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# Who says being a lawyer has to suck?

Everyone knows the increasingly heartless legal industry is a drone-producing mess, but finally someone's trying to do something about it. Could it be that Gen Y will make lawyering something that doesn't bore everyone to death at a party?

BY NATASHA SARKISIAN

PHOTOGRAPHS BY KATHRIN MILLER

\*THESE NAMES  
HAVE BEEN  
CHANGED.

Grace,\* 31, has the kind of résumé any prominent law firm would salivate over. She was Phi Beta Kappa as a Stanford undergrad and she graduated with distinction from Stanford Law School, where she was awarded a prestigious Ninth Circuit clerkship during her third year. Her accolades landed her a job at one of San Francisco's most elite law firms, and in her first year there, she won a Fulbright scholarship to do research at Oxford. The next step, which she had every reason to believe she'd take in eight or nine years, was up into the hallowed ranks of partner.

But she describes the nearly three years she spent as an associate as the loneliest time she could imagine. She used to think she was lucky to not have a life—no boyfriend, no kids—because at least she didn't have to feel guilty about working about 80 hours a week. The other associates were no consolation. Everyone fought so valiantly to prove they did have a life outside the firm—that they knew the latest events in Iraq or knew what had happened on last night's *Grey's Anatomy*—that lunch became a pressure-filled hour of one-upmanship. The final straw was when she looked at every single partner in her office and decided that, even though each of them earned around \$1 million a year, there wasn't one whose life she envied.

"You take the best and the brightest our country has to offer," she now says, just two months after deciding to quit her job, "and subject them to mind-numbing drudgery for all hours of the day, year after year..." Here her voice trails off, and she looks like she's about to cry. "I hated it when people would ask me what I did because it was so boring even to talk about."

As far back as 1991, in a Johns Hopkins University survey of 105 professions, the law topped the list when it came to incidences of major depression. Three-quarters of attorneys now say they would not want their kids to follow in their footsteps. But in the past five years, a critical group of associates in the Bay Area—the smartest and most ambitious ones—has announced that they will not take it anymore. Forget their kids: they refuse to follow in their *own* footsteps. Even as firms throw increasingly outrageous salaries at them, the elite is bailing on, or never even considering, the law firm life.

Law firms, already in turmoil, aren't quite sure what

Founder Mark Harris (right) and executive VP Mehul Patel in the Howard Street office of Axiom Legal, a free-agency firm that employs top-notch lawyers who shun the big-firm lifestyle.









has hit them. "The profession has gone through a massive change," says Larry Kramer, the new dean of Stanford Law School. A merger mania has created cutthroat firms with 1,000-plus attorneys and worldwide ambitions. Partners are under extreme pressure to bring in enough business to generate over \$1 million each year in per-partner profit. Smaller firms scramble to compete for clients and rainmakers or be bought up for big profits. In the mayhem, the hours for associates have gone from intense to insane, and the brass ring of partnership that used to make their enslavement palatable is becoming more difficult, if not impossible, to attain. So when a superachieving fourth-year associate decides that giving up her 30s to the firm isn't remotely worth \$190,000, not even other lawyers disagree. When Grace told her firm's partners that she was quitting to do something else, most whispered that if only they didn't have the mortgage or family, they would, too.

In one year alone, 2005, one in five associates in the nation up and left his or her firm. Of associates with about five years' experience, an astonishing 78 percent are no longer with their original firm (up from 60 percent in 2000). These attrition rates are the highest ever recorded, and by anecdotal report, they are higher in

**Joan Haratani, Bar Association of San Francisco president, says lawyers stop her on the street to offer help with the "work/life balance" project that she has made the cornerstone of her tenure.**

the Bay Area than just about anyplace but New York. And while some of these attorneys are moving to other big firms, many are going out on their own or leaving law entirely. Kramer says that Stanford law graduates are defecting from big firms after three or four years at a much higher rate than they did five years ago. And more and more of the profession's very best students are not going to big firms in the first place.

In just the past year or two, the talent drain has earned official notice from the industry. When *American Lawyer* magazine surveyed firm leaders last year, poor associate retention was one of their top concerns. The Bar Association of San Francisco, in a challenge to the law firms' workaholic culture, is leading the nation in making work/life balance its top priority. Kramer, new on the scene, is revolutionizing the curriculum at Stanford Law School to widen the range of career opportunities open to attorneys.

But even as the profession slowly wakes up, young lawyers in the Bay Area aren't waiting around. Entirely on their own, they're creating new, Gen-Y-inspired ways of being a lawyer that acknowledge that things like family and yoga and volunteering should be as much a part of the good life as working hard. And if they are





going to work like dogs, in the land of Google they want to make real money (read millions, not a couple hundred thousand) doing it. Their expectations for the law itself are also higher. "It's the feeling we all have that we were meant for something better," says Charles Jung, 35, who recently quit his job as an associate at Kirkland & Ellis, in San Francisco, to open his own firm.

Call it a movement or a new legal lifestyle—whatever its label, its roots are clear. "For people in my generation," says Jung, "working at a big firm has become mediocre."

**Recounting how the associate life** became so odious is a study in painful numbers and the misery they represent. Bay Area law firms used to be known for being more laid-back than their eastern counterparts, with everyone billing out markedly fewer hours. But the dot-com boom changed all that. As associates began fleeing firms to join the tech boom, Silicon Valley took the reins from New York in the race to raise salaries fastest to tempt them back. During that time, the average first-year salary went from about \$110,000 to \$135,000. But the hikes came with a price: more work. It may seem downright quaint to us now, but in 1958 the American Bar Association estimated that "there were only approximately 1,300 fee-earning hours per year." That amounts to a roughly 40-hour workweek, plus two Saturdays a month. By 2003, however, about 28 percent of associates were billing more than 1,950 hours. Today, associates at top Bay Area firms often bill upward of 2,200 hours, and some as many as 2,600. In order to hit 2,200 hours, a person has to be on the job from 8:00 a.m. to 8:00 p.m. every weekday and seven hours on Saturday twice a month, with three weeks of total time off a year.

"The elephant in the room is the billable hour," says Beth Parker, a partner at Bingham McCutchen's San Francisco office. "People cannot work 20 to 30 years doing 2,400 hours a year. It's just not sustainable." Not surprisingly, a 2006 survey by the Bar Association of San Francisco found that the higher its number of billable hours, the higher a firm's associate attrition rate.

Driving the absurd hours is the profits-per-partner craze. That number is the amount of money each partner earns and has become the key indicator of how valuable a firm might be to a suitor firm or to on-the-move partners with good books of business. Since 2000, the average PPP in the nation's 100 largest firms has increased by 44 percent, to \$1.06 million. Even at the peak of the dot-com boom in 2000, only three firms had profits per partner in excess of \$2 million. Now, despite the comparative struggles in the economy, 10 firms enjoy that distinction. (These include four in the Bay Area: Sullivan & Cromwell; Simpson Thacher & Bartlett; Kirkland & Ellis; and Davis Polk & Wardwell.) But this number is a burr in the side of associates, who bitterly see how their labor is billed out at up to 10 times the rate of their salary—and that one way partners satisfy the hunger for higher profits is to pull more hours from each of them, morale be damned.

**In order to make their billable hours, many associates have to work from 8:00 a.m. to 8:00 p.m. every weekday and seven hours on Saturday twice a month, with three weeks of total time off a year.**

The brutal economics also have stymied associates' partnership hopes, because the simplest way firms lift their partner profits is by narrowing the pyramid at the top. "It's the great secret of the legal profession," says Albert\*, a past partner at two prestigious Silicon Valley firms. "They make the numbers go up by reducing the number of partners." Pillsbury Winthrop Shaw Pittman, once the dominant San Francisco law firm, did this recently. And by far the fastest growing part of most firms' staff is one that merely adds salt to the wound: nonequity partners. These folks receive a higher base salary than associates but don't make the millions that partners do. Since 2000, the number of nonequity partners has jumped by 88 percent compared to a rise in firms' overall head count of only 26 percent. To an associate, the increasing prospect of being offered one of these dead-end jobs isn't exactly inspiring. Nonequity partners rarely cross over to become equity partners.

Finally, even when associates are able to grind out the hours and make full partner, they find it rarely delivers the golden prize it once did. "The power and prestige of being a partner is completely gone," says Albert. "A partner is only as good as the money he or she brought into the firm last year. If you're not a hunter, meaning you don't bring in clients, you better stay really good friends with some hunters or you're out of luck." It is becoming increasingly a part of business for partners to lay each other off.

**These new realities run head-on** into the attitudes of a generation that isn't willing to sacrifice itself on the altar of work. When a panel of Gen Y-ers was asked at the Bar Association's conference in September, "What do people in their 30s want?" the answer that came back was, "We basically want it all." Young attorneys find the stories of their colleagues drafting interrogatories between labor contractions horrifying, and they want to take a vacation that isn't constantly interrupted by ping-pong BlackBerrys. And the desire for a saner, more exciting life isn't just an issue for mothers or potential moms. In a 2001 study, 71 percent of female and male graduates from the nation's top five law schools reported experiencing serious conflict between their work and their personal lives. And when male lawyers in their 20s and 30s were asked if they were willing to take lower salaries in exchange for more free time, 70 percent said yes.

Based on survey results like those, Joan Haratani, president of the Bar Association of San Francisco and a partner at Morgan Lewis, last year made "work/life balance" the issue of her tenure. It's one of several recent gestures by local legal bastions toward dealing with the attrition problem. Haratani's strategy is to try to convince firms that they can make viable flex-time work available to all without hurting the bottom line. The crux of her argument is that each time an associate leaves, it costs the firm an average of \$200,000 in replacement, training, and lost productivity costs. One thing in her favor is that some law firms are failing to fill positions and are now facing a true head-count problem



rather than just a slippage in talent. Many of the nation's most profitable firms maintain a ratio of three, four, or even five associates to each partner. By 2005, however, the overall ratio for the industry's 250 largest firms had slipped dramatically to 1.6 associates for each equity partner. At her Conference on Work/Life Balance in September, Haratani rolled out a list of ways that law firms can effectively implement more flexible schedules to reverse the slide.

A few Bay Area firms already understand Haratani's focus on flexibility. Cooley Godward Kronish and Orrick, Herrington & Sutcliffe are two that have gained reputations for their more civilized work ethic without sacrificing high partner-profit numbers. Ann Mooney remembers a discussion she had with a partner at Cooley when she was still an associate about when would be the best time, from the firm's perspective, for her to have children. Much to her surprise, he said, "Do what you and your husband want to do, and the firm will work it out." She had two children and made partner while working 80 percent, even after taking five months of maternity leave and three months off to work in the district attorney's office, a program Cooley promotes to give its associates trial experience.

Despite such heart-warming anecdotes, however, many Bay Area lawyers don't believe their firms would ever adopt the initiatives the Bar is recommending. Everyone knows the joke: part-timers get 60 percent of the pay for 90 percent of the hours and 10 percent of the respect. Even associates sometimes buy into the stigma. "The woman who sat next to me is supposed to have Fridays off, but she's such a martyr," says Julie\*, who quit her job as associate at a prominent Valley firm after three years. "Every Friday she came in and said, 'Here I am again on my day off.' And we all said, 'Oohhh, you poor thing, you work so hard.'"

At Stanford, meanwhile, Larry Kramer's goal is to keep lawyers' training from being so single-minded. When he first became dean, he spent months talking to alumni about what the law school could do to better prepare its students for life after graduation. A common refrain was that legal training had simply become too theoretical, forcing graduates to go to a big firm to learn how to practice law. But meanwhile, big firms had also narrowed their focus, he says.

"The elements that made lawyering such a proud profession, like service to the community through pro bono work and the option to go into government positions, really made for a more three-dimensional life," Kramer says. He needed a curriculum that would encourage students to embrace a more rounded ideal of lawyering, to train them to make partner if they chose but also to create businesses, save the world, or engineer Silicon Valley deals.

In Kramer's new curriculum, the first year is the same baptismal experience of "learning to think like a lawyer" that it's always been. But in the second and third years, students also study the particular field they intend to enter. An aspiring business lawyer, for example, would

study finance and accounting; someone interested in working for a tech company would learn about the latest computer innovations. "There's a sense of a frontier here," Kramer says, "a willingness to take chances and risks that Stanford draws from its location in the Valley. The deals, the start-ups, and the IPOs—all these things really infuse this place so students don't feel as stuck." And even though Stanford is the first law school to take such a radical approach, Kramer strongly believes other schools will eventually have to change. But even if they don't, the change is occurring underfoot.

**No one knows how many brilliant** young Bay Area attorneys from big law firms are figuring out how to construct more meaningful, free-wheeling careers. But talk to any 20 people at the Grove Fillmore cafe in Pac Heights, and you will probably find one or two who are giving it a hell of a try. They might range from the upstart with her own firm to plaintiff's attorneys to aspiring VCs or moms working part-time, but what they have in common is optimism about their future. "You couldn't pay me money to complain about my job," says Dana Wagner, 31, who bolted for the Justice Department's anti-trust division in San Francisco after one summer at a big firm. He loves his work, gets off most days around 6:00, and always makes it to the gym at lunch—and he's happy enough to not mind the low six-figure salary. He says even his friends who seem happy at firms are always asking him if his office is hiring.

Former firm rat Joshua Ridless also did something more young lawyers from top schools are considering: he went into solo practice. He knew early on during his three years at Vogl & Meredith that he didn't want to make partner. "Before I started my own firm, I was depressed, overweight, and didn't have time for a personal life," he says. Now, Ridless spends almost half his time doing something he's always wanted to do—advising clients on their business plans. He complains if his work is interfering with the hours he needs to spend each day training for triathlons, fulfilling his duties as president of the Barristers (a group for lawyers who've been practicing less than 10 years), or doing pro bono work for local community centers. "I have time to do everything I want to do," Ridless says.

Kassra Nassiri, on the other hand, was inspired by "Billion Dollar Charlie," aka Charles Nesson, whose story was made famous by the best-selling book and big-screen hit *A Civil Action*. Nesson told Nassiri's first-year class at Harvard Law, "Most of you who go into private practice will go to big defense firms, but I encourage you to do something different: try plaintiff's work." The risk aversion of many top law school graduates has historically made this an uncommon choice, but because the plaintiff's bar makes money by working on contingency (taking a percentage of a case's earnings), not by billing hours, the financial reward—though not guaranteed—can be huge. Nesson's advice was a siren song to the hard-charging Nassiri, especially after his brief and unfulfilling stints at Orrick and Wilson

**"At a law firm, you aren't supposed to say you would rather do anything other than practice law," says Axiom Legal's Patel. "But here we look for attorneys who have another interest that lights them up."**





Sonsini Goodrich & Rosati. Now he and Charles Jung are running their own plaintiff's firm to litigate multi-million dollar cases. To deal with the ebb and the flow of the work, they hire stay-at-home moms who have left big firms. "These women appreciate the opportunity to use their hard-earned skills in a way that doesn't interfere with raising a family," Nassiri says.

So do many of the attorneys at the maverick Axiom Legal, an entirely new kind of law firm with no partners, no billable-hour rat race, and no pricey overhead on a 25th-floor vista and mahogany-paneled library. The seven-year-old firm's business model is simple: match up Axiom attorneys with clients on a free-agency basis. Clients and Axiom agree on a set price for a project, and then clients pick the attorney they want from Axiom's roster, with each attorney free to turn down work that's uninteresting or too demanding. For founder and CEO Mark Harris, the decision to opt out of the law firm life came when he realized he was billing out in one month an amount equal to his entire salary. Seeing his new firm as a refuge for other top-achieving law firm escapees, Harris and executive vice president Mehul Patel are practically the only people who work at the tiny San Francisco office. The rest of the attorneys, who run the gamut from parents who want to spend more time with their children to people who want time to write the next great American novel,

**In his solo practice in downtown San Francisco, Joshua Ridless gets to use his legal skills for more than just drafting briefs. He advises small businesses and keeps a steady flow of pro bono work—and still has time each day for triathlon workouts.**

work from home or at their clients' offices.

By selecting only a handful of the best résumés from the thousands that pour in, Axiom, Harris claims, can ensure its clients the very best service. Meanwhile, the attorneys get the self-determination that they always wanted as associates. "At a law firm," Patel says, "you aren't supposed to say you would rather do anything other than practice law. But here we *look* for attorneys who have another interest that lights them up." Axiom attorney Elizabeth Fogel, a former Howard Rice associate turned stay-at-home mom who works three days a week from her dining room table, has two words to sum up the arrangement: "So refreshing."

And once an attorney gets a taste of the freedom and excitement the big firms can't provide, it's not easy to turn back. Nassiri's experience bears this out. After nearly going bankrupt his first time out as a plaintiff's attorney, he retreated to big-shoe Wilson Sonsini. During his initial interview, the hiring partner said to him, "I don't think we're going to be able to keep a guy like you around for long—you're going to get bored—but I really hope we can." The partner's instinct about the match between his firm and the sharp young attorney was correct. After two years, Nassiri had jumped ship again, he says for the last time. ■

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