

Sheppard Mullin Posts 27th Straight Year of Revenue Growth

The Los Angeles-based Am Law 100 firm saw gains in several key metrics in 2017.

By Xiumei Dong

Sheppard, Mullin, Richter & Hampton has continued its growth spurt from 2016, marking the Am Law 100 firm's 27th straight year increasing its annual gross revenue.

The Los Angeles-based firm saw revenue rise 10.5 percent in 2017, to more than \$671 million, according to preliminary reporting by ALM. Profits per partner at Sheppard Mullin rose nearly 15 percent, to \$1.71 million, while revenue per lawyer grew 6.7 percent, to \$989,000. Sheppard Mullin's net income also soared in 2017, jumping 19.1 percent, to \$221 million.

Sheppard Mullin chairman Guy Halgren, who was re-elected in 2016 to a sixth term as firm leader, said his 678-lawyer shop saw consistent growth across all of its 15 locations around the world. In January, Sheppard Mullin announced an alliance with a Saudi Arabian firm.

"Last year, all the practices and all the offices were busy," Halgren said.

The firm's total number of lawyers grew by 3.5 percent, from 655 in 2016 to

678 in 2017, the 15th consecutive year of head count growth by the firm, Halgren said. The number of nonequity partners at the firm grew by 2.7 percent last year, to 189, and its equity partnership ranks expanded by 4 percent, rising to 130 in 2017.

Halgren said Sheppard Mullin's corporate and business group has been its fastest-growing practice over the last decade. Within the last four years, the firm saw an increase of 56 lawyers in its corporate and business group, according to the data compiled by ALM Intelligence.

Some of the fast-growing sectors of the firm were cybersecurity, health care, hospitality and renewable energy, Halgren added. In October, Sheppard Mullin welcomed Winston & Strawn cybersecurity expert Liisa Thomas to its partnership in Chicago. Sheppard Mullin made a total of 15 lateral partner hires last year.

Sheppard Mullin, which brought on a high-profile corporate group in New York the previous October, has also sought to expand in the heart of the European Union. In October 2015, the firm launched an EU competition and regulatory practice based out of Brussels.

"As the capital of the EU, Brussels is the focus for trade, antitrust and regulatory, and our clients have those needs in the EU," Halgren said.

Sheppard Mullin, which in recent years has also sought to expand an office in South Korea it set up in 2012, is likely



to open a new office in the United States sometime within the next year, Halgren said. Halgren declined to disclose in which region that new outpost will be located.

The litigation department at Sheppard Mullin, honored in December by The Recorder for its white-collar defense work, was busy in 2017 scoring some key client victories. The firm most recently helped Starbucks Corp. secure dismissal in January of a controversial class action against the coffee giant over the amount of foam in its drinks. Sheppard Mullin also scored a win for Chinese smartphone maker TCL Communication Technology Holdings Ltd. in a FRAND royalties dispute in federal court with Swedish telecommunications giant Ericsson AB.

Sheppard Mullin was also one of several Am Law 100 firms to sign on last year to an initiative seeking to increase diversity in the legal profession.

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