Turning 50, Greenberg Traurig Tops The Law360 400

By Cristina Violante

Law360, New York (May 29, 2017, 8:26 PM EDT) -- Greenberg Traurig LLP is celebrating its golden anniversary with a trip to the top of Law360's list of the largest U.S. law firms, capping off decades of steady growth by ousting Jones Day from the No. 1 spot.

While its 2 percent growth in 2016 mirrored the industry’s overall average, the uptick was enough for the firm to leapfrog its rival, which shrank slightly, according to our annual ranking of the largest U.S.-based law firms as measured by domestic attorney headcount.

“We’ve gotten bigger over the last 50 years, without a doubt,” said Brian Duffy, Greenberg’s CEO. “I also think we’ve gotten better every year over the last 50 years, and the latter is the more important part. There’s nothing magic about being a larger firm, but it is important to always, every day, be a better law firm.”

Greenberg Traurig Settles Into No. 1 Spot
Steady growth has pushed Greenberg Traurig into the top spot on the Law360 400.

<table>
<thead>
<tr>
<th>Year</th>
<th>U.S. Attorneys</th>
<th>Attorney Change</th>
<th>U.S. Partners</th>
<th>Partner Change</th>
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<td>2016</td>
<td>1,717</td>
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<td>912</td>
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<td>3.21%</td>
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<td>2013</td>
<td>1,558</td>
<td>N/A</td>
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<td>N/A</td>
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Greenberg’s climb to the top of the Law360 400 has been gradual. The firm has hovered in the top three since 2013, and it is one of only four firms in the top 10 that have grown in each of the past three years. Others in the top 10, by contrast, expanded at a much faster pace than Greenberg did in 2016: Kirkland
& Ellis LLP added 174 attorneys to break into the top five and Latham & Watkins swelled its ranks by almost 5 percent last year.

Although the firm has expanded by as much as 20 percent annually over its half-century in business, Greenberg is now on a path of slow, deliberate growth, according to its executives, who note that its recent additions coincide with a plan to deepen certain core practice areas and better use technology and project management to serve clients.

Since embarking on the plan — dubbed “Independence Day” and launched on July 4, 2013 — Greenberg has grown by over 10 percent, from 1,558 attorneys in the U.S. at the end of 2013 to over 1,700 last year.

Much of this growth has been driven by lateral acquisitions.

Law360 data on the lateral partner moves at the 200 largest U.S. law firms by headcount shows that Greenberg brought on over 50 lateral shareholders last year, making it the fourth most active lateral recruiter out of the largest 200 U.S.-based firms in 2016.

But compared with past years in which the firm was growing by 15 or 20 percent purely through lateral acquisitions, such hires have actually slowed, said Richard Rosenbaum, Greenberg’s executive chairman. He said the firm has set a higher, more selective bar on the lateral front.

“It’s not just about, ‘Do you have business?’ It’s about, ‘Do you fit our plan?’” he said.

While the firm typically finds laterals through executive searches, recruiters or recommendations from current attorneys, Rosenbaum said he has recently noticed a new trend — senior attorneys at other firms looking to join Greenberg Traurig at the suggestion of their clients. This is especially true in certain practice areas that are being sidelined by other firms, such as real estate, technology, and media and entertainment, he said.

“You’re seeing some fairly major clients saying to lawyers at those firms, ‘Maybe you ought to talk to Greenberg Traurig,’” he said. “So I would say more so than I’ve ever seen in my career, some lateral recruiting is initiated by clients.”

The most high-profile addition last year was former New York City Mayor Rudolph Giuliani, who decamped from the firm then-known as Bracewell & Giuliani LLP to lead Greenberg Traurig’s cybersecurity and crisis management practice in January 2016. Several Bracewell partners followed suit, deepening Greenberg Traurig’s white collar and securities capabilities.

Giuliani took time off from the firm to campaign for President Donald Trump in the fall and has since been appointed as a cybersecurity adviser to the administration. For some, he has been a
polarizing figure, in part because of his comments that Trump asked him to create a commission for the implementation of a “Muslim ban” and to find a way “to do it legally.” The firm later distanced itself from the statement.

But regardless of whether they agree with Giuliani’s politics, clients are unlikely to view his association with the firm as a negative, said Michael Rynowecer, president of BTI Consulting Group. Such a high-profile acquisition sends a message that the firm is “wired” and can get things done, he said.

Another high-profile hire for the firm in 2016 was Louis Solomon, the former co-chair of the litigation department at Cadwalader Wickersham & Taft LLP, who brought along three other former Cadwalader partners.

Other lateral additions from the past year have been in practice areas — and geographic locales — that Duffy said the firm is looking to cultivate. These practice areas include private equity, mergers and acquisitions, and tax, and one location it’s looking to expand in is Texas.

For its Lone Star State practice, the firm nabbed four DLA Piper partners last spring specializing in tax, securities and complex litigation, one of whom was the managing shareholder of DLA Piper’s Dallas office. Three Texas-based Haynes and Boone LLP attorneys also moved to Greenberg Traurig last year, including two bankruptcy shareholders and one health care partner.

The firm brought on two other Dallas-based tax shareholders in January 2016, one from Norton Rose Fulbright LLP and one from Munsch Hardt Kopf & Harr PC.

While most firms at the top of the Law360 400 trace their lineage back at least a century, Greenberg Traurig has become the largest U.S. firm after opening its doors 50 years ago in Miami.

At the behest of its clients, the firm began crawling up the Eastern Seaboard in 1991 when it expanded into New York City, now the firm’s largest office. The firm launched its Atlanta office in 1998, it opened its doors in Boston, Chicago and Delaware in 1999, and it moved into New Jersey in 2002.

Greenberg has carefully chosen when and where to enter competitive markets, according to Rynowecer.

“For a very long time that strategy was built around staking out strategic locations, finding the right combination or the right opportunity to enter the market,” he said.

In Silicon Valley, for example, the firm waited to move in until after the 1990s technology bubble burst. Laterals from Silicon Valley mainstays Cooley LLP and Wilson Sonsini Goodrich & Rosati PC, among others, opened the Silicon Valley location in March 2004.

“It was easier to enter at that point because during the tech boom you couldn’t get attorneys, you
couldn’t find people, you couldn’t recruit,” Rynowecer said. “But after the tech bust, you certainly could.”

Similarly, instead of jumping to London as a launching point for European expansion, the firm first built an Amsterdam outpost in 2003 — another example, Rynowecer said, of entering the market “in a way that might make it easier for them to succeed.”

Many firms choose to enter London first as a portal to the financial services market. Amsterdam, on the other hand, has industries outside of finance, and can give the firm access to European clients in a less competitive market.

Rosenbaum and Duffy said that the firm intends to keep on the same path by remaining nimble and empowering its shareholders, whether it comes to arranging alternative fee arrangements or to utilizing new technologies such as legal analytics platforms and e-discovery.

Firm leadership has a “service mentality,” Rosenbaum said, “because we think that that’s where the power needs to be, is close to the ground with the people who are dealing with the clients every single day.”

--Additional reporting by Matthew Guarnaccia and Allissa Wickham. Editing by Jeremy Barker and Jocelyn Allison.

Methodology: Law360 surveyed U.S. law firms, and vereins with a U.S. component, on domestic attorney and partner headcount information as of Dec. 31, 2016. Firms based outside the U.S. were not surveyed, and only attorneys based in the 50 states and the District of Columbia were included in the responses.