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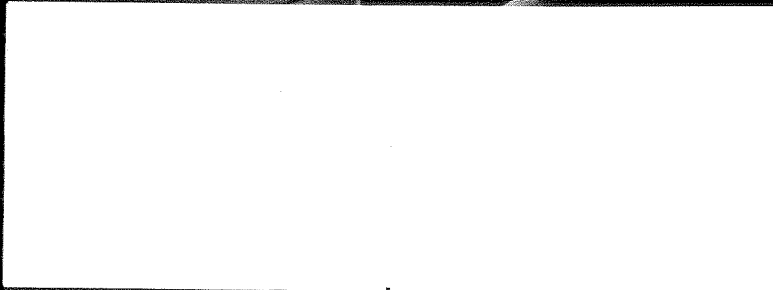
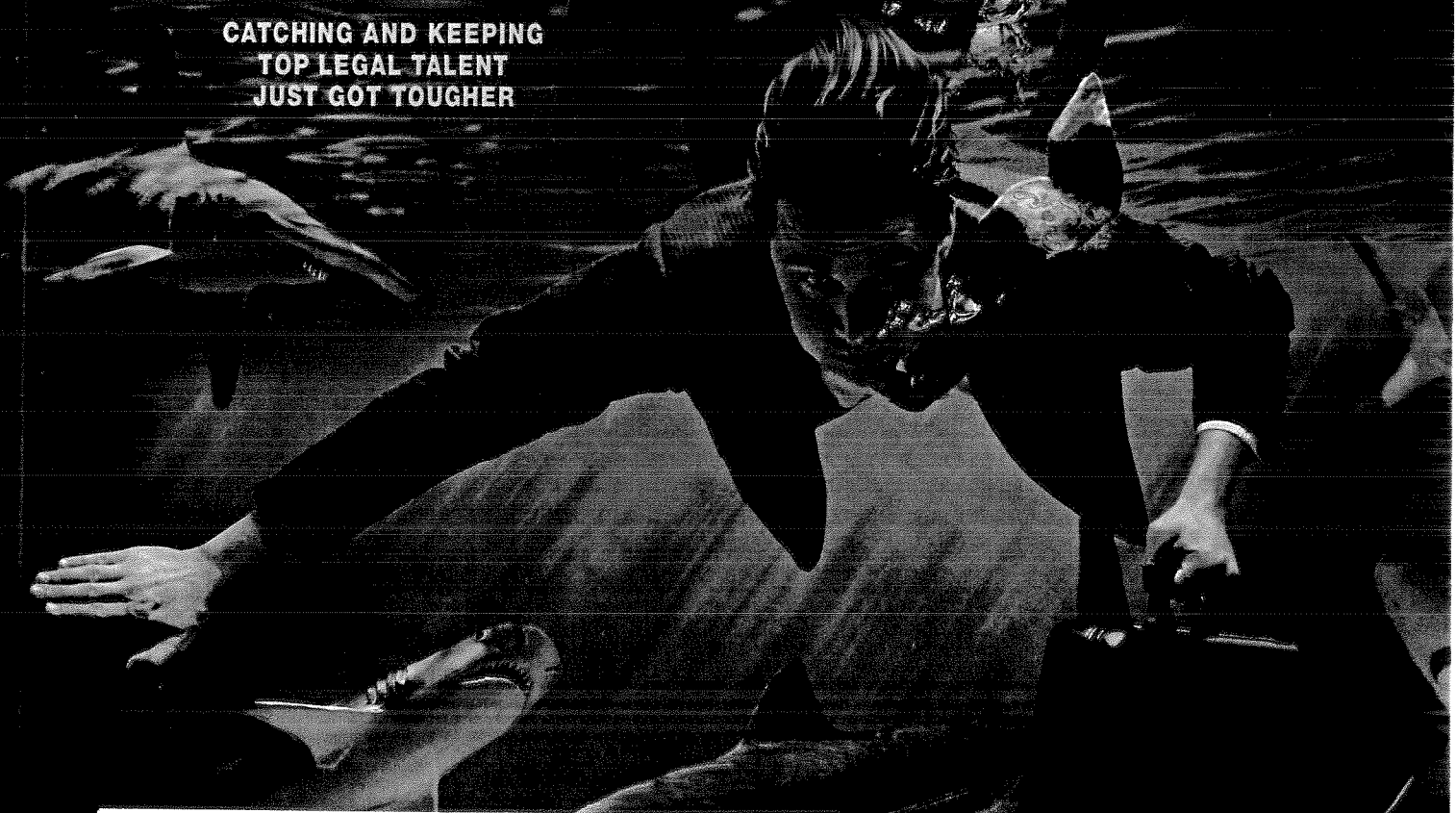
K STREET
RISING

THE GRAPE
FOREIGNERS

business insight
for the
capital region

LAW OF THE LURE

CATCHING AND KEEPING
TOP LEGAL TALENT
JUST GOT TOUGHER





SHARK RACE

*The biggest firms
jockey for Capitol Mall's
next top lawyer*

BY JOSH BRODESKY

By day, Hanspeter Walter worked as an environmental scientist for the California Department of Water Resources. By night, he attended law school.

It's been over a year since Walter graduated as valedictorian of the McGeorge School of Law's evening division. He could have gone anywhere, but he's still in Sacramento.

Walter and his wife, Julie, considered Portland and Idaho, where he had previously earned his master's degree. But in the end, they chose to stay in Sacramento with its big city amenities and — at times — smaller charm.

"I was looking geographically at different locations," he says. "My wife and I came to the conclusion that Sacramento was a pretty good medium."

Quality of life is a major selling point for the largest local firms, which are often competing against San Francisco and the rest of the West Coast for tomorrow's best and brightest. Although the salaries aren't as high in the Capital Region, life is more affordable and relatively easy with shorter commutes and lower housing prices.

The past year, just as Walter began practicing water law with Kronick Moskovitz Tiedemann and Girard, one of the region's largest firms, concern began to grow at a number of local law firms that quality of life was not enough to attract top law school graduates.

Across the country, firms were raising starting salaries for new associates. The increases began in New York City and have since snaked their way to the West Coast. In Sacramento, a number of firms have raised — or are planning to raise — their salaries for new associates,

with some offers cresting the six-figure mark. An \$80,000 salary just hasn't been enough to land a top law school grad in Sacramento, which competes with the notoriously higher salaries in the Bay Area.

"It was just part of a plan to retain the best and brightest that were out there," says Gary Bradus, managing partner at Weintraub Genshlea and Chediak, which raised associate salaries to \$100,000 and \$108,000 this spring. "If we are trying to get the best and brightest, we certainly have to be competitive in our market."

Salary isn't the only driving force in recruiting top young talent. For many managing partners, it serves as almost a de facto measure of a firm's status in the top-down world of law; and it is a key to recruiting and retaining talented new attorneys at a time when law school tuition and debt is on the rise. It also reflects a spike in demand.

Long before the latest wave of associate salary increases swept the country, Bradus and other managing partners had concerns about staying competitive to recruit.

Only an hour or two away from San Francisco and San Jose, Sacramento's largest firms recruit against those cities as well as Los Angeles and the Pacific Northwest. Not only are they up against the allure such cities hold for young professionals, there is also a constant discrepancy in salaries.

To further complicate the matter, national firms — which are setting up shop or expanding in Sacramento — can absorb salary increases much more easily than local firms.

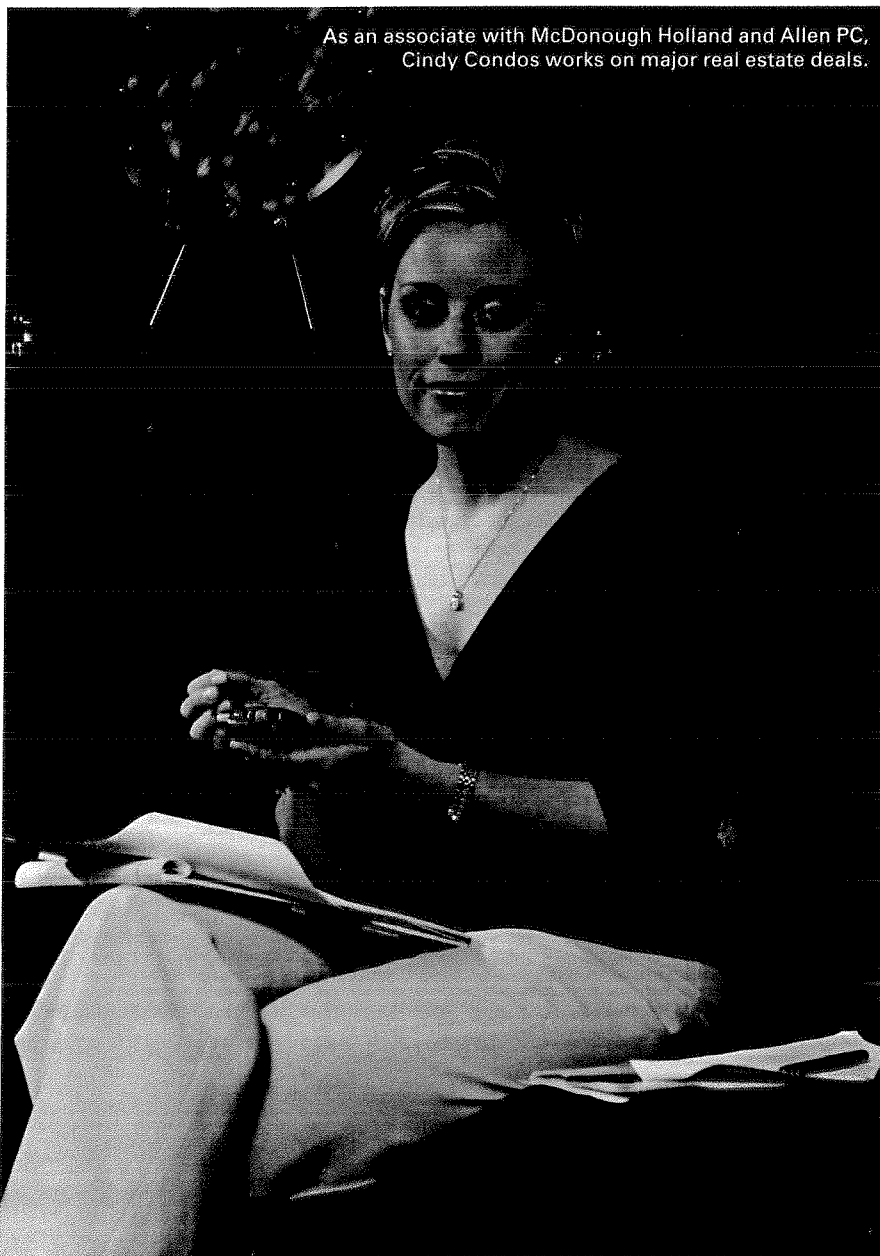
"There has always been a discrepancy" in pay between San Francisco and Sacramento, Bradus says. "My concern is, is it going to become more so?"

While starting salaries at the largest local firms now hover over \$100,000, not including bonuses, the firms are still relying heavily on Sacramento's quality of life and the opportunities that can come with working for a large, local firm.

Many of the firms' websites refer to the importance of balancing work life and personal life. Billing requirements tend to range between 1,750 and 1,900 hours, a fair chunk of time but considerably less than similar firms in larger cities.

There is plenty more to tout in terms of lifestyle with relatively low home prices and short commutes. In Sacramento the median price of a single-family home was \$356,500 in the second quarter this year, according to the National Association of Realtors. This is compared to San Francisco at \$846,800 and Silicon Valley at \$865,000. In addition, commute times in the Capital Region are under 25 minutes, according to the U.S. Census Bureau.

Local firms also emphasize recruiting law school graduates with local ties at UC Davis School of Law or McGeorge.



As an associate with McDonough Holland and Allen PC, Cindy Condos works on major real estate deals.

"We primarily recruit from local and Bay Area law schools, and we look for individuals that have solid academic credentials," says Gerald Holt, executive director of McDonough Holland and Allen PC, Sacramento's second-largest firm. "We don't compete for associates with large national or global firms. There is a substantial difference between what we are able to pay and what national firms pay."

For Cindy Condos, a Sacramento native who has been an associate with McDonough for three years, the chance to own a home, have a balanced work week and work for a firm known for its specialization in real estate deals made the decision to stay in Sacramento an easy choice.

**"This whole issue
has gotten
more press than it
deserves."**

— Keith Bolte, COO,
Kronick Moskowitz Tiedemann and Girard

"It's not just about billing the hours, but the firm has a commitment to letting the employees have a quality of life and work-life balance," she says.

Condos graduated from McGeorge in 2004. Although she and her husband had once lived in the Bay Area, she says she never thought about moving back to practice law. Condos has been able to buy a home in the Capital Region as well as play key roles in large real estate deals at McDonough. "At a larger firm I would still be doing documents and not having any client contact," she says.

Despite McDonough's emphasis on quality of life and the chance for client contact, the firm will almost certainly be raising associate salaries this month; an indication that its current starting salary of \$88,000 and the chance for new attorneys to have broad, in-depth experiences is simply not enough to attract the quality of candidate the firm wants.



Don Vilfer & Pamela Hanback

VILFER & ASSOCIATES

The Art of Collecting e-Evidence

Don Vilfer is a specialist at uncovering what others cannot see. His firm, Vilfer & Associates, practices the investigative art of computer forensics. "Computer forensics is the systematic investigation of a computer system to discover and preserve evidence," Vilfer says.

Among the firm's successes is the recovery of chat logs to disprove a sexual harassment, proving use of a jump drive to steal company secrets and recovering deleted forms used to commit embezzlement. While his firm also uses traditional investigative techniques to obtain evidence, it is often this high-tech tool that leads to a successful resolution of litigation or internal investigations.

Dylan Wiseman, of Littler Mendelson, reports, "Vilfer & Associates will forever be on my speed dial."

As a former FBI Agent, Vilfer knows the importance of obtaining relevant evidence. Dale Campbell of Weintraub Genshlea Chediak agrees: "I have the confidence from our years of working together that they have the experience and diligence to uncover the evidence and present it in a compelling manner that will help make your case."

For more information, visit VilferInvestigations.com

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Holt, the firm's managing partner, says the increase is spurred, in part, by what has happened in other cities. But it is also a reflection of the rising cost of law school. More and more, law school graduates are saddled with debt and their starting salary carries greater weight.

For example, tuition and fees at McGeorge top \$34,500 per year for day students. In-state tuition and fees at UC Davis top \$25,500 annually.

"I knew as soon as these New York City firms started increasing that we would have to increase also," he says. "I think starting salary is very important for first-year attorneys."

While Condos would welcome the advance, she says she expects it will come at a cost, with a push for more billing hours and, in turn, eating away at some of the quality of life she has come to know at McDonough. "There is



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Sacramento

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STARTING SALARIES AT THE LARGEST FIRMS

DOWNEY BRAND LLP

NO. OF ATTORNEYS: 120
 FIRST-YEAR ASSOCIATES: 12
 STARTING SALARY: \$100,000
 YEAR ESTABLISHED: 1926

SPECIALTIES: banking, bankruptcy, construction, employment, environmental, estate planning, family, litigation, nonprofit, real estate tax, water, white-collar crime

KRONICK MOSKOWITZ TIEDEMANN AND GIRARD

NO. OF ATTORNEYS: 51
 NO. OF ASSOCIATES: 19
 STARTING SALARY: \$80,000
 YEAR ESTABLISHED: 1959

SPECIALTIES: business, construction, education, employment, insurance, litigation, public agency, natural resources, public finance, real estate, water

MCDONOUGH HOLLAND AND ALLEN PC

NO. OF ATTORNEYS: 100
 NO. OF ASSOCIATES: 33
 STARTING SALARY: \$88,000*
 YEAR ESTABLISHED: 1953

SPECIALTIES: business, construction, healthcare, public law, real estate, litigation, banking, finance, corporate securities, employment, environmental, estate planning, probate, intellectual property, land use

* Salaries for associates likely raised this month

PORTER SCOTT

NO. OF ATTORNEYS: 45
 NO. OF ASSOCIATES: 29
 STARTING SALARY: Varies
 YEAR ESTABLISHED: 1976

SPECIALTIES: civil litigation, product and employment liability, medical malpractice, construction claims, public-entity liability, toxic torts, business

WEINTRAUB GENSHLEA CHEDIAK

NO. OF ATTORNEYS: 32
 NO. OF ASSOCIATES: 12
 STARTING SALARY: \$100,000 - \$108,000
 depending on billing hours
 YEAR ESTABLISHED: 1978

SPECIALTIES: litigation, real estate, corporate securities, intellectual property, labor, estate planning, tax probate, entertainment

