

New Release

For Immediate Release

Law Firm Mergers Increase in Third Quarter, But Still Lag Pre-Pandemic Numbers

WASHINGTON, D.C., October 1, 2021 – Law firm merger activity rebounded in the third quarter of 2021, but still lags pre-pandemic numbers, according to the merger research team at Fairfax Associates.

In the third quarter of 2021, we tracked eight completed mergers (meaning the effective date of the merger occurred during Q3 2021) for a total of 33 completed mergers through the third quarter of 2021. Third quarter numbers are up from 2020, which saw six mergers completed in Q3, though still down from 16 mergers in Q3 of 2019. Year-to-date, mergers are up slightly from 2020, with one additional merger over the 32 at this point last year. Both pandemic years are still lower than the historical average of 44 mergers per year when analyzing our data over the last 10 years (from 2011 to 2020).

The largest merger of the quarter was the combination of Miami-based Holland & Knight (1,212 lawyers) with Dallas-based Thompson & Knight (278 lawyers). This merger, first announced in April, is also the largest merger of 2021 thus far.

The next two largest mergers of the quarter both involve boutique firms. Crowell & Moring of Washington, D.C. (584 lawyers) merged with Chicago-based IP boutique Brinks Gilson & Lione (61 lawyers). Thompson Coburn of St. Louis (375 lawyers) merged with New York-based Hahn & Hessen (44 lawyers) a firm focused on finance, debt, transactions, and commercial litigation.

The remaining five mergers, all involving firms of 15 or fewer lawyers, were scattered across the country, with two mergers in Massachusetts (one in Boston), one in Rhode Island, one in Denver, and one in Texas. There were no cross-border mergers (involving a US firms) effective this quarter.

Two additional mergers were announced in Q3 but will be effective in later quarters. Kansas City-based Spencer Fane (285 lawyers) announced a merger with Nashville-based Bone McAllester Norton (40 lawyers) that is expected to finalize on October 1, making it the first merger of Q4. Baltimore-based Offit Kurman (232 lawyers) has announced a pending merger with Snitow Kaminetsky Rosner & Snitow, a 6 lawyer New York litigation and transactional firm.

We expect that the number of mergers effective in 2021 will be lower than the historical average, slowed by the on-going pandemic. However, we continue to see very high interest in strategic growth and combinations and expect that the number of mergers will return to a higher level in 2022 as firms seek to enhance depth and scale and increase market share.

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 and at least one of the firms is US based. 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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