

# SAN DIEGO BUSINESS JOURNAL

## Firm Enters S.D. With Enough Work to Grow

### LEGAL: Hahn Loeser Relies on References And Midwestern Values

By RANDY C. FRISCH

Do Midwestern values have a place in the San Diego legal market? Ohio-based law firm **Hahn Loeser & Parks LLP** is betting they do.

"We wanted to grow in California, because we have clients in California, and we think our Midwestern values will be received well in the market," said **Steven Goldfarb**, co-chair of Hahn Loeser's Litigation Area and a member of the firm's board of directors. "When you look at the various places in the state to live, it's the best place to raise a family, and despite being as far south as possible, San Diego has great connections to the other California markets."

Hahn Loeser opened its office at 600 W. Broadway in March with two attorneys and a senior paralegal, and it is already preparing to make an additional attorney hire in the coming months. The exit from San Diego last quarter of national law firm **Baker & McKenzie**, and the recent acquisition of **Luce, Forward, Hamilton and Scripps** by **McKenna Long & Aldridge LLP**, did not give the Ohio-based firm any second thoughts about the San Diego legal business climate. Goldfarb, who is the board's liaison with the San Diego office, believes his firm's current California clients will support a significant San Diego office.

#### Further Expansion?

"We're not in need of business development in the short term (like Baker & McKenzie)," Goldfarb said. "We think we have more than sufficient work to grow in the market without acquiring significant practices or laterals, though, we will be aggressive when it comes to any acquisition opportunities."

**Michael Gleason**, a litigator with experience in complex litigation matters, and

a former **Jones Day** partner has moved to San Diego to open the office. Gleason, 36, similarly believes the traditional Midwestern value of high quality work at competitive prices will help grow Hahn Loeser's presence in America's Finest City.

"We don't really use a marketing phrase, we just provide references," Gleason said. "Taking great care of our clients is our growth strategy. High quality work for a fair price, and that's what we are tailored to provide in San Diego."

**Jim Heffner**, formerly of **Morris, Polich & Purdy**, is the other attorney currently staffing the San Diego office with Gleason.

"San Diego is a challenging legal market given that there are a lot of lawyers and only a handful of large companies with significant legal needs, said **Debra Baker**, chair of the law firm services group of **Legal Vertical Strategies, LLC**. "That makes it harder for new firms to capture market share here. That said, San Diego is a great commuter city because of the easy access to air and rail transportation. Many successful attorneys live here and represent clients throughout the state and other regions."

Baker, an Ohio State alum, pointed out there are similarities between Ohio cities like Columbus and San Diego. Both are large markets with cultures that make you feel like you live in a small town — in other words, people like to do business with people they know. "That can be difficult for newcomers who do not have the same relationships and history as attorneys who have built their careers here," she said.

Gleason said that he hopes the San Diego office will be known for its sophisticated commercial litigation practice, but he noted the Hahn Loeser is a general practice firm with experience and expertise

in class-action defense, title insurance, construction defense, IP, bankruptcy and general corporate work.

#### The Roots

Hahn Loeser was founded in 1920, in Cleveland. In addition to Cleveland, it has offices in Columbus, and Akron, Ohio; Naples and Fort Myers, Florida and Indianapolis, Indiana. The firm has 131 lawyers, 68 of whom are partners, 48 are associates and 15 are of counsel. Of the 68 partners, 35 of them are equity partners.

Revenues for the firm are between \$50 and \$90 million annually. Partner rates range from \$350 to \$600 per hour and associate rates range from \$200 to the low \$300s per hour. National clients who require San Diego legal work currently include, **Fidelity National Financial**, a national title insurance firm and **Johnson Controls**. The firm does not carry a material amount of debt on its books, Goldfarb said, and its expansion plans are very conservative. "We're not trying to turn into a large national firm," he said. "We are looking at diversifying into strategic markets, like Chicago, but we don't want to double in size. We think we will be 175 to 200 lawyers in five years."

Hahn Loeser was able to expand during the recent recession because it did not do a lot of merger and acquisition or real estate legal work. Those two practice areas were hardest hit during the recession. "We are very conservative," Goldfarb said. "Our profitability actually increased over the last several years."

The Hahn Loeser leaders are confident the practice of law will continue much as it does today, though getting more complex.

"Lawyers need to be more competitive and more technologically adept," Goldfarb said. "Work-life balance is going to mean you do what you have to do, but technology is giving clients access to us nearly around the clock, with email, texting and the like. Practice is getting more complex."



Michael Gleason