

New Release

For Immediate Release

Law Firm Mergers Up in First Quarter of 2023

WASHINGTON, D.C., April 3, 2023 – A flurry of merger activity at the start of the new year kicked off a strong quarter for law firm mergers, according to the merger research team at Fairfax Associates.

In the first quarter of 2023, we tracked 17 completed mergers (meaning the effective date of the merger occurred during Q1 of 2023). This represents an increase over Q1 2022, in which we tracked 14 mergers.

The quarter saw a trio of large mergers, where both firms have 100 or more lawyers. Holland & Knight (1,400) combined with Nashville-based firm Waller Lansden Dortch & Davis (257), Smith Gambrell & Russell (285) in Atlanta combined with Freeborn & Peters (110) in Chicago, and Orrick Herrington & Sutcliffe (1,050) in San Francisco combined with Washington, DC-based Buckley (100).

Fifty-nine percent of mergers for the quarter involved small firms (with between 5 and 20 lawyers), down from sixty-five percent in the same quarter last year. This group includes a number of firms entering new markets via merger: Buffalo-based Lippes Mathias (150 lawyers) combined with Cleveland-based Fay Sharpe (20); Detroit-based Clark Hill (609) combined with Philadelphia-based Conrad O'Brien (18); and Kilpatrick Townsend & Stockton (544) combined with Chicago-based L&G Law Group (13).

Geographic expansion was a predominant theme in the first quarter's merger activity. Milwaukee-based Quarles & Brady (415) entered into a combination with San Diego-based Paul, Plevin, Sullivan & Connaughton (30) as well as a combination with Denver-based Adsero (12). DC-based Venable joined a growing number of firms entering the Miami market, through a combination with Genovese, Joblove & Battista (36). And Cincinnati-based Frost Brown Todd (552) entered the California market through a combination with Orange County-based AlvaradoSmith (23).

The quarter's lone cross-border merger was London-based Clyde & Co. (1,829) joining with Boston firm Hermes, Netburn, O'Connor & Spearing (14).

Looking ahead to Q2, three mergers have already been announced and are effective in April. Birmingham-based firm Maynard Cooper & Gale (286) is combining with Columbia, SC-based firm Nexsen Pruet (175) to form Maynard Nexsen. Two Chicago firms, Hinshaw & Culbertson (386) and Adler Murphy & McQuillen (23), are joining forces. Finally, two Ohio firms, Columbus-based Bricker & Eckler (129) and Cincinnati-based Graydon Head & Ritchey (79) are combining to form Bricker Graydon LLP.

We expect the increase in merger activity in the first quarter to continue as 2023 unfolds. Law firms remain interested in not only geographic growth, but in deepening core practices and building on sector strength, as was the case with the financial services strength of Buckley and the health care strength of Waller Lansden.

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 negotiation, 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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