

# LAW WEEK COLORADO

## What's The Allure Of Colorado's Small Firms?

Our 4th Quarter Managing Partner Roundtable explores the appeal of mid-sized and small law firms, which entice thousands of the state's attorneys. But what makes these firms tick and how do their managing partners balance practicing law with running an office?

This quarter's participants included, from left, Jeff Kerrane of Benson Kerrane Storz & Nelson; Cynthia Ciancio of Ciancio Ciancio Brown; Emanuel Anton of ALG Attorneys; and David Silverman of Silverman/Borenstein.

LAW WEEK PHOTO ALI BIBBO

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# The Appeal Of Smaller Firms



Roundtable participants clockwise from left: Law Week's David Forster, Emanuel Anton of ALG Attorneys, Cynthia Ciancio of Ciancio Ciancio Brown, Lori Martin of Hunter + Geist, David Silverman of Silverman Borenstein and Jeff Kerrane of Benson Kerrane Storz & Nelson. | LAW WEEK PHOTOS ALI BIBBO

Mid-size and small law firms in Colorado hold a certain appeal for many attorneys — including those with an entrepreneurial mindset. A majority of the state's attorneys practice at firms that have fewer than 10 people, and many of them wouldn't have it any other way. But what makes these firms tick? Why do some lawyers prefer the mid-size and smaller firm environments? And how are they coping with the ever changing legal marketplace?

Managing partners of mid-size and small law firms have to face many of the same issues that their larger counterparts do, but most of them must also face the day-to-day tasks of managing a business. For some, that work can take its toll; for others, they thrive on the independence a smaller platform provides.

This quarter's participants sat down to discuss those questions and more, and they had some surprising things to say about how they differ from large firms and how they measure success.

The roundtable was held at Colliers International on Jan. 28.

This quarter's participants included Cynthia Ciancio of Ciancio Ciancio Brown; David Silverman of Silverman Borenstein; Emanuel Anton of ALG Attorneys; and Jeffrey Kerrane of Benson Kerrane Storz & Nelson

Lori Martin of Hunter + Geist reported the discussion, which was moderated by David Forster, a reporter with Law Week Colorado.

**LAW WEEK:** Since 2008 when the market imploded, I have read stories that have said that this great recession will be the death of big law. I have read stories that say the recession will be the death of small law firms, and I've also read stories that say the great recession will be the death of mid-size law firms. And the stories can't all be right unless, to paraphrase Shakespeare, the great recession means we'll kill all of the lawyers.

Firms of all sizes continue to survive, so while the recession hasn't yet proved to be the death of small, mid-size or big law firms, we have seen a tremendous shift in the legal landscape, and we can't deny that things have changed and pretty dramatically. But how have they changed for you and your firms?

As the legal landscape shifted dramatically over the last five years, how has that affected small law firms?

**ANTON:** I have seen a significant increase in our growth year over year since the recession, particularly because of the complexity of the matters we work on and because of our specialization. Our clients' industries and understanding of their business helps attract clients from big law to us. We don't really compete with mid-size firms, so our challenge has always been big law, and we've been looking for the personal attention, the different experience that they get with us, and that's been a positive.

**LAW WEEK:** Why do you think that is? In other words, what is it about the changes over the last few years that you feel are driving more people to your firm as opposed to a big law firm?

**ANTON:** Well, I can only speak to the testimonials that I've heard, but early on it

seems like clients had a different perception, a different standard that we've all read about of what they want their law firms to do or to be for them. Despite the initial response to that, their ability to respond was not in sync with what the clients' requirements were, at least in the short term.

And over time, as clients' needs have morphed, firms haven't morphed with them. Certain clients just haven't received what they needed from their law firm, and they've sought an alternative, someone who can specialize in a particular area but may not have every discipline that they're ever going to need but has an ability to practice those disciplines when and if necessary.

**SILVERMAN:** That's very interesting. Two questions: During this growth, how did you get access to those clients? Were they referrals to you or did you find them in trade associations or certain kinds of meetings?

And do you find a lesser demand for one-stop shopping from these clients?

So instead of, "I don't want to hire you because I can't get the tax work and the estate work and the civil litigation work," now they don't care? They're looking for you and your expertise and your value and if you can't write my will, that's fine, I got plenty of other lawyers in my pocket I can go to?

**ANTON:** To the first question, we had to diligently identify our core competency and who our target client was.

We were specifically targeting middle market, for us that is businesses above \$20 million in revenue to the hundreds of millions, and if it didn't qualify within that, then we typically didn't work with them unless there was some outlying circumstance. We were actively seeking them out, identifying who the players were in our communities



CYNTHIA CIANCIO

and reaching out to them. And it was over a course of time the relationships developed so they understood that we knew their business as well as they wanted their lawyers to know their business.

SILVERMAN: How did the recession play into all of this? That just sounds like a really sound marketing plan right from the get-go, regardless if you're in a boom time or a recession time.

ANTON: I don't know that it was necessarily focused on the recession; I think it just happened to be that I formed the firm in 2007.

CIANCIO: And worked your way through it.

ANTON: Yeah, and worked our way through it, so I didn't know any different. But to address your second question, if I understand your question correctly, it's how could you help me?

SILVERMAN: Yeah, because we were talking about big law and what the effects on us as small firms are, if any, because it doesn't really have much on me, but to you, you're in aviation, so not much more specialized, but certainly a much different area than what I practice in and if you and your clients would need lots of other things.

It used to be that big law takes all. Come on in, we'll do your tax work, do your litigation work, do your contract, your transactional, set up your business, start to finish. You do aviation law and do they care that you're not offering the rest?

ANTON: Not really is the answer to that.

But let me qualify that, because there are some base core services that you need. For us, we needed to be the best at what we do.

So we couldn't not be experts in certain areas. For us, taxation is absolutely critical when you're talking about a \$50 million piece of equipment that you're buying and operating and the heavy tax regulations that affect flight operations and aircraft ownership. So we had to provide internally those core services. At the very least, we had that expertise.

Outside of that, like, for example,

patent work, intellectual property work and other areas where we don't specialize, we can reach out to other firms that have that specialty. We don't just pick necessarily one and just go with that one and refer all our business to one, it's client dependent.

It could very well be big law. I have heard other attorneys say, "I'm not going to refer anything to that firm because I'll never get that client back."

CIANCIO: Uh-huh.

ANTON: I'm not ever afraid of that because of the relationship that I have with the client — if they leave because I don't have a good enough relationship, then they deserve something better.

SILVERMAN: Right. I agree with that completely.

CIANCIO: I agree, too. We're a litigation firm, and we do the everyday stuff, the family law, criminal law, employment law, personal injury — pretty much anything litigation related. So I wouldn't say that we were ever in competition with the big firms.

We recently were at 25 lawyers, and we had a transactional part of the firm that did the estate planning and business transactional stuff and real estate, and we split up because through the recession, we started to identify that we had to sit down and ask those questions that you did. We had to ask: Who is our target? What do we want to be? What do we have to offer?

It became clear that you have to be much more narrow and being the one-stop shop, whether you're 25 lawyers or 250. That model just doesn't seem to be working.

It wasn't that we couldn't all collaborate, because we did, and we got along. It wasn't ego or anything else that separated us, but being able to just decide that we had litigation and we split off from the transactional people.

And it's become a lot easier to market our firm because now we have a better idea of the clientele we are seeking, the clientele who come to us and what we can offer to them.

We've totally flourished also during the recession. When there are hard times in the community or in the world, people

get divorced, they get in trouble, they get DUIs, they do drugs, they do all the things that cause litigation. They fight with their business partner, they need to dissolve their company. Pretty much you name it, it's increased since 2008 for us, thank goodness.

LAW WEEK: The two of you have both talked about being niche. Your firm is obviously highly niche focused. Your firm split to become more —

CIANCIO: More niche.

LAW WEEK: I know that your firm deals with construction defects, a highly niche-oriented firm.

There was a time it seems when small firms, just like big firms, had a one-stop-shopping sort of approach. There was more of a full service mindset — they were smaller, but they still offered a full suite of services. Has that changed? As a small firm now, do you really have to be more niche oriented to succeed?

KERRANE: Well, we're a 10-lawyer firm,

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If all of a sudden they're competitors, then they might have an issue of being afraid to refer a client to us because they might not get the client back.”

— Jeff Kerrane

and we only practice one area of law. We do construction defect. Our clients are basically property owners that have problems with the property they own, whether that's a residential property or a commercial property. They tend to be owners that purchase their property, say, two to eight years ago. That's about the time when they come to us. So our current clients are people who have bought their property either before the recession or perhaps at the beginning of it. So we really haven't seen the effects of the recession come up yet. I think we're trying to plan for it now, actually, because we figure that the slowdown in the housing market in construction is actually starting to hit now, and it's going to hit for the next few years for us.

So that's kind of a different perspective than what you guys are dealing with.

SILVERMAN: There is a delay. We experience the same thing. We do creditor's rights work. We collect money for people in businesses.

During the beginning of the recession, we were killing it because the banks lent money to everybody and nobody paid, and so when the recession hit in 2008, they stopped lending the money so consumers didn't go borrow, businesses weren't able to borrow, but all the defaults from the last two years just kept on flowing through, so that was fine.

Then the regulators got involved and that was the end of everything. Banks disappeared, law firms, collection agencies, they're all disappearing.

So we're kind of going the other direction. We've identified our core competency, but we're now expanding and growing other areas that were just minor parts of the firm, as a result of the recession. I think the answer to your question, can you be a one-stop shop in a small firm? Absolutely not. I mean, it's just far too complicated, there is just too much to know and too much to do, and unless your clients are very small businesses, basically mom-and-pop shops that you can set up an LLC and write their will and —

CIANCIO: Divorce them.

SILVERMAN: — divorce them all at the same time, that's fine. But if you're talking about any significant level of clients, you just can't do that. So we have our niche, but we've identified where we can expand that niche, so we take our core competency and just sort of broaden it. That's what we're doing.

ANTON: You know, there is one distinction I wanted to make, because I think the perception might be that we only do aviation law.

But we support three key industries. Those three industries are all overlapping, so we have a lot of clients that actually are in maybe two of those industries or all three of those industries, but within those three industries, there is, for example, deal support that we provide.

And that's how I spend the majority of my days, architecting deals.

But there is also tax planning and financing that — requirements that we have

because of the nature of what we do relative to each of those areas, it's just that they're also three of the most highly regulated areas.

SILVERMAN: What are those three areas?

ANTON: Aviation, international trade, which is largely defense trade, and then government contracting, so federal acquisition regulations.

If anything, the recession helped us support clients internationally more. It allowed us an opportunity to really maximize our profitability during what would otherwise have killed us if we just exclusively focused on aviation.



JEFF KERRANE

**KERRANE:** We did something similar. We always want to remain a boutique law firm, and we didn't want to expand in other areas of the law, so we looked at what primarily was a residential practice and we have looked at commercial clients as well, trying to expand our client base but not change the area of law that we practice.

And to expand the client base, we also looked at diversifying geographically. So we looked into other markets that are easy for us to get to and markets where we could work by ourselves or form alliances with other law firms, so we can handle cases in other jurisdictions.

And that for us has been our way of gearing up for what, for us, is going to be a recession coming up.

We think that if we diversify our client base, it may hit us a little softer, and because of that we've actually had to expand over the last few years to expand our client base.

**LAW WEEK:** You've talked about how you've structured your practices, whether it's to deal with the recession or just to be successful as a smaller law firm to attract the clients and compete with big law firms, if, in fact, you are competing with them.

I want to look at the flipside of that. I'm wondering is there an advantage to being small or is it just a personal preference? Is there actually an advantage to being in a small firm? Are there differences in the actual practice of law in a small firm?

**CIANCIO:** I think so. I can imagine in my practice that I could go work probably in any firm in Colorado that I wanted to just because I have my own book of business. I'm pretty mobile, but I chose to stay in the firm where I am, and "small" depends on who is looking at it. We're big compared to other firms. Ten lawyers is big. We probably think of ourselves as a big firm, other people look at us like we're just tiny mom-and-pop street lawyers. So I don't know that "small" is the right word, but I personally would prefer to be in control of my destiny and not answering to someone else.

Sure there are challenges with being 10 lawyers and half of us are shareholders, so everybody has an opinion and we don't always agree on everything.

A lot of times it's easy just to think,

"Well, if I leave, I could go out on my own; I could go work at a big firm; either way I'm probably going to be not having to listen to these other people telling me what they want, and that could be beneficial." But at the end of the day, I think having a group of 10 — and we may grow — is manageable and works really well. The independence is great because we're not answering to the corporate bosses that require certain things and it's not just for us, it's for the clients.

Clients don't always want to meet you downtown. They don't want to park or deal with whatever particular issue they might have. In our scenario, you're able to go meet them wherever you want.

Our clients want to have a certain thing, but if we have a corporate mentality, we can't always deliver to them what they need. So I like the independence of being small enough to be able to do what I want and do what my client wants and needs.

**SILVERMAN:** Right. It's really all how you handle it. It's all about relationships. There is this perception of the big firm — that it gets you the best result, and you pay for what you get, right?

And if you've got a big deal, you want to have a big firm to handle your big construction litigation case. That's a challenge of being the smaller firm, but the benefit is that you have the opportunity to develop that personal relationship where the client has the confidence that you can do it and doesn't care what size the firm is.

You also have the ability to do different things; to be able to appropriately respond to what they need. I think that works and it's certainly worked for us up to a point.

Sure, there is a point when you just simply can't do certain things; you just can't provide the certain services that a large firm can, but that's just a trade-off.

**KERRANE:** For doing construction defect work, I don't think it's very suitable for large firms to try to take on other areas of the law, so I guess we have that advantage in that people seek us out because of the fact that construction defect is all that we do.

And we don't really compete with the big firms because they don't provide the same type of services that we do, partly because we're contingency lawyers and a lot of the big firms don't want to do that.

There are only a few firms in the state that can really provide the same services that we do, and they're all firms that are about the same size.

**LAW WEEK:** Over the past couple of years, I have talked to several large firms that have absorbed smaller boutique firms like yours, and when I ask them why, part of the reason is that they want to provide one-stop shopping. And when I've talked to other firms about their mergers, the word that keeps coming up again and again in these interviews with bigger firms is "footprint."

"We need to have this national or even global footprint. We're going to have to be able to tell my client that if this case ends up taking us to California, we have attorneys there; if this case ends up taking us to Texas, we have attorneys there."

Does this footprint present much of an issue for smaller firms or does it just simply limit the kinds of clients and cases that you can take on if you don't have that footprint? Or maybe this whole talk of footprint is overblown?

**ANTON:** I'm surprised to hear that, actually, if that is the consistent message that you're hearing.

**LAW WEEK:** Consistent.

**ANTON:** More than half of our business is outside the state of Colorado. And there is a portion of that that's outside the United States, but it doesn't stop us or slow us down from being able to service a client's needs in Florida. What it does is gives us an opportunity to work with somebody there that can specifically handle that particular need that the client has.

If you consistently use the resources that you have, whether small or large, in a way that communicates trust to your client and if you never jeopardize that trust, it doesn't matter what your footprint is if you can accomplish the goal within the cost parameters and/or whatever other factors are important in their decision making.

It's a matter of understanding what is that role we can play that provides value to the client. So if our role becomes perhaps a project management role as opposed to a litigator role in that particular jurisdiction, where we're helping them manage the

project, the strategy and the costs, we'll do that. It's just a matter of how you perceive what the client's requirements are and what you can do to fulfill those requirements.

**SILVERMAN:** It's a huge issue in our industry. Gigantic. It's overwhelming. We're in three states: Colorado, Wyoming and Nevada. And New Mexico, and the only reason we're there is because we have to be. We had a client that said, "Listen, we have collection work in Wyoming, we need a Wyoming attorney. Why don't you all go open up a shop in Wyoming?"

So we go and open up in Wyoming. And it was similar in New Mexico, Nevada and Utah. And it was that way since, you know, 1998, 2000, it was just going crazy. Firms went from being small to huge. I grew from five to 57 people in a matter of 2 ½ years.

In our industry, it's all client driven. Our industry, this is what they want. We have a footprint nationally. We're licensed as a collection agency in 48 of the 50 states because that's a need that the financial services industry, the insurance industry needs. We have to do it.

And the firms that did not do that, many of them are just simply gone. And even the ones that went into five or six states, they just got swallowed up by the firms that are in 14, 15, 16 states. It's funny, we have the exact opposite situation.

**KERRANE:** We're on the non-footprint side, too.

**CIANCIO:** Yeah, and it's just not even an issue at all. I hate to use the phrase, but it really is true that my kind of firm, we're like the street lawyers. We're the neighborhood call. You get divorced, you have your DUI or criminal issue and we do some banking stuff and collection stuff and a little bit of everything.

We don't need a national footprint. That wouldn't make sense for our business, and it does make sense for the large firms to do that because that's the clientele that they're trying to serve.

But like every other industry, there are so many different ways to service clients and niches that you can be in, whether you're a local law firm doing litigation or you service clients from all over the world doing three various industries.

There is room for everybody in the market if you do it the right way. And like you said, meeting your clients' needs and having their trust, if you can do that well, you can make it work no matter how you decide to practice.

**ANTON:** Our approach to that also is complemented by the fact that all three of these regulatory schemes are federal. So automatically we don't have the local issues.

**KERRANE:** And we definitely deal with state law and our clients are primarily community associations. And once they get their defects fixed, we don't get repeat business from them.

So there is no repeat business. So our business is reputation alone. People in the community who own property have to hear that our firm did a good job with someone else's property.

That's why they want to hire us — because of the good things they heard about our firm, not because they used us in the past and they want to use us again.

**CIANCIO:** Right.

**ANTON:** The aviation business is absolutely repeat because every five or seven

years, they fully depreciate that asset. It's so expensive, they want to flip out of it and get something else.

CIANCIO: Not every client wants to go to a big firm, right? I mean, a lot of them are afraid of the fees, and I'm not by any means bad-mouthing big firms, they serve a very important purpose in our community and for their clients, but there are lots of clients who want to choose a firm because they trust that can get work done more efficiently and at a better rate. Not everybody needs a big firm and so the footprint issue is just for the big firms and firms like yours.

SILVERMAN: It depends on the practice area.

You know, the footprint isn't always enjoyable, let me tell you. It's not always great. It certainly provides some other opportunities, but it's a lot to manage.

CIANCIO: Public perception seems to be off. I think that the general person thinks that lawyers just do everything, but that's not the case. Lots of lawyers specialize, like in construction defects. Who would know that? What average person knows that?

Until it becomes a problem for you, and then you get on the Internet and you start to research it and you realize, "Oh, I need to go to these guys because they say they specialize in this area."

KERRANE: One source of getting new clients a lot of times is from other law firms that don't specialize in our area. They may represent homeowner associations for other purposes and they may touch on a construction issue and they may even start it by writing a couple letters to a builder asking for repairs and then when they get in over their heads with the construction defect, then that's when we tend to get referrals at that point.

SILVERMAN: That ties into what you said earlier. This is especially important for smaller firms, and that is the communication and the referrals back and forth. We don't do any, but if we did any homeowners' association collections and they called me and said, "Listen, our pool is cracking, what do I do?" I wouldn't have a clue and referring to a smaller firm can be really critical amongst smaller, mid-size firms.

KERRANE: We try to be careful not to dabble in areas like homeowner associa-

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It is the least enjoyable part to deal with the administrative tasks because they're absolutely necessary but there is only so many resources that you have to contribute to them, so they take up time and are a distraction.”

—Emanuel Anton

tion collections because we don't want to become competitors of the firms that do.

If all of a sudden they're competitors, then they might have an issue of being afraid to refer a client to us because they might not get the client back.

So we're very careful that other law firms that represent community associations have their thing and we have ours and we try not to compete.

SILVERMAN: That's a really good alliance.

ANTON: Because of the areas of specialty that we're in, especially as to mid-size or even the large law firms, many of the large law firms don't practice in these particular



DAVID SILVERMAN

areas. Or if they do aviation, for example, they're into aviation litigation, or they represent aerospace manufacturers relative to all their other legal needs but not necessarily are they buying or selling or leasing aircraft. So we have supported other law firms quite a bit, but other lawyers are a great source of leads to us.

But it helps within the community to know who does what. My community happens to be a little bit bigger because of my practice areas so I know within the legal community nationally who can help on various projects.

It would be wonderful to have that in-house and I'm sure many law firms, big law firms, do, but it's a matter of really trying to manage the knowledge because you were saying you don't know who to call, you wouldn't know who to call, and now you do.

SILVERMAN: You're right. Now I do, absolutely.

So how do you know where to go and how do you develop that community of lawyers without running into that, I don't

want to do this because you're going to be my competition? I seem to run into that. And people aren't always as open to talk about things like we're talking about them here, which is really too bad.

And I don't know how you develop those, where you go to develop those kinds of trusting relationships.

LAW WEEK: In my dealings with large law firms — the biggest firms have teams of people who deal with IT, billing, administrative issues — administrative work is parceled out to people who do that and the attorneys just practice law. That's all they do.

What do you do at your firms? I'm assuming, with a six-person firm, even a

10-person firm, you have to get involved in the business of running the law firm. How do you handle it?

CIANCIO: Right.

LAW WEEK: And I'm wondering if part of the reason you made your decision to be in a small law firm is because you actually like that, running a business. Is that part of the practice that you enjoy or is that just something you happen to do in a small law firm and that's where you want to be?

SILVERMAN: Yeah, we all love it because everybody agrees on every part of running a business all the time, so it's really simple. It's a nonissue for all of us.

CIANCIO: Did you get the sarcasm?

LAW WEEK: I think it was dripping.

ANTON: It is the least enjoyable part to deal with the administrative tasks because they're absolutely necessary but there is only so many resources that you have to contribute to them, so they take up time and are a distraction.

But I want to separate it from acting as a chief operating officer, because that I truly enjoy. Creating, setting the vision. Executing that, working on it down the path. I truly enjoy that but not the —

SILVERMAN: The chief operating officer part?

CIANCIO: Yes, exactly.

SILVERMAN: In a firm our size, it's a very, very thin line between chief executive officer and chief operating officer. And I would imagine we all have them, right? Do you guys all have administrative staff, chief administrative officers or chief operating officers?

CIANCIO: We have a marketing director, a billing manager, and an intake person who takes all the phone calls and the receptionist. We have an outside IT company, so we've done well in hiring people to serve those roles, to do 98 percent of it, but they need a direct boss, they need a direction to go. And like you, I love being in the

executive officer role where we sit down, we talk vision, and I go out, I implement it, I market the firm and we get to be the face of the firm.

But I have to work from home at least once a week just to get anything done because when you're in the office, it's constant. Every couple of minutes it's so-and-so said this or we've got this problem, and we have this and this computer is broken and we have to switch software.

It's everything. It's software, it's billing, it's whether the concrete outside needs to be fixed. It's what signage we're going to get. You name it. And it really can be very overwhelming, and I don't enjoy it, either. So you try to hire an office manager who would take care of all of that, but they're pretty hard to come by.

SILVERMAN: Yeah, and plus they are not the ones that are going to ultimately make the decisions.

CIANCIO: Right, so you're just adding in another layer of expense that you can take care of in a lot less time.

KERRANE: A few years ago, we did. We hired a controller/office manager who has been fantastic for us and has really fixed a lot of things from an organizational level that could really use improvement. That's been a big improvement for us. And in terms of things like picking out a new software program for the office, we tend to work in a committee sort of fashion.

And it's not just the partners who are making those types of decisions. We'll set up a group that will pick the new operating software — we may have a partner, an associate, a paralegal, a legal assistant, maybe the receptionist, and they'll all meet and look at what they need so that if the receptionist is going to be using the software too, then she should be contributing to making the selection.

CIANCIO: Yeah. When we were 25 lawyers, we were full service, we had one managing partner and he was a businessman but also a lawyer, and his belief was that you did not run a law firm by committee, so we had an office manager and a billing person, and he had his whole administrative team that helped him do his job.



EMANUEL ANTON

But when we were in that kind of regime the other partners never heard a word about anything, you know? If we got new software, we were told about it. We never heard about the drama of, something that broke or the Diet Coke machine. And I'll have to say that for me, I thought that was OK.

I could live with that because I liked being able to be in my office and focus on practicing law, and frankly, that's the best economic decision because the hourly rate that I can bring is much better than me going off worrying about the pop machine.

But what we found is that not all lawyers want to be working that way. Now we're this new firm of 10 lawyers and we do everything by committee, for the most part, and what we did in the beginning is the five partners sat down and we all talked about what are we good at. I'm good at marketing; I'm good at numbers; I'm good at reviewing P&Ls and doing the finance part of it; and one of the other guys is very good at human resources and the other one is really good at insurance, and so we just sort of divvied up those managing partner kind of duties and that's how we've been operating the new firm.

SILVERMAN: How is that going?

CIANCIO: And I think it's going well. It's nice because not all the problems land on one person's lap.

KERRANE: See, I think doing things by committee like that actually frees up time for the attorneys.

CIANCIO: It does. And if you do it right, you get to pick the committee that works that you want to be on.

KERRANE: And I think it also gives your staff, even your associate attorneys, paralegals, everyone, it gives them a sense of ownership in the firm. So they feel like the firm is doing what it's doing because they helped make those decisions.

CIANCIO: Right, and that's an important part these days of keeping people. One of the other questions at play how do we keep our associates and our staff and how do we

stay together as partners? I do think that's one of the more important things that we have to be looking at all the time in our businesses, keeping them happy.

LAW WEEK: And that was actually going to be my next question, so you're giving me the perfect segue there as we move more into the culture of small law firms. When you read in the trade publications about new law graduates and where are they going to go, it's almost always in the context of what big firms are they going to go to.

And I'm wondering if would you say that there are small law firm people and big law firm people and you draw from people who just want to work at small law firms and they draw from the people who just want to work at big law firms? Is that kind of how it is? Just certain attorneys are drawn to big or small and so you just have your own respective pools of talented attorneys to draw from? Or do you have to worry about grooming your attorneys to move off to larger law firms? Perhaps those are two different things.

KERRANE: For us, I think an attorney who is looking for the big law firm experience is probably not going to enjoy working in our law firm.

I think we definitely have a small law firm culture, where we do have different people that you wouldn't expect getting involved in different tasks, and for the most part when we've had associates that, for one reason or another, have moved on to other things, they've moved on to other small law firms or they've hung out a shingle, but we really have not seen associates leave our firm and go off to big law firms.

CIANCIO: When these new graduates are getting out of law school, you're right, there are some of them that are automatically going to the big firms. The big firms offer big training programs and much higher salaries and development programs and things like that, but I would say for our firm, it's across the board. There is no real definition. We don't just get any type of people come along and they're a good fit. If they're a good fit, they want to stay and we want to have them with us.

I've never said we would never hire

someone from a big firm, because we have, and I would never say we wouldn't hire a person who had their shingle out. We attract people into our firm based on the reputation that we have in the community of being good lawyers, being good mentors, good people and providing good service to our clients. It's not really about the culture of big versus small firms.

ANTON: I would agree with that. And we have a lot of folks that have come to our firm that have laterally moved from big firms.

And I don't believe that it was for a small firm culture. I think there is perhaps more of an emphasis that law students place or early year associates place on big versus small law firm cultures versus perhaps an integrated team culture versus an eat-what-you-kill culture which can exist at big and small alike.

At least for our firm, we've attracted folks right out of law school that were also looking at big firms, but realized that if they went to a different firm they might

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not have exposure, as much access to the level of work we provide for quite a while. I've worked at a larger firm, it was always a team approach that I thrived in, and so that's what we tried to create and we attract those who are looking to work more within a team.

KERRANE: We do the same. People work for cases, not for people in our firm. So everyone in the firm has the opportunity to work with everyone at some point or another, because every case gets an independent attorney, paralegal, a second attorney and maybe a paralegal assistant assigned, but you don't always get assigned to the same person.

ANTON: One aspect of a big firm that is attractive about larger firms is the training happens by their exposure to a great number of attorneys.

When you compound the time to train, which is typically not billable, and then the administrative/operational issues — not billable-business development — not billable. And you compound that, it adds up to a lot of hours. For those of us that still bill a lot of hours —

CIANCIO: You work a 20-hour day.

LAW WEEK: Given what you just said, as small firms, do you really even have the luxury of hiring people right out of law school?

CIANCIO: Every once in a while. We do every once in a while.

KERRANE: We do. We started a kind of a summer law clerk program a couple years ago. And it's actually developed some really good, really sharp young attorneys for us.

CIANCIO: Sometimes you want to hire people who are totally clean slate, who are open to learning things and doing things you want, and sometimes you need the lowest level of attorney so that you can have them do things that you don't want to do or you can't do or doesn't make sense that you do for the client. Sometimes having brand-new lawyers is helpful, but it is a lot of work and they take years to develop fully.

But it's one of my favorite things about this job — mentoring of younger lawyers.

Right out of law school is really challenging, but somebody who is one or two years out, who has a passion for an area of law, is great. Family law is my niche, and I've had lawyers who I've hired who were at other firms where they were making a lot more money, they get hired right out of law school, they're on these eat-what-you-kill kind of formulas and they were making great money, but they recognized that they didn't know what they were doing, and they were making mistakes and they weren't getting the training.

And I admire the lawyers that sit back and realize, “Wait a minute, I am making great money, but I'm pretty sure I just went and did this trial and really didn't do a good job,” and so they seek out people in the

community who are willing to be a mentor.

And that's how I've found a couple of the different associates who have turned out to be really great associates, because I was willing to put the time into it. There is only so much you can do and only so many hours in the day, but I just personally get a lot of fulfillment out of the mentorship aspect of the law, and I am glad in my firm that I have the ability to do that.

LAW WEEK: To follow up on what you were just saying, if you were courting an attorney — whether it's a recent graduate or someone with several years of experience — who is really on the fence about whether to go with a big law firm or with

your law firm, what is your pitch to that attorney? Why should they choose the small law firm?

ANTON: My pitch would not necessarily be us versus a large law firm.

It would just be more personalized to the individual and his or her fit with our firm. I have found that if you surround yourself with people who are passionate about what they do, they don't work very hard. Meaning they don't have to work because they just truly enjoy what it is that they're doing.

If you're around a lot of people who share that same mind-set, then you're having fun with people when you get problems and you're all working toward resolving it. So it's that fit that I'm looking for, not necessarily somebody that is looking for a night secretary, which we don't offer.

SILVERMAN: All other things being equal, this is a place where you have an opportunity to make a difference in your own level of job satisfaction. And you can make an impact on your workplace, your everyday life here, and it's kind of like what you said, it's not us against them. But this is what you have the opportunity to do here.

And there is a limit to how much I'm going to have to pitch, because, boy, if I have to pitch too hard, then I don't want them.

CIANCIO: Absolutely. I don't think I would entertain having to give a big pitch. If

you're interested in going to work for a big law firm —

SILVERMAN: Then just try it.

CIANCIO: Here is what we have to offer. If you want to see the inside of a courtroom this year, come work for me. If you want to not see the inside of a courtroom for several years, then go work at a big law firm.

KERRANE: Yeah. And it's not just attracting talented attorneys, but talented paralegals.

Legal assistants as well, because we have fantastic paralegals in our office who are well compensated and having good paralegals makes the attorneys very happy.

And the other thing, too, is that we do place pretty high demands on the people in our office. We realize that involves placing demands on their families as well. So when we do firm retreats, it's not just for partners or for the attorneys, but it's for the entire family.

We make sure that we know that they're not going home from work and having their spouse, their family complaining about the hours they might be putting in; that they're going to be happier employees.

We treat people in our firm like professionals, so we don't have a start time when we open up in the morning or a time we close at night. We don't have a paid time off system. If you want to take vacation, you take vacation.

I would hope the attorneys that work in

our firm, if they have a chance to get out at 3 in the afternoon — I hope they take it. So we don't have any expectations of any particular level of billing or time that people have to be in the office. If they can work better at home, they can work from home. Most people don't, though, because they like to come in the office because you have that interaction. I think it makes you a better lawyer.

And I think most people look forward to coming into the office because we go eat lunch together and we pass around a lot of ideas at lunchtime. That works for some people and it doesn't for others.

LAW WEEK: What is it that you like best about working at a small law firm?

SILVERMAN: I'll go back to the CEO issue we talked about before. That's probably the thing I like the most about it.

KERRANE: I like knowing everyone in my firm and their families. I couldn't imagine working in a firm where you pass by someone in the hallway and don't know his or her name.

You talked about firms that have an eat-what-you-kill mentality and we don't. The way people in our firm get paid is that, you know, rising the tide raises all boats.

And we are very careful not to say that, "This person settled a big case this year, therefore they're going to make more money." We don't do that because I have worked in other firms where you could go

ask a question to an attorney who is not assigned a particular case and they bill on it, and then the attorney who owns that case gets upset that you went outside.

We teamwork on all cases. And it doesn't matter which case you're working on. Your compensation is going to be based on how well the firm does as a whole. And it's not just for attorneys, it's for everyone who works in the firm. I don't think our salaries are as big as the big firms, but when the firm does well, we have above-average bonuses for everyone in the firm, including paralegals, legal assistants, receptionists. Everyone sees the benefit of the firm when it does well.

CIANCIO: I would say the thing I like the most is the teamwork. I have a team, and we talk every day, and even if I'm not there, we'll talk remotely. I love coming up with ideas and joking around and having fun and not following rules.

ANTON: It's just generally the culture. It feels good to come in and walk through the halls and people are laughing and they're joking around with one another but they still absolutely know what needs to get done. Working in that environment is a lot of fun.

I've worked in bigger firms that have been collegial, and it was a fantastic experience and something that I leaned on heavily when I thought of the culture I wanted to build. •

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