

Four law firms report partner billing rates reaching \$1,000 or more

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Four law firms reported partner billing rates reaching \$1,000 or more: **Buchanan Ingersoll & Rooney at \$1,020, Foley & Lardner at \$1,035, Jenner & Block at \$1,000 and Locke Lord Bissell & Liddell at \$1,045**, according to a new survey.

Recession? What recession?

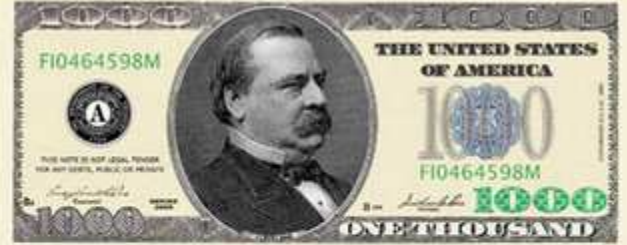
The National Law Journal reported that the recession has forced most other U.S. law firms to temper—but not exactly eliminate—increases in what they charge for their services, according to the most recent billing rate survey conducted by the publication. **The national average firmwide billing rate, a combination of partner and associate rates, grew by 2.5 percent during 2009 to \$372 per hour.** That increase is relatively small compared to the 4.3 percent increase firms reported in 2008 and the 7.7 percent rate climb in 2007. Complete reporting on the study is available in today's issue of *The National Law Journal* and on www.nlj.com (subscription required).

Nationwide, the average hourly billing rate for partners was \$457 in 2009, up from \$451 in 2008. For associates, the average rate was \$287, an increase from \$282 last year.

Although growth was comparatively low, most firms did hike rates. The average firmwide billing rate grew at 76 percent of the mostly mid-size firms that reported detailed billing information in both 2009 and 2008. While most firms adopted modest rate increases, 24 percent reported average firmwide billing rates that were the same or lower than the previous year.

The survey also highlighted the growing importance of alternatives to the traditional billable hour. **Nearly every firm that responded to the survey indicated that it had charged some clients fixed or flat fees, retrospective fees based on value, contingency fees or a hybrid of those options.** Among the firms that reported the percentage of revenue derived from alternative fee arrangements, 57 percent said that amount represented 10 percent or more of their revenue during 2009. By comparison, 50 percent of firms during 2008 reported that alternative fee arrangements accounted for 10 percent or more of their revenue.

“Firms obviously are getting a strong message from clients to hold the line on rates — 2009’s increase was the lowest we’ve recorded in recent years,” said David Brown, editor in chief of the *NLJ*. “Clearly, though, firms are facing enormous pressure to offer discounts and alternative billing arrangements, and



it appears that pressure is only going to continue to grow.”

The law firm billing information was collected as part of the annual *NLJ 250* study, *The National Law Journal's* survey of the nation's largest law firms, based on headcount. The survey period ran from Oct. 1, 2008, to Sept. 30, 2009, with 190 firms providing at least some billing information. The complete downloadable *NLJ 250* database, including billing rate information, is available for purchase online at www.almlegalintelligence.com.