

Seattle's best ... in Chicago

**Perkins Coie has quickly grown here with a think-small strategy:
Recruit friends — one, two and three at a time**

By Roy Strom

The Port of Seattle is a busy place. Countless cargo containers perform a choreographed dance from trucks to parking lots, then back to trucks, before red steel cranes stack them six or seven high onto massive ships headed across the Pacific Ocean.

At one of the 10 largest container ports in North America, \$10.1 billion worth of goods — mostly paper, animal feed, vegetables and lumber — weathered this rain-soaked routine in 2012.

But that number doesn't account for another Emerald City export: A law firm that holds a designation not often associated with its profession — it has scored a spot 12 years in a row in the 100 Best Companies to Work For list published by Fortune — and that has recently made Chicago a bustling port of entry for its lawyers.

Founded in Seattle in 1912, Perkins Coie has leveraged its legacy incorporating, and then representing, The Boeing Co. to now name as clients a wide swathe of today's highest-tech companies — Amazon, Facebook, Google, Microsoft, Intel and more. It has brought what is often

described as an open, amenable culture — complete with a “no jerks” rule (well, that's the G-rated version) — to 19 offices across the country and Asia, now housing more than 900 lawyers.

You could be excused for not noticing, but today about 110 lawyers in Chicago call Perkins home.

The office here opened in June 2002 with just three lawyers. It grew quickly — adding a group of about 17 lawyers from Altheimer & Gray in 2003 before the headcount reached near 50 in 2005, where it plateaued through the recession.

The startling growth of about 50 more lawyers came in the past 2½ years. Twenty-two lawyers joined in 2012 and another 20 came on board last year. The firm is looking for more, especially in its IP litigation and personal planning practices, as it fills the final half-floor of its 4½-floor lease at 131 S. Dearborn St.

Apart from the Altheimer & Gray group and a number of attorneys joining more recently from K&L Gates, the office has grown “the hard way,” as Christopher Wilson, the local managing partner put it — hiring hand-picked lawyers one to two to

three at a time.

It is a strategy that requires large investments of time but is designed to ensure every new lawyer, in short, isn't a jerk.

With that growth comes questions.

How can the firm unlock the financial benefits of a lateral hire — namely, cross-selling services — not just with one lawyer, but nearly 50? How does a relative newcomer win business in a city with plenty of centuries-old, brand-name firms to compete with? And, notwithstanding a relatively rigorous intake process, how do you maintain a consistent environment with so many new people and personalities?

The firm's lawyers have a number of answers. Among them: It is hiring well-known lawyers from the most competitive firms in the city. Perkins' national platform that includes offices in lower-billing-rate cities such as Boise, Idaho, Denver and Phoenix allows it to offer flexible fees to companies of all sizes — helping to win business on this city's growing tech front. And its dedication to its culture acts as a kind of Super Glue for those oh-so-

important intra-firm lawyer bonds. Break the “no jerks rule,” and you’ll get a phone call from Robert Giles, the firmwide managing partner.

As the 40-plus lawyers who joined in the past two years settle into their new office — and as it reaches what it calls a critical mass of 100 in total — the story of Perkins’ Chicago presence provides a look at how a national firm can export a well-entrenched culture from one city to the next.

Counsel to a great company

Perkins brands itself as “Legal counsel to great companies.”

Opening a Chicago office was a manifestation of those words. Boeing moved its headquarters to the Windy City

in September 2001. Perkins, the aerospace giant’s primary counsel since its incorporation in 1916, followed it here less than a year later.

The office opened with three attorneys. Donald E. Walther moved from Perkins’ Seattle office and was joined by two litigation partners from Grippio & Elden, Eric D. Brandfonbrener and Wilson, the aforementioned office managing partner.

“Our relationship (with Boeing) gave us a reason to be in Chicago,” Wilson said. “And (it) gave us more credibility in Chicago than we would have had without that.”

The office was bolstered in October 2002 by 11 product-liability litigators arriving from Cahill Christian & Kunkle, including

name partners William Cahill and John Christian.

In a news release announcing their arrival, the firm said it wanted to grow to 50 lawyers by the end of the next year. That didn’t quite happen. By 2003, it made it to around 33 lawyers after adding 12 attorneys — eight partners, four associates — from the doomed Altheimer & Grey firm to form a real estate and tax practice. It made it to 50 by 2005.

Among the eight partners brought over from Altheimer was real estate lawyer Alex Cole. She was initially recruited by her University of Chicago Law School classmate and Perkins partner Harry Schneider.

As Altheimer crumbled in 2003,



Randy A. Bridgeman, Bruce A. Zivian, Marcelo Halpern and Timothy J. Carroll



Christopher B. Wilson, Alex Cole and Pravin Rao

Schneider and firmwide managing partner Giles got on a plane to Chicago over the July 4 weekend — it was the first example of national management showing strong support for the Chicago office, which local partners stressed has been a constant theme and a large contributing factor in its fast-paced growth.

“They made time for people who were very sad, very shocked,” Cole said. “And they did just a lovely job of helping people try to get through the information. They were extremely incisive on their reviews of people’s numbers and relationships — why it was that our real estate team fit so well with our private equity team and tax guys.

“They really got what we were showing them, and a significant number of us came over.”

What about Perkins makes it win workplace awards? Cole points to a key difference between Perkins and Altheimer.

“One of the other things often said about my former law firm it was a pretty tough place. The sharp elbows came up in a lot of different discussions,” Cole said.

“And I will say, when Bob and Harry were interviewing people and talking to each other, they said (that) due to that reputation, we never would have acquired Altheimer & Gray in total. They weren’t wrong about that. It was a pretty tough place.”

But what’s the secret to keeping Perkins’ culture intact with so

many new bodies coming onboard?

“We’re all recruiting our friends,” Cole said. “And people we’ve wanted to practice with that we’ve been in touch with over the years ... And so if you hire good people, they know good people. And it’s geometric.

“I mean, I can never leave, because all my friends are now here. I got back Mindy (Wolin Sherman) and Tim Carroll. Got back Mike Owen. I look at that and go, ‘Well, I’m done.’ What am I going to do?”

How do you win the awards?

Cole and eight other partners interviewed for this story agree that Perkins was, in so many words, pretty far from a tough place. Having a comfortable workplace is clearly highly valued.

Without working at the firm or experiencing the office outside of two days’ worth of interviews, it can be difficult to convey what is different about Perkins’ hallways. But the nine partners all had their views — running the gamut from how well staff members are treated to management’s efforts to stomp out any rude partner behavior.

Cole compared the environment and the “no jerks rule” to a particularly American trait that a British colleague once commented on when the pair were in a Kiev, Ukraine, airport as

Yugoslavia disintegrated into sectarian violence.

“I said I wouldn’t necessarily know the religion of my next-door neighbor even if I barbecued with them every Saturday,” Cole said. “Because unless it’s offered up, you don’t ask. But that’s an attitude that others don’t share. (Her British colleague) said, ‘Americans are incredibly unique in that. ... While there can be private prejudices, it is not correct to publicly express those prejudices.’”

“And Perkins has the same feel about the no a—— rule. They don’t change people’s personalities. But they really do not tolerate bad behavior.”

Randy Bridgeman, an M&A partner who joined from K&L Gates, expressed another view.

“They’re invested in their lawyers,” he said. “I have a marketing coach. I’m being sent to Northwestern for a management session. They’re really about investing in their people.”

Domingo Such, a personal-planning partner who hopes to grow the office’s practice in that area after joining from McDermott Will & Emery last year, pointed to the firm’s focus on keeping lawyers connected, largely through retreats. Perkins holds firmwide retreats for all diverse lawyers, women lawyers, lawyers within particular practice groups, partners and, as one attorney joked, “retreats to plan retreats.”

“In too large an organization you can get disconnected. But, if there is a firm that makes investments and you have opportunities to interact with those people, you stay connected,” Such said. “That’s what happens here. There’s a real live network among the partners to connect each other with the other partners.”

Marcelo Halpern, a technology transactions partner who joined from Latham & Watkins about two years ago, gave an example of the “little things” that he and other lawyers said staff members do that add up to “a good feeling” about Perkins.

For Halpern, the moment came when he opened up a booklet of information on summer associate candidates that would guide him during on-campus interviews at the University of Chicago.

He found all the usual items — a



Marcelo Halpern

schedule, biographies, etc. Then he found snacks — peanuts and pretzels.

“You look at that and you say, OK, how much is a little package of nuts or pretzels to put in someone’s on-campus interview package? Nothing,” he said.

“But what does it mean to somebody who is sitting in a windowless room doing on-campus interviews all day long that someone thought about the fact that you’re going to be hungry? That you’re going to want a snack? And so you just get those little things and it makes you feel good. It makes you feel good about the firm. And that’s what makes you win the awards.”

Not-too-tough tough guys

The Chicago office received a reputational shot in the arm in 2007 when former assistant U.S. attorney Patrick Collins joined Perkins fresh from prosecuting the corruption scandal that sent former Gov. George H. Ryan to prison for 6½ years.

Collins said he bit at the chance to grow a white-collar practice from close to scratch. Today, he leads corporate internal investigations, defends executives accused of wrongdoing and has also kept room for plaintiff work in his practice — he was hired by the Indiana attorney general in

2007 to lead a racketeering trial against a former mayor.

Collins was also attracted, he said, by the “kinder, gentler” atmosphere at Perkins — to an extent.

“I never wanted the kinder, gentler thing (to be) a detriment to being a great lawyer building a great practice,” Collins said. “And I have found over (the past) seven years that there’s not a tension there. In fact, it can be complimentary.”

As an example, Collins described how he practices courtroom performances in front of staff members. A simple e-mail often produces more than 10 people willing to critique his bit.

“I get some really great feedback. And yes, I do give them some shakes,” Collins said. “But we have to turn people down. The point of it is there’s a sense that if you have a project and someone can help you, you don’t have to twist arms to do it. People want to help.”

While it may be a helpful recruiting point for lawyers jaded by their firms, it would be a mistake to think that the culture inside the office is solely accountable for the office’s success in the outside world.

As Pravin Rao, firmwide leader of the white-collar practice group, said, “I can’t

believe anybody's ever hired us because of that distinction (Fortune's 100 Best Places to Work For). It doesn't hurt you. But the client wants to know: Are you going to do the job in the most economic way possible and get me the right result? That's it. And it's great that you have a great place to work."

The white-collar group's success in the market — it has represented executives at Google, Northrup Grumman in a False Claims Act case, Boeing in shareholder lawsuits and other Fortune 500 companies — provides something of a microcosm for the growth at the Chicago office and also offers a more general view into the firm's nationwide expansion.

The firm's white-collar practice started in Chicago with the hiring of Collins in 2007. Rao, a former enforcement chief at the Securities and Exchange Commission, joined from the U.S. attorney's office less than a year later.

Today, the Chicago office houses nine lawyers who are primary members of the white-collar and investigations practice. Ten others regularly handle work for the practice. Nationally, there are 30 primary members of the practice that Rao said may grow to as large as 40. The practice expanded to New York, Colorado, Seattle and Washington, D.C.

"Perkins as a whole nationally supported this office, which allowed this office to expand," Rao said. "And our practice expanded at the same time. We hired more associates. We made partners, and we were also able to hire more people nationally. ... Being able to offer up a full-service practice brings you out of the niche game of saying, 'Hey, I can handle a case in Chicago only that involves public corruption.' Or only involves local narcotics or high-end money laundering.

"It gives you broader reach nationally and internationally. It gives you credibility to take on the biggest cases that we're going to staff with 10 people from different offices."

The import-export business

While the white-collar practice originated in and exports work from Chicago, much of the other practices benefit from the firm's legacy presence

outside the city.

That can be seen by the focus on representing technology companies — a reputation bolstered by work with Boeing but has continued through to Craigslist Inc.

Bruce Zivian, a partner who has represented young tech companies and the financiers who back them since his first tech deal in Chicago in 1989, joined the firm from K&L Gates in 2012. He said Perkins has a more "West Coast" approach to providing value for startup companies.

The firm, which wouldn't disclose its fees, allows its lawyers to take equity stakes in companies for deferred payments. They do "risk-reward" deals, where a legal fee is based on the company's eventual success. They invest with and in clients. And they can offer discounts on fees.

Zivian also pointed to his ability to ship work to partners in Denver, Boise or Portland, Ore., for a lower cost.

"For example, we can bring a team of lawyers from Portland on the M&A side who do a substantial amount of work for Intel, and we can do that on a cost basis that makes sense for the deal and for the client," he said. "So with all those tools, we have more flexibility for the folks we came over with than we've ever had."

Carroll, an IP litigator who joined the firm in 2012, said a similar dynamic exists for his practice. With a strong team of lawyers in Chicago, Madison, Wis., Palo Alto, Calif., and San Francisco, the firm has most of the major hotbeds for patent lawsuits well-covered.

Carroll spent more than 10 years at Vedder Price before making a lateral move to Loeb & Loeb. When he was looking to leave Loeb & Loeb, he did his homework. Over a span of about 20 months, he talked to more than 40 firms.

"If you look at this market, you have firms who have been here for decades. And as a result, work doesn't really flow away from these firms," Carroll said. "And I think, as a result, a lot of firms had some really poor strategies as to who they were going to get to open these offices and build out the offices. ... When I was looking around, I wanted to go to a firm that I knew was well run and could execute on this strategy."

He viewed Perkins as having done that.

"We usually don't miss out very often," Carroll said. "Not many other firms in this town have had that kind of success in recruiting laterals. We're pleased about it and we're adding phenomenal talent. ... I'd put us up against anybody in town."

Carroll said another aspect in his decision to come to Perkins was the chance to work in an atmosphere where "people like each other" and perks including monthlong sabbaticals are offered to long-serving partners.

"You've got to protect your asset — your health and your sanity," Carroll said. "And this is a tough way to make a living, so you get a few perks like that and it's really nice."

One way the firm tracks the health of its offices is by measuring how much work originated in the Chicago office is handled there, "exported" to other offices and how much work originated from elsewhere is "imported" to the office.

Managing partner Wilson said he's happy with the current mix — a good amount of work is either imported or exported, meaning the office is interwoven with the rest of the firm. But if all goes according to plan and the new group of friendly partners can cross-sell their services, the imports and exports will rise.

"The last time I looked at this I think we were about 80 percent of our work was Chicago-based, 10 percent was exported and 10 percent was imported," Wilson said.

"I'd like to see that mix a little higher — maybe 60-20-20. But with so many people joining us, it's hard to push that number too much."

As the office continues to mesh, Wilson said the growth of the Chicago office remains no surprise — at least to him.

"I always thought that if we could establish a Perkins office in Chicago that was consistent with the culture of the West Coast and the clients they had there — Amazon, Boeing and Microsoft — that it would succeed very well in Chicago," he said.

"I think Chicago was looking for something like this. I think people like a great place to work. They like a great place to come in where people treat each other like friends." ■

rstrom@lbpc.com