build up new offices in San Francisco and Los Angeles.

In the last three years the firm has hired 16 laterals, five of them partners from firms such as Heller Ehrman; Morrison & Foerster; Pillsbury Winthrop Shaw Pittman; and Latham & Watkins.

In terms of billing rates, firms like Lund's charge up to 30 percent less than the \$700-an-hour average billed at large firms.

Recruiter Avis Caravello said the Lund approach works well today, and is a smart adaptation some mid-market firms would benefit from making.

"Many firms make a mistake — they make a lateral hire and wait for the business to roll in," she said. "But it is an outdated concept in the Bay Area where we've



### MAKING THE

### PITCH:

Holme Roberts & Owen Managing Partner Kenneth Lund flies out from Denver every week in an effort to entice attorneys from big firms to populate new offices in San Francisco and Los Angeles.

SHELLEY EADES

## Firms tap underutilized talent

By Petra Pasternak

RECORDER STAFF WRITER

Norman Cruz was stuck at a big firm with no place to grow.

After nine years as a real estate associate with Wilson Sonsini Goodrich & Rosati, the 36-year-old Boalt Hall School of Law graduate knew the likelihood of making partner was slim.

High billing rates, conflicts of interest

and the firm's decision not to focus on real estate stymied his efforts to build up his own client base.

While he stresses he enjoyed working at Wilson, "as you get more senior, you need to think about building your own practice. I found it difficult to do."

To Kenneth Lund, managing partner of mid-market firm Holme Roberts & Owen, Cruz was ripe for the picking.

Lund specifically cherry-picks young

tapped out the power pool.”

Instead, Caravello said firms must be willing to take some risk and commit the time and resources to draw out a new hire’s potential.

“I call it an investment hire,” she said. “The firms that are very serious about growing are buying this philosophy.”

Sedgwick, Detert, Moran & Arnold Chairman Kevin Dunne said that in some ways grooming young lawyers is following the path of least resistance.

“Someone with a huge book of business is going to want a huge amount of money,” he said. Sedgwick has bolstered its transactional group and intellectual property practice through lateral hires who are attracted by lower billing

rates and the title of counsel or partner on arrival. Sedgwick can charge \$485 an hour.

Even mid-market firms with a global platform are adopting the cherry-picking strategy. With 18 offices worldwide and 1,000 lawyers, Reed Smith is busy scouring the Bay Area job market for talent to add to its efforts to “significantly grow.”

While San Francisco Managing Partner David Thompson said he would jump at the chance to hire an entire practice group, it’s still a blue-moon opportunity. The firms’ strong lateral culture has led to the addition of 17 new hires in San Francisco, seven of them partner.

“To compete, we have to have a vi-

sion,” Thompson said. “We have to anticipate who the candidates are who might not be realizing all they would like ... and who can break out at Reed Smith.”

For young lawyers who appreciate the opportunities their new mid-market firm provides, trading in a big name for more control over their future is worth it.

“Now my success hinges on my ability to bring in new clients,” said Cruz, Holme’s new hire. “They’re giving me all the tools. If it doesn’t happen, it would be my fault.”

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