

New Release

For Immediate Release

A Robust Year for Law Firm Mergers in 2019

WASHINGTON, D.C., January 2, 2020 – Law firm mergers experienced a solid year of growth in 2019 according to the merger research team at Fairfax Associates.

In 2019, we tracked 59 completed mergers (meaning the effective date of the merger occurred during 2019). While this is lower than the 71 mergers in 2018, it is higher than the historical average of 54 mergers per year when compared to our data over the last 10 years (from 2009 to 2018).

Eighty-five percent of all the mergers in 2019 were small and involved firms where at least one firm had between five and 20 lawyers. This is a higher percentage than in 2018, when seventy percent of the mergers involved firms between five and 20 lawyers. There were 10 cross-border combinations that took place in 2019, slightly below the 15 cross-border mergers that occurred in 2018.

The three largest mergers of the year were all domestic: Foster Pepper with Garvey Schubert Barer in Seattle (92 lawyers), Burr & Forman with McNair in South Carolina (84 lawyers), and Arent Fox with Posternak Blankstein & Lund in Boston (55 lawyers).

There were five mergers apiece in California (including two in San Francisco and one in Los Angeles), Florida (including three in Miami), and New York (including three in New York City); three mergers apiece in Georgia, Illinois and Washington, D.C.; and two mergers each in Missouri, Ohio, Texas, Utah and Washington State. Fifteen additional states experienced one merger apiece.

Half of the 10 cross-border combinations involved Dentons - in Chile, Australia, Honduras, Morocco, and Uganda. Greenberg Traurig had two combinations - in Mexico City and Milan. The remaining three international mergers took place in Dublin (Clark Hill), Oslo (Littler), and Singapore (K&L Gates).

Looking forward, 12 mergers have already been announced for completion in the first quarter of 2020 and unlike the activity in 2019, five of these are significant domestic combinations involving firms with over 100 lawyers. Three of the mergers involve firms based in Minneapolis. The largest is the merger between Faegre Baker Daniels in Minneapolis (c. 750 lawyers and consultants) and Drinker Biddle & Reath in Philadelphia (c. 650 lawyers and consultants). The other mergers are: Lathrop Gage in Kansas City (240 lawyers) and Gray Plant Mooty in Minneapolis (155 lawyers); Taft Stettinius & Hollister in Cincinnati (474 lawyers) and Briggs Morgan in Minneapolis (135 lawyers); and Dentons' combinations with Bingham Greenebaum Doll (178 lawyers) in Indianapolis and Cohen & Grigsby (144 lawyers) in Pittsburgh.

Based on our role advising a number of the larger mergers completed in 2019 as well as mergers announced for 2020, we continue to see ongoing interest among firms in strategic growth and a desire to build depth and scale. We anticipate comparable merger activity in the coming year, including among larger firms, as firms continue to look for ways to build their competitiveness, gain market position, and expand services for clients.

Fairfax Associates collects data from published reports, press releases and direct reports from law firms. Mergers are reported where the acquired firm has five or more lawyers. Upon routine verification of the data, some historical numbers may have been updated since previously issued reports, and the number of mergers contained herein may change as additional mergers are announced.

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About Fairfax Associates

Fairfax is a specialist firm of highly experienced consultants focused on serving clients in professional services, and in particular, law firms. Our services and areas of focus include merger strategy and search, merger integration, strategic planning, partnership issues including partner compensation, and governance and organization. We work with the largest international and national law firms and leading firms of all sizes.

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