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**ASSOCIATES SURVEY 2006 &  
FINNEGAN'S LEAP**

The IP *halo effect* helps fuel a Washington, D.C., firm's three-year climb up our *midlevel charts*.

BY ELIZABETH GOLDBERG

# Finnegan's *Leap*

For years, Finnegan, Henderson, Farabow, Garrett & Dunner hovered around fiftieth place

in *The American Lawyer's* midlevel associate survey rankings—respectable, but unexciting. A few years ago, that all changed: The firm jumped to twenty-second place in 2004; it leaped to seventh in 2005. And this year, the Washington, D.C.-based intellectual property firm claimed second place, finishing behind only Rochester, New York's Harter, Secrest & Emery.

To hear Finnegan's leadership tell it, such success just goes to show that sometimes nice guys do finish first (or close to it): "We invest a lot in trying to make this a nice place to work," says former managing partner Christopher Foley. "We try to avoid cliques and emphasize working together."

Of course, "collegiality" is a claim that most firms make and few firms deliver on. But Finnegan has the numbers to back it up. In the areas of partner-associate relations and associates' relations with their peers, Finnegan ranked second out of 175 firms nationally. Since 2003, the firm has also moved up on questions involving its billable hours policy and attitude toward pro bono, ranking tenth and thirty-fifth this year,

respectively. The seeds of change were planted when Foley took over in 2001 and overhauled the firm's part-time and pro bono policies. Since then, the firm has focused on improving communication with associates.

But if Finnegan's lawyers are teddy bears within the firm, they are bulldogs in court. And the firm's litigation success may also be a big factor in associates putting Finnegan at the top of the midlevel rankings. Growing recognition of the firm as an IP powerhouse (Finnegan was named IP Litigation Department of the Year by *The American Lawyer* in January) means more work that associates can sink their teeth into, firm leaders say. Finnegan finished in first place on this year's survey in interest level of work, first in training and guidance, and second on midlevels' satisfaction with their work.

"The diversity of the IP work here is what's great," says Timothy Lemper, a Finnegan associate. Because it focuses on IP, the firm staffs specialists in every legal niche in that practice area. Such bench depth means that associates are regularly exposed to clients with complex or unusual cases. "I get to deal with new and novel issues all the time," Lemper says. For example, he recently gave a presentation to a client about the legal strategy to obtain trademark rights on a color.

## FINNEGAN, HENDERSON

LAWYER HEAD COUNT	277*
OFFICES	Washington, D.C. Reston, Virginia Palo Alto, California Atlanta, Georgia Cambridge, Massachusetts Brussels Taipei Tokyo
GROSS REVENUE	\$235 million
MIDLEVEL SURVEY SCORE	4.433
MIDLEVEL SURVEY RANK	2 (of 175 firms)

\* AS OF AUGUST 31, 2005

COVER: THE SKY'S THE LIMIT IN THE FAST-GROWING IP FIELD, ASSOCIATES SAY. FROM LEFT, FINNEGAN MIDLEVELS ASHLEY PARKER, M. ANDREW HOLTMAN, AND YUKO SONEOKA.



FROM LEFT: FOUNDING PARTNER DOUGLAS HENDERSON, SONEOKA, PARKER, OUTGOING MANAGING PARTNER CHRISTOPHER FOLEY, AND ASSOCIATE CARLOS TELLEZ

Finnegan doesn't hold the patent on happy IP associates. Throughout our survey, IP midlevels reported slightly higher satisfaction levels than their non-IP counterparts. Of the 6,568 associates who participated in our survey, roughly 8.3 percent said they are primarily IP lawyers, and, as a group, they gave their firms higher scores than the non-IP associates on all 12 of the questions that we use to determine a firm's composite score. The five areas where the gaps between IP respondents and non-IP respondents were greatest are likelihood of being at the firm in two years (3.96 for IP respondents; 3.65 for non-IP respondents), interest level of work (4.24; 4.02), satisfaction level of work (4.07; 3.85), management openness about finances (3.59; 3.39), and how clearly the firm communicates about partnership chances (3.14; 2.97). IP respondents also had an edge over non-IP respondents in training and guidance (3.73; 3.6) and overall satisfaction with their firm (4.21; 4.05).

These scores may have something to do with the field itself and the midlevels it attracts. IP associates tend to be older and have significant work experience or training outside the law, often in science or technology. In addition, IP is intellectually

abstract—a still-developing body of law that increasingly commands the attention of big business and the public.

No industrywide studies have been done on the composition of the IP bar, but our survey results and interviews with practitioners suggest that IP associates are more likely to have taken time off between college and law school. While 57 percent of non-IP associates in our survey took a break between the two, 65 percent of IP associates did. In most cases, IP associates spent that interim period either getting an advanced degree in science, technology, or engineering or working in one or all of those fields.

"Very often [IP associates] are second-career attorneys," says Anna Tsirulik, a managing director with the recruiting firm Major, Lindsey & Africa. "Either they are young guns with a computer science degree who worked as a software engineer for two years or, very often, people who had a true career practicing as a mechanical engineer for ten years. With that seniority come wonderful traits like maturity and judgment."

Tsirulik isn't alone in believing that age and wisdom make IP associates better prepared to cope with firm life. IP associates say they have a confidence that comes from knowing they chose their careers after seeing the alternatives. "I have perspective on what

it's like to be in the working world," says M.J. Edwards, an IP associate at Wilmer Cutler Pickering Hale and Dorr. "I've had other jobs." She describes her work for a pharmaceutical company and a biotech firm as less engaging and lower-paying than the law.

"It has to get pretty bad around here for me to say it's bad," she says. "Relatively speaking, we lead a pretty good life."

## IP associates with a background in academic science or technology often

relish the opportunity to pursue that intellectual passion in a different venue. Most didn't leave the lab bench for the legal bar because they were tired of studying science; rather, they were tired of doing research. Finnegan associate Nicole Valtz says that as a researcher, "only 5 percent of what you do works." But as an IP lawyer paid to learn about cutting-edge science and technology, "we only see that 5 percent."

It doesn't hurt that IP is a hot field, either. Lawyers with technical or industry-specific skills are increasingly in demand at top general practice firms, while business leaders understand the importance of protecting their ideas. "When I got out of college, you didn't read about IP in the [newspaper]," says

Finnegan managing partner Richard Racine. “But the type of technologies in the patent field now are things we use in our daily lives. We see it more.”

## Not all IP specialty firms have been able to turn these advantages into high scores

on the midlevel survey, though. Of the three other firms in this year’s survey that had a majority of their associates in IP, only Boston-based Fish & Richardson broke the top 50, ranking forty-sixth. Although Fish & Richardson has broadened its practice recently, 75 percent of its respondents were IP lawyers, and they ranked the firm tenth and fourteenth, out of 175, on the interest level and satisfaction of the work, respectively. But they docked the firm, which fell 11 places this year from thirty-fifth in 2005, in the areas of pro bono commitment and training.

Two New York firms, Kenyon & Kenyon and Fitzpatrick, Cella, Harper & Scinto, did much worse, finishing 164th and 174th, respectively, out of 175. Kenyon & Kenyon’s associates were highly critical of communication within the firm, ranking it among the 20 worst firms on firm openness and last in training. Fitzpatrick, Cella’s associates rated their firm at the bottom for interest level and satisfaction of their work.

No matter how harshly they judged their firms, though, associates’ feelings about IP as a practice specialty were positive. Fitzpatrick, Cella and Kenyon & Kenyon associates say in interviews that their firms handle “great” and “fascinating” cases, but complain about distribution systems that keep the juicy stuff at arm’s length.

Finnegan’s associates did not always rate their firm so highly either. On openness about firm finances and billable-hours policies, it finished in the bottom half of the survey as recently as 2004. But it did have bedrock to build on in the areas of training and work satisfaction, issues of central concern to associates. “The training is abundant and unending,” one anonymous Finnegan associate wrote in this year’s survey. “Henderson’s firm encourages as much training, CLE, and other professional development as you can take.”

In addition to regular programs that offer training in either substantive areas of the law or soft skills like business development, Finnegan sponsors an in-house writing center led by writer-in-residence C. Edward Good, a former faculty member at the University of Virginia School of Law, where he headed the school’s legal writing program

for first-year law students. Good offers seminars and one-on-one training to Finnegan lawyers. Associates say the firm’s focus on legal writing has made them more persuasive lawyers.

Finnegan also runs a “student associate” program for individuals who have prior patent experience, usually from working as examiners in the U.S. Patent and Trademark Office. Other firms with large IP groups have similar arrangements, but Finnegan’s is among the oldest and most developed. This year it has 55 participants. They work for the firm doing patent review while they are in law school, and Finnegan covers their tuition. Foley says this raises the bar for the firm’s other training programs because many associates are already proficient at the basic work of evaluating patents when they join the firm as lawyers.

Similarly, the firm’s scores have risen in the area of attitude toward pro bono work. When Foley became managing partner five years ago, the firm did not even give billable credit for associate pro bono work. Now it awards a maximum of 50 billable credit hours for pro bono work a year.

## At the same time, the firm launched a pro bono criminal litigation program in 2001.

Associates get ten hours of training in criminal procedure and then try cases in D.C. superior court on behalf of indigent criminal defendants. This program was expanded in 2004 to include such civil work as asylum, custody, and landlord-tenant cases. Roughly 50–70 associates participate in these programs annually.

“It took a couple of years to get started,” Foley acknowledges. But the firm is seeing the fruits of that labor now. Its ranking in the area of pro bono has risen from 140th in 2003 to thirty-fifth this year. Associates say that buzz around the program is still growing, as people learn about the opportunity and see it as a good way to get time in court. Racine says the firm hopes to expand its pro bono program beyond D.C. and Virginia to the firm’s three other U.S. offices in Palo Alto, Atlanta, and Cambridge, Massachusetts.

Another area where the firm’s scores went up is its policy on billable hours. In 2003 Finnegan ranked 104th; now it’s tenth. Since the policy itself did not change—then, as now, associates at all levels are required to bill 2,000 hours a year—Finnegan’s rise may have partly to do with dissatisfaction over hours among associates at other firms. But current Finnegan midlevels do report feeling that the number of hours they bill is less critical to their future at the firm today than their counterparts did two years ago.

Firm leaders say the firm has made a concerted effort recently to more clearly spell out the firm’s expectations regarding billable and nonbillable hours during its weeklong orientation session for new lawyers. More important may be the fact that midlevels believe it is possible to make partner at Finnegan by billing just the required hours. While the firm will pay productivity bonuses for billables up to 2,400 a year, those who bill just 2,000 a year can reach the top of the firm, midlevels say.

Clear communication is at the root of Finnegan’s showing in the category of partners’ relations with associates, where the firm ranks second. Over the last three years the firm has adopted a new review for second- and sixth-year associates in the spring to improve communication between associates and partners. It targets people who are struggling or excelling, and gives them an unvarnished assessment of their future. The firm’s score on feedback has risen from 3.95 in 2004 to 4.42 in 2006, and its score on the quality of communication about partnership has risen from 3.11 in 2004 to 3.58 in 2006.

“There is a lot of effort to provide feedback to associates,” says associate M. Andrew Holtman. “You get intensive reviews as you go forward, and it’s pretty transparent.”

The one area that continues to bedevil Finnegan is management openness about finances. While the firm is up to sixty-fifth this year from 113th in 2003, it is an issue the firm hasn’t yet resolved. Foley says he understands associates’ interest and is trying to become more open with them. But associates say the partnership needs to be even more transparent.

If improvements in policy and communication account for Finnegan’s recent rise in the rankings, the firm’s long-standing practice of giving associates access to substantive work and key clients is the underlying source of their satisfaction. Because associates get staffed on matters by stating interest in a specific field, client, case, or partner, they have the flexibility to try various kinds of work and specialties before settling down.

“All clients are firm clients,” says Darren Jiron, an associate at Finnegan, echoing a phrase used by several of his peers. “When the work comes in, they put together a team based on work experience and expertise, so you aren’t pigeonholed with the same people all the time. You work for the firm, not one guy.”

If that remains true, topping the midlevel survey may become a Finnegan trademark.

# Leveling the Playing Field

TRADITIONALLY, SMALL FIRMS SCORE HIGHER THAN large firms on our annual survey of midlevel job satisfaction. Smaller midlevel classes and/or a shorter partnership track at midsize and boutique firms may explain the difference. In order to level the playing field, on these charts we compare firms according to their size. In the first category are firms whose annual gross revenues are too low to qualify for The Am Law 200. These are the smallest firms that took part in our survey. In the second category are Second Hundred firms—numbers 101–200 on the most recent Am Law 200 survey [June]. In the final category are firms that appeared on our most recent Am Law 100 [May] or Global 100 [November 2005] surveys.

## RESULTS BY CITY

	Rank in city	Score for office/city	Respondents
<b>District of Columbia</b>			
<b>Washington, D.C.</b>			
CITY AVERAGE		3.724	
<b>Finnegan, Henderson</b>	<b>1</b>	<b>4.451</b>	<b>17</b>
Morrison & Foerster	2	4.334	6
Dickstein Shapiro	3	4.292	17
Pepper Hamilton	4	4.233	5
Latham & Watkins	5	4.153	32
Orrick	6	4.120	11
Seyfarth Shaw	7	4.017	5
Cleary Gottlieb	8	4.011	12
Baker Botts	9	4.004	5
Wiley Rein	10	3.972	11

## How Firms Stack Up

TO FIND OUT HOW MIDLEVEL ASSOCIATES RATE THEIR firms as workplaces, our annual midlevel survey examined 12 areas that contribute to job satisfaction. They include relations with partners and other associates, the interest and satisfaction level associates have in their work, training and guidance, policy on billables, management openness about firm strategies and partnership chances, the firm's attitude toward pro bono work, compensation and benefits, and the respondents' inclination to stay at their firm for at least two more years. Respondents graded their firms on a scale of one to five, with five being the highest score. On this chart, firms with ten or more responses are ranked by their averages on those questions, based on responses from all their offices. The location listed is the firm's headquarters city.

## Am Law 100/Global 100 Firms

Rank	Firm	Location	2006 Overall Score
<b>1</b>	<b>Finnegan, Henderson</b>	<b>Washington, D.C.</b>	<b>4.433</b>
2	Dickstein Shapiro	Washington, D.C.	4.429
3	Cooley Godward	Palo Alto	4.261
4	Faegre & Benson	Minneapolis	4.260
5	Latham & Watkins	National	4.119
6	Orrick	San Francisco	4.116
7	Pepper Hamilton	Philadelphia	4.062
8	Seyfarth Shaw	National	4.038
9	Gibson, Dunn	Los Angeles	4.037
10	Kilpatrick Stockton	Atlanta	4.036

## The Local Picture

HERE WE LOOK AT HOW FIRMS FARED ON A MARKET-by-market basis. This chart includes offices from which we received at least five responses. The scores, ranks, and number of respondents pertain only to the firm's office in the city indicated. For more detail on the questions we use to calculate our score, go to [americanlawyer.com](http://americanlawyer.com).

## NATIONAL RANKINGS

2006 Rank	2005 Rank	Firm, Location	Overall Score	Respondents and Response Rate
1	1	Harter, Secrest, Rochester, <i>New York</i>	4.594	15 (94%)
<b>2</b>	<b>7</b>	<b>Finnegan, Henderson, Washington, D.C.</b>	<b>4.433</b>	<b>24 (44%)</b>
3	5	Dickstein Shapiro, <i>Washington, D.C.</i>	4.429	28 (49%)
4	2	Nutter McClennen, <i>Boston</i>	4.406	19 (83%)
5	–	Munger, Tolles, <i>Los Angeles</i>	4.327	29 (57%)
6	9	Goulston & Storrs, <i>Boston</i>	4.313	13 (81%)
7	11	Patterson, Belknap, <i>New York</i>	4.273	11 (33%)
8	8	Cooley Godward, <i>Palo Alto</i>	4.261	59 (60%)
9	26	Faegre & Benson, <i>Minneapolis</i>	4.260	29 (45%)
10	–	Honigman Miller, <i>Detroit</i>	4.203	11 (55%)

# Methodology

Over 6,500 midlevels responded to *this year's survey*. Here's how we collected and crunched the data.

BY TOM BROUCKSOU

## We base our Annual Midlevel Associates Survey on responses from 6,568

third-, fourth-, and fifth-year (classes of 2001, 2002, and 2003) associates from law-firm offices around the globe. Any firm may participate in the survey, which is distributed during the spring.

We received responses from 41 percent of the 15,932 associates invited to take part. An individual firm's response rate is based on the number of returns out of the surveys distributed. A firm can choose which branch offices take part, so the number of eligible midlevels does not always reflect the size of midlevel classes firmwide. Response rates are rounded to whole numbers.

All of the responses are used to calculate the overall averages. We did not include part-time associates for the average hours billed, hours worked, base salary, or bonus.

For a firm to be included in the National Rankings chart, we must receive ten or more completed surveys from associates with the firm. This year, associates from 197 firms participated, and 175 of the firms returned the minimum ten responses needed to be included in our national rankings. A firm's national score is the average of 12 questions on the survey that summarize the firm's qualities, including the interest and satisfaction levels of work; benefits and compensation; relations between associates and partners; training and guidance; openness about finances and strategies; billable hours policy; the firm's attitude toward pro bono work; and the likelihood of the associate being at the firm in two years.

For a branch office to be included in the Results by City chart, we must receive five or more completed responses from associates in that office. The same 12 questions are calculated for individual cities or markets to determine branch scores and rankings. All question averages are rounded to two decimal places. Scores for firms are calculated from those rounded question averages, and then rounded to three decimal places.

For the Rankings by Size charts, we group and rank the firms by revenue: those on our most recent Am Law 100 and Global 100 charts in one section; Am Law Second Hundred firms in another; and the firms that are on neither The Am Law 200 nor The Global 100 in a third section.

On both the national and by size charts, firms designated as national rather than by their headquarters have no more than 45 percent of their lawyers in any single region. Firms with an international designation have at least 40 percent of their lawyers working outside their home country. All others list the firm's headquarters as their location.

Additional firmwide results appear on our Web site, [americanlawyer.com](http://americanlawyer.com). Watch for results of the annual Summer Associates Survey in the November issue of *The American Lawyer Student Edition*.

Requests to be included next year and other questions may be directed to [associates@alm.com](mailto:associates@alm.com).

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