

Minority-Owned Firms Give BigLaw A Run For Its Money

By **Dani Meyer**

Law360, New York (May 16, 2016, 11:17 PM ET) -- Minority-owned firms not only provide a more welcoming environment for ex-BigLaw attorneys unhappy with the lack of diversity at large law firms but also give their attorneys opportunities to attract clients frustrated with the legal industry's race problem, experts and lawyers say.

For years, the legal profession has been focusing on minorities and women at BigLaw firms, said Joel Stern, CEO of the National Association of Minority & Women Owned Law Firms. But the interesting story is where those lawyers are going when they leave BigLaw.

"The reality is a lot of the women and minorities leave big firms and start their own firms. And all they want is the opportunity to compete for business and only win it on the quality and value metrics that the corporations and others have deemed to be important," Stern said.

Today, minorities and women own law firms ranging in size from three to 300 or 400 attorneys, according to Stern, and they practice in myriad areas such as white collar crime, trials, insurance law, intellectual property and product liability. They're increasingly creating a competitive challenge for the larger firms, which are losing women and minorities at high percentages compared to white men, Stern said.

B. Seth Bryant, founder of Bryant Rabbino LLP and a veteran of DLA Piper and Morrison & Foerster LLP, said his firm is able to compete for work with large firms because of its "stellar team" comprising other former BigLaw attorneys who have an average of 20 or more years of experience.

"We believe that our platform offers a compelling value proposition to our clients. Given the experience of our lawyers, we can offer up very senior attorneys at the cost of midlevel to junior associates at large firms," Bryant said. "That is the main way we compete."

And when you add in the fact that companies are increasingly seeking diversity and more diverse service providers, Bryant said, "I think that we have a good combination of pretty attractive attributes."

At Roig Lawyers, which ranked 14th on Law360's **top 100 firms for minority attorneys**, Miami managing partner Nelson C. Bellido sees minority-owned firms' ability to be leaner, more flexible and scrappier, while also having the same talent and experience of larger firms, as some of the key ways they can be successful and compete with larger firms.

"[We're] more flexible from the perspective that we're more willing to do alternate fee arrangements, we're willing to take shared risks with our clients," Bellido said. "I think minority-owned firms gained some traction in the last few years doing that, and I think now

what you're seeing is some of the larger firms are adding minority attorneys."

At Quintairos Prieto Wood & Boyer PA, which calls itself the largest minority- and women-owned firm in the country, Robert Johnson, its chief diversity partner and inclusion officer, said the firm has a unique advantage because it's organized and set up like BigLaw firms but is also diverse.

"It is a competitive advantage because no other firm can say that. And I'm pretty confident of that," Johnson said. "So it is a unique value proposition where a firm can get the traditional type of relationship that they're used to with the added benefit of having the most diverse firm that it can possibly find."

He feels that Quintairos serves as proof that national law firms owned by minorities and women are possible and hopes the firm can serve as "an example and a beacon for other firms that are looking to do the same thing."

But Stern cautioned against viewing law firms as the cure for the legal profession's diversity problems, calling minority-owned firms "one lens on the cure," though he acknowledged that BigLaw firms are more likely to retain diverse talent as they continue to lose business to minority- and women-owned law firms.

"The more that the minority- and women-owned law firms showcase how great they are ... hopefully that will provide incentives for the BigLaw firms to retain minority and women lawyers at their big firms," Stern said.

Bryant also doesn't see minority-owned firms making a big impact in the near future, at least not in corporate firms, given that discrimination has not only held people back but also has given others a significant head start. However, he thinks minority-owned firms have the potential to make a strong impact over time.

"I do think that firms like Bryant Rabbino, to the extent that we're able to continue to be successful, will show that there is a great opportunity for more minority- and women-owned firms to enter the market and to demonstrate their own strong value propositions to their targeted clients," Bryant said.

Going forward, he thinks smaller, minority-owned firms will do really well given the trend toward boutique firms and the success they've been having, also noting that technology advances have made it easier to compete with BigLaw firms. Plus, clients are more receptive to the lower fees and rates that small firms charge, Bryant added.

For Bellido, the way minority-owned law firms can excel is by fostering the development of attorneys into leaders, which he thinks will eventually help talented individuals join the judiciary or take on leadership positions in corporations and their communities.

"I see them really making a difference when it comes to the legal profession as a whole because I think that when you develop leaders, they're going to be voices in the community for change," Bellido said.

He also said that giving back to their communities is where "minority-owned firms do probably a better job than the BigLaw firms," though he was quick to say he didn't want to sell bigger firms short for the work they do as well.

"Diversity should be a priority for all of us because it enriches us, and not only in the financial sense, which I think companies are seeing, but it also enriches the community," he said. "And you reap those benefits at the end of the day."

Methodology: Law360 surveyed over 300 U.S. firms, or vereins with a U.S. component,

about their overall and minority headcount numbers as of Dec. 31, 2015. Only U.S.-based attorneys were included in the survey. Firms are ranked based on three factors: 1) the percentage of partners, both equity and nonequity, who self-identify as minorities; 2) the percentage of nonpartners who self-identify as minorities; and 3) the number of attorneys at the firm who self-identify as minorities.

--Editing by Mark Lebetkin and Christine Chun.

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