

## After Trials of the Recession, Law Firms Now Hopeful

Although nobody knows the precise number of local jobs lost in the legal profession during the recession, all Mathew Tully has to do to get a reading on the market's health is look at the resumes pouring into his office.

Tully, founding partner of Tully Rinckey PLLC, a small firm on K Street NW, is seeing resumes from candidates with degrees from institutions like Yale and Harvard. The depth of their resumes is often as impressive as their degrees — yet they are unemployed. “It’s astounding,” Tully said.

A year ago, he would have had nothing to offer the legions of unemployed. Now his niche firm is ready to add more lawyers and offices, a hopeful sign that the tides are changing in the legal profession.

“Our D.C. practice is red hot,” Tully said.

Tully’s enthusiasm notwithstanding, the buzz phrase in the local legal community is “cautiously optimistic,” as firms ratchet down the layoffs and ramp up specific practice areas.

For many in the legal profession, the past two years have been a bit like Chinese water torture, with successive waves of layoffs hitting upper-level partners, associates, receptionists and secretaries alike.

Nationwide, the legal profession has shed 42,000 jobs since November 2008, according to National Law Journal.

But there are indications that law firms may be seeing a turnaround.

By the beginning of this year, more than a quarter of lawyers surveyed nationally by recruiting company Robert Half Legal told the Menlo Park, Calif.-based company they planned to increase staff levels in the second quarter. None anticipated declines.

The same trend is occurring in the Washington region, at least anecdotally.

“This time last year, all you heard about was layoffs,” said Sarah Van Steenburg, a graduate of the University of Virginia’s law school who spent five years as at a legal placement company in Washington before demand for her services plummeted 18 months ago.

Van Steenburg, now a human resources manager with a Charlottesville, Va., landscape architecture firm, will reclaim her old job next month when she returns to Major Lindsey and Africa LLC’s D.C. office.

“Talk of layoffs is getting more rare,” she said, but added that “any talk of growth will be slow. I don’t think we will be seeing a big rush to hire.”

Her former and future boss, Jeffrey Lowe, Major Lindsey’s D.C. managing partner, said the

upward outlook is all relative to the deep hole the legal profession was in just 12 months ago.

“Last year was as bad as it possibly could have been,” he said. Now, “there are needs out there, but they are very specific needs. I’d say we went through a pretty rough period, but we are coming out of it into a period of more stability.”

At the moment, Major Lindsey’s Web site lists 12 Washington-area openings for attorneys and three firm management positions.

As recently as 2007 and early 2008, it was quite common to see 400 or 500 job openings at once, Lowe said. Those mass openings have been replaced by specific needs at either firms or inhouse counsel departments.

Smaller firms, like Tully’s, appear to be hiring more aggressively than larger firms — but again, the hiring is focused on specific needs. Tully Rinckey’s primary niche is military representation, security clearance work and federal employment issues.

The Albany, N.Y.-based firm, which opened its D.C. practice two years ago, has already hired three lawyers since early January and increased its office space by 33 percent.

Tully might open a second area office in Northern Virginia this year, he said, and perhaps a third one in Maryland next year.

To be sure, job losses are still occurring, albeit at a diminishing pace.

Chicago-based Mayer Brown LLC, which has 150 lawyers and 110 staff employees in D.C., said April 8 that it sliced 75 staffers across its seven U.S. offices. Just two of the employees were from the local office, sources said.

Compare that to this past October, when firms nationwide shed 5,800 legal jobs in a single month, according to the U.S. Bureau of Labor Statistics.

In each of the four months following that red October, the pace of job losses slackened. But in February, the bureau reported a gain of 700 jobs in the legal profession. The gain was short-lived, though: In March, the industry shed 500 more jobs.

Mayer Brown’s chairman, Herbert Krueger, said that despite the layoffs at his firm, “we see encouraging signs for 2010.”

Tully would second that — with a caveat.

“Last year was horrendous,” he said. “I think the wave for this year is equalizing and stabilization. But does that mean there won’t be any more layoffs? I don’t think so, although, they will probably be described as ‘internal adjustments.’”