



MAJOR,
LINDSEY
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LEGAL SEARCH
CONSULTANTS

PARTNER COMPENSATION SURVEY

2012

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TABLE OF CONTENTS

Background	4
The Survey.....	4
Methodology.....	5
Statistical Terms Used	6
Compensation, Originations, Receipts, Billing Rates and Hours.....	6
Compensation.....	7
Exhibit 1.1 – Average Total Compensation by Partnership Tenure	8
Exhibit 1.2 – Average Total Compensation by Partnership Status.....	8
Exhibit 1.3 – Average Total Compensation by Practice Area	9
Exhibit 1.4 – Average Total Compensation by City	10
Exhibit 1.5 – Average Total Compensation by Compensation Transparency	10
Exhibit 1.6 – Average Total Compensation by Lockstep Type.....	11
Exhibit 1.7 – Average Total Compensation by Firm Size	11
Exhibit 1.8 – Average Total Compensation by Firm PPP	12
Originations	13
Exhibit 2.1 – Average Originations by Partnership Tenure	13
Exhibit 2.2 – Average Originations by Partnership Status.....	13
Exhibit 2.3 – Average Originations by Practice Area	14
Exhibit 2.4 – Average Originations by City	14
Exhibit 2.5 – Average Originations by Compensation Transparency	15
Exhibit 2.6 – Average Originations by Firm Size.....	16
Working Attorney Receipts	16
Billing Rates, Billable Hours and Non-Billable Hours	17
Exhibit 3.1 – Average Billing Rate by Firm Size.....	18
Exhibit 3.2 – Average Billable Hours by Firm Size	18
Exhibit 3.3 – Average Non-Billable Hours by Firm Size	18
Compensation Satisfaction, Factors and Systems	20
Satisfaction Ratings.....	20
Exhibit 4.1 – Overall Satisfaction with Total Compensation	20
Exhibit 4.2 – Satisfaction by Partnership Tenure	21
Exhibit 4.3 – Satisfaction by Partnership Status.....	21

Exhibit 4.4 – Satisfaction by Practice Area	22
Exhibit 4.5a – Satisfaction by City (1)	23
Exhibit 4.5b – Satisfaction by City (2)	23
Exhibit 4.6 – Satisfaction by Compensation Transparency	24
Exhibit 4.7 – Satisfaction by Lockstep Type.....	24
Exhibit 4.8 – Satisfaction by Total Compensation	24
Exhibit 4.9 – Satisfaction by Total Originations.....	25
Exhibit 4.10 – Satisfaction by Billable Hours	25
Exhibit 4.11– Satisfaction by Firm PPP	26
Exhibit 4.12 – Satisfaction by Gender	26
Compensation Satisfaction and Perceived Bias.....	27
Desire for Higher Compensation	28
Exhibit 5.1 – Satisfaction with Compensation Level	28
Exhibit 5.2 – Level of Compensation Desired (Percentage Increase).....	28
Importance of Factors in Determining Compensation	29
Perceived Importance of Factors.....	29
Exhibit 6.1 – Importance of Factors Determining Compensation.....	29
Exhibit 6.2 – Perceived Importance of Factors Determining Compensation	30
Exhibit 6.3 – Change in Importance of Factors Determining Compensation	31
Respondent Profile	32
Partnership Tenure.....	32
Exhibit 7.1 – Respondents by Partnership Tenure	32
Partnership Status	32
Practice Area.....	32
Exhibit 7.2 – Respondents by Practice Area.....	33
City	33
Exhibit 7.3 – Respondents by City	33
Lateral Status	33
Compensation Transparency.....	34
Lockstep Type	34
Total Compensation	34
Exhibit 7.4 – Respondents by Total Compensation.....	34
Firm Size.....	34

Exhibit 7.5 – Respondents by Firm Size.....	35
Exhibit 7.6 – Respondents by Firm PPP.....	35
Gender	35
Ethnicity.....	36
Exhibit 7.7 – Respondents by Ethnicity	36
Notes.....	36
Appendix I—Respondent Profile.....	38
Appendix II—Average Total Compensation.....	47
Appendix III—Compensation Change for Lateral Partners	53
Appendix IV—Average Total Originations	56
Appendix V—Average Total Working Attorney Receipts	62
Appendix VI—Average Billing Rates.....	68
Appendix VII—Average Billable Hours.....	74
Appendix VIII—Average Non-Billable Hours	80
Appendix IX—Satisfaction with Total Compensation	86
Appendix X—Desired Compensation.....	100
Appendix XI—Importance of Factors in Determining Compensation / Desire for Changes.....	102
Appendix XII — Questionnaire.....	109

BACKGROUND

In the spring of 2012, Major, Lindsey & Africa (MLA) launched its second Partner Compensation Survey. The Survey, which was sent to more than 74,000 law firm partners in Am Law 200-, NLJ 350- and Global 100-size firms across the United States, was a follow-up to MLA's ground-breaking 2010 Survey, which was the most comprehensive effort ever undertaken to identify ranges of partner compensation, the criteria law firms use in determining partner compensation, and the satisfaction of law firm partners with their compensation and compensation systems.

This Report provides (i) an overview of the Survey, (ii) the demographic breakdown of the respondents to the Survey, (iii) selected highlights of compensation and other practice metrics as reported by the respondents, (iv) selected highlights of compensation satisfaction, factors and systems as reported by the respondents, and (v) an overview of various factors perceived by respondents to be important in the determination of their compensation.

THE SURVEY

The Survey consisted of 32 questions, with the results broken down into three major categories:

1. Demographic information about each respondent and the respondent's law firm, including:
 - Law school graduation year
 - Years as a partner
 - Partnership status (*i.e.*, Equity vs. Non-Equity)
 - Primary practice area
 - City
 - Lateral status (*i.e.*, "home grown" vs. lateral)
 - Compensation transparency of firm (*i.e.*, open vs. closed compensation system)
 - Lockstep nature of firm's compensation system (*i.e.*, lockstep vs. non-lockstep)
 - Size of law firm
 - Law firm Profits per Partner as reported in *The American Lawyer*
 - Gender
 - Ethnicity
2. Objective information about a respondent's compensation and practice metrics for 2011. Compensation and practice metrics include:
 - Total compensation
 - Total originations
 - Total working attorney receipts
 - Standard hourly billing rate
 - Total billable hours
 - Total non-billable hours
 - For lateral respondents, whether their compensation changed as a result of the lateral move and, if so, by what percent

3. Subjective information about a respondent's perception of his or her compensation and compensation system, including:
 - Factors perceived by respondent to be important to the firm in determining compensation
 - Factor which respondent believes should be most important in determining compensation
 - Whether there has been a change in the importance of factors and, if so, which factors have become more important or less important
 - Satisfaction with total compensation
 - For those respondents who were not satisfied with their compensation, whether such dissatisfaction was attributable to any perceived bias
 - Whether respondent believed his or her compensation should be higher and, if so, by what percent
 - Whether respondent would like to see changes in his or her compensation system and, if so, what changes were desired

METHODOLOGY

This Survey was sponsored and developed by Major, Lindsey & Africa (MLA) in association with ALM Legal Intelligence (ALI), a research arm of ALM Media, the publisher of *The American Lawyer*. ALI allowed respondents to answer confidentially and anonymously, and MLA at no time was made aware of respondents' names or firms, either individually or in the aggregate.

Data for this Survey was collected using an online questionnaire hosted by ALI. Invitations were emailed to 74,299 partners across the United States at firms who have been Am Law 200-, NLJ 350- or Global 100-ranked in the past 5 years¹. The emailed invitation contained a link which partners could use to access the online survey. To maximize the response rate, three email reminders, spaced about one week apart, were also sent.

The sample was provided by ALI, selected from its proprietary database of practicing lawyers in the U.S. and abroad. The questionnaire was jointly developed by MLA and ALI. As an incentive to complete the Survey, respondents were entered into a drawing to win an American Express gift certificate valued at \$1,000.

Responses were received from partners practicing across the United States (2,084) and abroad (144) for a total of 2,228 responses. 781 emails were returned as undeliverable. Assuming that all of the remaining partners contacted received the invitation, the overall response rate was approximately 3.0%.

As is customary with surveys of this nature, not every respondent answered every question. Each data table notes the actual number of respondents for each category. In order for us to present the data meaningfully, in certain cases, individual respondents were grouped into larger categories.

¹ Unlike the 2010 Survey, which was sent to partners without regard to firm size, the 2012 Survey was sent only to partners in these large law firms.

In Questions 11 through 16 of the Survey, respondents were given ranges as response choices. For example, total compensation values were typically grouped in \$50,000 ranges (*e.g.*, \$800,000 to \$850,000). In order to calculate the data for this Report, ALI used, wherever possible, the midpoint for all responses that were expressed as ranges. In those cases where midpoints were not identifiable (*e.g.*, responses where one parameter of the range was open-ended), ALI and MLA jointly agreed on values to be used for those responses.

For profits per equity partner (PPP) data, ALI used the most recent data available. For Am Law firms, ALI used PPP data from the Am Law 200 ranking. For international firms, ALI used the PPP data from the Global 100 ranking. Additionally, in the 2010 Report, PPP figures were self-reported. Therefore, PPP data should be looked at directionally and not as a strict year-over-year comparison, as methodologies for this question are different in 2012.

In order to protect respondents' identities, this Report does not disclose any information about any individual or any individual law firm. All information is reported in the aggregate to ensure anonymity. ALI did not provide the names, email addresses or any other identifying information of individual respondents or any law firm to MLA. At all times, MLA remained blind to the source of the data.

In most cases, this Report compares the results of the 2012 Survey with that of the 2010 Survey. The complete results of the 2010 Survey can be found at the following [link](#).

STATISTICAL TERMS USED

The statistical terms used in the Report are defined below.

- The median (or the 50th percentile) is the middle or central number in a series of numbers arranged in order of value. There are equal numbers of smaller and larger observations.
- The average (or mean) is the total value of all observations divided by the number of observations. While an average can be distorted by "outliers"—data that is aberrant—great care was taken to identify and remove outliers from this Report. Finally, percentages may not total 100 percent because of rounding.

COMPENSATION, ORIGINATIONS, RECEIPTS, BILLING RATES AND HOURS

Questions 11 through 16 of the Survey dealt with the principal practice metrics of the respondents for the 2011 fiscal year, and address: total compensation, total originations, total working attorney receipts, standard hourly billing rate, total billable hours, and total non-billable hours. These key practice metrics were then sorted by the following categories:

- | | | |
|-----------------------|------------------|---------------|
| 1. Partnership Tenure | 5. Compensation | 8. Firm PPP |
| 2. Partnership Status | Transparency | 9. Gender |
| 3. Practice Area | 6. Lockstep Type | 10. Ethnicity |
| 4. City | 7. Firm Size | |

COMPENSATION

The overarching story in the 2012 Partner Compensation Survey follows the findings of the 2010 Survey, namely: the longer the tenure, the larger the firm, and the bigger the legal market, the higher compensation likely will be². Key findings also include:

- Average compensation for all respondents was \$681,000, up 6.4% from 2010 (\$640,000). The average billing rate for all respondents was \$584, up nearly \$30 from 2010 (\$555).
- The gap between Equity partners and Non-Equity partners, both in terms of compensation and compensation satisfaction, is growing: Equity partners averaged \$896,000 in compensation, versus \$335,000 for Non-Equity partners (\$811,000 vs. \$336,000 in 2010). Equity partners were also three times more likely to classify themselves as Very Satisfied than Non-Equity partners (36% vs. 12%, compared to 28% vs. 15% in 2010), and were also much less likely to classify themselves as Not Very Satisfied (4% vs. 11%, compared to 5% vs. 8% in 2010).
- Partners in Open compensation systems once again reported significantly higher average compensation (\$810,000) compared to partners in Closed (\$465,000) and Partially Open systems (\$515,000), and the gap seems to be widening here as well: In 2010, Open system partners' compensation outpaced Closed system partners by 45%, a difference which has grown to a stunning 74% in 2012. Partners in Open compensation systems were also much more likely to classify themselves as Very Satisfied (34%) than partners in Partially Open (21%) or Closed (13%) compensation systems, compared to 29%, 15% and 16%, respectively, in 2010.
- The disparity in compensation and compensation satisfaction across cities continues to be quite pronounced. Average compensation ranged from a low of \$478,000 in Philadelphia to a high of \$1.2 million in Silicon Valley. One-third or more of respondents in Seattle, Dallas, San Francisco and Silicon Valley said they were Very Satisfied with their compensation, followed closely by Houston and New York at 32% and Atlanta at 31%. Only 16% of Philadelphia-based partners reported that they were Very Satisfied with their compensation, and Boston had the highest percentage of partners classifying themselves as Not at all Satisfied (13%, up from 6% in 2010).
- Although Litigators again averaged the highest number of billable hours (1,792), they continued to lag significantly in compensation behind Corporate partners (\$634,000 vs. \$847,000), despite the Corporate partners reporting significantly lower billable hours (1,518). Although Litigators reported lower originations than Corporate partners in 2012 (\$1.71 million vs. \$2.43 million), they also reported lower compensation in 2010 (\$679,000 vs. \$759,000) despite having higher originations (\$2.36 million vs. \$2.21 million) and higher billable hours (1,817 vs. 1,501).
- Male partners continue to significantly outpace females in compensation, and the gap is also widening: \$734,000 vs. \$497,000 in 2012, compared to \$675,000 vs. \$513,000 in 2010.
- Cronyism continues to be, by far, the most significant reason for dissatisfaction with compensation satisfaction, outpacing all of the other enumerated reasons combined.
- Originations continue to drive compensation decisions, and its importance is growing: 74% of all respondents noted that Originations were a Very Important factor in determining

² It is important to note, however, that these averages to some degree hide the effects of outliers in various segments. For example, while the disparity in average compensation between Open and Closed system partners is quite pronounced, when adjusted for relative originations the differences in compensation are smaller than the averages would suggest. We expect to explore this effect in a follow-up to this Report.

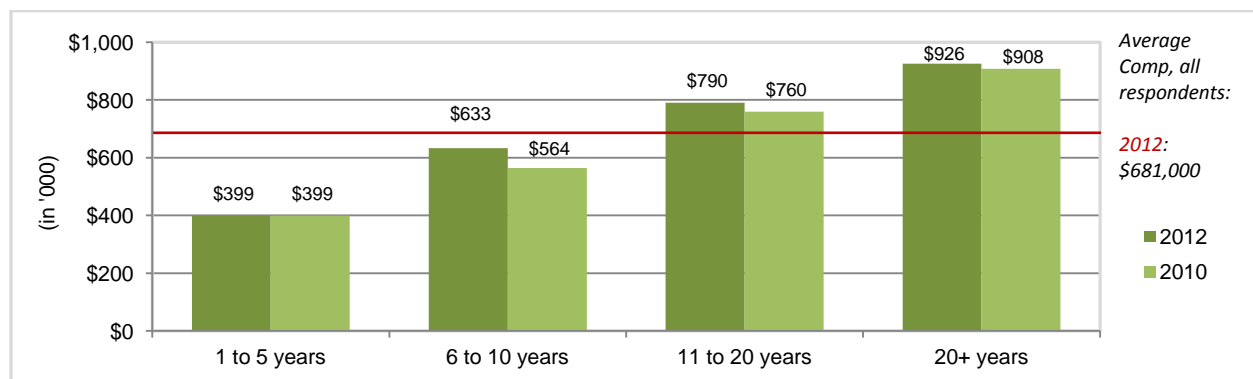
compensation, 65% of all respondents perceived it to be the most important factor (working attorney receipts was next closest at 21%) and 55% of all respondents cited originations as becoming more important in the compensation process, up significantly from 24% in 2010.

A total of 2,004 respondents provided their compensation data, with reported compensation ranging from less than \$100,000 (2 respondents) to over \$7.3 million (1 respondent). Average compensation for all respondents was \$681,000, a 6.4% increase from 2010 (\$640,000).

Partnership Tenure and Partnership Status

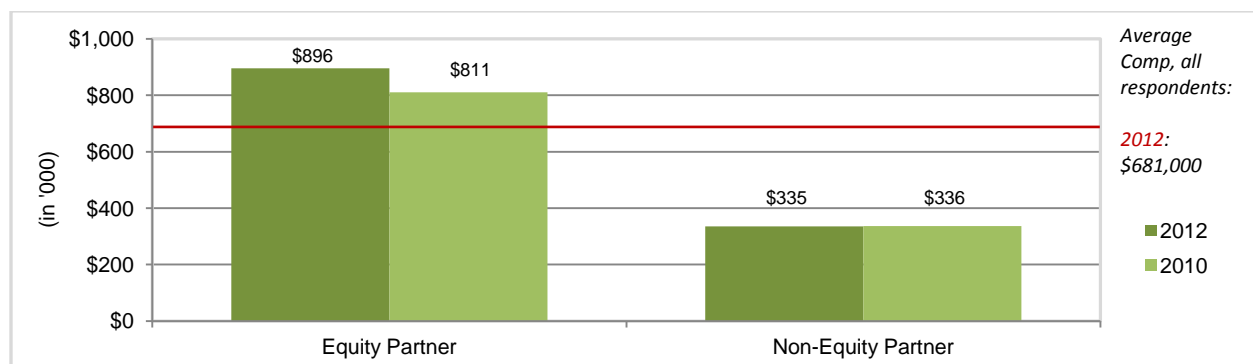
Not surprisingly, when sorted by Partnership Tenure, average compensation climbs steadily by tenure grouping, ranging from \$399,000 for those in the 1 to 5 year category up to \$926,000 for those in the 20+ year category. The 6 to 10 year category showed the largest compensation jump from 2010 (+12%).

Exhibit 1.1 – Average Total Compensation by Partnership Tenure



Similarly, while we expected that Equity partners would continue to significantly outpace Non-Equity partners in compensation, the level of disparity has grown even further since 2010, with Equity partners now averaging about 2.5 times the total compensation of their Non-Equity colleagues. Equity partners reported an 11% jump in compensation, whereas compensation for Non-Equity partners was essentially flat.

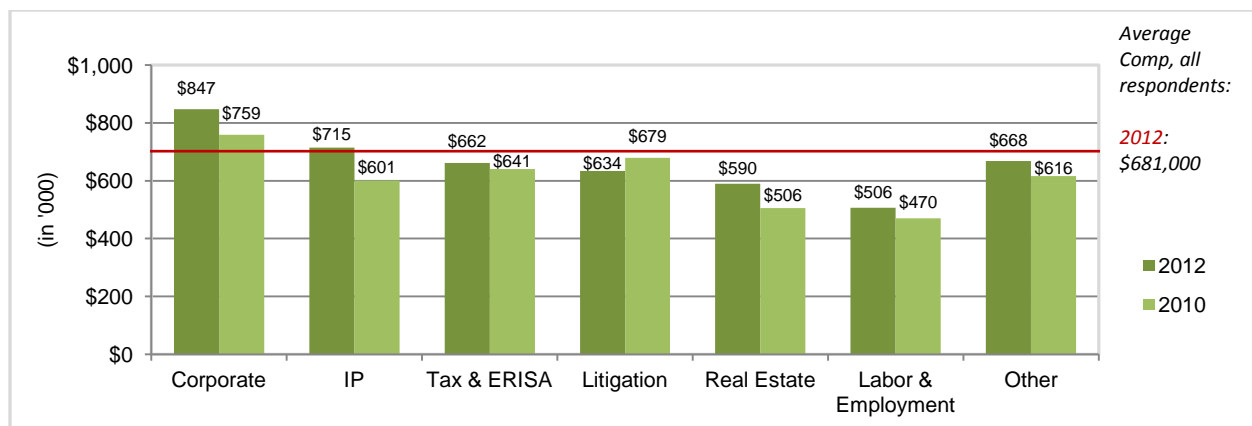
Exhibit 1.2 – Average Total Compensation by Partnership Status



Practice Area

Among the seven practice areas grouped for the purposes for this Report, Labor & Employment partners reported the lowest average compensation (\$506,000), compared to a high of \$847,000 for Corporate partners. IP (+19%), Real Estate (+17%) and Corporate (+12%) partners showed the largest percentage increases from 2010, while Litigation partners were the only practice area to show a decline in average compensation (-7%).

Exhibit 1.3 – Average Total Compensation by Practice Area

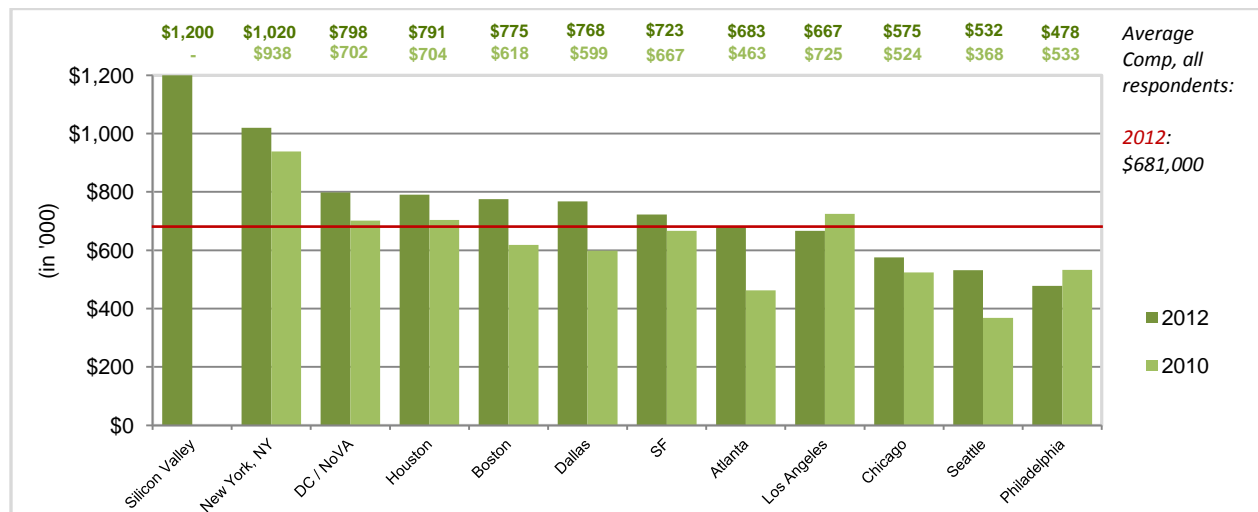


City

The disparity in compensation continues to be quite pronounced when sorted by city. Average compensation ranged from a low of \$478,000 in Philadelphia to a high of \$1.2 million in the Silicon Valley area of California, a difference of more than 150%. Compensation rose in virtually every city compared to 2010, with Atlanta (+48%), Seattle (+45%), Dallas (+28%) and Boston (+25%) showing the largest gains, and only Los Angeles (-8%) and Philadelphia (-10%) showing a decline. In descending order, average compensation for the twelve cities³ highlighted in this Report is as follows:

³ These twelve cities were chosen for their total response counts. Each of the twelve had 50 or more responses, with the exception of Seattle (34) and Dallas (36), which were included for purposes of trending with the 2010 Report. Silicon Valley was not broken out separately in the 2010 Report.

Exhibit 1.4 – Average Total Compensation by City

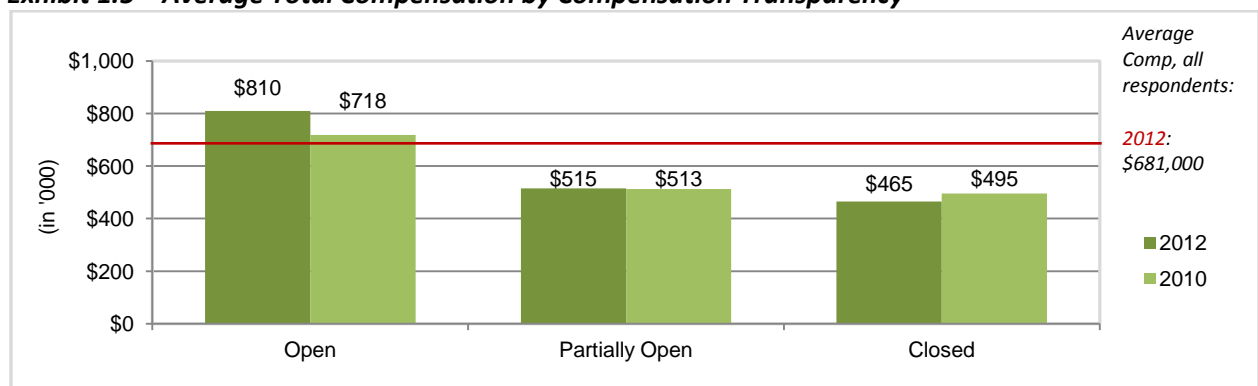


Compensation Transparency and Lockstep Type

Once again, partners in Open compensation systems reported significantly higher average compensation (\$810,000; +13%) compared to partners in Closed (\$465,000; -6%) and Partially Open systems (\$515,000; unchanged), and the gap seems to be widening. In 2010, Open system partners outpaced Closed system partners by 45%, a difference which has grown to a stunning 74% in 2012.

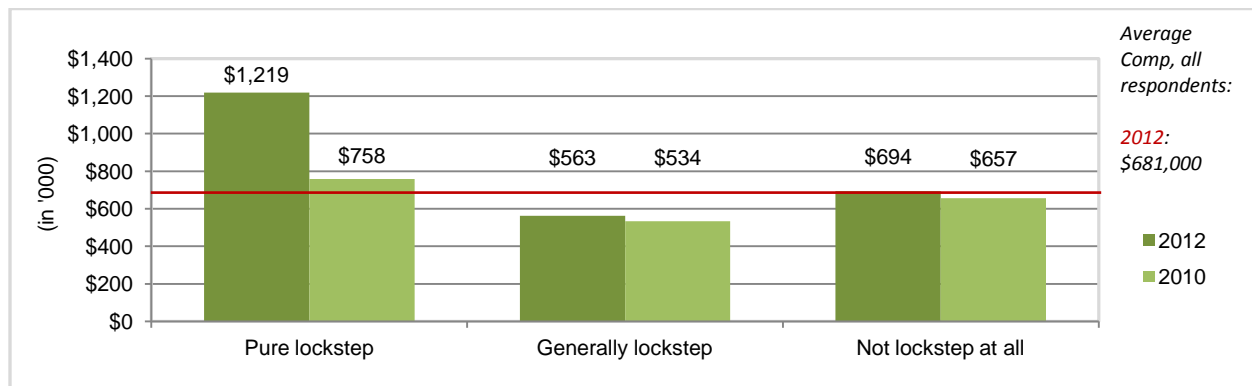
When sorted by Lockstep Type, Pure Lockstep partners reported average compensation of \$1,219,000 (+61%)⁴ compared to average compensation of \$694,000 (+6%) for Non-Lockstep partners. Partners who classified their compensation system as Generally Lockstep reported significantly lower compensation than both categories, with an average compensation of \$563,000 (+5%).

Exhibit 1.5 – Average Total Compensation by Compensation Transparency



⁴ Because the population size for the "Pure Lockstep" category (33 responses) is much lower than for the other categories, which had 1,671 (Non-Lockstep) and 312 (Generally Lockstep) responses, respectively, it is difficult to draw meaningful conclusions for this category due to potential greater variance in the reported data.

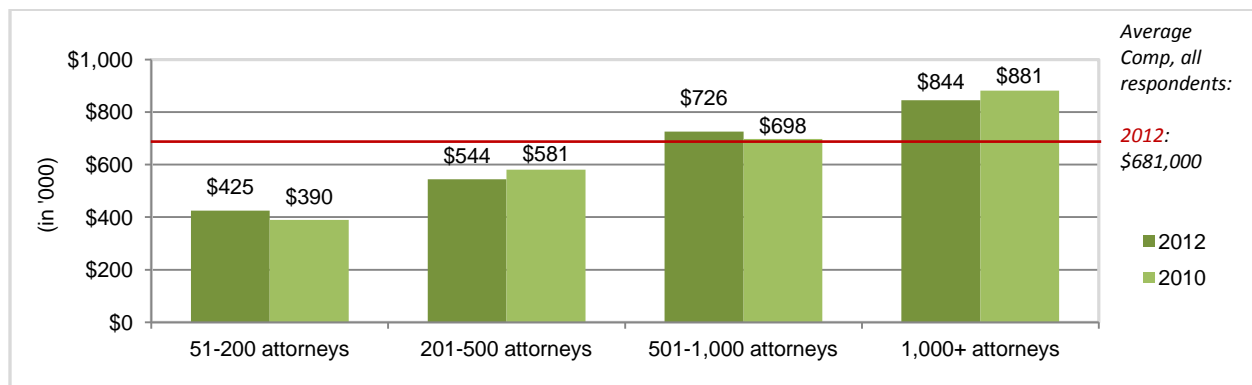
Exhibit 1.6 – Average Total Compensation by Lockstep Type



Firm Size and Firm PPP

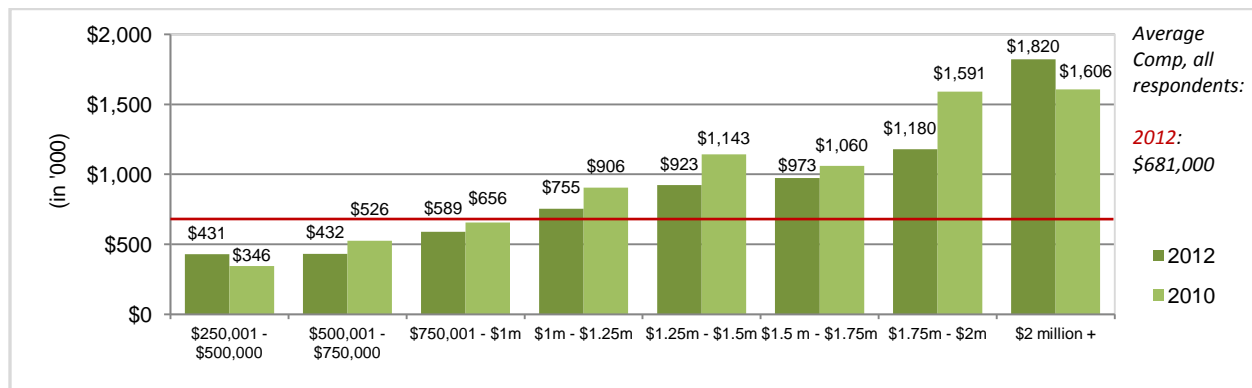
When sorted by both Firm Size and Firm PPP, generally speaking, the larger the firm or PPP, the higher the average compensation. Although average compensation for all partners as a group rose 6.4% (\$681,000 vs. \$640,000), the growth was somewhat uneven, with average compensation at firms of 51-200 lawyers and firms of 501-1,000 lawyers rising 9% and 4%, respectively, while average compensation at firms of 201-500 lawyers and firms of 1,000+ lawyers falling 6% and 4%, respectively.

Exhibit 1.7 – Average Total Compensation by Firm Size



Similarly, although average compensation among all partners as a group was up 6.4%, when sorted by Firm PPP virtually every category showed a decline in average compensation, with the exception of the \$250-500,000 and \$2 million+ categories (up 25% and 13%, respectively). We attribute this somewhat anomalous finding to the fact that in 2010 partners self-reported their firm's PPP, likely with error, whereas in 2012 ALI was able to provide the appropriate PPP for each respondent.

Exhibit 1.8 – Average Total Compensation by Firm PPP



Gender and Ethnicity

As in 2010, when sorted by gender, male partners' average compensation significantly outpaced females', and the gap here, too, seems to be widening. Average compensation for male partners was approximately 30% higher than for female partners, \$734,000 (+9%) vs. \$497,000 (-3%).

The average compensation of White partners was \$682,000, up 5% from 2010. Asian-Pacific and Hispanic partners reported significantly higher average compensation (\$712,000; +39% and \$655,000; +28%, respectively), whereas Black partners' average compensation declined 11% (\$550,000 in 2010 vs. \$489,000 in 2012). Partners who categorized themselves as Mixed Races showed an increase of 24%, from \$542,000 to \$670,000.⁵

Changes in Compensation for Lateral Partners

Questions 7 through 9 of the Survey were directed at lateral partners, and asked whether their compensation changed as a result of the lateral move and, if so, by what percent. A total of 930 respondents answered this question. Approximately 62% of respondents reported that their compensation increased as a result of the lateral move, compared to 57% in 2010. Approximately 9% saw it decrease (level with 2010), and approximately 29% said their compensation stayed basically the same (compared to 34% in 2010).

For the complete results, please refer to Appendix II – Average Total Compensation, and Appendix III – Compensation Change for Lateral Partners

⁵ The ethnic categories used in the Survey and this Report track those previously used by the American Bar Association. The number of respondents by ethnic category was as follows: White, not Hispanic (1,789), Black, not Hispanic (34), Hispanic (34), Asian Pacific, not Hispanic (75), American Indian, not Hispanic (5), Native Hawaiian or Pacific Islander, not Hispanic (0), Mixed Races (20). Because of the relatively small number of non-White respondents, it is difficult to draw statistically meaningful conclusions for those categories.

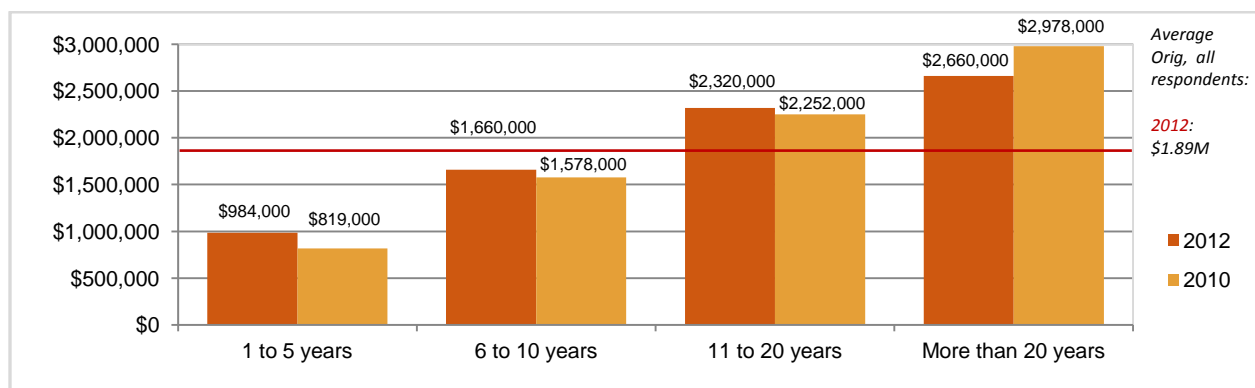
ORIGINATIONS

A total of 1,959 respondents provided their originations data, with reported originations ranging from less than \$100,000 (213 respondents) to over \$30 million (2 respondents). Average originations for all respondents came in at \$1,893,000, up 3% from 2010 (\$1,838,000).

Partnership Tenure and Partnership Status

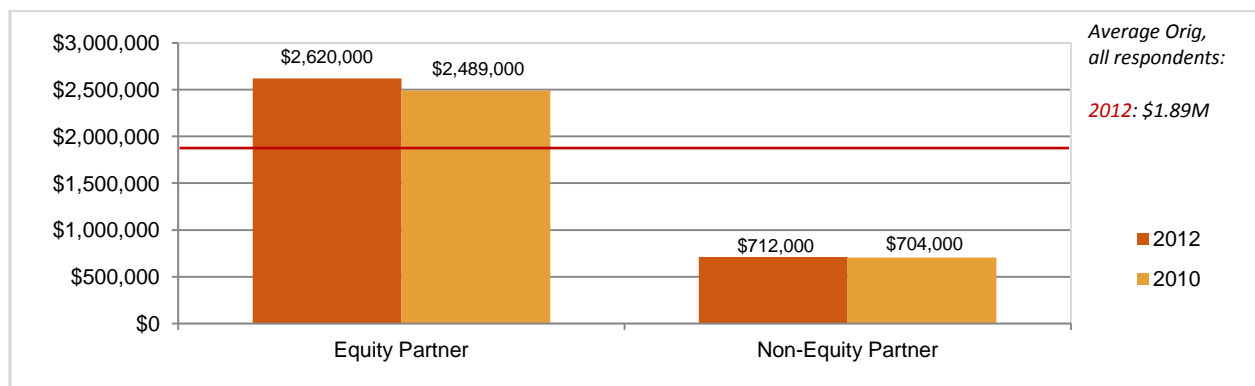
As in 2010, originations data showed the same trends for Partnership Tenure and Partnership Status as compensation data. When sorted by tenure, average originations climbed steadily by tenure grouping, ranging from \$984,000 (+20%) for those in the 1 to 5 year category to \$2.66 million (-11%) for those in the 21+ year category.

Exhibit 2.1 – Average Originations by Partnership Tenure



Equity partners reported average originations of \$2.62 million (+5%), once again coming in at more than three times the average reported by Non-Equity partners (\$712,000; +1%).

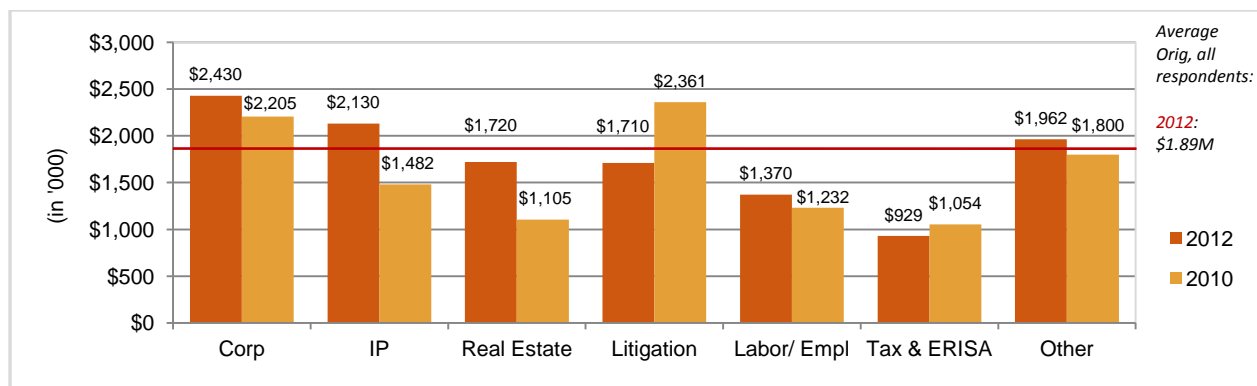
Exhibit 2.2 – Average Originations by Partnership Status



Practice Area

Average originations by Practice Area generally tracked with compensation trends. At the high end, Corporate partners reported average originations of \$2.43 million (+10%), and on the low end, Tax/ERISA partners reported \$929,000 in originations (-12%). Real Estate (\$1.72 million; +56%) and IP (\$2.13 million; +44%) partners reported the most significant gains from 2010, while Litigation partners showed the biggest drop (\$1.71 million; -28%).

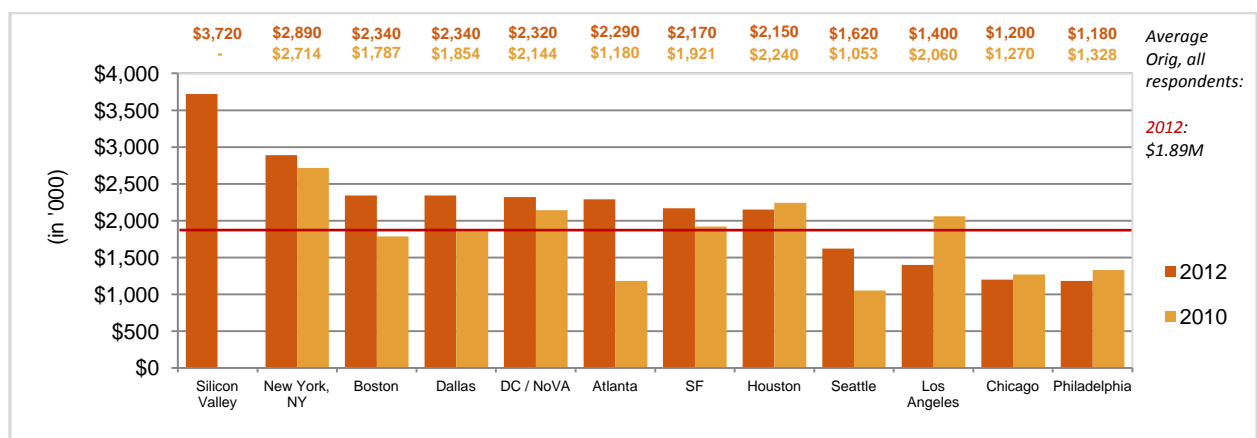
Exhibit 2.3 – Average Originations by Practice Area



City

Origination trends by City also tended to follow compensation trends. Average originations ranged from a low of \$1.18 million in Philadelphia (-11% from 2010) to a high of \$3.72 million in Silicon Valley (not broken out separately in 2010). As we saw with total compensation, cities with the highest jumps in total originations were Atlanta (+94%), Boston (+31%), Seattle (+54%) and Dallas (+26%). Los Angeles showed the largest decrease in originations, falling 32%, from \$2.06 million in 2010 to \$1.4 million in 2012.

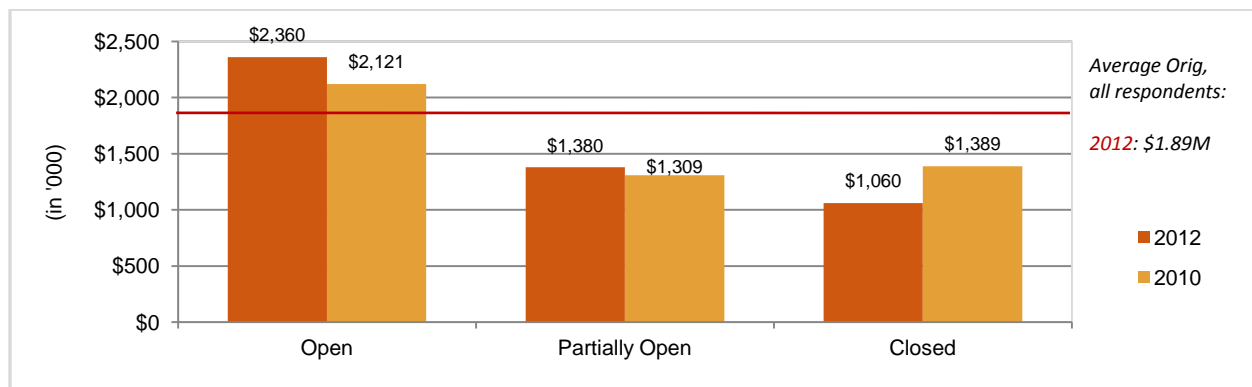
Exhibit 2.4 – Average Originations by City



Compensation Transparency and Lockstep Type

Partners in Open compensation systems (\$2.36 million; +11%) reported average originations more than twice as high as partners in Closed compensation systems (\$1.06 million; -24%), and 71% higher than partners in Partially Open systems (\$1.38 million; +5%), which is consistent with the wide disparity in compensation among these groups.

Exhibit 2.5 – Average Originations by Compensation Transparency

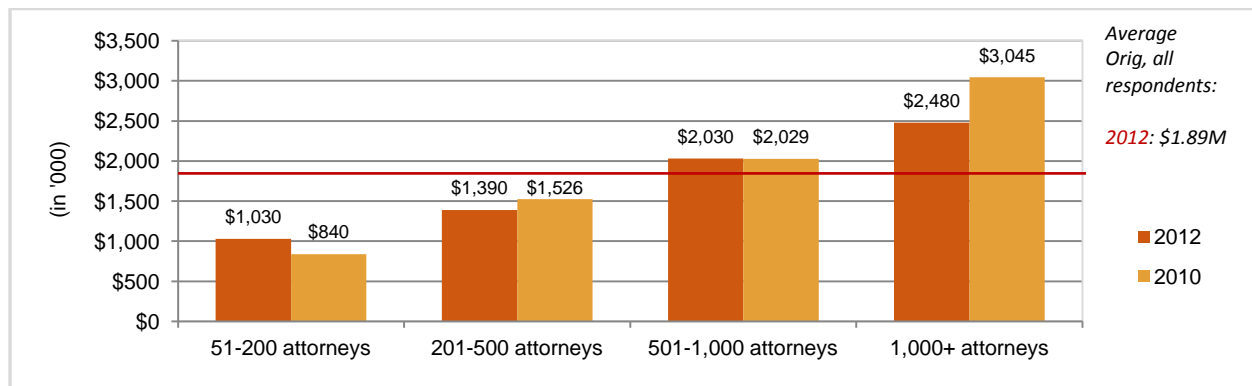


When sorted by Lockstep Type, Pure Lockstep partners showed significantly higher originations (\$3.3 million; +77%) than Non-Lockstep partners (\$1.94 million; -1%), perhaps owing to the larger number of Pure Lockstep participants (presumably from firms with higher average PPP) in 2012 compared to 2010. Generally Lockstep partners again reported significantly lower numbers than either category, with average originations of \$1.56 million, although this reflected a 30% increase over 2010 numbers for this category.

Firm Size and Firm PPP

When sorted by both Firm Size and Firm PPP, much like we see for compensation, the larger the firm/PPP, the higher the average originations. Originations at firms with greater than 1,000 lawyers were highest, at \$2.48 million, although that number is down about 19% from 2010 (\$3.05 million). The biggest jump in originations was in the 51-200 firm size category, increasing from \$840,000 in 2010 to \$1.03 million in 2012 (+23%).

Exhibit 2.6 – Average Originations by Firm Size



Gender and Ethnicity

Male partners reported averaged originations of \$2.03 million, which is about 50% higher than originations reported by female partners (\$1.41 million) and which is generally consistent with the 2010 findings. Originations for females rose about 6% from 2010, whereas originations for males stayed relatively flat (+1.6%).

White partners averaged \$1.88 million in originations, behind Asian-Pacific partners and those who classified themselves as Mixed Races (\$2.24 million for each group). While originations for White partners were essentially flat, originations for these two other categories rose 77% and 93% respectively. Black partners reported average originations of \$1.48 million, up 6% from 2010, and Hispanic partners were the only ethnic group to show a decline, falling from \$1.55 million in 2010 to \$1.45 million in 2012 (-7%).

For the complete results, please refer to Appendix IV – Average Total Originations

WORKING ATTORNEY RECEIPTS

A total of 1,915 respondents provided their working attorney receipts (WAR) data, with reported WAR ranging from less than \$100,000 (25 respondents) to over \$5 million (35 respondents). Average WAR for all respondents was \$1,070,000, down 4% from 2010 (\$1,113,000).

WAR trends for tenure, status, practice area, city, firm size and firm PPP generally followed the same general patterns as compensation and originations. Notably, Equity partners showed a 6% decrease in WAR (\$1.23 million in 2012 vs. \$1.31 million in 2010) versus Non-Equity partners, who showed an 8% increase (\$834,000 in 2012 vs. \$771,000 in 2010).

Although partners in Open compensation systems reported dramatically higher average compensation as compared to partners in Closed and Partially Open systems, the differences among the three groups' WAR was much smaller, at \$1.14 million, \$960,000 and \$1.03 million, respectively. Pure Lockstep

partners reported average WAR of \$2.23 million (+23%), or twice that of both Non-Lockstep and Generally Lockstep partners, which were essentially flat (\$1.05 million and \$1.11 million, respectively).

Interestingly, although there is large disparity in compensation and originations based on gender, average WAR for male and female partners were much more in line, at \$1.12 million and \$906,000 respectively. However, average WAR for female partners dipped approximately 15% from 2010 levels, whereas average WAR for male partners remained essentially static.

For the complete results, please refer to Appendix V – Average Total Working Attorney Receipts

BILLING RATES, BILLABLE HOURS AND NON-BILLABLE HOURS

2,002 respondents provided their hourly billing rate data. Hourly billing rates ranged from \$115 (1 respondent) to \$1,265 (1 respondent). The average billing rate for all respondents was \$584, up nearly \$30 from 2010 (\$555). In most cases, billing rate trends generally followed compensation, originations and WAR trends.

1,971 and 1,990 respondents provided billable and non-billable hour data, respectively. Reported billable hours ranged from 500 hours or below (105 respondents) to 3,000 hours or more (13 respondents). Reported non-billable hours ranged from 75 hours or below (59 respondents) to 1,000 hours or more (282 respondents). The average billable hours for all respondents was 1,687 hours, up from 1,657 hours in 2010, and non-billed time averaged 530 hours, down from 563 in 2010. Interestingly, non-billed time decreased by nearly the exact same amount that billed time increased, such that the total numbers of hours worked remained essentially flat from 2010 to 2012 (2,220 hours in 2010 vs. 2,217 hours in 2012).

Generally speaking, the larger the firm, the higher the billing rate, and the higher the number of billable and non-billable hours. This relationship was also generally true when sorted by Firm PPP, although there was much greater variance when sorted in this fashion. Notably, partners at firms with PPP in excess of \$2 million reported significantly lower non-billable hours than partners at firms with PPP between \$1 million and \$2 million, though the billable hours of the \$2 million+ partners were much higher as well.

Exhibit 3.1 – Average Billing Rate by Firm Size

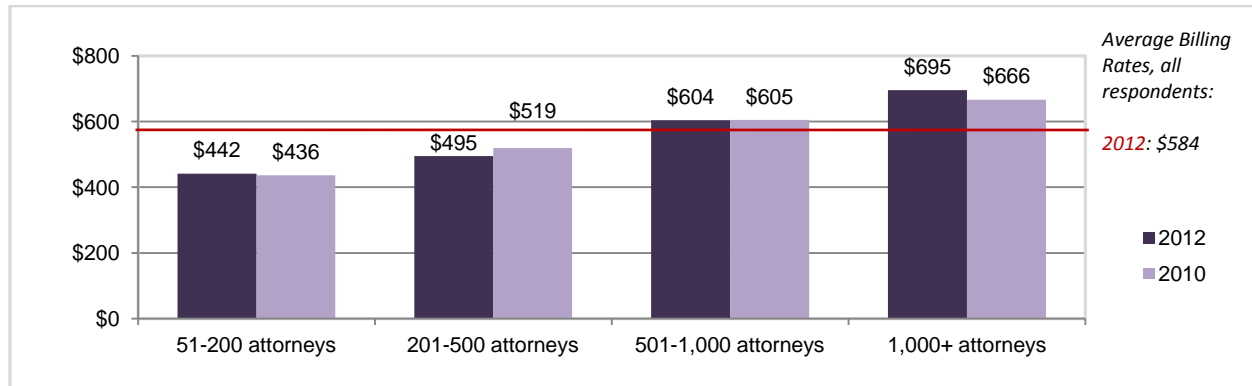


Exhibit 3.2 – Average Billable Hours by Firm Size

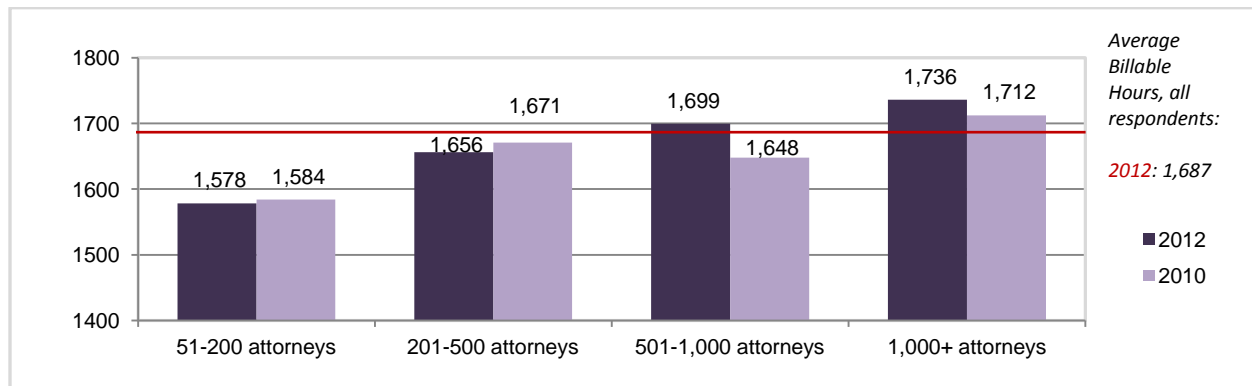
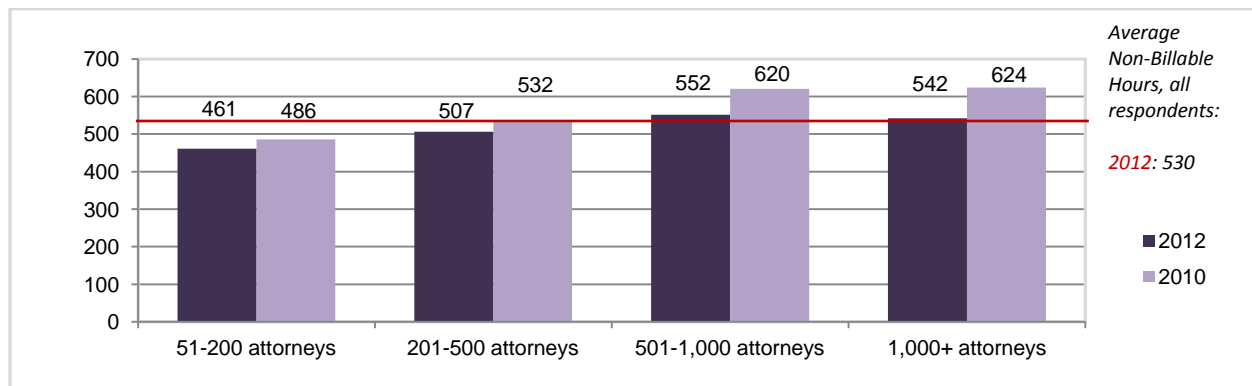


Exhibit 3.3 – Average Non-Billable Hours by Firm Size



Below are highlights of selected billing rates, billable hours and non-billable hours data.

Billing Rates

- Corporate and Real Estate partners showed the highest percentage gains in billing rates, climbing to \$671 (+9%) and \$565 (+8%), respectively, whereas Labor & Employment partners continued to report the lowest hourly billing rate at \$473, up from \$462 in 2010. Litigators showed the only decrease in billing rates, falling from \$541 to \$537.
- Virtually every city reported an increase in billing rates, with the exception of Los Angeles and Philadelphia, which both showed nominal decreases.
- Pure Lockstep partners reported significantly higher billing rates in 2012, up 34% from 2010 (\$814 vs. \$607), whereas Non-Lockstep and Generally Lockstep partners showed much more modest increases of +5% and +2%, respectively.
- Average billing rates for male partners rose 6%, climbing from \$564 in 2010 to \$598 in 2012. Female partner billing rates rose only 2%, rising to \$533 from \$523.

Billable Hours

- Although Non-Equity partners still averaged fewer billable hours than Equity partners, the spread narrowed considerably in 2012, from a 65-hour differential in 2010 (1,683 hours vs. 1,618 hours) to a 38-hour differential in 2012 (1,701 hours vs. 1,663 hours).
- Real Estate partners showed the largest gain in billable hours by far, up from 1,434 hours in 2010 to 1,593 in 2012 (+11%). Both Litigators and Labor & Employment partners showed lower billable hours, falling from 1,817 and 1,675, respectively, in 2010 to 1,792 and 1,660, respectively, in 2012 (-1% for each). Moreover, although Litigators again averaged the highest number of billable hours (1,792), they continued to lag significantly in compensation behind Corporate partners (\$634,000 vs. \$847,000), despite the Corporate partners reporting significantly lower billable hours (1,518).
- Partners in Open and Partially Open compensation systems showed very modest increases in billable hours, rising 1% and 0.5%, respectively, whereas the billable hours of partners in Closed systems rose 4%, despite their average compensation falling 6%.
- Male and female partners billed nearly the same number of hours in 2012 (1,690 vs. 1,670, respectively), narrowing the gap even further from 2010 (1,666 vs. 1,622, respectively).

Non-billable Hours

- Partners in the 6 to 10 year category were the only tenure grouping to show an increase in non-billable hours, rising from 500 in 2010 to 531 in 2012. All other tenure groupings reported lower non-billable hours, with the largest drop reported by the 20+ year category (from 694 to 587; -15%).
- Open compensation system partners again significantly outpaced Closed compensation system partners in non-billable hours, reporting 571 non-billable hours versus 435 hours (down from 587 and 487, respectively, in 2010).
- Non-billable hours of Pure Lockstep partners rose significantly in 2012, up from 455 to 589 (+30%).

- Generally speaking, the larger the Firm Size, the greater the drop-off in non-billable hours in 2012.
- Non-billable hours of female partners dropped 11%, from 548 in 2010 to 490 in 2012, versus a 5% drop by male partners, from 567 to 541.

For the complete results, please refer to Appendix VI – Average Billing Rates, Appendix VII – Average Billable Hours, and Appendix VIII – Average Non-Billable Hours.

COMPENSATION SATISFACTION, FACTORS AND SYSTEMS

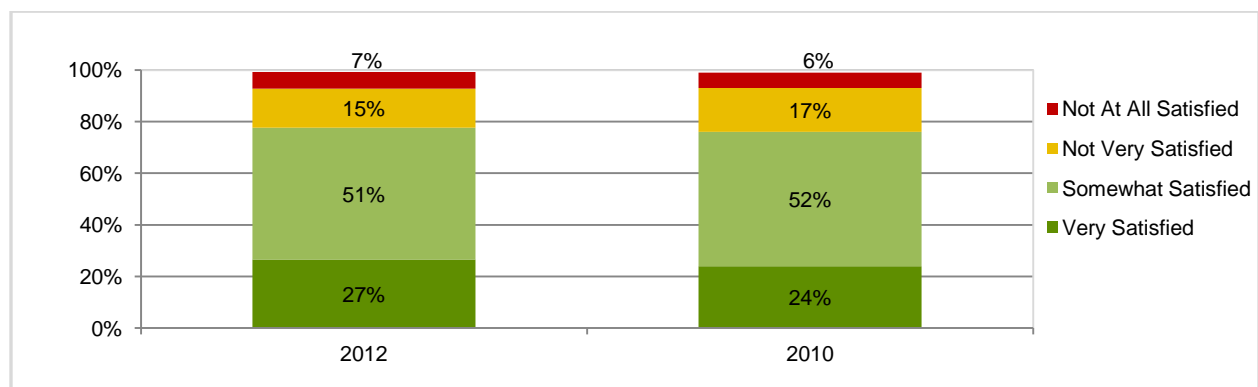
Questions 18 through 29 of the Survey dealt with compensation satisfaction and the respondents' perceptions of their compensation and compensation systems. Satisfaction data was then sorted by the following categories:

- | | |
|-------------------------------------|--------------------------|
| 1. Partnership Tenure | 9. Total Compensation |
| 2. Partnership Status | 10. Total Originations |
| 3. Practice Area | 11. Total Billable Hours |
| 4. City | 12. Firm Size |
| 5. Lateral Status | 13. Firm PPP |
| 6. Move-Related Compensation Change | 14. Gender |
| 7. Compensation Transparency | 15. Ethnicity |
| 8. Lockstep Type | |

SATISFACTION RATINGS

Question 24 addressed compensation satisfaction. A total of 2,009 respondents answered this question. 27% classified themselves as Very Satisfied, 51% classified themselves as Somewhat Satisfied, 15% said they were Not Very Satisfied, and 7% were Not at all Satisfied. These satisfaction levels are almost exactly the same as we saw in the 2010 Survey.

Exhibit 4.1 – Overall Satisfaction with Total Compensation



Partnership Tenure and Partnership Status

The two most senior groupings of lawyers once again were more likely to classify themselves as Very Satisfied with their compensation (31% and 33% for categories 11 to 20 years and 20+ years, respectively, versus 18% and 25% for categories 1 to 5 years and 6 to 10 years, respectively). Moreover, the chasm between Equity partners' and Non-Equity partners' compensation satisfaction seems to be growing. Equity partners were three times more likely to classify themselves as Very Satisfied than Non-Equity partners (36% vs. 12%, as compared to 28% vs. 15% in 2010), and were also much less likely to classify themselves as Not At All Satisfied (4% vs. 11%, as compared to 5% vs. 8% in 2010).

Exhibit 4.2 – Satisfaction by Partnership Tenure

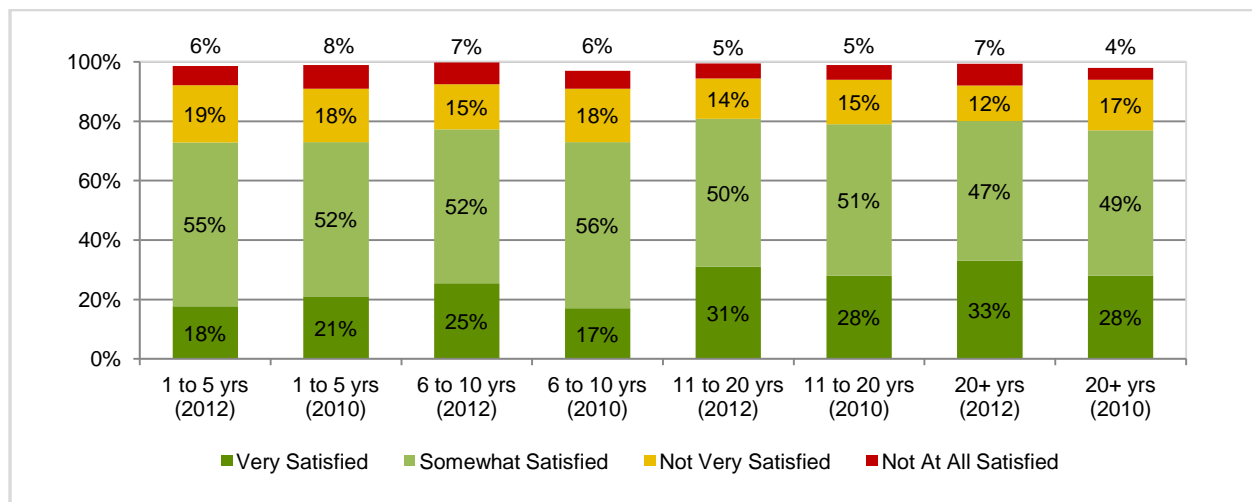
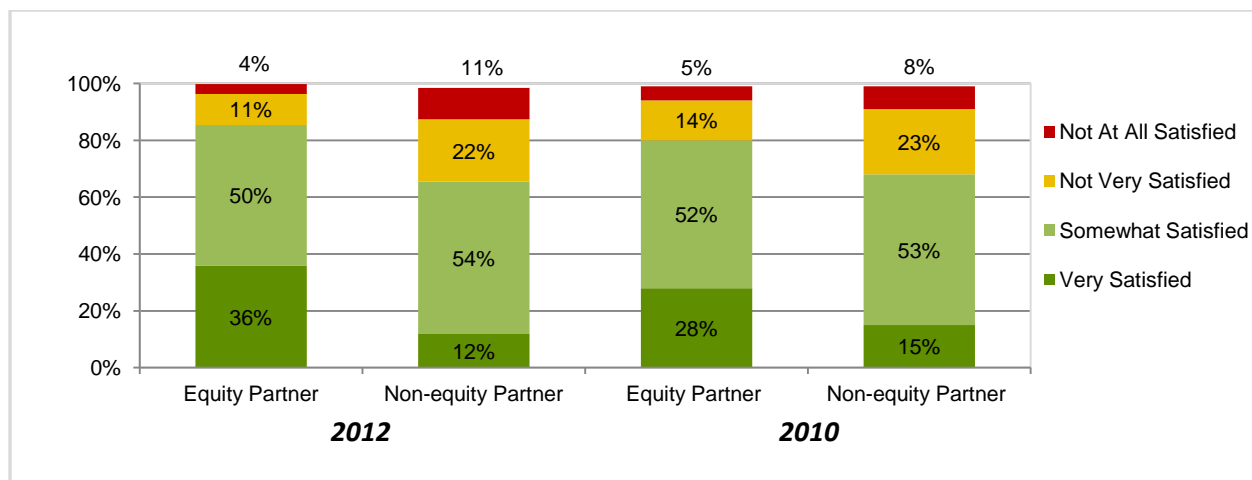


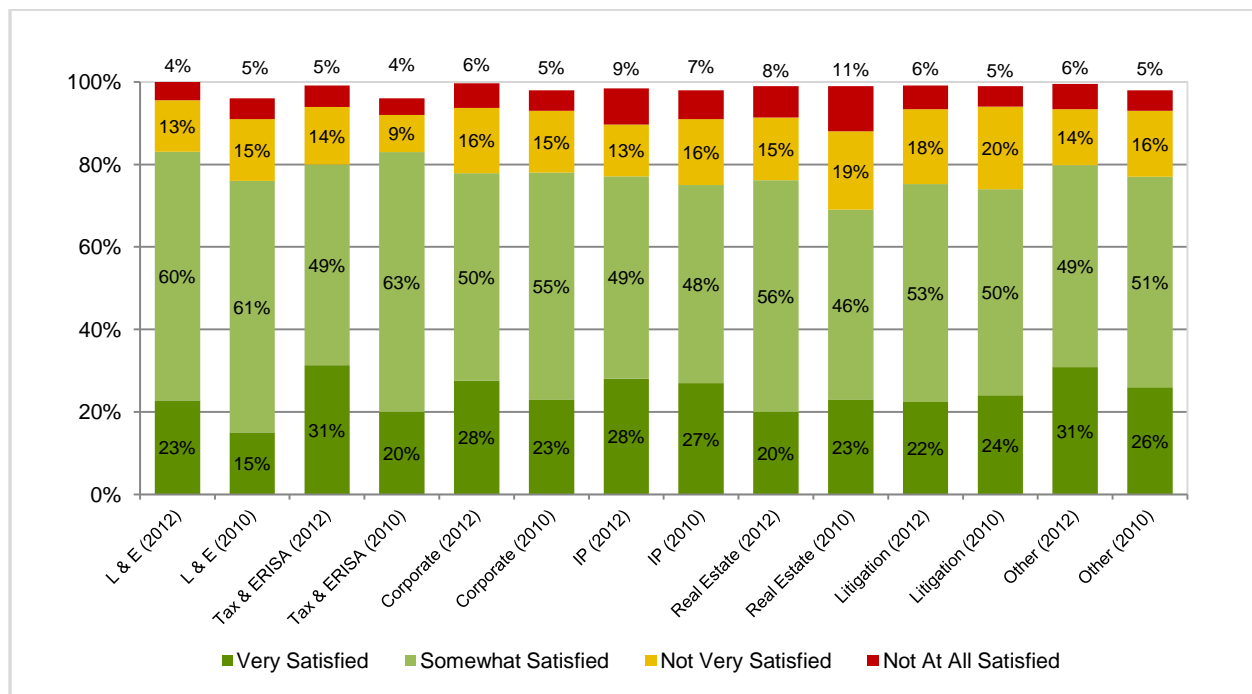
Exhibit 4.3 – Satisfaction by Partnership Status



Practice Area

Sorting the data by Practice Area, Tax/ERISA partners were most likely to classify themselves as Very Satisfied (31%), up strongly from 2010 (20%), whereas Real Estate partners were least likely (20%), down slightly from 2010 (23%). Labor & Employment partners were the next highest group to show strong gains, with 23% classifying themselves as Very Satisfied in 2012 versus 15% in 2010. The practice area with the largest number of partners classifying themselves as Not at all Satisfied was IP, at 9%, followed closely by Real Estate at 8%, and the practice areas with the largest number of partners classifying themselves as either Not at all Satisfied or Not Very Satisfied were Litigation, at 24%, followed by Real Estate at 23% and Corporate and IP both at 22%, whereas Labor & Employment partners had the lowest percentage, at 17%.

Exhibit 4.4 – Satisfaction by Practice Area



City

Cities with high satisfaction (33% or more Very Satisfied) include Seattle, Dallas, San Francisco and Silicon Valley, followed closely by Houston and New York at 32% and Atlanta at 31%. At the other end of the spectrum, only 16% of Philadelphia-based partners reported that they are Very Satisfied with their compensation, a figure that has dropped approximately 12 percentage points from 2010. Boston had the highest percentage of partners classifying themselves as Not at all Satisfied (13%, up from 6% in 2010), and the following cities had 25% or more of their partners classifying themselves as either Not at all Satisfied or Not Very Satisfied: Philadelphia and Los Angeles (28%), San Francisco (27%), Boston

(26%), and New York (25%). Texas seems to be the place to be, as only 8% and 9% of partners in Houston and Dallas, respectively, classified themselves as either Not at all Satisfied or Not Very Satisfied.

Exhibit 4.5a – Satisfaction by City (1)

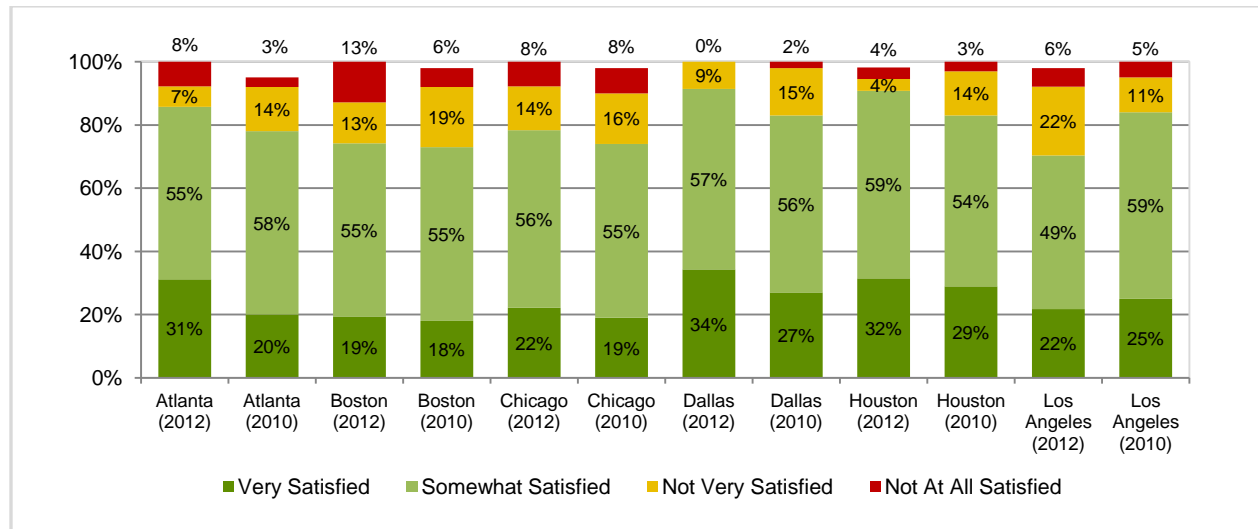
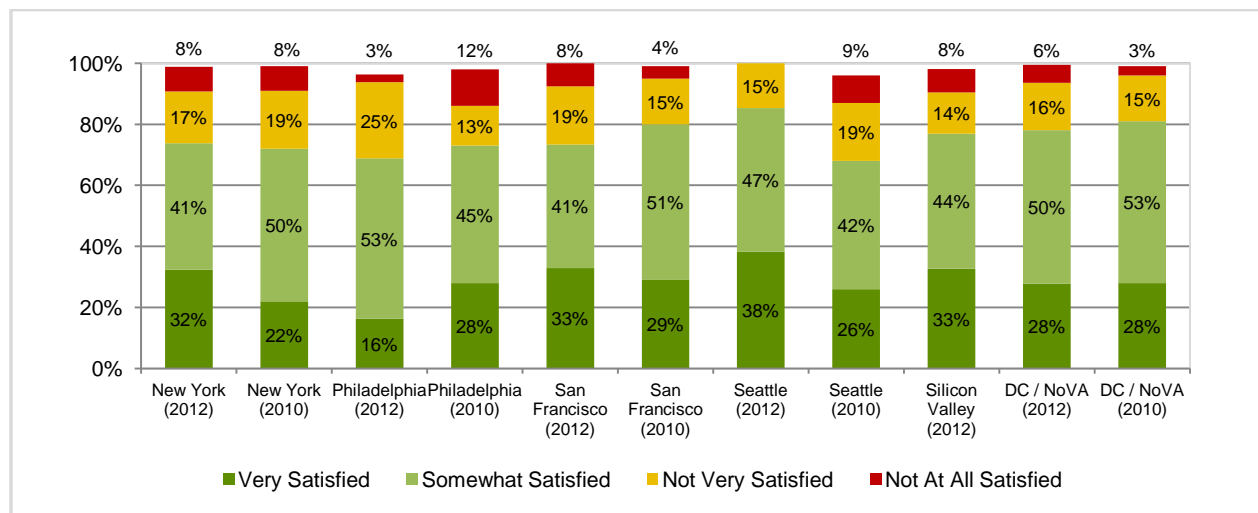


Exhibit 4.5b – Satisfaction by City (2)



Compensation Transparency and Lockstep Type

Partners in Open compensation systems were much more likely to classify themselves as Very Satisfied (34%) than partners in Partially Open (21%) or Closed (13%) compensation systems, and the gap seems to be growing: In 2010, 29% of partners in Open systems classified themselves as Very Satisfied compared to 16% in Closed systems. Partners in Pure Lockstep systems showed large gains in

compensation satisfaction, with 55% of Pure Lockstep partners classifying themselves as Very Satisfied (compared to 23% in 2010).

Exhibit 4.6 – Satisfaction by Compensation Transparency

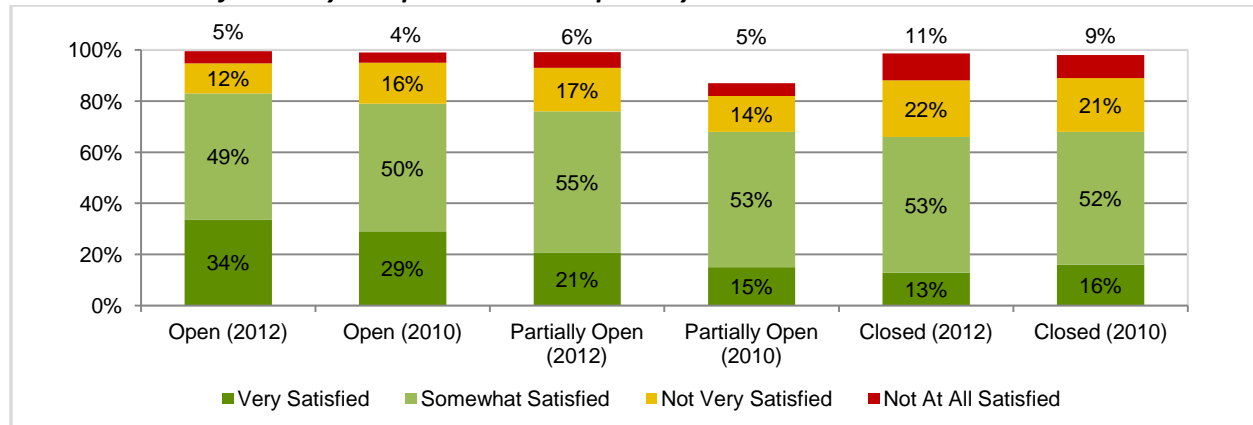
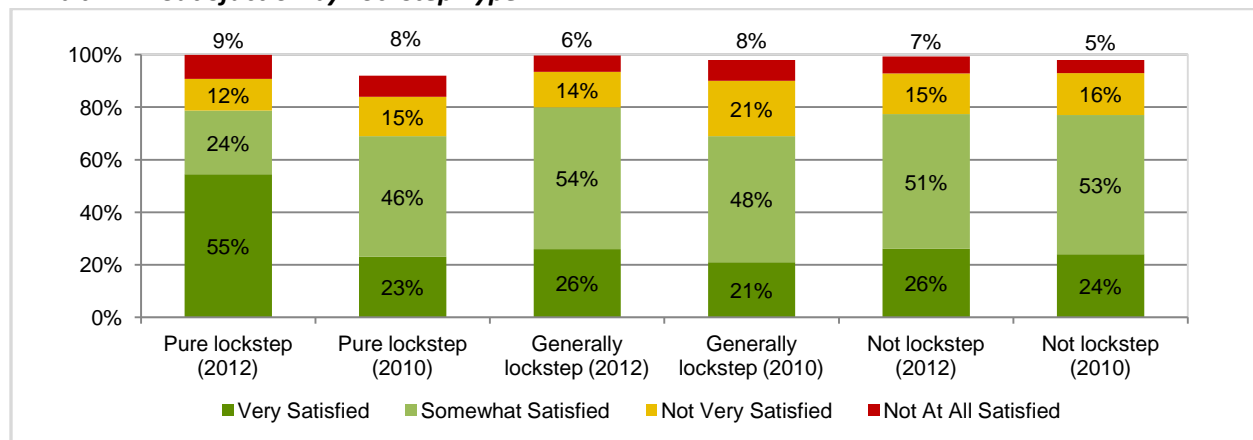


Exhibit 4.7 – Satisfaction by Lockstep Type



Total Compensation, Total Originations, Billable Hours

Not surprisingly, compensation satisfaction climbs in relation to total compensation and originations. Once again, in 2012 we saw significantly higher levels of compensation satisfaction in the higher compensation ranges. Notably, the percentage of partners in the \$1 million to \$1.5 million grouping and the \$1.5 million+ grouping classifying themselves as Very Satisfied jumped from 35% and 56%, respectively, to 54% and 65%, respectively. These same, huge jumps were also evident in the highest bands when the data was sorted by originations. When sorted by billable hours, the spread between groupings is far narrower, although it is interesting that partners in the higher billable hour groupings tend to have slightly higher levels of compensation satisfaction.

Exhibit 4.8 – Satisfaction by Total Compensation

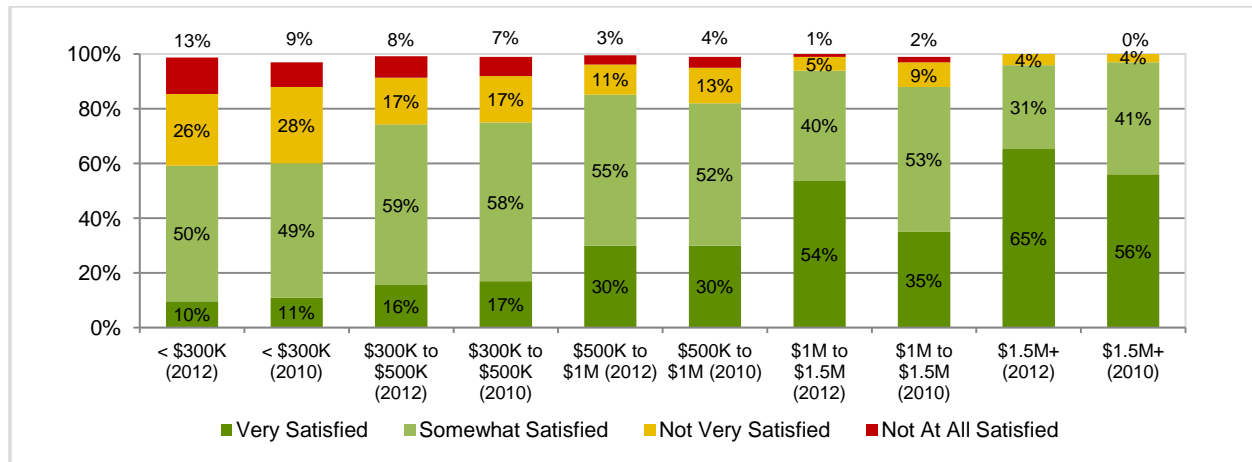


Exhibit 4.9 – Satisfaction by Total Originations

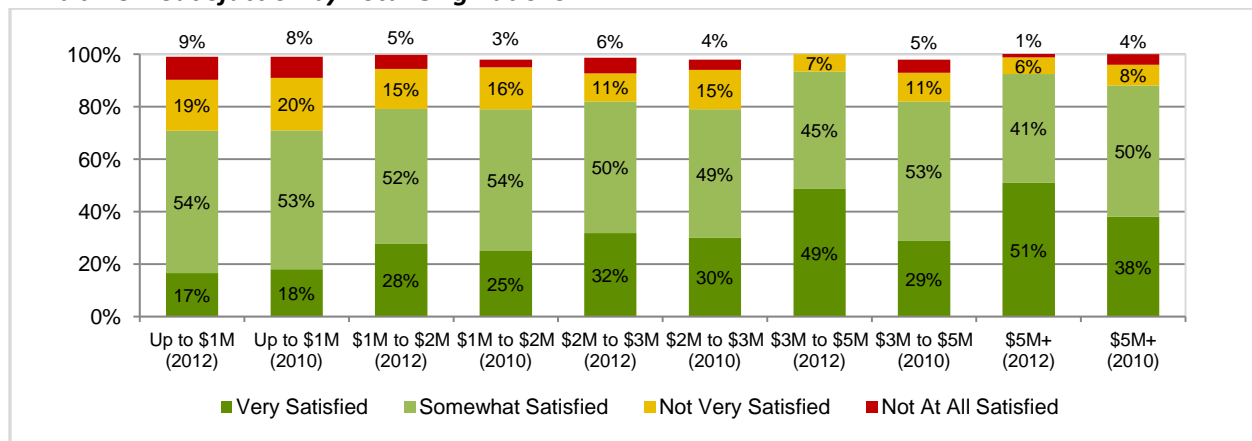
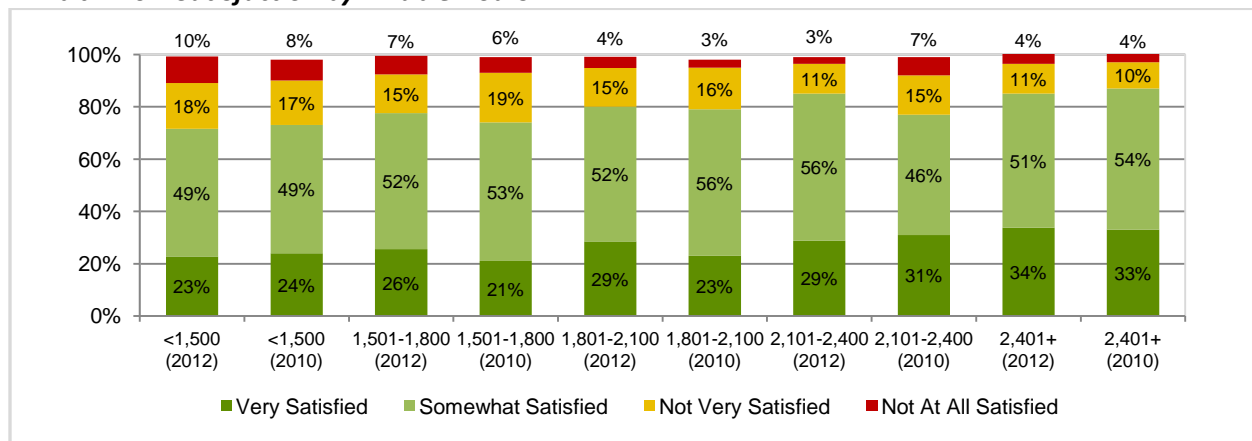


Exhibit 4.10 – Satisfaction by Billable Hours



Firm Size and Firm PPP

Although Firm Size seems to have no significant bearing on compensation satisfaction, partners at firms with higher PPP generally were more likely to classify themselves as Very Satisfied and less likely to say they were Not Very Satisfied or Not at all Satisfied, which generally is consistent with the 2010 results.

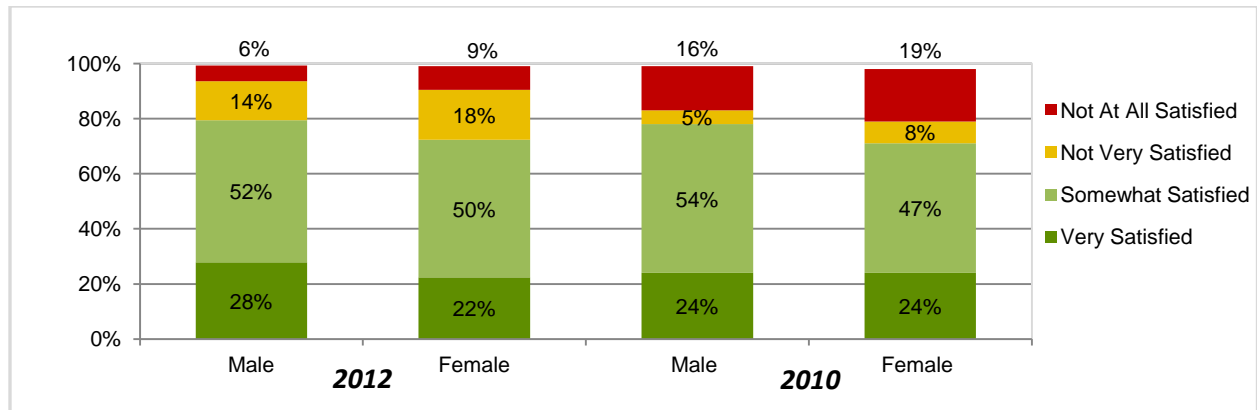
Exhibit 4.11– Satisfaction by Firm PPP



Gender and Ethnicity

In 2010, an equal percentage (24%) of males and females reported that they were Very Satisfied with their compensation. The 2012 results now show a slight gap, with 28% of males reporting they are Very Satisfied compared to 22% of females. At the opposite end, in 2010, 16% of males and 19% of females reported that they were Not at all Satisfied with their compensation, both of which have fallen considerably, to 6% and 9%, respectively, in 2012. Overall, however, the changes seem less dramatic: 80% of males classified themselves as Very Satisfied or Somewhat Satisfied in 2012, compared to 78% in 2010, and 72% of females classified themselves as such in 2012, compared to 71% in 2010.

Exhibit 4.12 – Satisfaction by Gender



Once again, White and Black partners had very similar percentages of Very Satisfied partners (27% and 24%, respectively, compared to 25% and 24% in 2010), although 18% of Black partners classified themselves as Not at all Satisfied, up from 12% in 2010, compared to only 6% (unchanged) for White partners. A much greater percentage of Hispanic partners classified themselves as Very Satisfied in 2012, rising from 17% in 2010 to 27% in 2012, and only 15% of Hispanic partners classified themselves as either Not at all Satisfied or Not Very Satisfied in 2012, down from 20% in 2010. Asian Pacific partners and partners classifying themselves as Mixed Races once again had lower percentages of Very Satisfied partners, coming in at 19% and 15%, respectively, versus 16% and 14%, respectively, in 2010. 40% of partners classifying themselves as Mixed Races and American Indian said they were Not at all Satisfied or Not Very Satisfied with their compensation, which was far higher than the other ethnic groupings.⁶

COMPENSATION SATISFACTION AND PERCEIVED BIAS

Respondents who answered Not Very Satisfied or Not at all Satisfied to Question 24 were then asked if their lack of satisfaction was attributable to any biases on the part of their firms, such as cronyism, gender bias, racial bias, sexual orientation bias and bias against laterals. A total of 367 respondents answered this question.

More than one-third (35%) of the respondents attributed their lack of compensation satisfaction to cronyism, with that factor once again (40% in 2010) outpacing all of the other enumerated reasons combined (although 29% percent answered Not Sure and 21% answered Other Reason). 11% of respondents cited gender bias (up from 5% in 2010), followed by sexual orientation bias (2%, down from 3% in 2010), bias against laterals (1%, down from 7% in 2010), and racial bias (1%, down from 2% in 2010).

For the complete results, please refer to Appendix IX – Satisfaction with Total Compensation.

⁶ Again, it is difficult to draw meaningful conclusions for the non-White categories because of the relatively small number of respondents.

DESIRE FOR HIGHER COMPENSATION

Questions 26 and 27 of the Survey asked respondents whether they thought their total compensation should be higher than it is and, if so, by what percentage. A total of 1,995 respondents answered the question, with 58% answering that they believed it should be higher (61% in 2010) and 43% answering that they felt their current compensation was about right (39% percent in 2010). Of those who felt that their compensation should be higher, 10% believed their compensation should be between 0-10% higher, 47% believed it should be between 11-20% higher, 27% believed it should be between 21-30% higher, 7% believed it should be between 31-40% higher and 4% believed it should be between 41-50% higher. The remaining 5% of respondents believed their compensation should be between 51% to greater than 100% higher. These numbers are *virtually identical* to the 2010 results.

Exhibit 5.1 – Satisfaction with Compensation Level

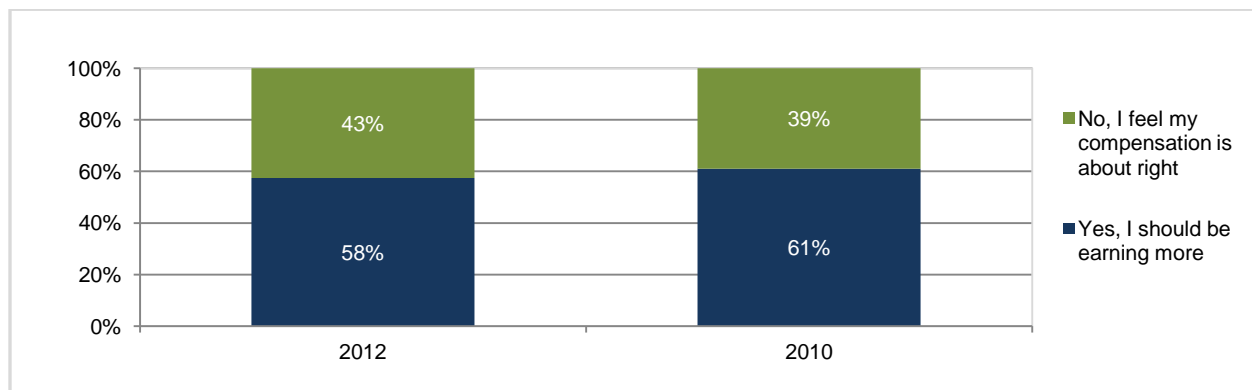
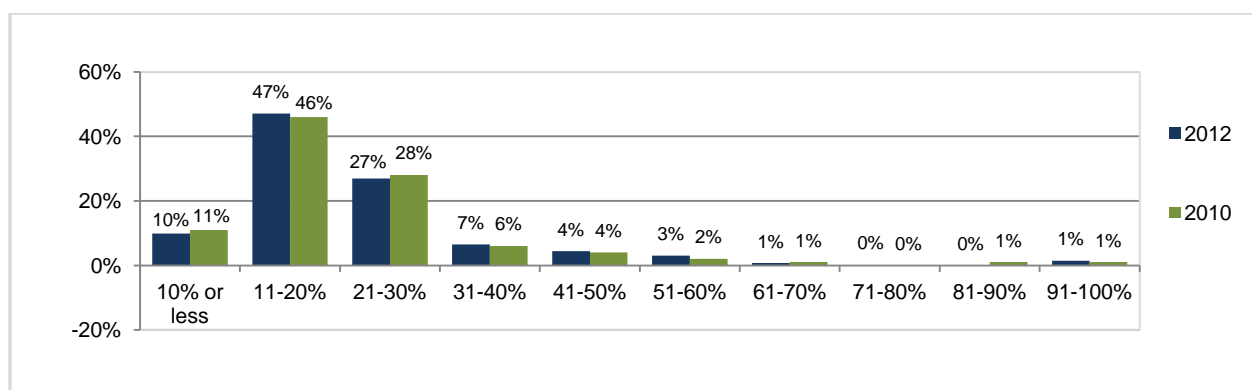


Exhibit 5.2 – Level of Compensation Desired (Percentage Increase)



For the complete results, please refer to Appendix X – Desired Compensation

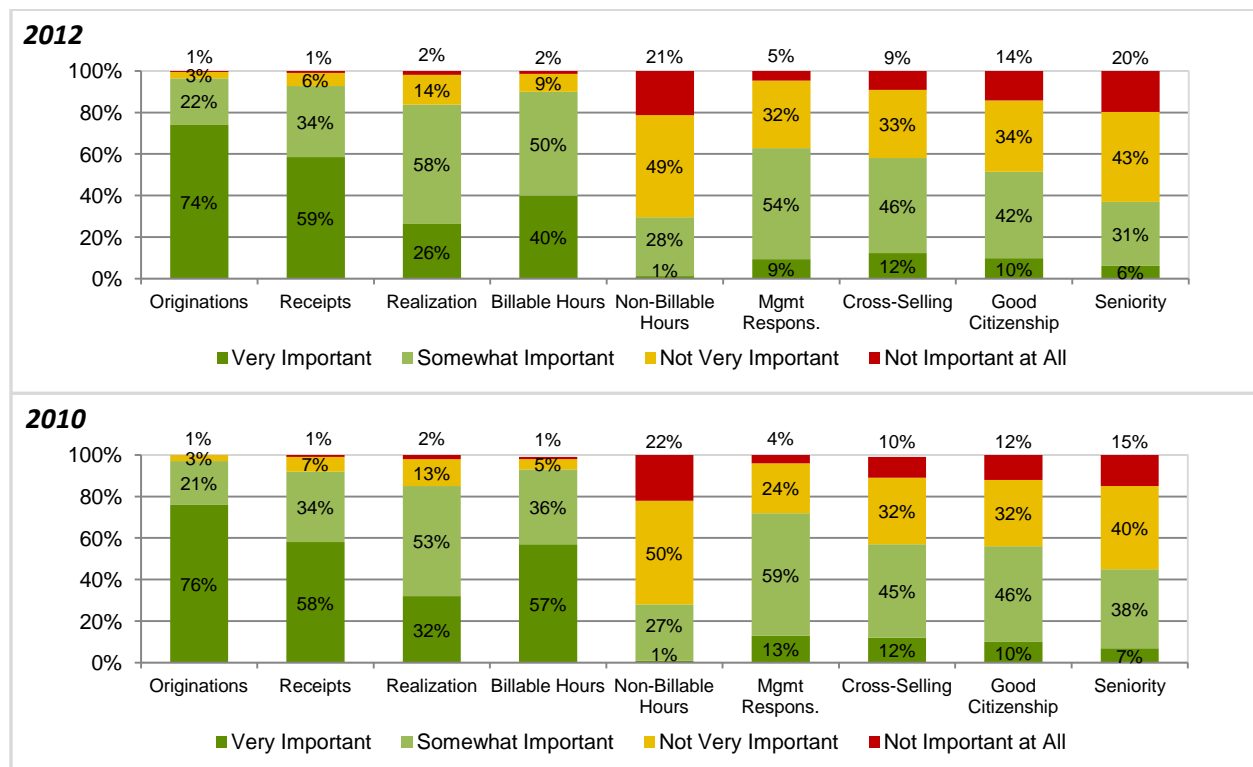
IMPORTANCE OF FACTORS IN DETERMINING COMPENSATION

Questions 18 through 23 of the Survey sought subjective information from respondents about their perception of factors they felt were important to their firms in determining compensation. Questions 28 and 29 asked respondents whether they'd like to see a change in compensation methods and, if so, what changes they would like to see.

PERCEIVED IMPORTANCE OF FACTORS

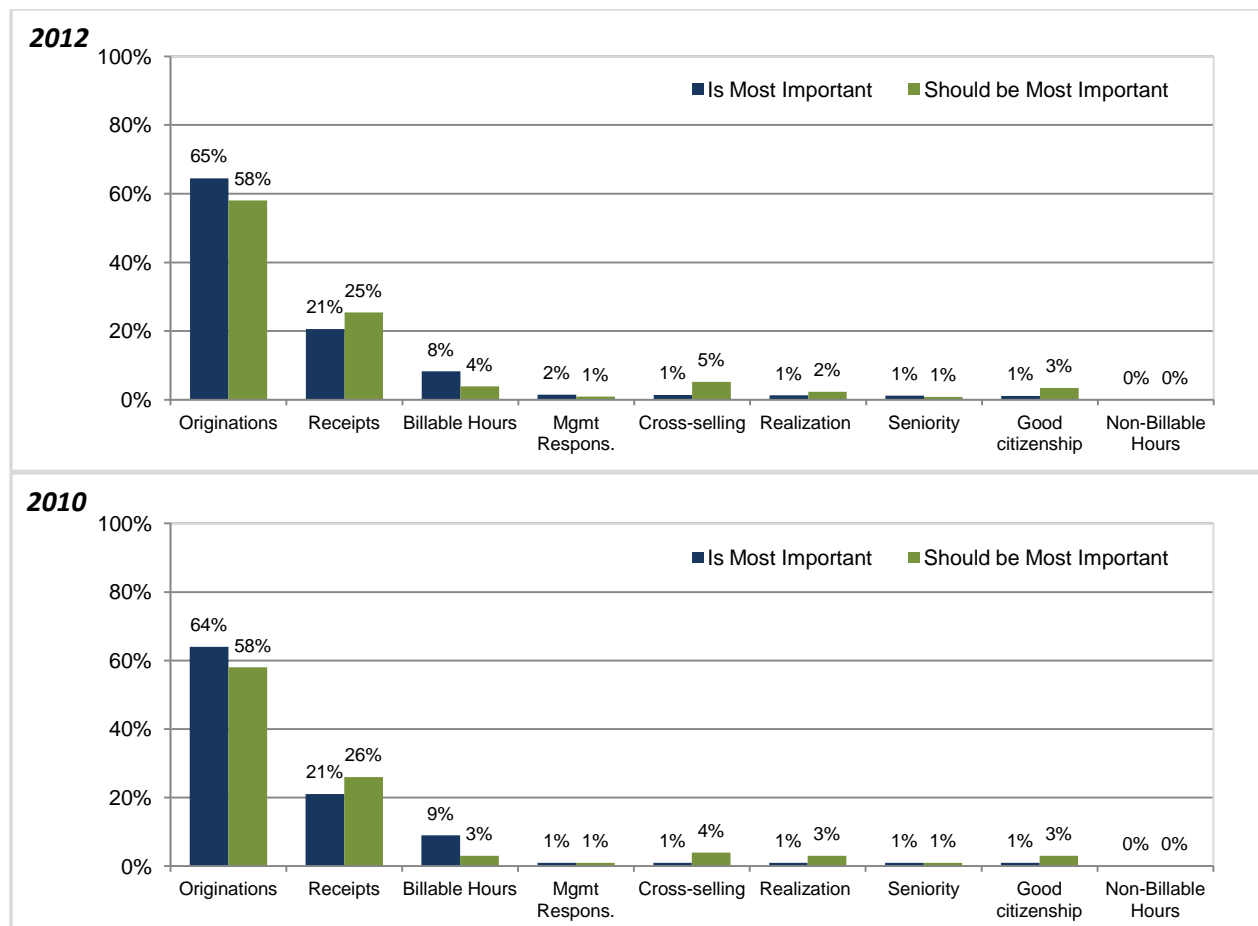
In Question 18, respondents ranked the importance of nine factors as Very Important, Somewhat Important, Not Very Important or Not Important at All in determining compensation (responses for each individual importance rating can be found in Appendix XI). Approximately 1,961 respondents answered this question. Of the nine enumerated factors, originations had the highest percentage (74%) of Very Important ratings, followed by WAR (59%) and billable hours (40%). The next highest factor was realization rate at only 26%. Not surprisingly, non-billable hours once again received the lowest number of Very Important ratings, at just 1%. This is the same general pattern of responses we saw in the 2010 Survey. However, while the originations and WAR numbers remained fairly constant (76% and 58%, respectively, in 2010 vs. 74% and 59%, respectively, in 2012), the percentages for billable hours and realization rate both fell sharply (57% and 32%, respectively, in 2010 vs. 40% and 26%, respectively, in 2012).

Exhibit 6.1 – Importance of Factors Determining Compensation



In Questions 19 and 20, respondents were asked what factor was perceived by them to be most important in determining compensation, and what factor did they believe should be most important. Originations was the most frequently chosen of the listed response options, with 65% perceiving it to be most important and 58% saying it should be most important. WAR was the second most cited, at 21% and 25%, respectively. No other factor received more than 8%. These responses are virtually identical to the percentage breakdown we saw in the 2010 Survey.

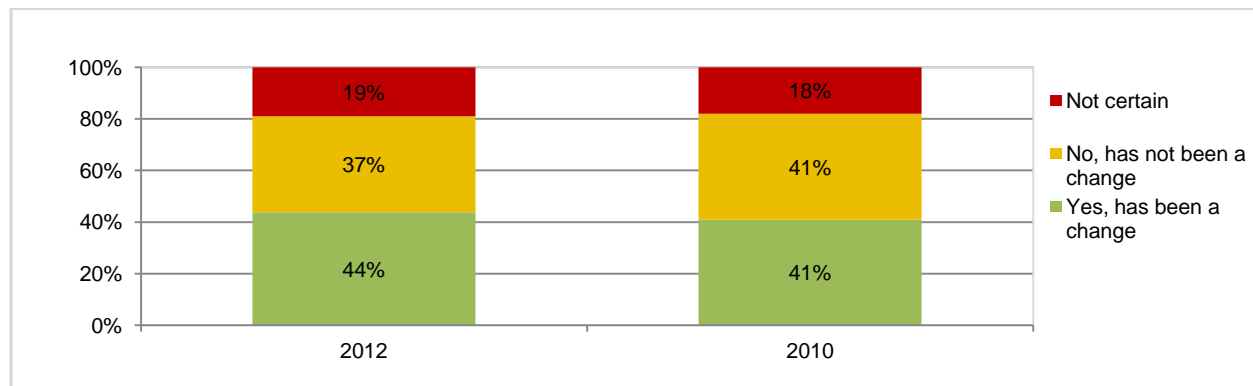
Exhibit 6.2 – Perceived Importance of Factors Determining Compensation



Perceived Change in Importance of Factors

In Question 21, respondents were asked whether there has been a change in the importance of various factors in determining compensation. Of the 1,951 respondents to this question, 44% believed that there had been a change, 37% felt that there had not been a change, and 19% were not certain. These results are generally consistent with the 2010 Survey (41%, 41% and 18%, respectively).

Exhibit 6.3 – Change in Importance of Factors Determining Compensation



When asked in Question 22 to name those factors which respondents believed had become more important, 55% of the 854 respondents cited originations, up significantly from 24% in 2010. WAR, billable hours and realization rate also all increased dramatically, climbing to 32%, 31% and 27%, respectively, up from 14%, 21% and 7%, respectively, in 2010. The results should also give senior partners more reasons for concern, as 52% of all respondents said seniority was becoming less important, up from 32% in 2010. And, in a telling blow for law firm culture, 45% and 36% of respondents, respectively, cited good citizenship and non-billable hours as factors that were also becoming less important, up from 11% and 7%, respectively, in 2010.

Desire for Change in Compensation Methods

Questions 28 and 29 asked respondents whether they'd like to see a change in compensation methods and, if so, what changes they'd like to see. Of the 2,002 respondents to Question 28, 67% said they would like to see a change in compensation methods, 20% did not desire any changes and the remainder were not sure. These results generally track the 2010 Survey. Of the 1,332 respondents who were in favor of change, suggestions once again included:

- increased transparency
- more recognition for good citizenship and team work
- more appreciation for cross-selling
- less emphasis on originations
- less emphasis on billable hours/working attorney receipts
- less value placed on firm management
- more emphasis on seniority
- more consideration for non-billable hours
- reducing compensation of non-performing lawyers faster
- less cronyism

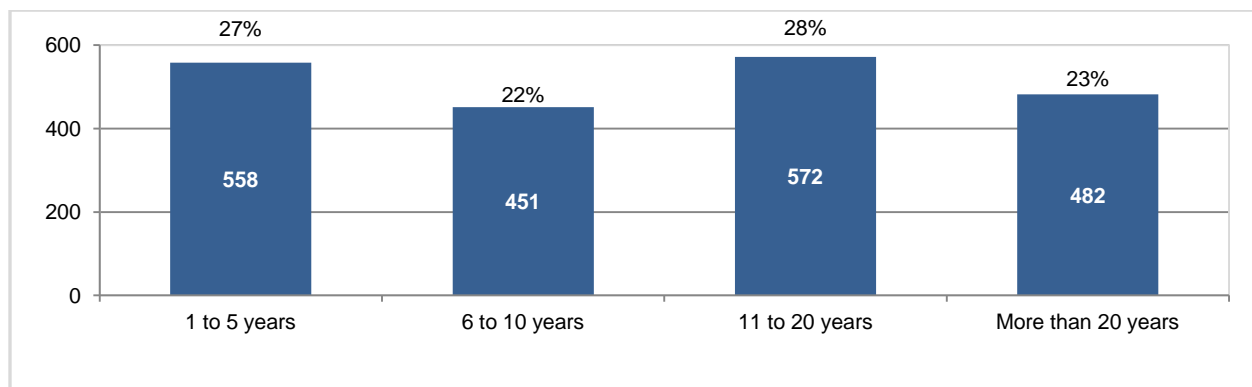
For the complete results, please refer to Appendix XI – Importance of Factors Determining Compensation; Desire for Changes.

RESPONDENT PROFILE

PARTNERSHIP TENURE

2,063 respondents answered this question. For purposes of this Report, respondents typically have been grouped into four major categories: 1 to 5 years, 6 to 10 years, 11 to 20 years and 20+ years:

Exhibit 7.1 – Respondents by Partnership Tenure



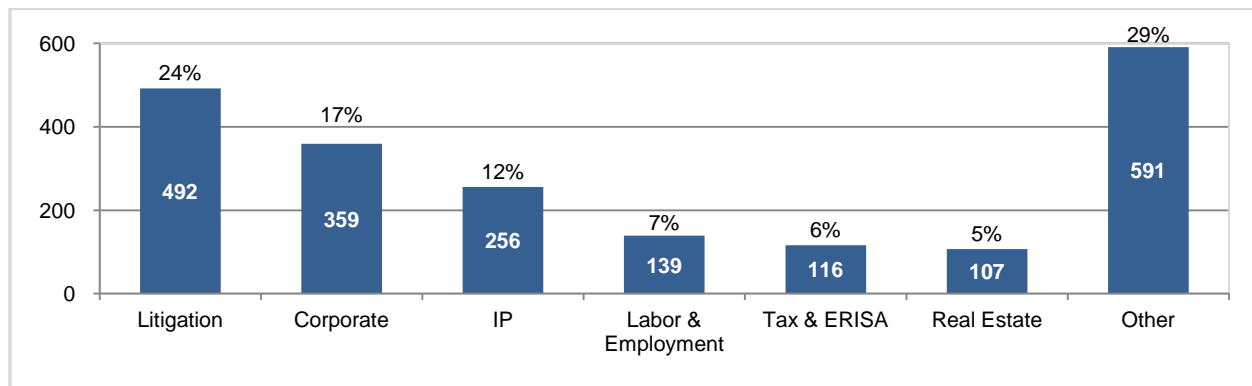
PARTNERSHIP STATUS

2,061 respondents answered this question. 62% (1,275) of the respondents classified themselves as Equity partners and 38% (786) classified themselves as Non-Equity partners. The definitions for Equity and Non-Equity partner tracked the definitions used by *The American Lawyer* in its annual survey of law firms. (See Appendix XII: Questionnaire).

PRACTICE AREA

2,063 respondents answered this question. While the Survey offered over 25 practice area choices, for purposes of this Report respondents were grouped into seven categories.

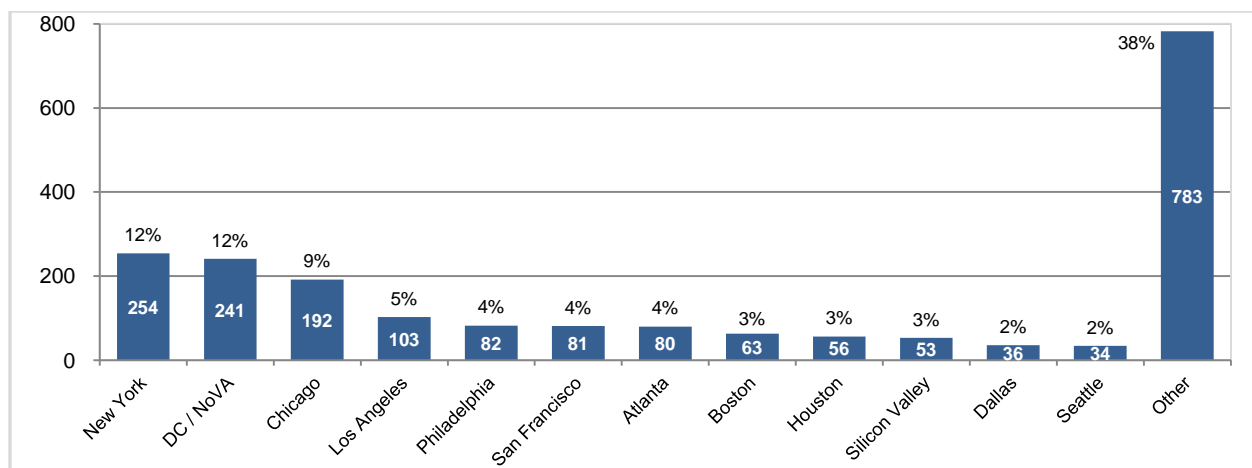
Exhibit 7.2 – Respondents by Practice Area



CITY

2,058 respondents answered this question, representing more than 60 cities across the United States, as well as overseas branch offices. For purposes of this Report, we have included data for the ten cities with 50 or more respondents, plus the two cities which were broken out in the 2010 Survey that did not have 50 or more respondents this year (Seattle and Dallas). Silicon Valley was not broken out separately in the 2010 Survey. These 12 cities represent almost two-thirds (62%) of total responses.

Exhibit 7.3 – Respondents by City



LATERAL STATUS

2,061 respondents answered this question. 45% (930) of the respondents indicated that they had come to their present firm as a lateral partner, and 55% (1,131) of the respondents indicated that they were previously associates or counsel at their present firms before being promoted to partner. This latter group is sometimes referred to in this Report as “home grown” partners.

COMPENSATION TRANSPARENCY

2,056 respondents answered this question. An “Open” compensation system was defined as one in which the respondent knows what every other partner makes or could easily find out such information. A “Partially Open” compensation system was defined as one in which the respondent did not know exactly what his or her partners made, but could discover ranges of compensation. A “Closed” compensation system was one in which the respondent knew only his or her own compensation. 61% (1,252) of the respondents indicated that they were in Open compensation systems, 13% (271) indicated that they were in Partially Open compensation systems, and 26% (533) indicated that they were in Closed compensation systems.

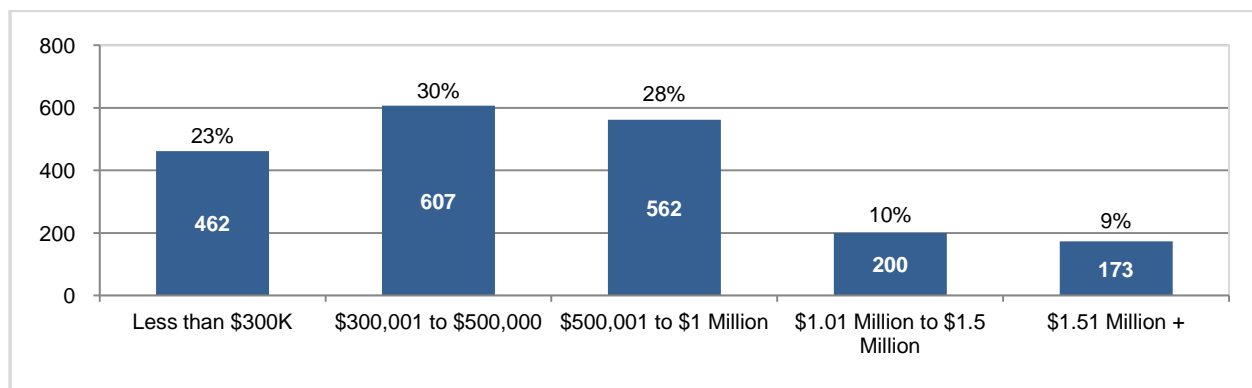
LOCKSTEP TYPE

2,016 respondents answered this question. 83% (1,671 respondents) responded that their firm’s compensation was not lockstep at all. Just 2% (33 respondents) indicated that their firm’s compensation was purely lockstep, and the remaining 15% (312 respondents) reported that their firm’s compensation system was generally lockstep, but allowed for some variance.

TOTAL COMPENSATION

2,004 respondents answered this question. Reported compensation ranged from less than \$100,000 (2 respondents) to more than \$7.3 million (1 respondent). For purposes of this Report, respondents were grouped into the following categories:

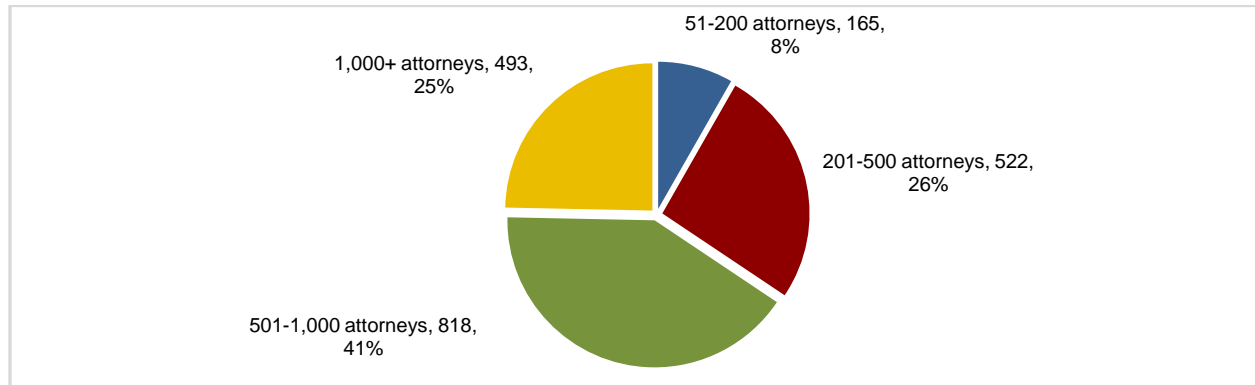
Exhibit 7.4 – Respondents by Total Compensation



FIRM SIZE

1,998 respondents answered this question. Unlike the 2010 Survey, the 2012 Survey was targeted solely to large law firms (NLJ 350 – Global 100 – and Am Law 200-ranked). Accordingly, there were no respondents from firms smaller than 50 people.

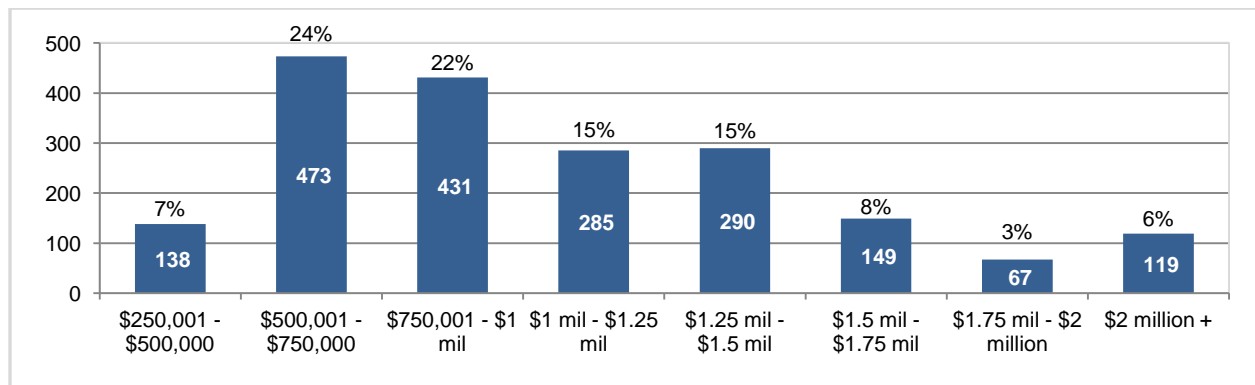
Exhibit 7.5 – Respondents by Firm Size



Firm PPP

For PPP data, ALI used the most recent data available. For Am Law firms, ALI used PPP data from the 2012 Am Law 200 rankings, and for international firms, ALI used the PPP data from 2011 Global 100 rankings.

Exhibit 7.6 – Respondents by Firm PPP



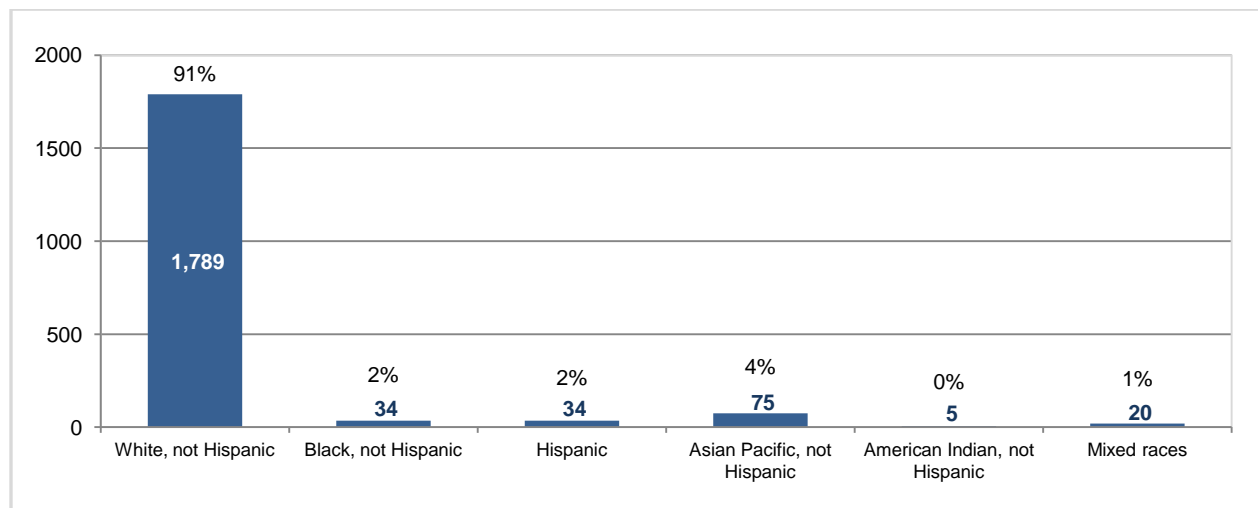
GENDER

1,981 respondents answered this question. 79% (1,566) identified themselves as male and 21% (415) identified themselves as female.

ETHNICITY

1,957 respondents answered this question. The categories used in the Survey tracked those previously used by the American Bar Association. (See Appendix XII: Questionnaire). Because of the small number of respondents from the non-White categories, it is difficult to draw any statistically meaningful conclusions from the responses. Respondents included:

Exhibit 7.7 – Respondents by Ethnicity



NOTES

Survey participants, managing partners and other members of firm management who desire a more detailed briefing on the results of the Survey and this Report may contact Jeffrey A. Lowe, Global Practice Leader, Law Firm Practice, and Managing Partner, Washington, D.C., at jlowe@mlaglobal.com or 202-628-0661. For a listing of all Major, Lindsey & Africa offices, please visit our website at www.mlaglobal.com.

APPENDICES

APPENDIX I—RESPONDENT PROFILE

Respondents by Year Graduated Law School

	Frequency	Percent
1950 or earlier	1	0%
1951-1960	7	0%
1961-1970	52	3%
1971-1980	333	16%
1981-1990	588	28%
1991-2000	938	45%
2001-2010	145	7%
Total	2,064	

Respondents by Partnership Tenure

	Frequency	Percent
1 to 5 years	558	27%
6 to 10 years	451	22%
11 to 20 years	572	28%
More than 20 years	482	23%
Total	2,063	

Respondents by Partnership Status

	Frequency	Percent
Equity Partner	1,275	62%
Non-equity Partner	786	38%
Total	2,061	

Respondents by Practice Area

	Frequency	Percent
Litigation	492	24%
Corporate	359	17%
IP	256	12%
Labor & Employment	139	7%
Tax & ERISA	116	6%
Real Estate	107	5%
Other	591	29%
Total	2,063	

Total Compensation for 2011

	Frequency	Percent
Less than \$300K	462	23%
\$300,001 to \$500,000	607	30%
\$500,001 to \$1 Million	562	28%
\$1.01 Million to \$1.5 Million	200	10%
\$1.51 Million +	173	9%
Total	2,004	

Respondents by City

	Frequency	Percent
New York, NY	254	12%
DC / NoVA	241	12%
Chicago, IL	192	9%
Los Angeles, CA	103	5%
Philadelphia, PA	82	4%
San Francisco, CA	81	4%
Atlanta, GA	80	4%
Boston, MA	63	3%
Houston, TX	56	3%
Silicon Valley, CA	53	3%
Dallas, TX	36	2%
Seattle, WA	34	2%
Other	783	38%
Total	2,058	

Respondents by Lateral Status

	Frequency	Percent
Laterally, as partner	930	45%
Previously an associate at firm	1,131	55%
Total	2,061	

Respondents by Compensation Transparency

	Frequency	Percent
Open	1,252	61%
Partially open	271	13%
Closed	533	26%
Total	2,056	

Respondents by Profits per Partner

	Frequency	Percent
\$250,001 - \$500,000	138	7%
\$500,001 - \$750,000	473	24%
\$750,001 - \$1 mil	431	22%
\$1 mil - \$1.25 mil	285	15%
\$1.25 mil - \$1.5 mil	290	15%
\$1.5 mil - \$1.75 mil	149	8%
\$1.75 mil - \$2 million	67	3%
\$2 million +	119	6%
Total	1,952	

Respondents by Lockstep Type

	Frequency	Percent
Pure lockstep	33	2%
Generally lockstep	312	15%
My firm is not lockstep at all	1,671	83%
Total	2,016	

Respondents by Firm Size

	Frequency	Percent
51-200 attorneys	165	8%
201-500 attorneys	522	26%
501-1,000 attorneys	818	41%
1,000+ attorneys	493	25%
Total	1,998	

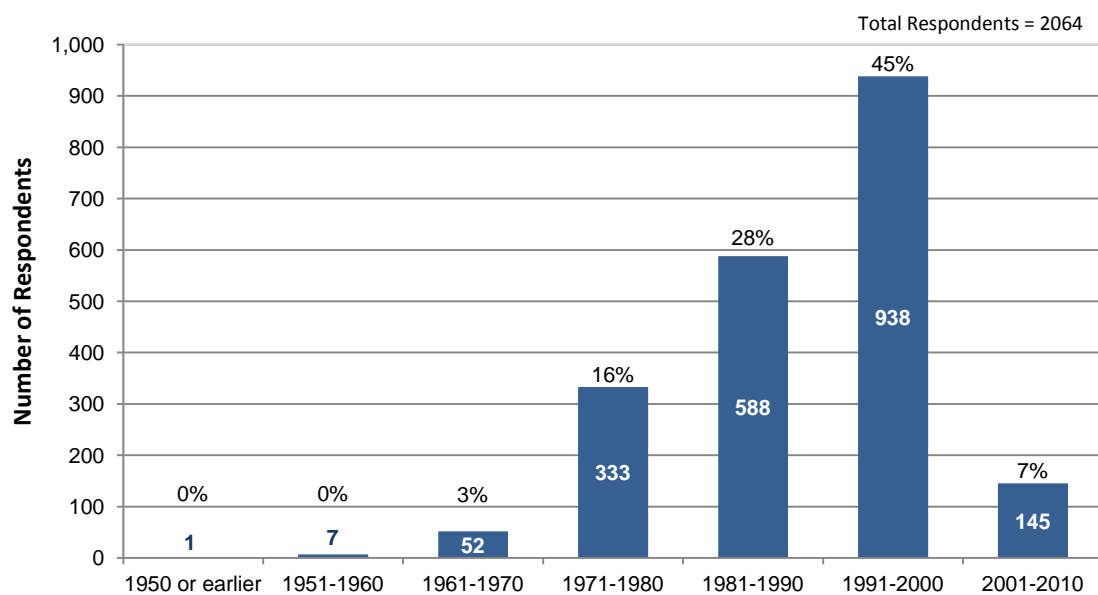
Respondent Gender

	Frequency	Percent
Male	1,566	79%
Female	415	21%
Total	1,981	

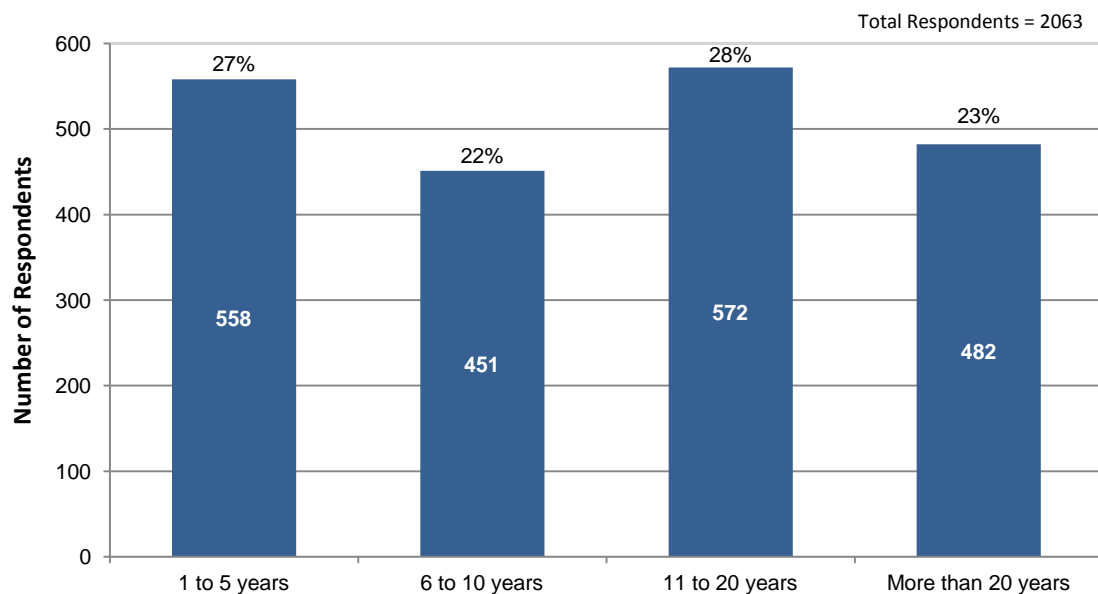
Respondent Ethnicity

	Frequency	Percent
White, not Hispanic	1,789	91%
Black, not Hispanic	34	2%
Hispanic	34	2%
Asian Pacific, not Hispanic	75	4%
American Indian, not Hispanic	5	0%
Mixed races	20	1%
Total	1,957	

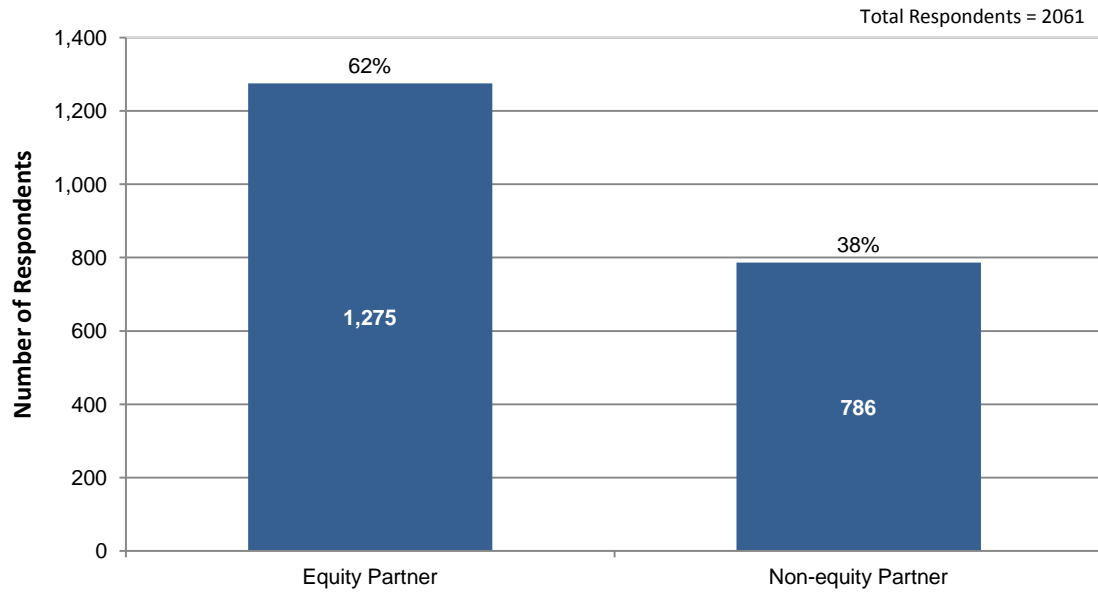
Respondents by Year Graduated Law School



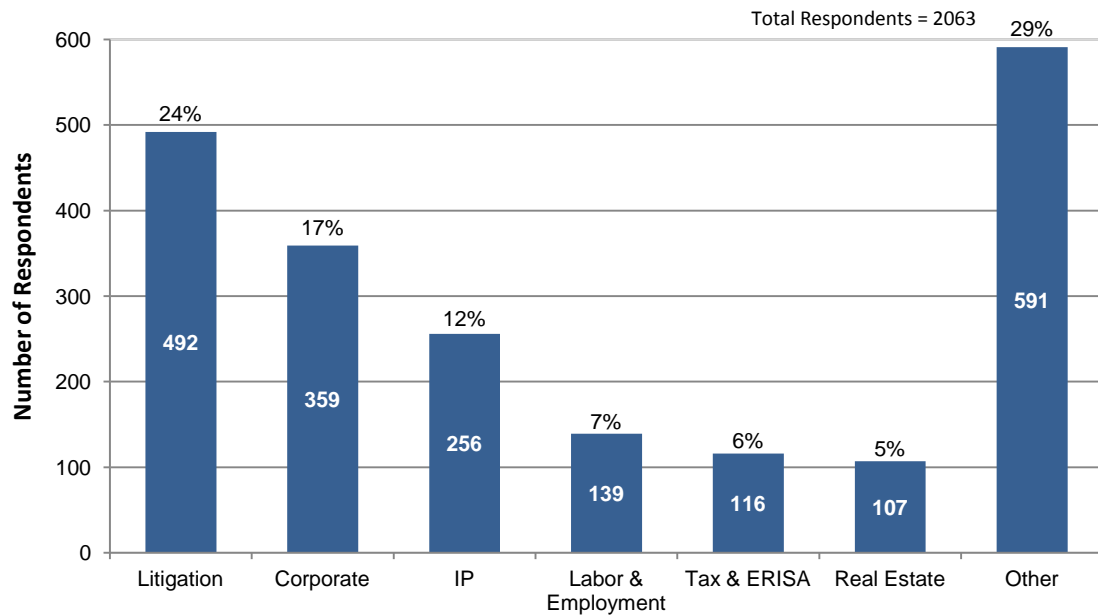
Respondents by Partnership Tenure

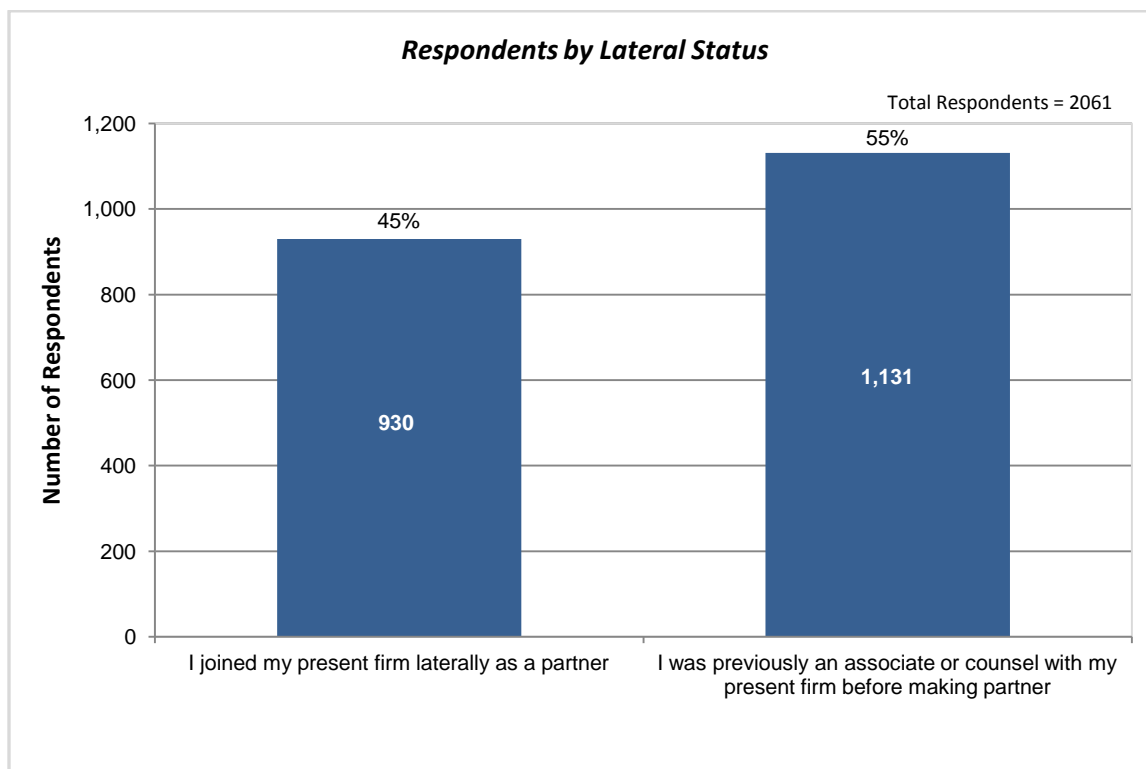
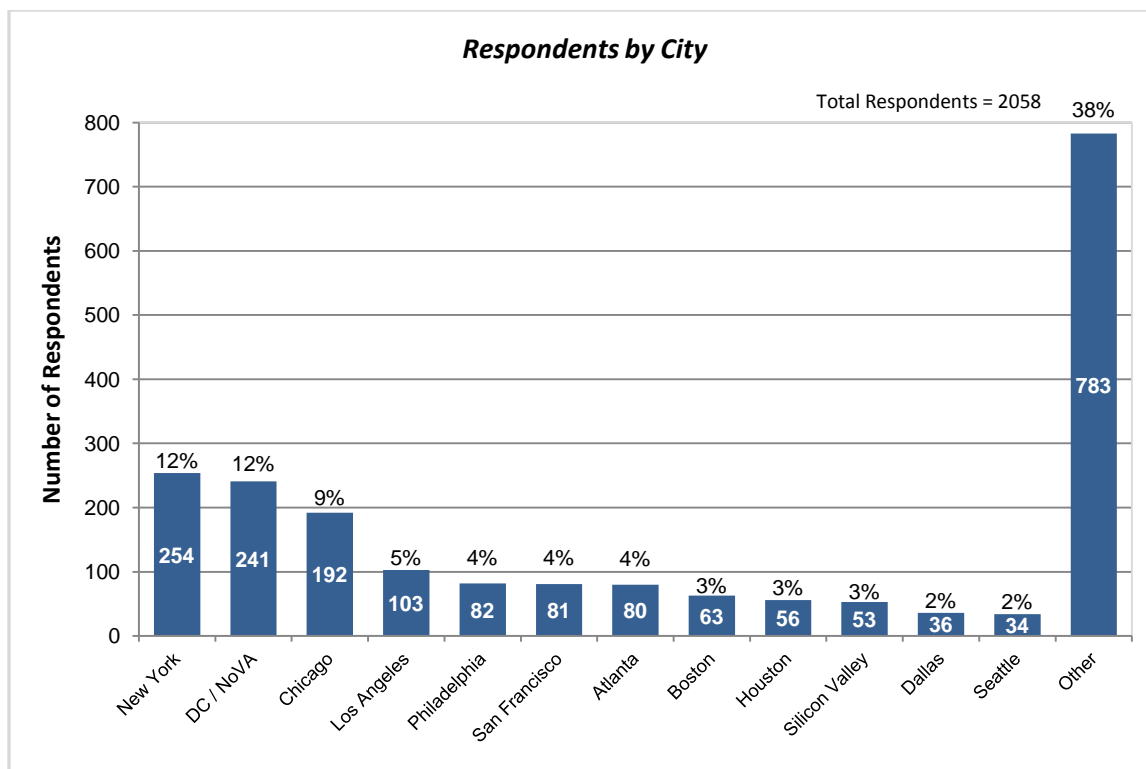


Respondents by Partnership Status

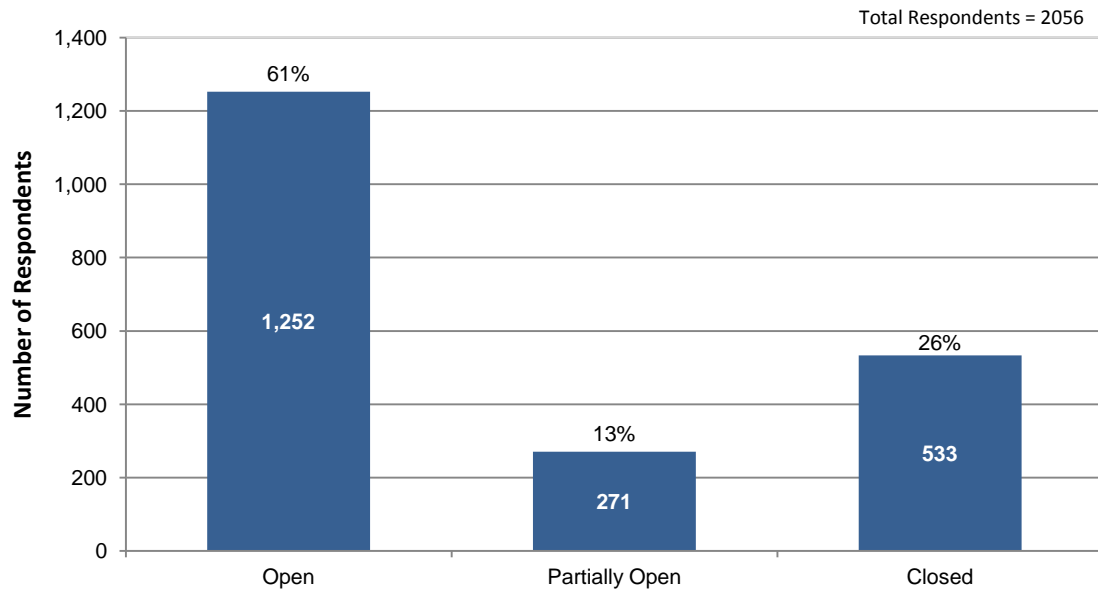


Respondents by Practice Area

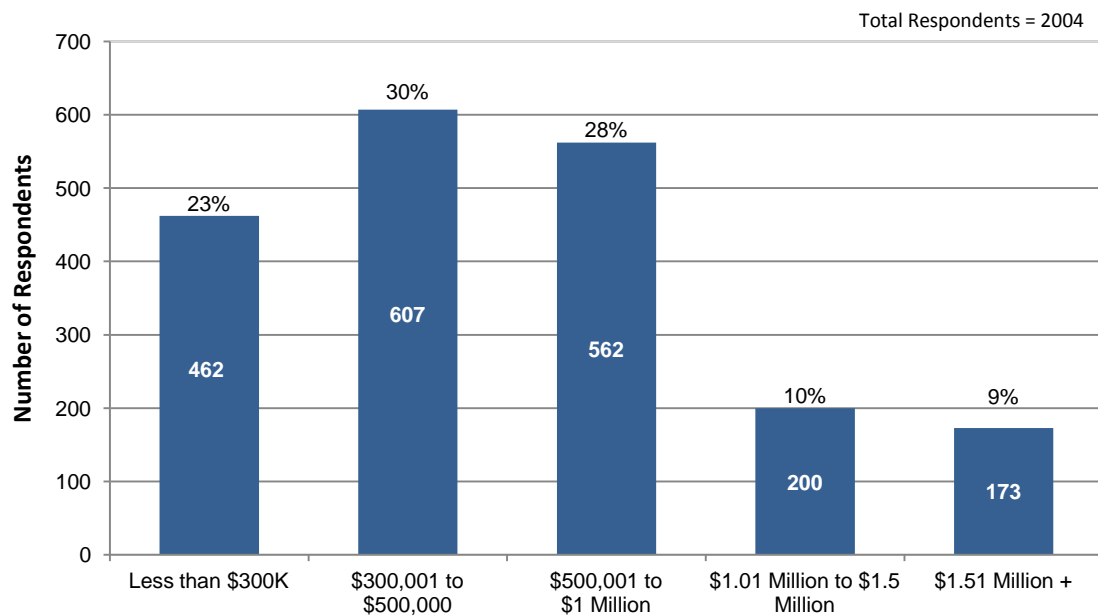




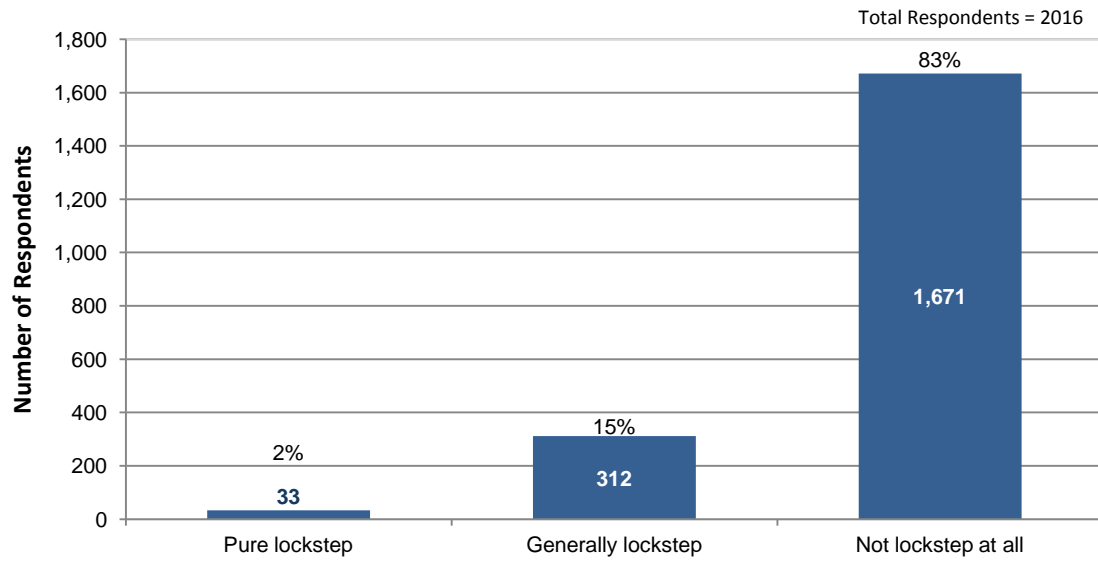
Respondents by Compensation Transparency



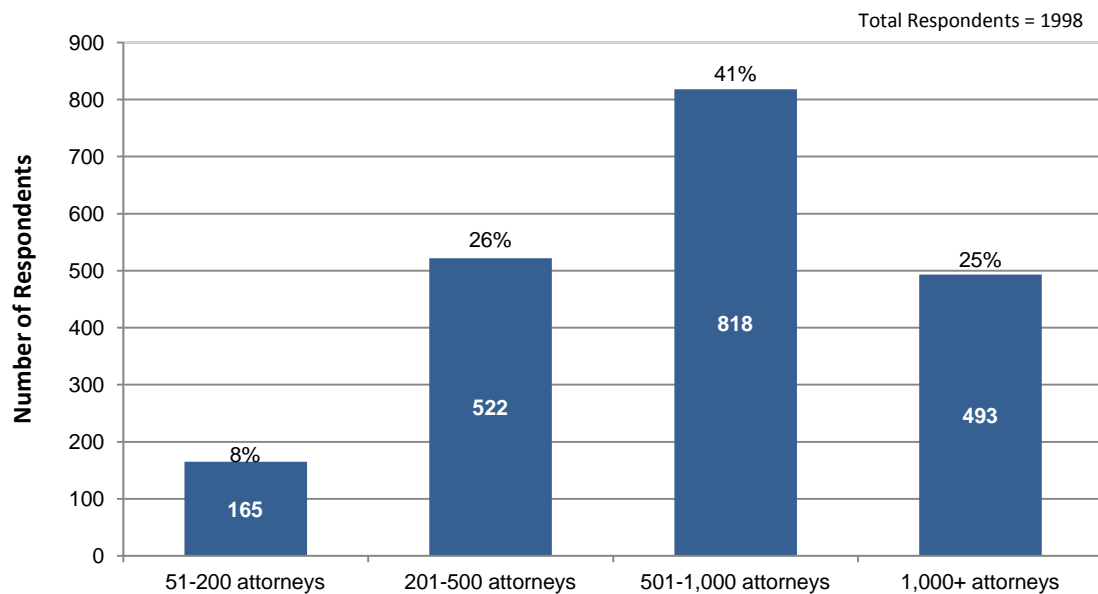
Total Compensation

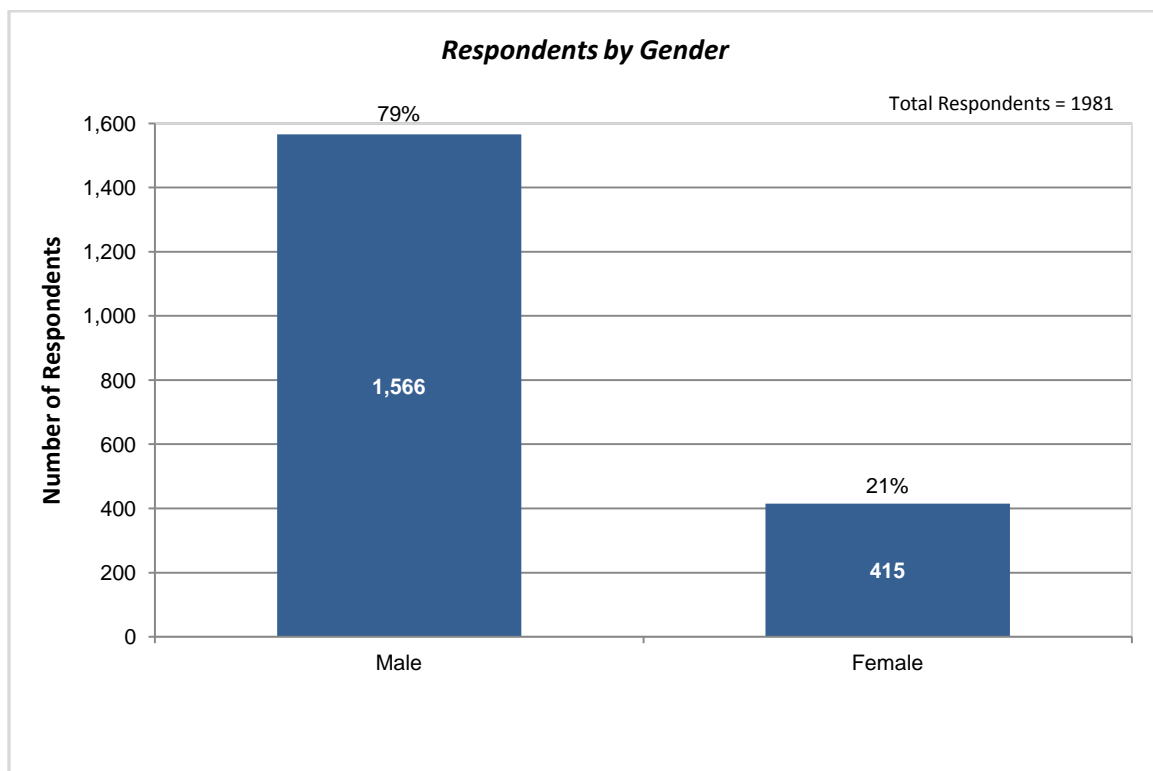
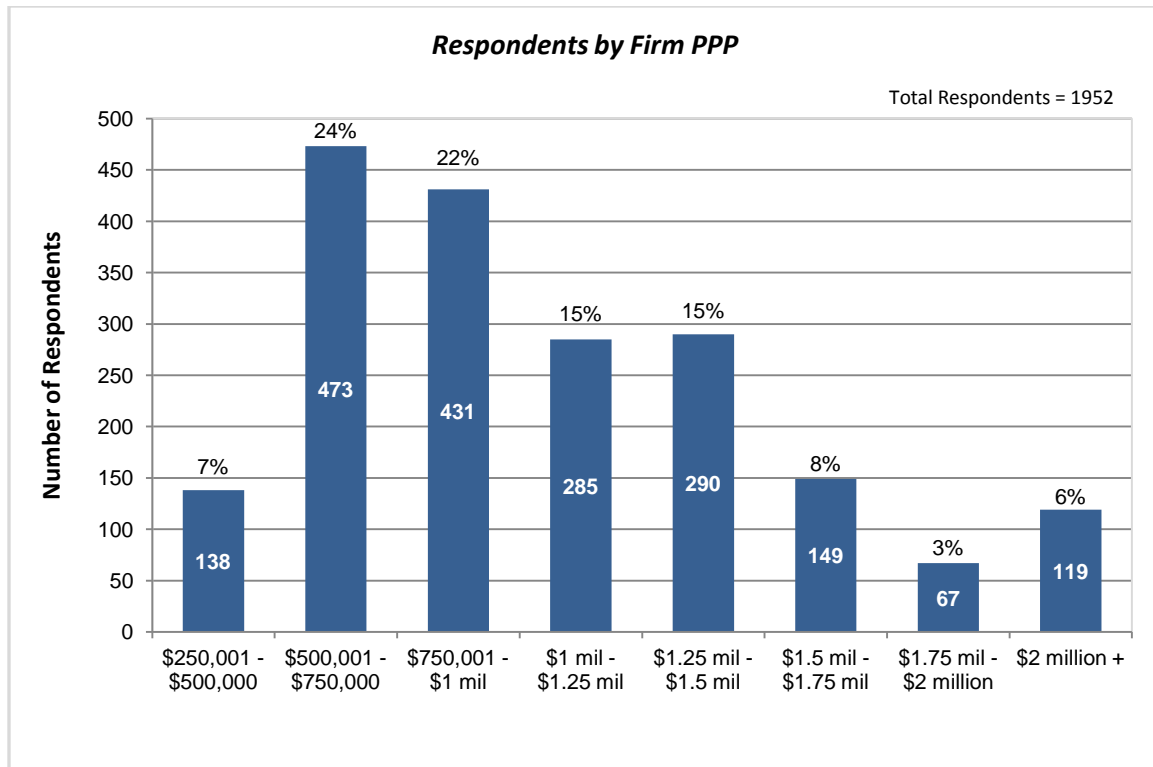


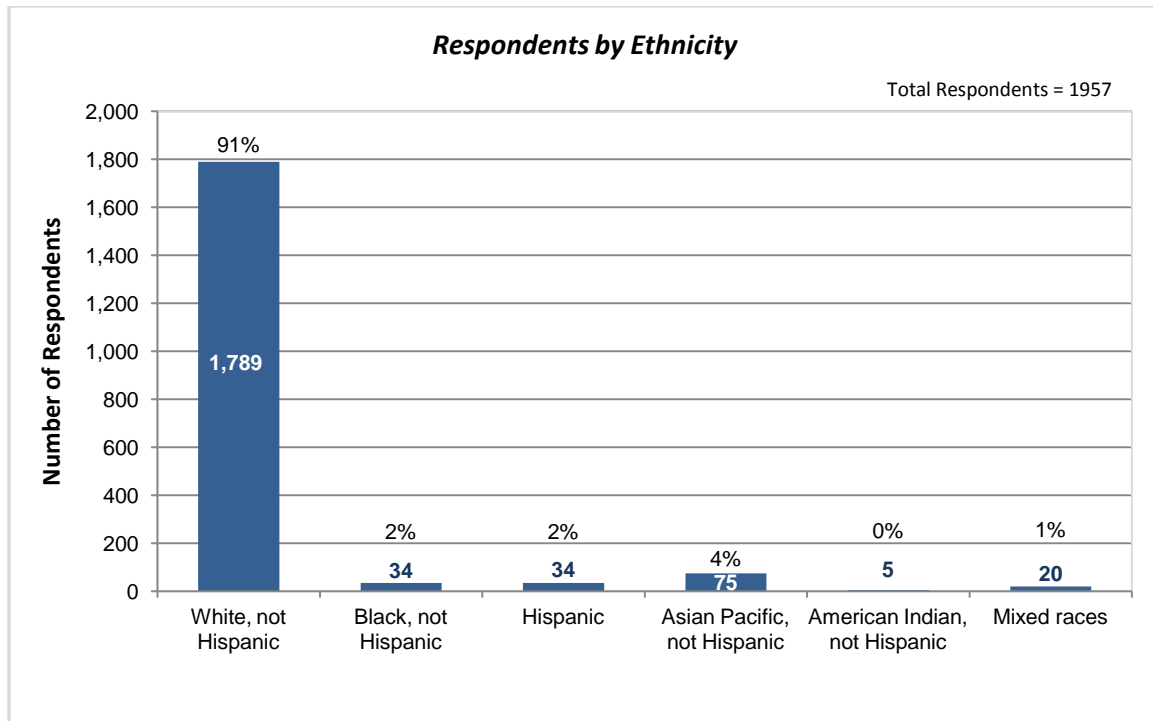
Respondents by Lockstep Type



Respondents by Firm Size







APPENDIX II—AVERAGE TOTAL COMPENSATION

Average Compensation, All Respondents = \$681,000

Partnership Tenure	2012	2010
1 to 5 years	\$ 399,000	\$399,000
6 to 10 years	\$ 633,000	\$564,000
11 to 20 years	\$ 790,000	\$760,000
More than 20 years	\$ 926,000	\$908,000

Partnership Status	2012	2010
Equity Partner	\$ 896,000	\$811,000
Non-equity Partner	\$ 335,000	\$336,000

Practice Area	2012	2010
Corporate	\$ 847,000	\$759,000
IP	\$ 715,000	\$601,000
Tax & ERISA	\$ 662,000	\$641,000
Litigation	\$ 634,000	\$679,000
Real Estate	\$ 590,000	\$506,000
Labor & Employment	\$ 506,000	\$470,000
Other	\$ 668,000	\$616,000

City	2012	2010
Silicon Valley, CA	\$1,200,000	n/a
New York, NY	\$1,020,000	\$938,000
DC / NoVA	\$ 798,000	\$702,000
Houston, TX	\$ 791,000	\$704,000
Boston, MA	\$ 775,000	\$618,000
Dallas, TX	\$ 768,000	\$599,000
San Francisco, CA	\$ 723,000	\$667,000
Atlanta, GA	\$ 683,000	\$463,000
Los Angeles, CA	\$ 667,000	\$725,000
Chicago, IL	\$ 575,000	\$524,000
Seattle, WA	\$ 532,000	\$368,000
Philadelphia, PA	\$ 478,000	\$533,000

Compensation Transparency	2012	2010
Open	\$ 810,000	\$718,000
Partially open	\$ 515,000	\$513,000
Closed	\$ 465,000	\$495,000

Lockstep Type	2012	2010
My firm is pure lockstep	\$1,219,000	\$ 758,000
Generally lockstep	\$ 563,000	\$ 534,000
My firm is not lockstep at all	\$ 694,000	\$ 657,000

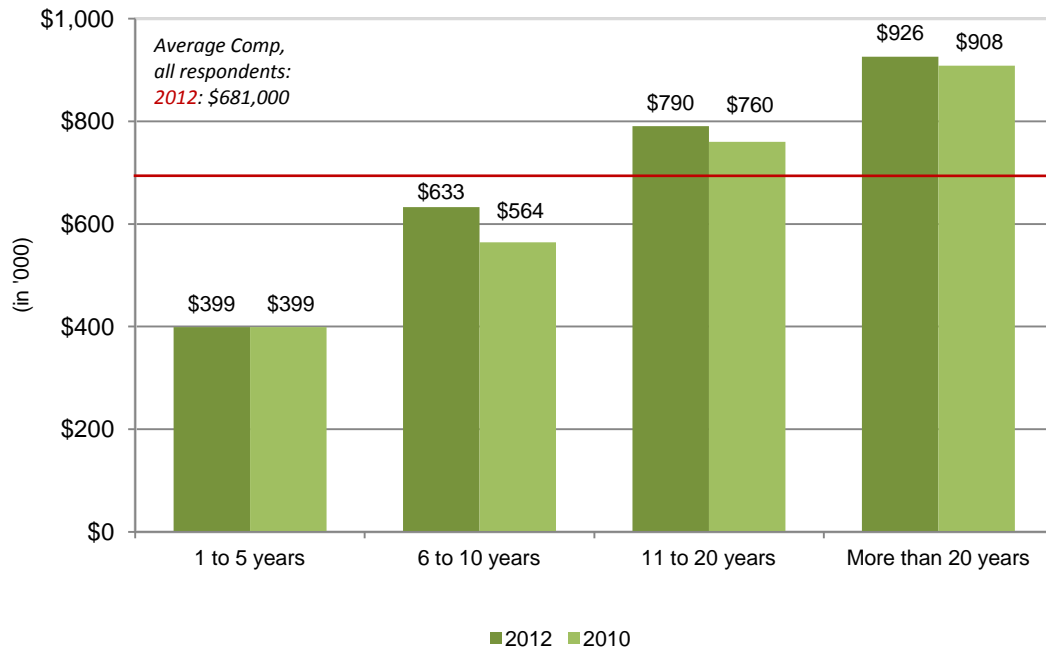
Firm Size	2012	2010
1-50 attorneys	n/a	\$ 388,000
51-200 attorneys	\$ 425,000	\$ 390,000
201-500 attorneys	\$ 544,000	\$ 581,000
501-1,000 attorneys	\$ 726,000	\$ 698,000
1,000+ attorneys	\$ 844,000	\$ 881,000

Profits per Partner	2012	2010
\$250,001 - \$500,000	\$ 431,000	\$ 346,000
\$500,001 - \$750,000	\$ 432,000	\$ 526,000
\$750,001 - \$1 mil	\$ 589,000	\$ 656,000
\$1 mil - \$1.25 mil	\$ 755,000	\$ 906,000
\$1.25 mil - \$1.5 mil	\$ 923,000	\$1,143,000
\$1.5 mil - \$1.75 mil	\$ 973,000	\$1,060,000
\$1.75 mil - \$2 million	\$1,180,000	\$1,591,000
\$2 million +	\$1,820,000	\$1,606,000

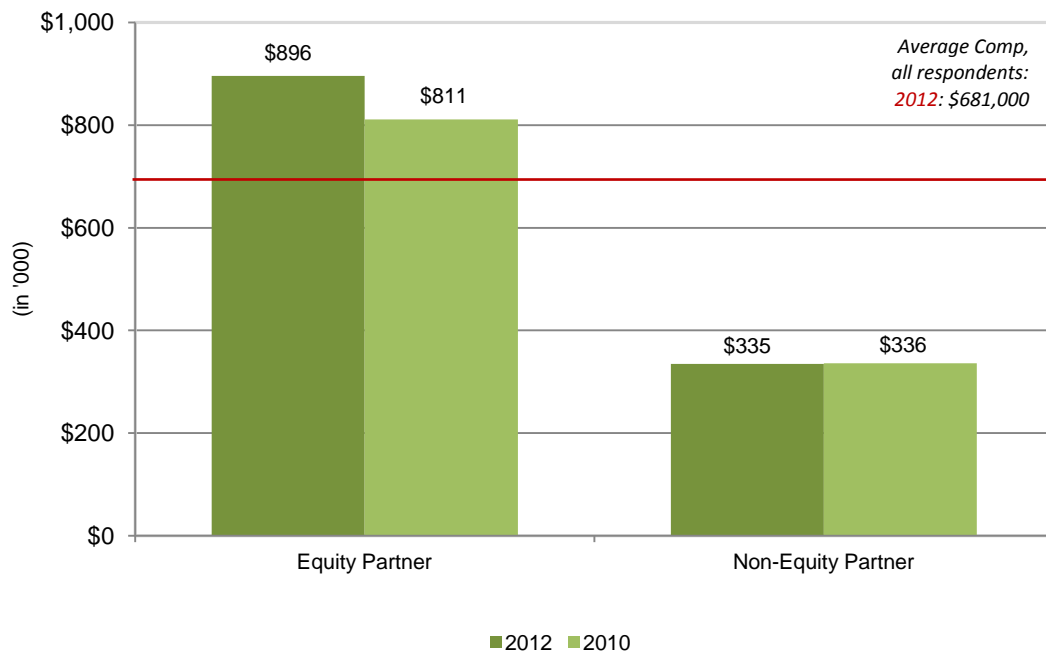
Gender	2012	2010
Male	\$ 734,000	\$ 675,000
Female	\$ 497,000	\$ 513,000

Ethnicity	2012	2010
White, not Hispanic	\$ 682,000	\$ 648,000
Black, not Hispanic	\$ 489,000	\$ 550,000
Hispanic	\$ 655,000	\$ 510,000
Asian Pacific, not Hispanic	\$ 712,000	\$ 514,000
American Indian, not Hispanic	\$ 860,000	\$ 425,000
Mixed races	\$ 670,000	\$ 542,000

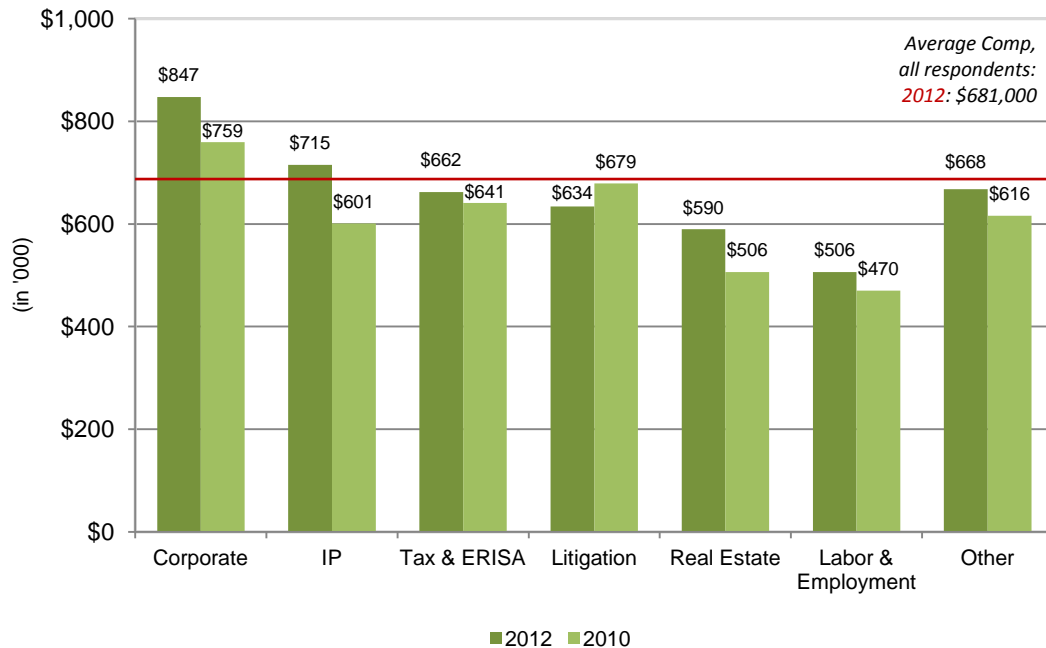
Average Compensation by Partnership Tenure



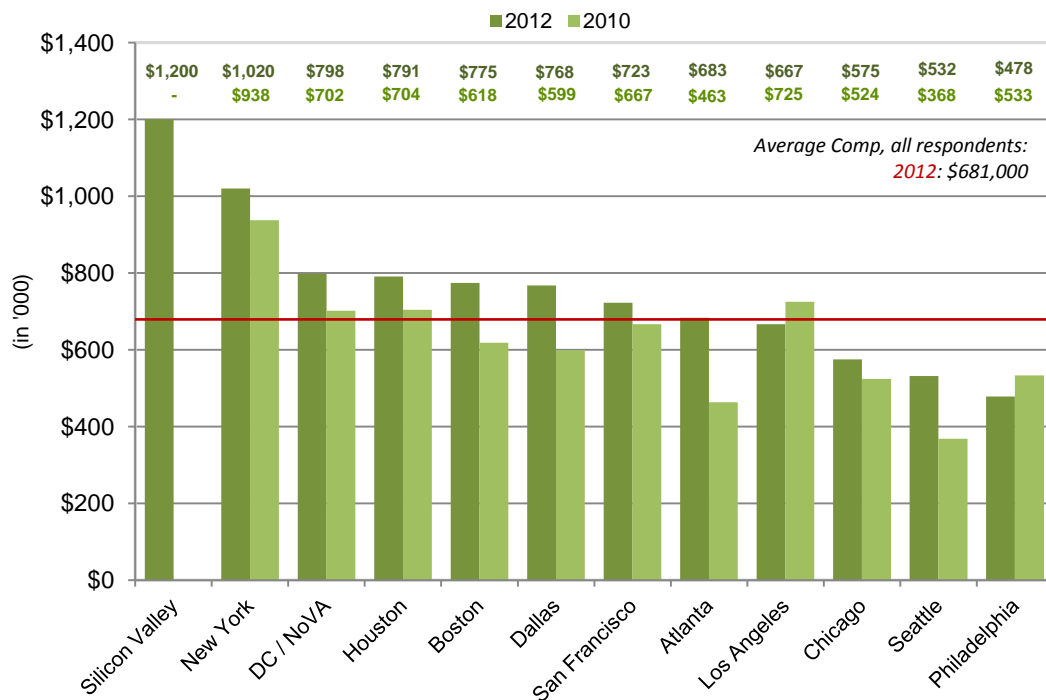
Average Compensation by Partnership Status



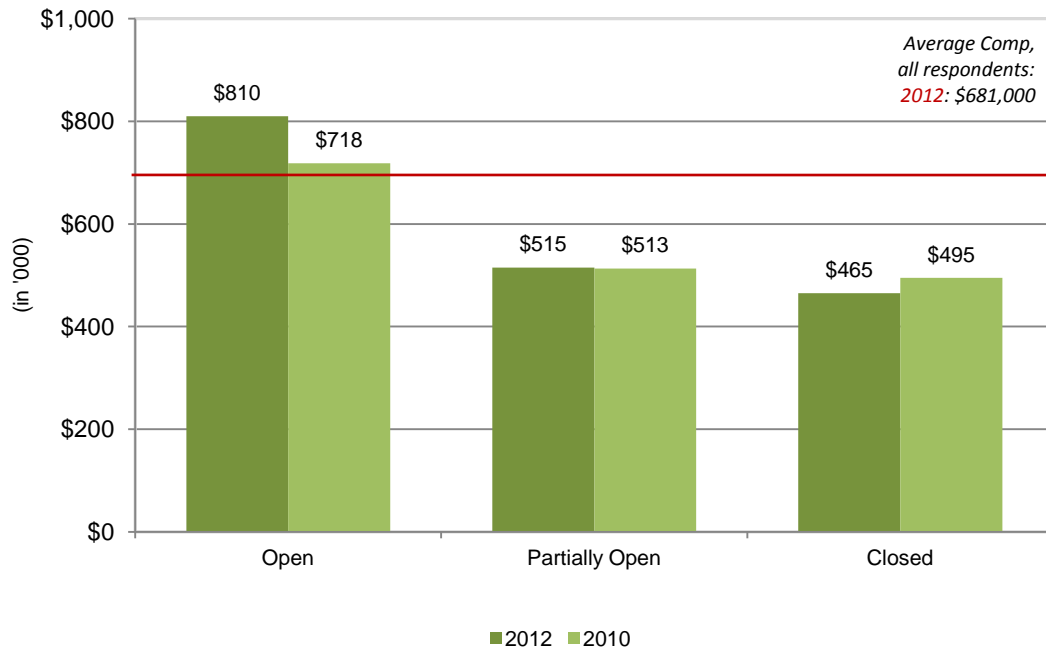
Average Compensation by Practice Area



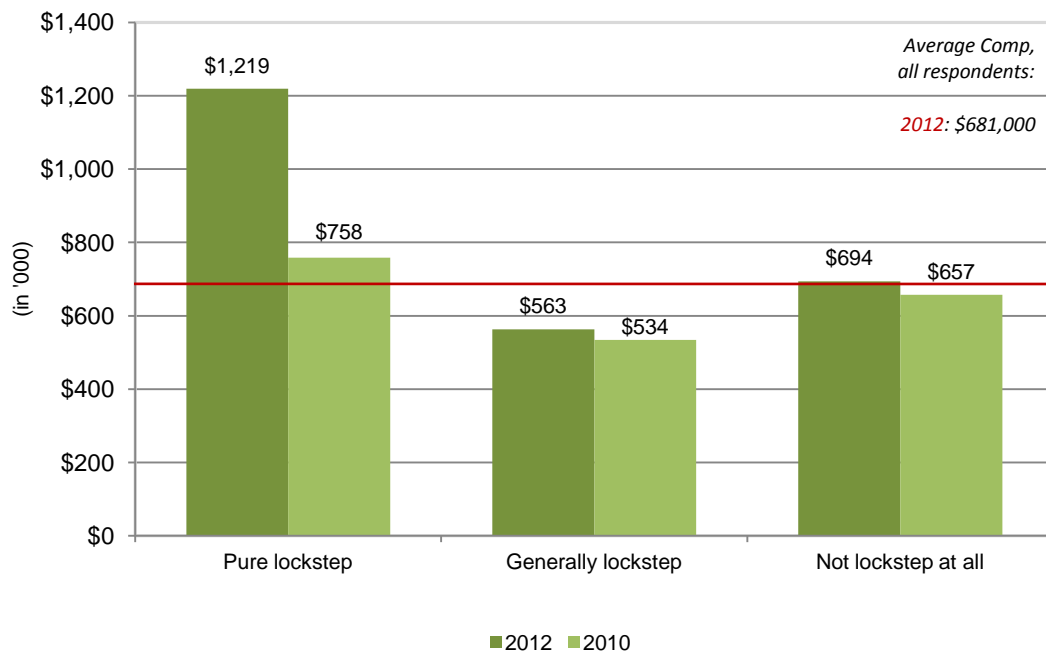
Average Compensation by City



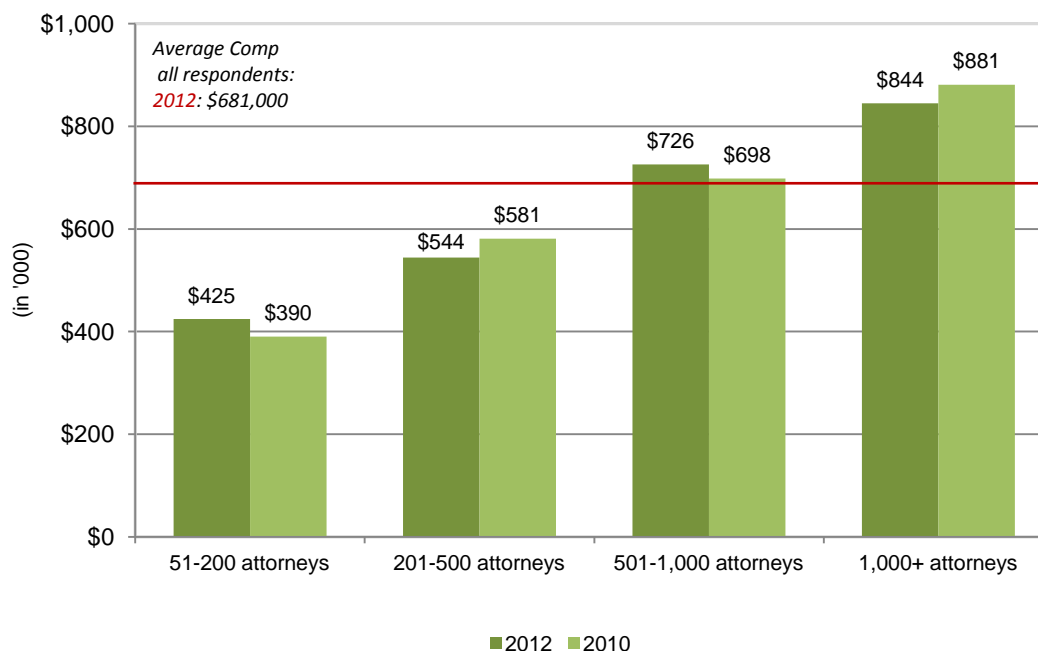
Average Compensation by Compensation Transparency



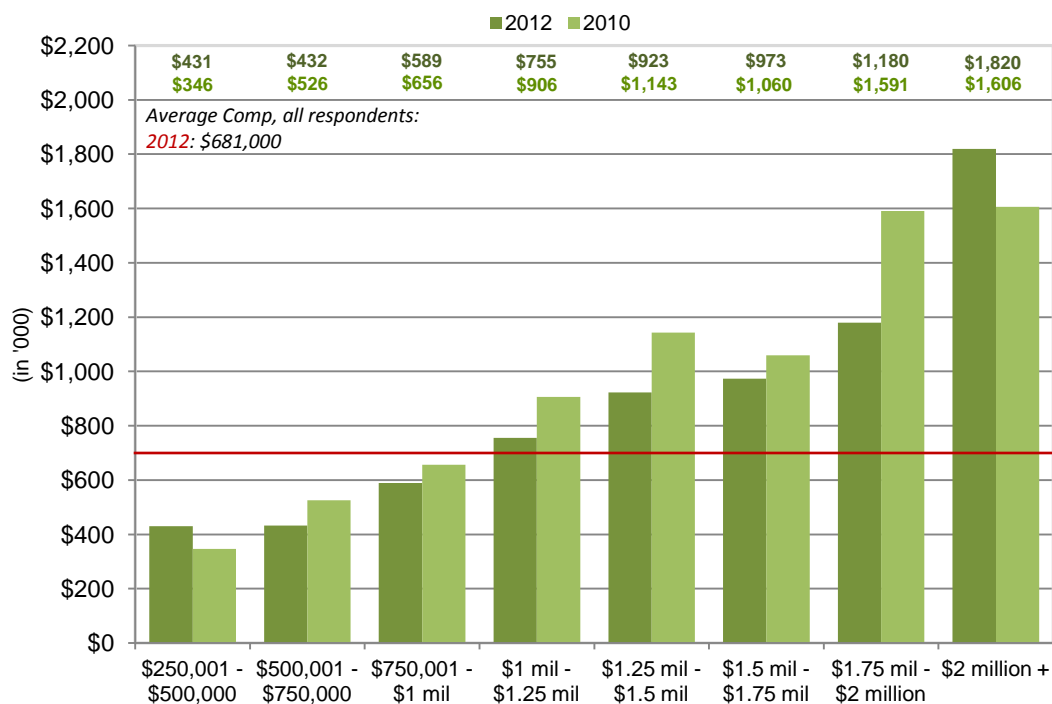
Average Compensation by Lockstep Type



Average Compensation by Firm Size



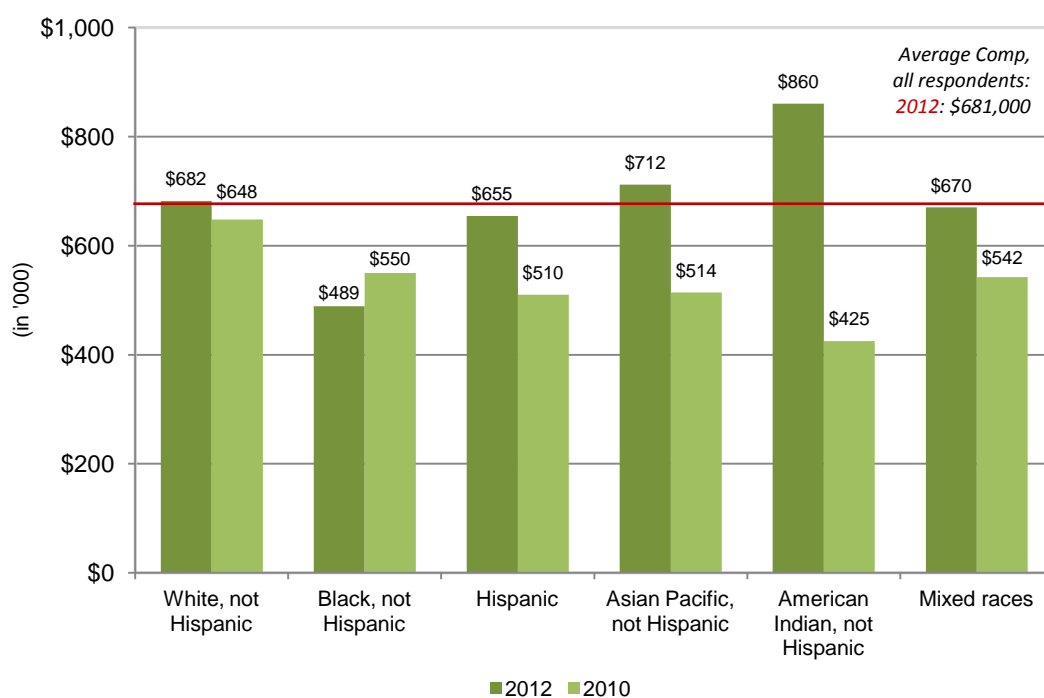
Average Compensation by Firm PPP



Average Compensation by Gender



Average Compensation by Ethnicity



APPENDIX III—COMPENSATION CHANGE FOR LATERAL PARTNERS

Compensation Change (Total)	2012	2010
Increased	62%	57%
Decreased	9%	9%
Stayed the same	29%	34%

Compensation Change (Males)	2012	2010
Increased	62%	57%
Decreased	8%	8%
Stayed the same	30%	35%

Compensation Change (Females)	2012	2010
Increased	61%	56%
Decreased	14%	10%
Stayed the same	25%	34%

Increased (Total)	2012	2010
10% or less	19%	12%
11%-20%	31%	34%
21%-30%	19%	22%
31%-40%	11%	10%
41%-50%	4%	6%
51%+	17%	17%

Increased (Males)	2012	2010
10% or less	19%	10%
11%-20%	30%	36%
21%-30%	20%	22%
31%-40%	11%	9%
41%-50%	4%	6%
51%+	16%	17%

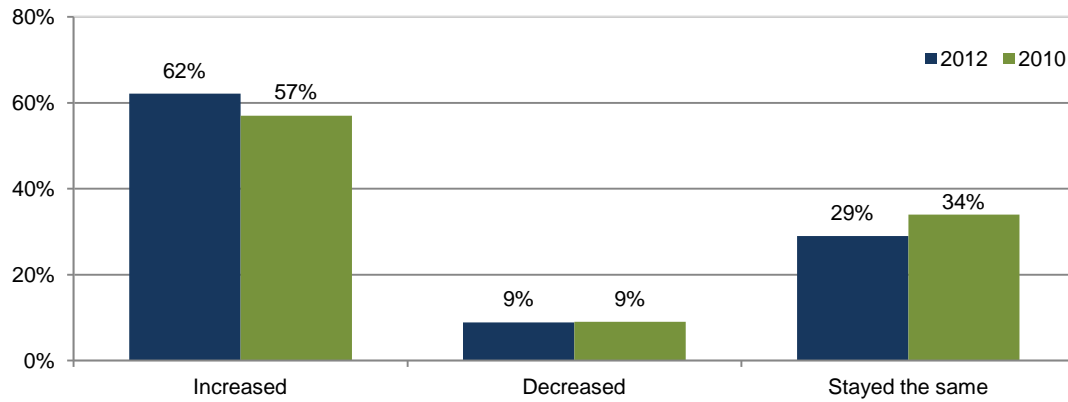
Increased (Females)	2012	2010
10% or less	20%	23%
11%-20%	35%	27%
21%-30%	16%	20%
31%-40%	9%	10%
41%-50%	3%	2%
51%+	17%	18%

Decreased (Total)	2012	2010
10% or less	24%	20%
11%-20%	37%	31%
21%-30%	15%	16%
31%-40%	11%	15%
41%-50%	8%	17%
51%+	4%	11%

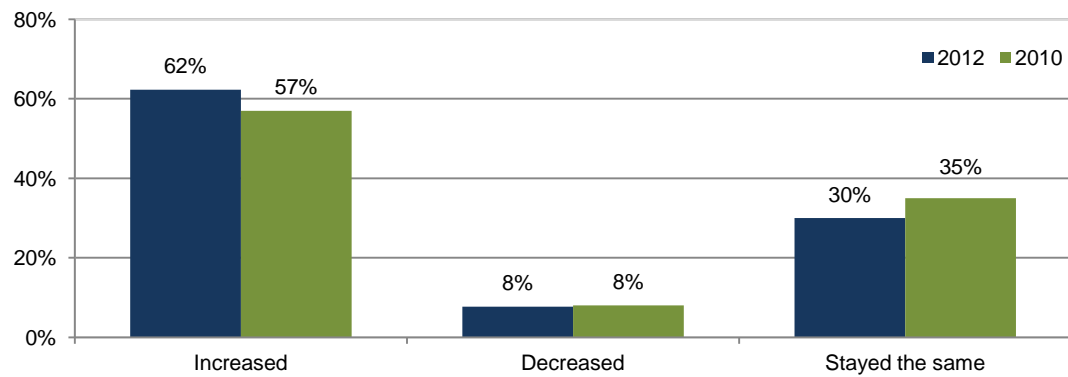
Decreased (Males)	2012	2010
10% or less	30%	20%
11%-20%	26%	33%
21%-30%	14%	16%
31%-40%	12%	16%
41%-50%	12%	8%
51%+	5%	6%

Decreased (Females)	2012	2010
10% or less	14%	27%
11%-20%	57%	27%
21%-30%	19%	13%
31%-40%	10%	13%
41%-50%		7%
51%+		13%

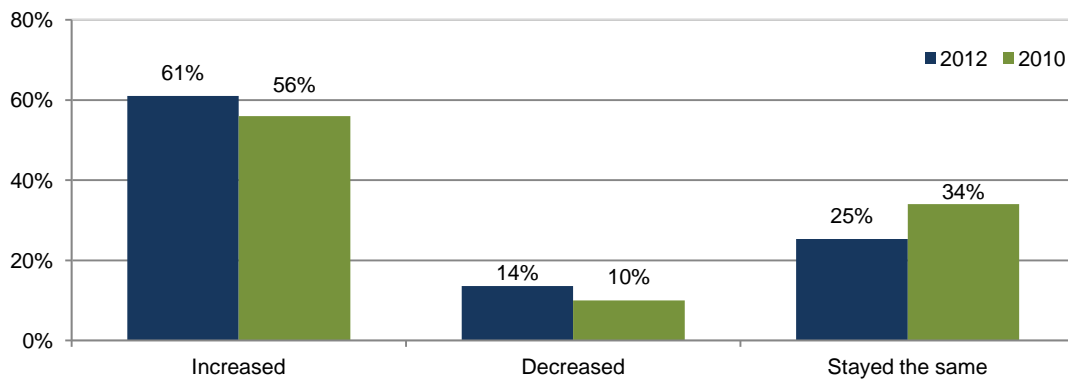
Compensation Change for Laterals (Total)



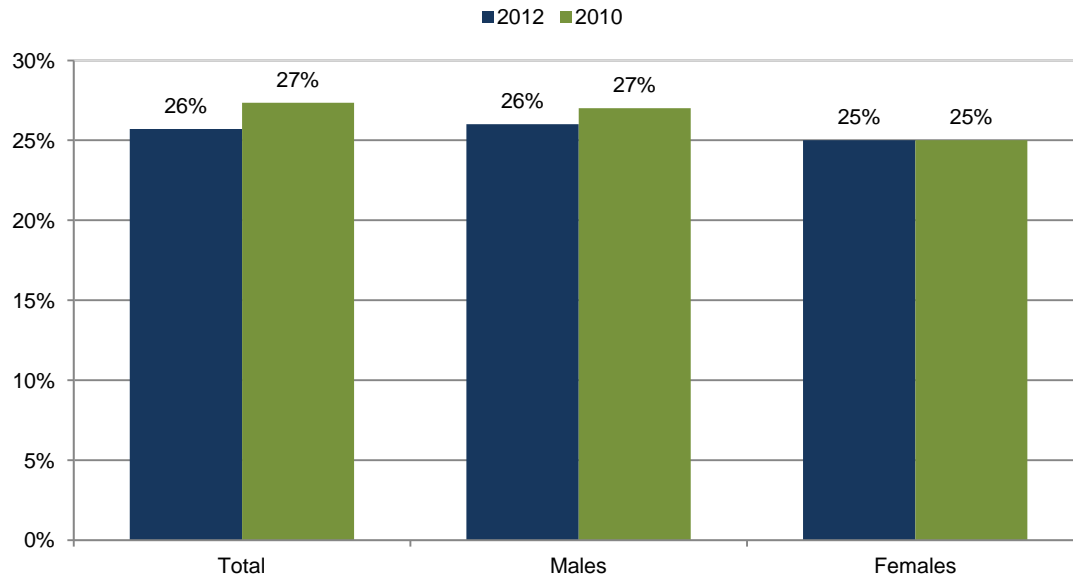
Compensation Change for Laterals (Males)



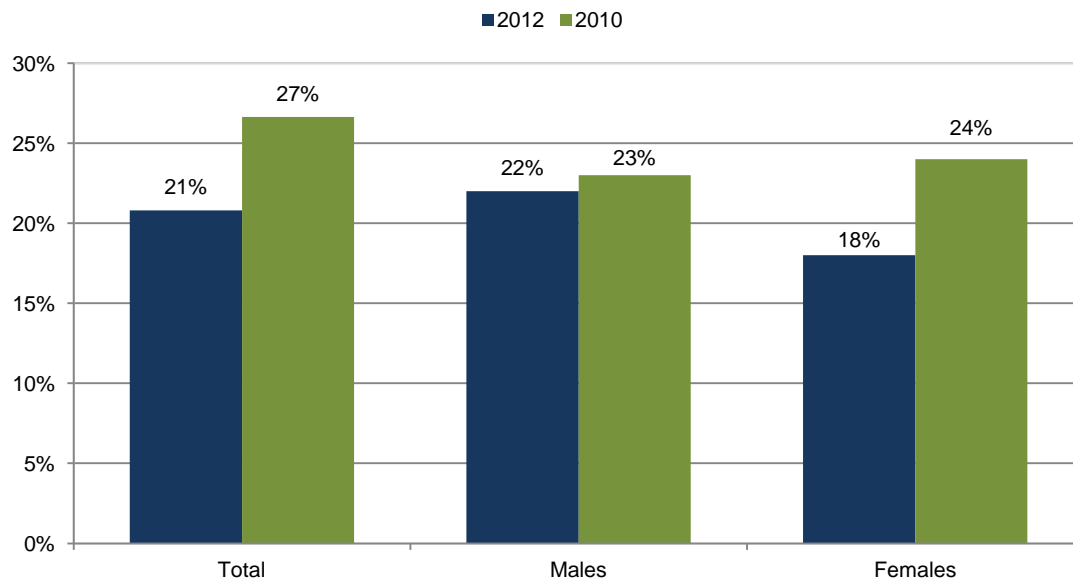
Compensation Change for Laterals (Females)



Average Percentage Compensation Increase for Laterals



Average Percentage Compensation Decrease for Laterals



APPENDIX IV—AVERAGE TOTAL ORIGINATIONS

Average Originations, All Respondents = \$1,893,000

Partnership Tenure	2012	2010
1 to 5 years	\$ 984,000	\$ 819,000
6 to 10 years	\$ 1,660,000	\$ 1,578,000
11 to 20 years	\$ 2,320,000	\$ 2,252,000
More than 20 years	\$ 2,660,000	\$ 2,978,000

Partnership Status	2012	2010
Equity Partner	\$ 2,620,000	\$ 2,489,000
Non-equity Partner	\$ 712,000	\$ 704,000

Practice Area	2012	2010
Corporate	\$ 2,430,000	\$ 2,205,000
IP	\$ 2,130,000	\$ 1,482,000
Real Estate	\$ 1,720,000	\$ 1,105,000
Litigation	\$ 1,710,000	\$ 2,361,000
Labor & Employment	\$ 1,370,000	\$ 1,232,000
Tax & ERISA	\$ 929,000	\$ 1,054,000
Other	\$ 1,962,000	\$ 1,800,000

City	2012	2010
Silicon Valley, CA	\$ 3,720,000	n/a
New York, NY	\$ 2,890,000	\$ 2,714,000
Boston, MA	\$ 2,340,000	\$ 1,787,000
Dallas, TX	\$ 2,340,000	\$ 1,854,000
DC / NoVA	\$ 2,320,000	\$ 2,144,000
Atlanta, GA	\$ 2,290,000	\$ 1,180,000
San Francisco, CA	\$ 2,170,000	\$ 1,921,000
Houston, TX	\$ 2,150,000	\$ 2,240,000
Seattle, WA	\$ 1,620,000	\$ 1,053,000
Los Angeles, CA	\$ 1,400,000	\$ 2,060,000
Chicago, IL	\$ 1,200,000	\$ 1,270,000
Philadelphia, PA	\$ 1,180,000	\$ 1,328,000

Compensation Transparency	2012	2010
Open	\$ 2,360,000	\$ 2,121,000
Partially open	\$ 1,380,000	\$ 1,309,000
Closed	\$ 1,060,000	\$ 1,389,000

Lockstep Type	2012	2010
My firm is pure lockstep	\$ 3,300,000	\$ 1,868,000
Generally lockstep	\$ 1,560,000	\$ 1,197,000
My firm is not lockstep at all	\$ 1,940,000	\$ 1,962,000

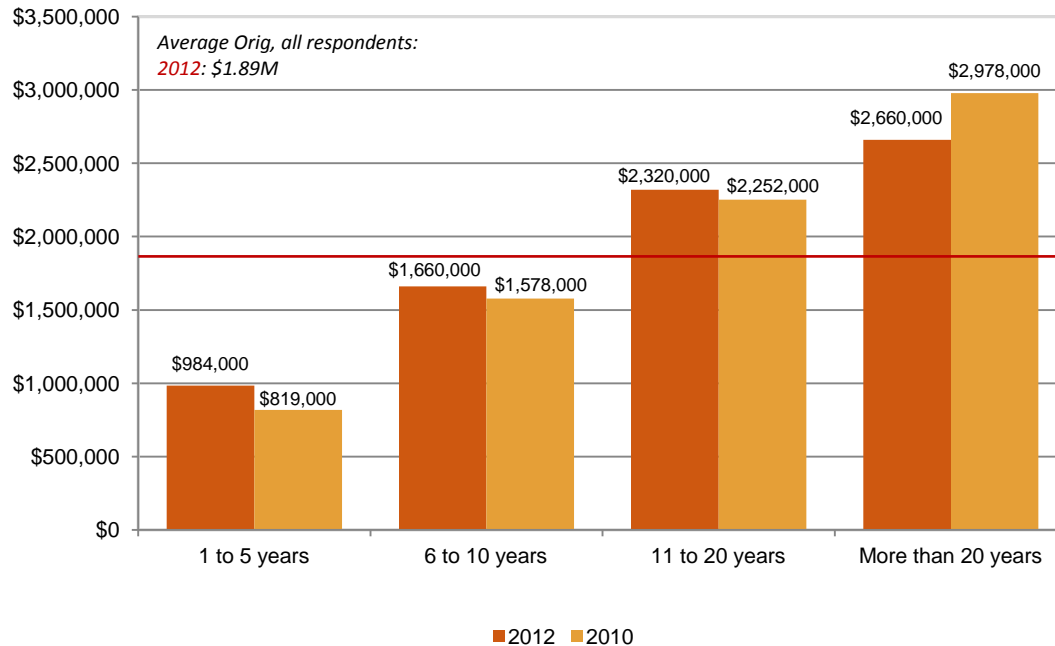
Firm Size	2012	2010
51-200 attorneys	\$ 1,030,000	\$ 840,000
201-500 attorneys	\$ 1,390,000	\$ 1,526,000
501-1,000 attorneys	\$ 2,030,000	\$ 2,029,000
1,000+ attorneys	\$ 2,480,000	\$ 3,045,000

Profits per Partner	2012	2010
\$250,001 - \$500,000	\$ 1,100,000	\$ 834,000
\$500,001 - \$750,000	\$ 1,250,000	\$ 1,447,000
\$750,001 - \$1 mil	\$ 1,580,000	\$ 1,925,000
\$1 mil - \$1.25 mil	\$ 2,240,000	\$ 2,914,000
\$1.25 mil - \$1.5 mil	\$ 2,560,000	\$ 3,922,000
\$1.5 mil - \$1.75 mil	\$ 2,780,000	\$ 2,923,000
\$1.75 mil - \$2 million	\$ 4,490,000	\$ 5,065,000
\$2 million +	\$ 4,700,000	\$ 4,081,000

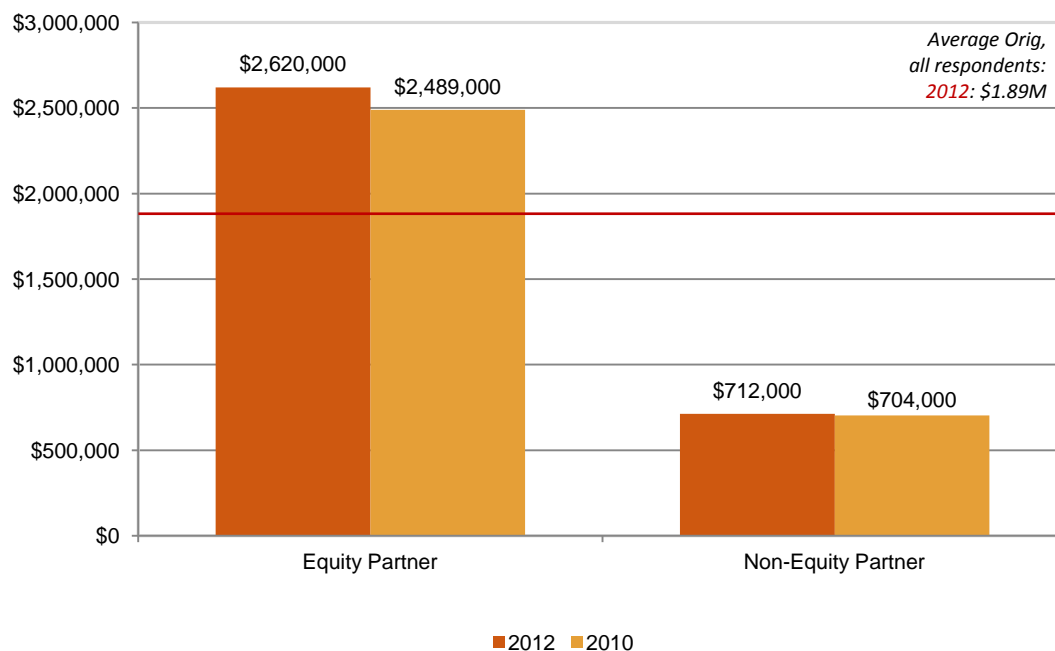
Gender	2012	2010
Male	\$ 2,030,000	\$ 1,998,000
Female	\$ 1,410,000	\$ 1,327,000

Ethnicity	2012	2010
White, not Hispanic	\$ 1,880,000	\$ 1,875,000
Black, not Hispanic	\$ 1,480,000	\$ 1,392,000
Hispanic	\$ 1,450,000	\$ 1,552,000
Asian Pacific, not Hispanic	\$ 2,240,000	\$ 1,263,000
American Indian, not Hispanic	\$ 2,130,000	\$ 850,000
Mixed races	\$ 2,240,000	\$ 1,159,000

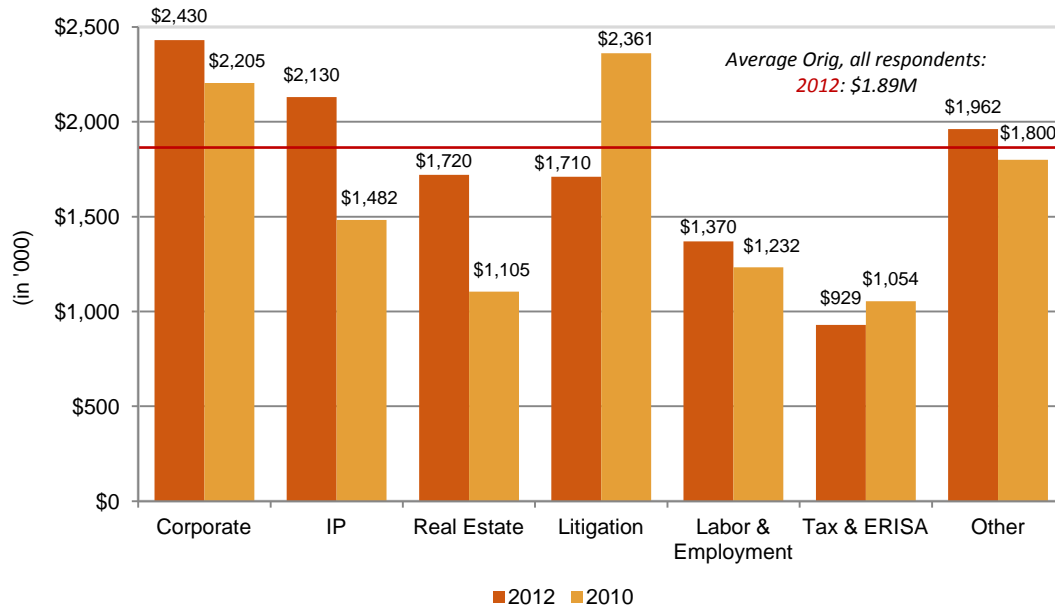
Average Originations by Partnership Tenure



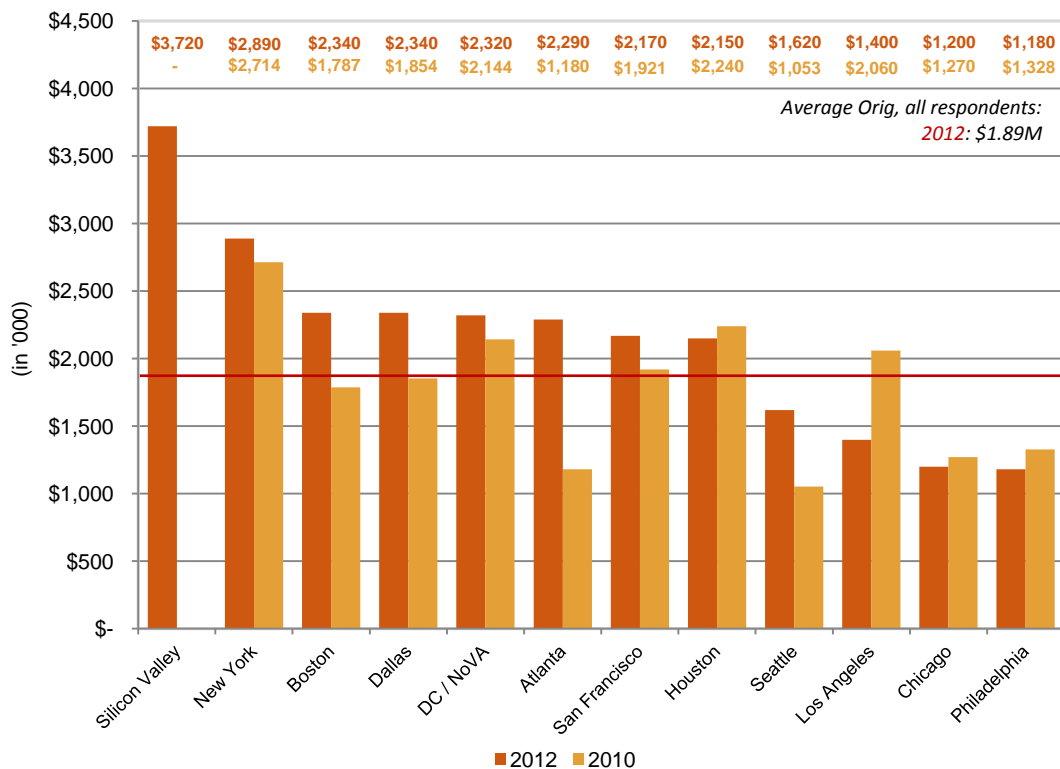
Average Originations by Partnership Status



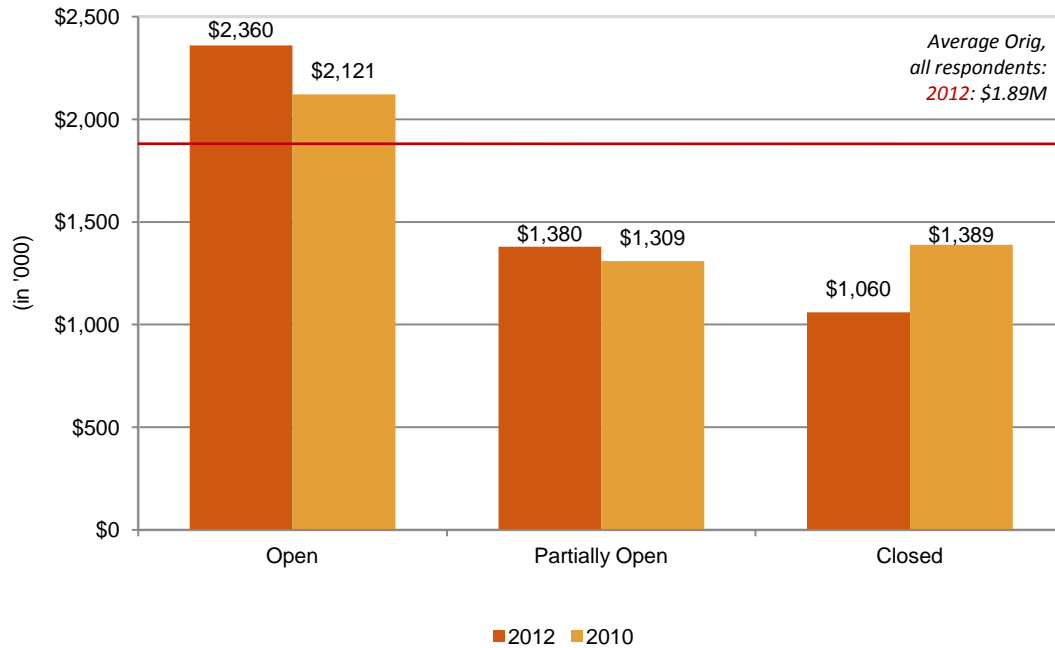
Average Originations by Practice Area



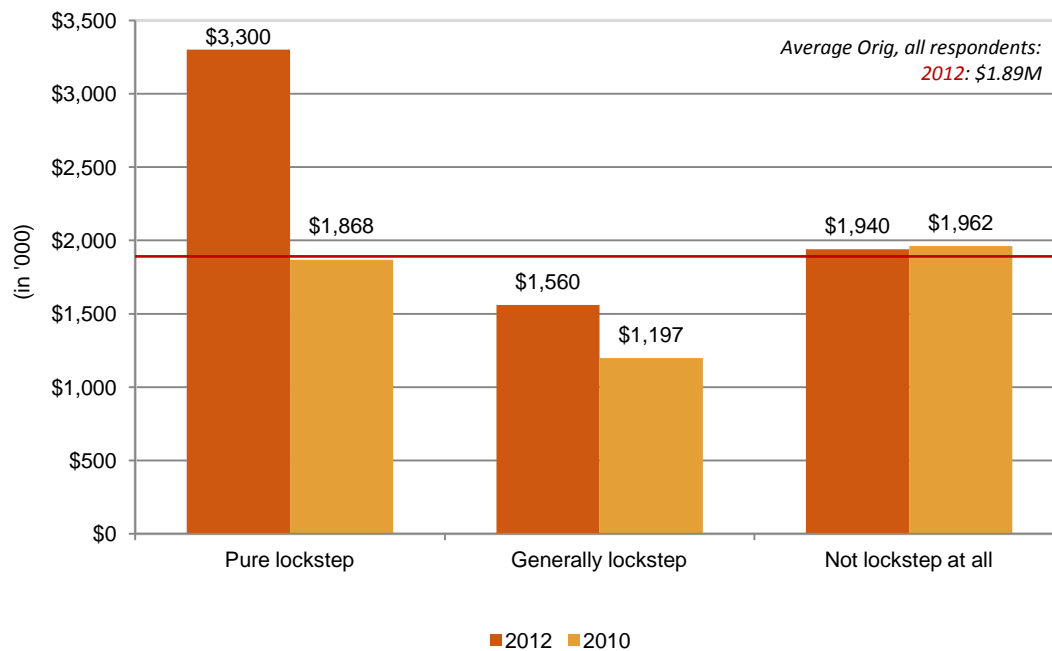
Average Originations by City



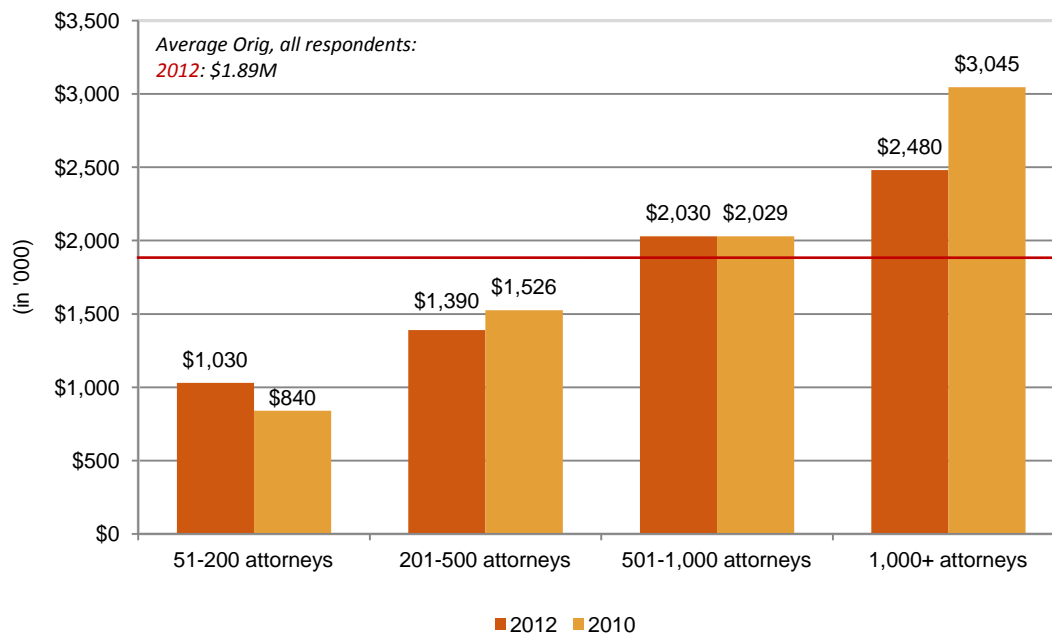
Average Originations by Compensation Transparency



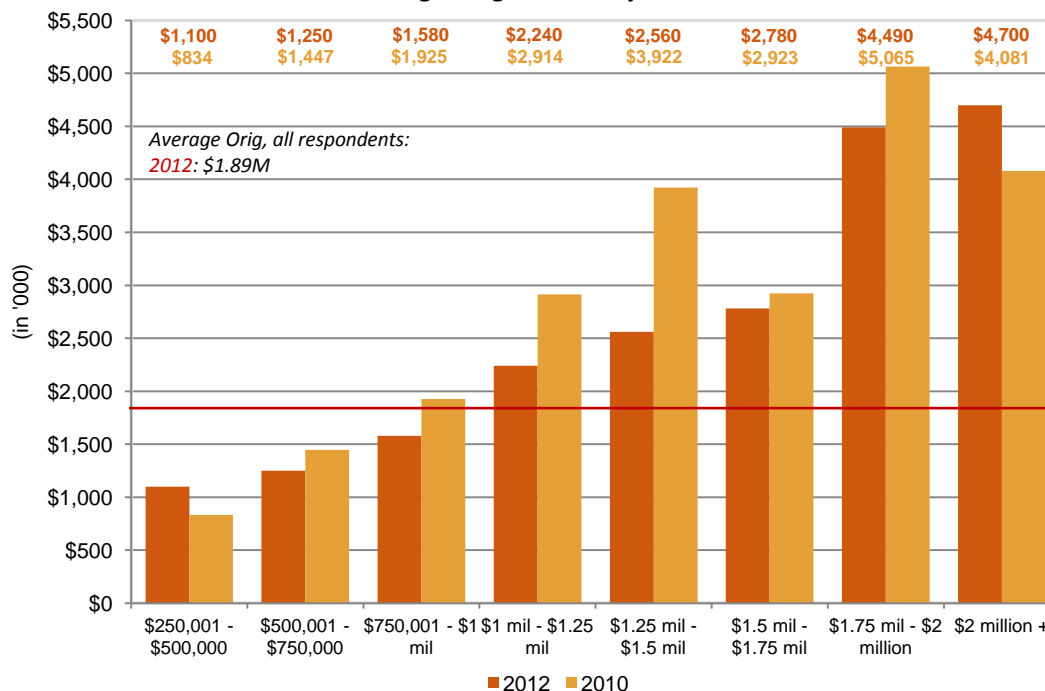
Average Originations by Lockstep Type



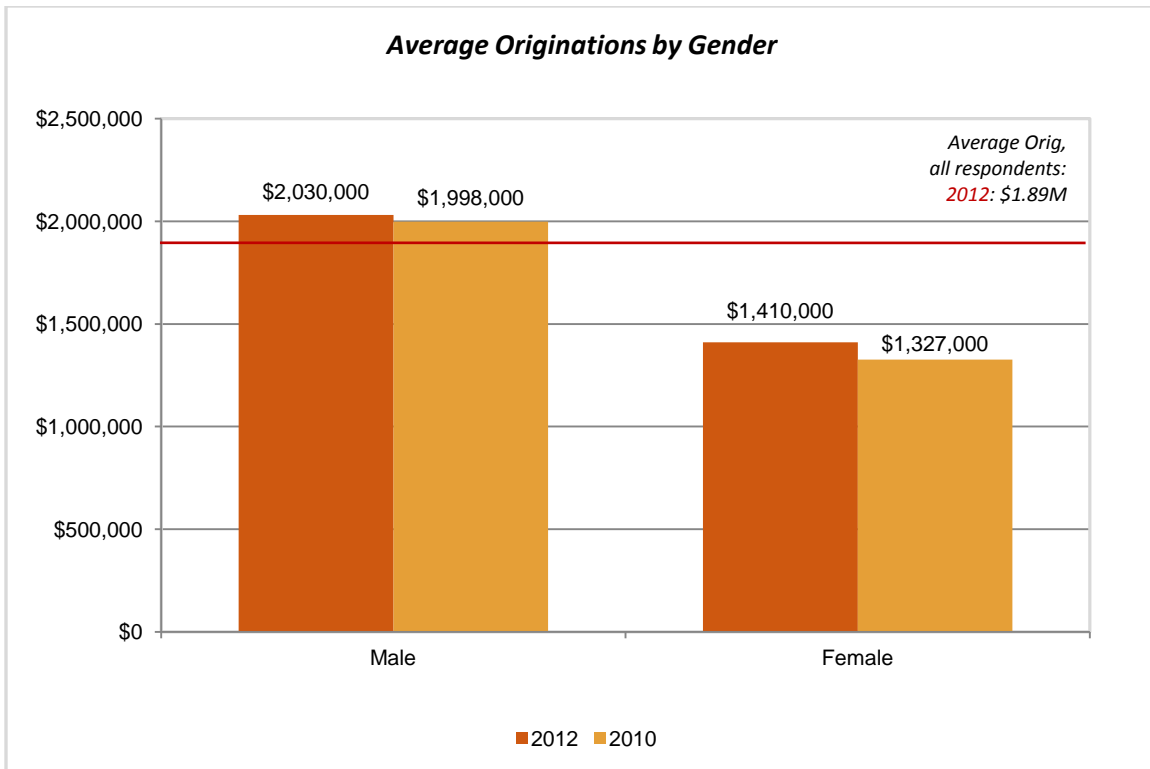
Average Originations by Firm Size



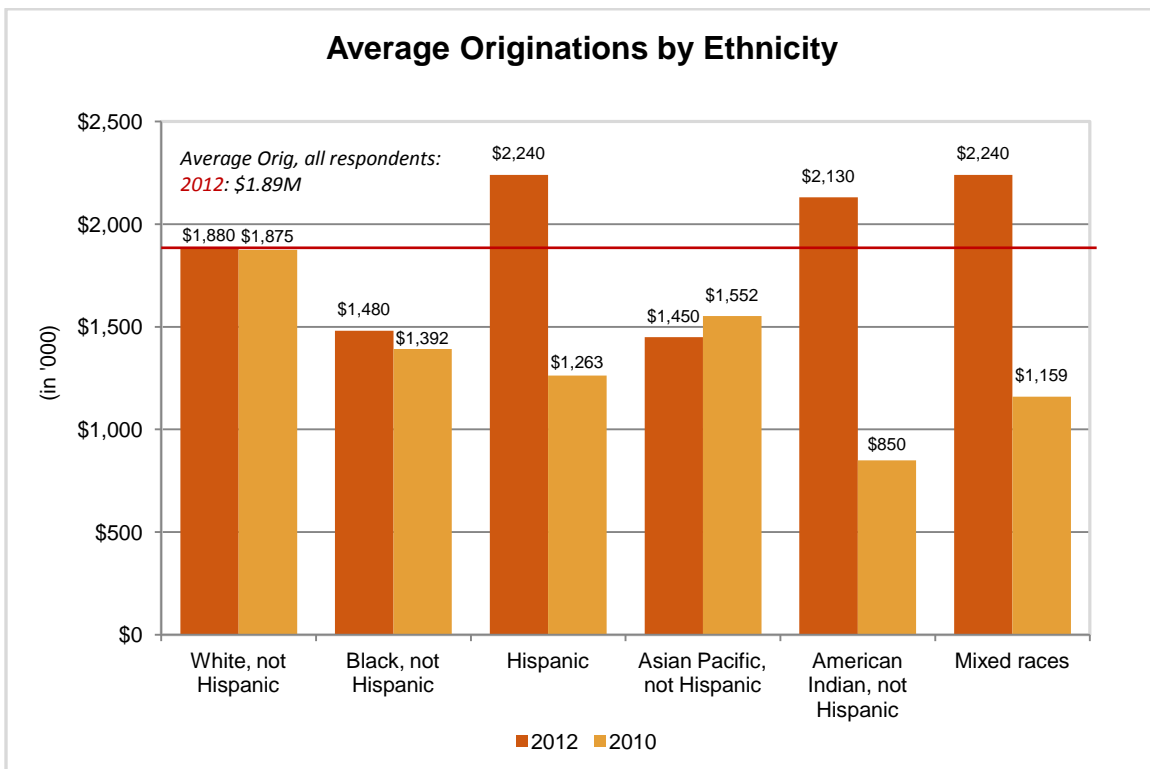
Average Originations by Firm PPP



Average Originations by Gender



Average Originations by Ethnicity



APPENDIX V—AVERAGE TOTAL WORKING ATTORNEY RECEIPTS

Average Working Attorney Receipts, All Respondents = \$1,070,000

Partnership Tenure	2012	2010
1 to 5 years	\$ 933,000	\$ 874,000
6 to 10 years	\$1,140,000	\$1,133,000
11 to 20 years	\$1,120,000	\$1,183,000
More than 20 years	\$1,130,000	\$1,316,000

Partnership Status	2012	2010
Equity Partner	\$1,230,000	\$1,310,000
Non-equity Partner	\$ 834,000	\$ 771,000

Practice Area	2012	2010
Corporate	\$1,260,000	\$1,221,000
IP	\$1,140,000	\$1,051,000
Real Estate	\$1,090,000	\$ 785,000
Tax & ERISA	\$ 968,000	\$ 981,000
Litigation	\$ 952,000	\$1,149,000
Labor & Employment	\$ 821,000	\$ 928,000
Other	\$1,120,000	\$1,185,000

City	2012	2010
New York, NY	\$1,550,000	\$1,727,000
Silicon Valley, CA	\$1,540,000	n/a
Boston, MA	\$1,380,000	\$1,159,000
San Francisco, CA	\$1,340,000	\$1,234,000
Washington, DC/NoVA	\$1,270,000	\$1,175,000
Atlanta, GA	\$1,130,000	\$ 788,000
Los Angeles, CA	\$1,120,000	\$1,284,000
Chicago, IL	\$1,070,000	\$ 962,000
Dallas, TX	\$ 962,000	\$ 885,000
Houston, TX	\$ 912,000	\$ 959,000
Philadelphia, PA	\$ 851,000	\$1,078,000
Seattle, WA	\$ 840,000	\$ 618,000

Compensation Transparency	2012	2010
Open	\$1,140,000	\$1,212,000
Partially open	\$1,030,000	\$ 963,000
Closed	\$ 960,000	\$ 941,000

Lockstep Type	2012	2010
My firm is pure lockstep	\$2,230,000	\$1,815,000
Generally lockstep	\$1,110,000	\$1,109,000
My firm is not lockstep at all	\$1,050,000	\$1,101,000

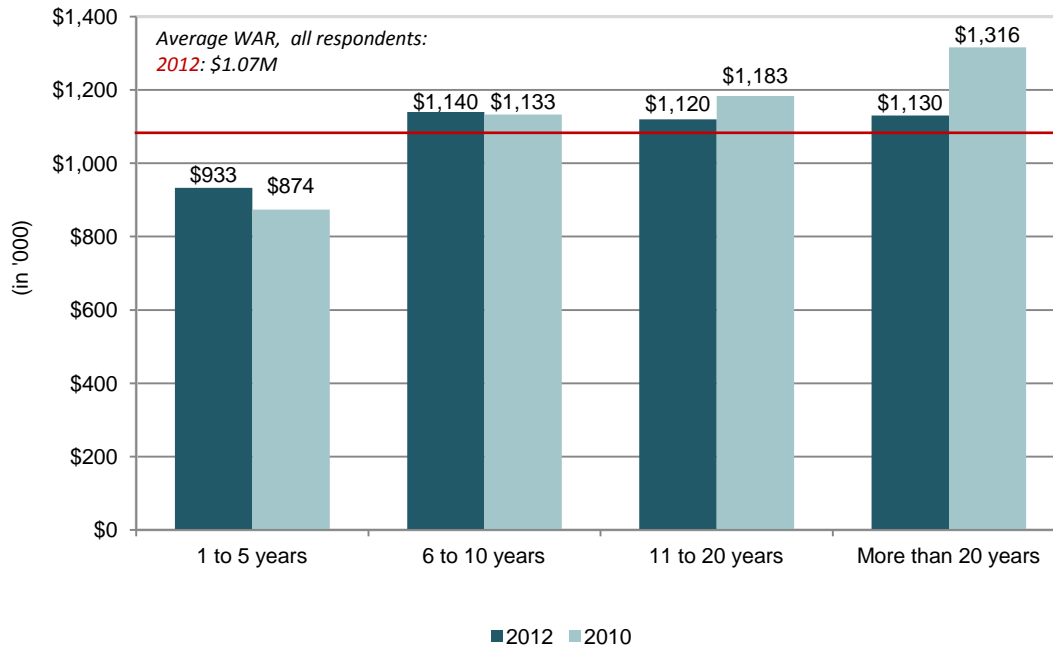
Firm Size	2012	2010
51-200 attorneys	\$ 667,000	\$ 678,000
201-500 attorneys	\$ 835,000	\$1,016,000
501-1,000 attorneys	\$1,100,000	\$1,249,000
1,000+ attorneys	\$1,430,000	\$1,454,000

Profits per Partner	2012	2010
\$250,001 - \$500,000	\$ 662,000	\$ 633,000
\$500,001 - \$750,000	\$ 765,000	\$ 946,000
\$750,001 - \$1 mil	\$ 997,000	\$1,175,000
\$1 mil - \$1.25 mil	\$1,140,000	\$1,613,000
\$1.25 mil - \$1.5 mil	\$1,510,000	\$1,587,000
\$1.5 mil - \$1.75 mil	\$1,720,000	\$2,010,000
\$1.75 mil - \$2 million	\$1,750,000	\$1,575,000
\$2 million +	\$2,220,000	\$2,611,000

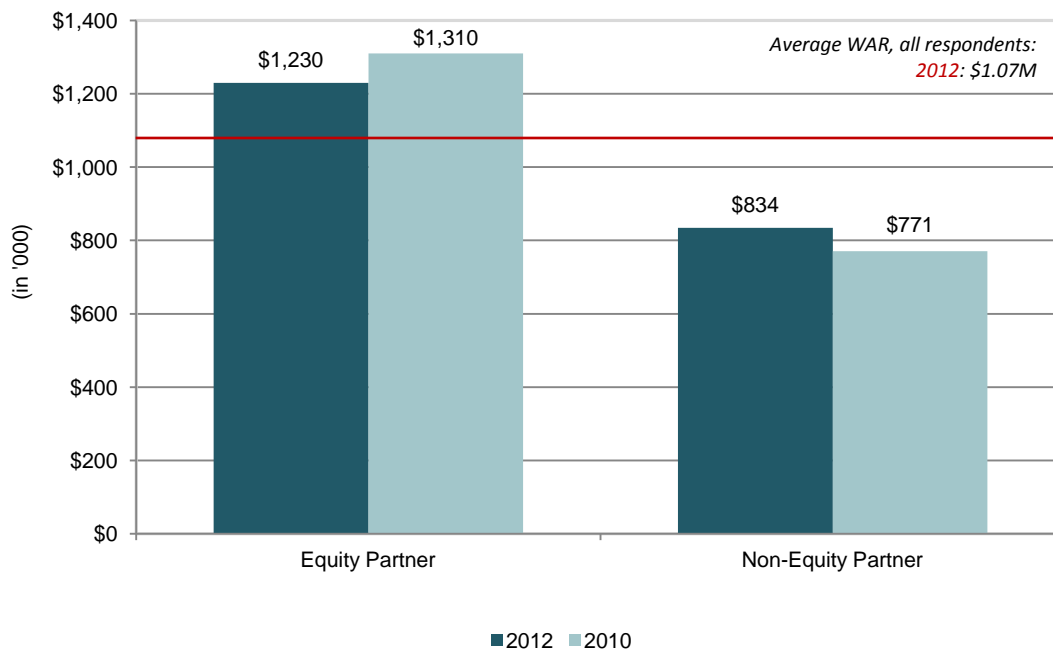
Gender	2012	2010
Male	\$1,120,000	\$1,115,000
Female	\$ 906,000	\$1,065,000

Ethnicity	2012	2010
White, not Hispanic	\$1,060,000	\$1,122,000
Black, not Hispanic	\$1,110,000	\$ 937,000
Hispanic	\$ 963,000	\$ 770,000
Asian Pacific, not Hispanic	\$1,290,000	\$1,053,000
American Indian, not Hispanic	\$1,390,000	\$1,000,000
Mixed races	\$1,240,000	\$1,014,000

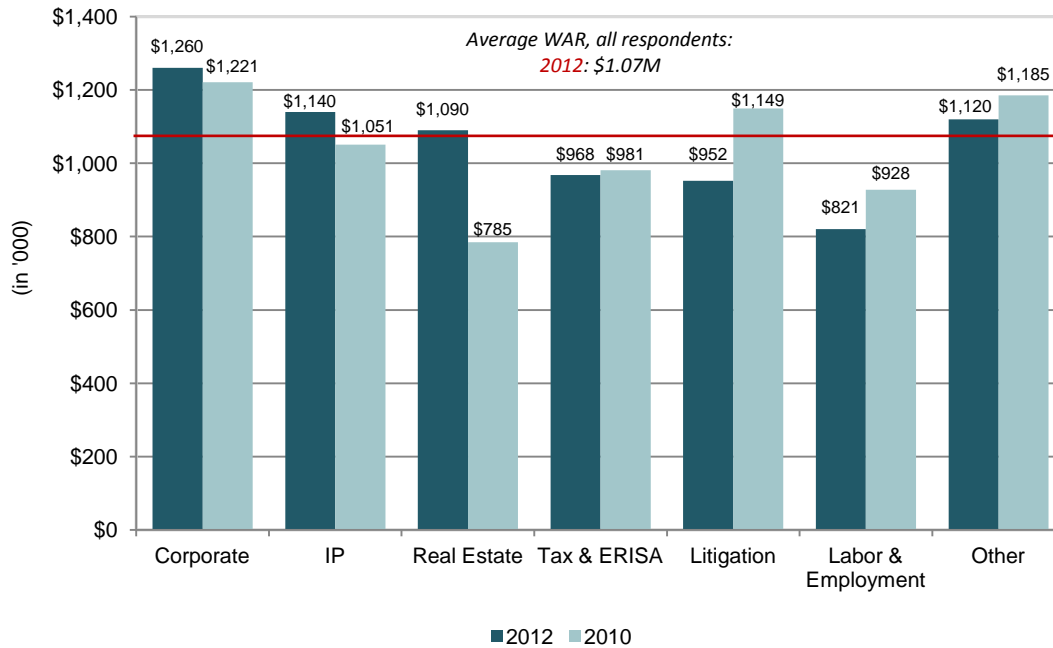
Average WAR by Partnership Tenure



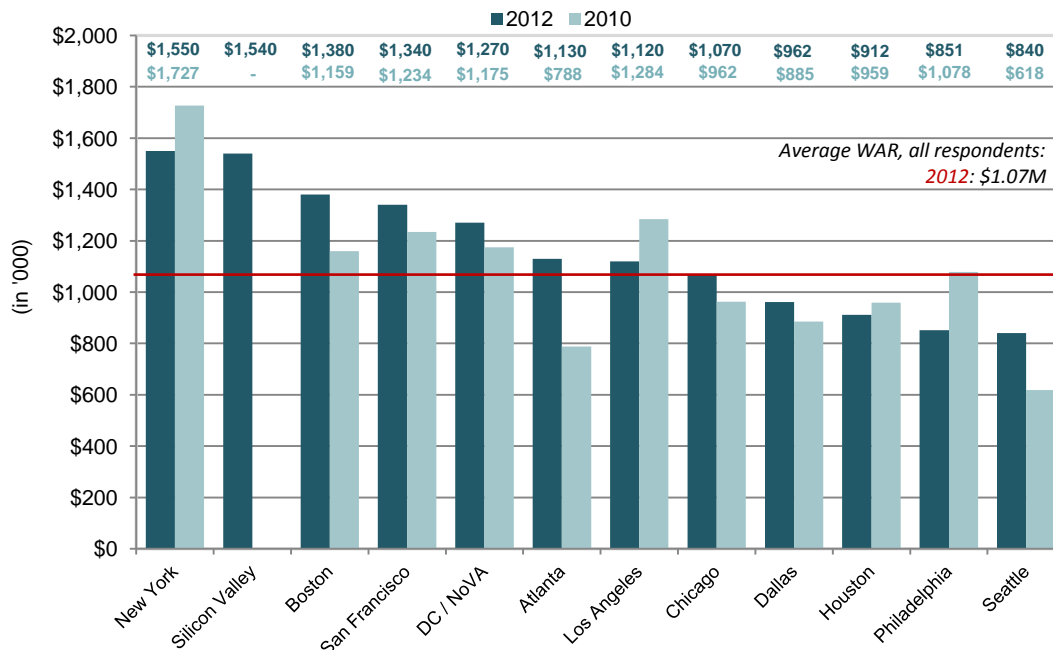
Average WAR by Partnership Status



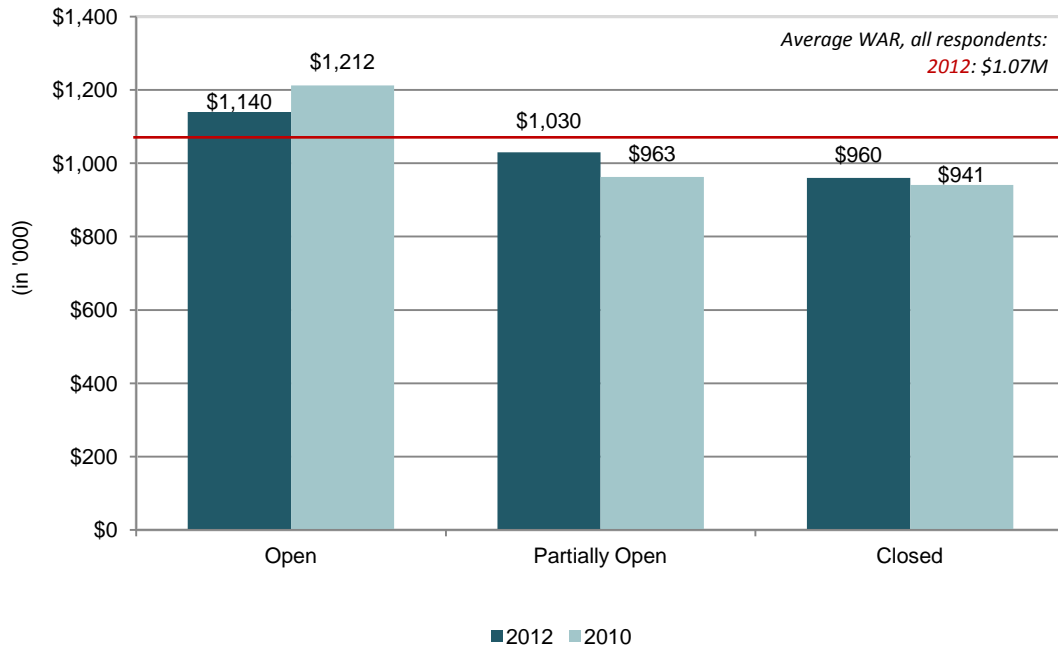
Average WAR by Practice Area



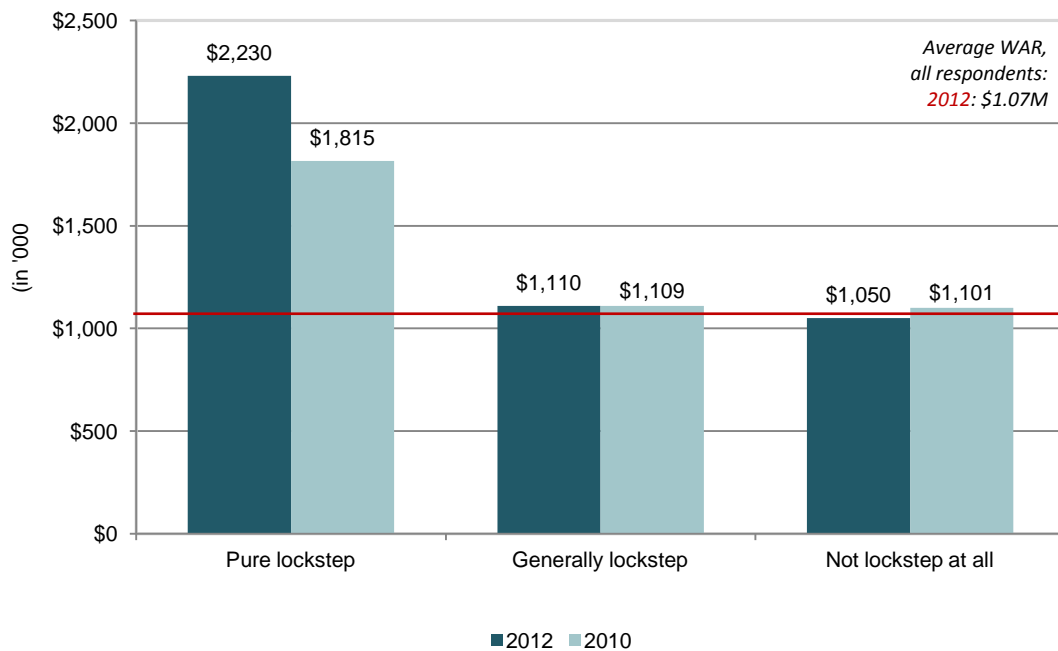
Average WAR by City



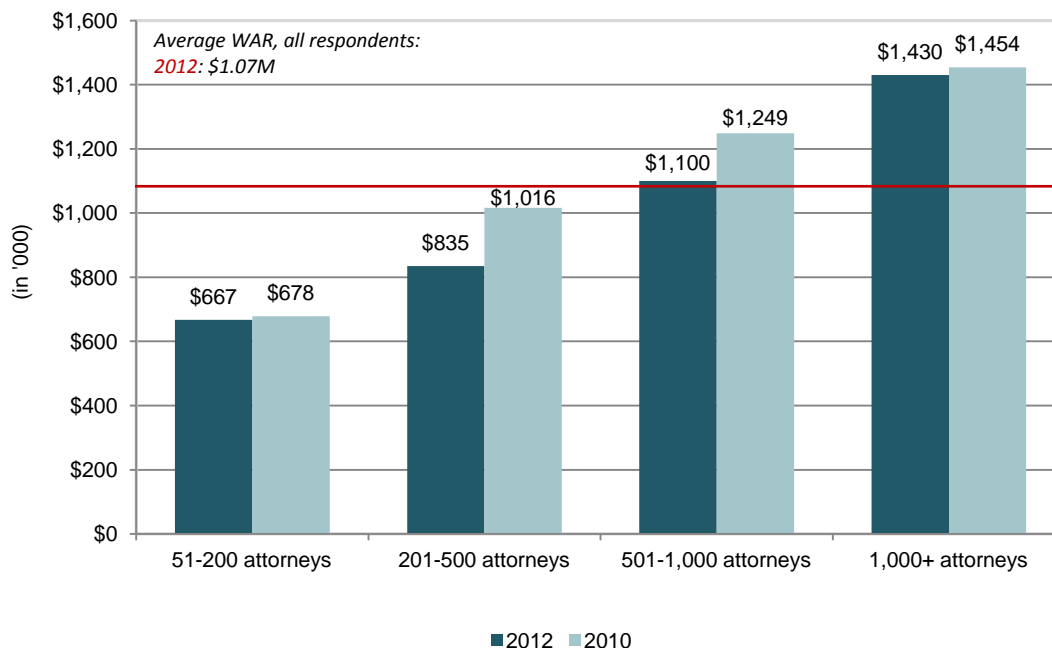
Average WAR by Compensation Transparency



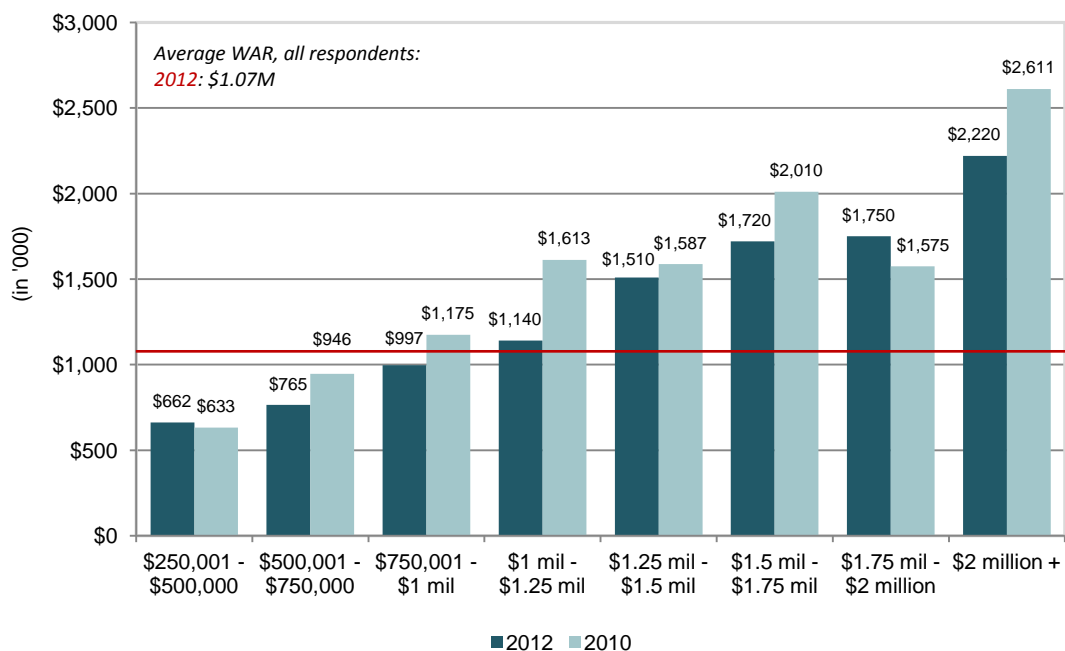
Average WAR by Lockstep Type

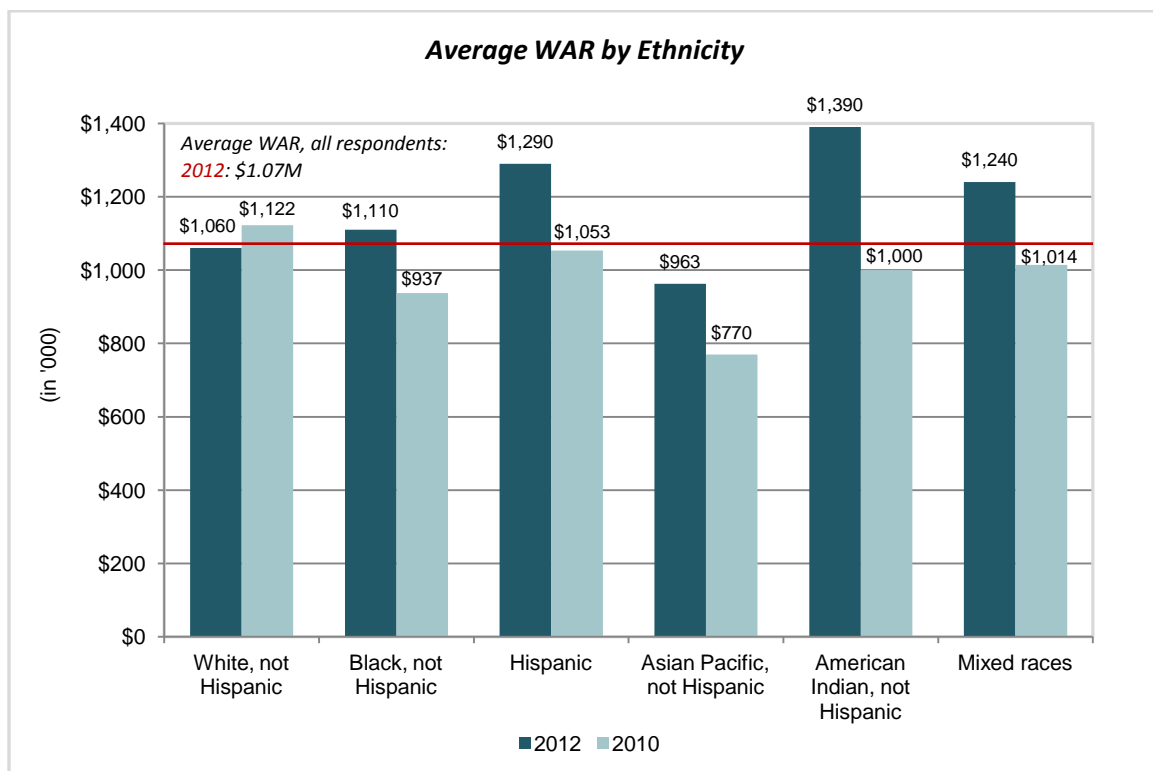
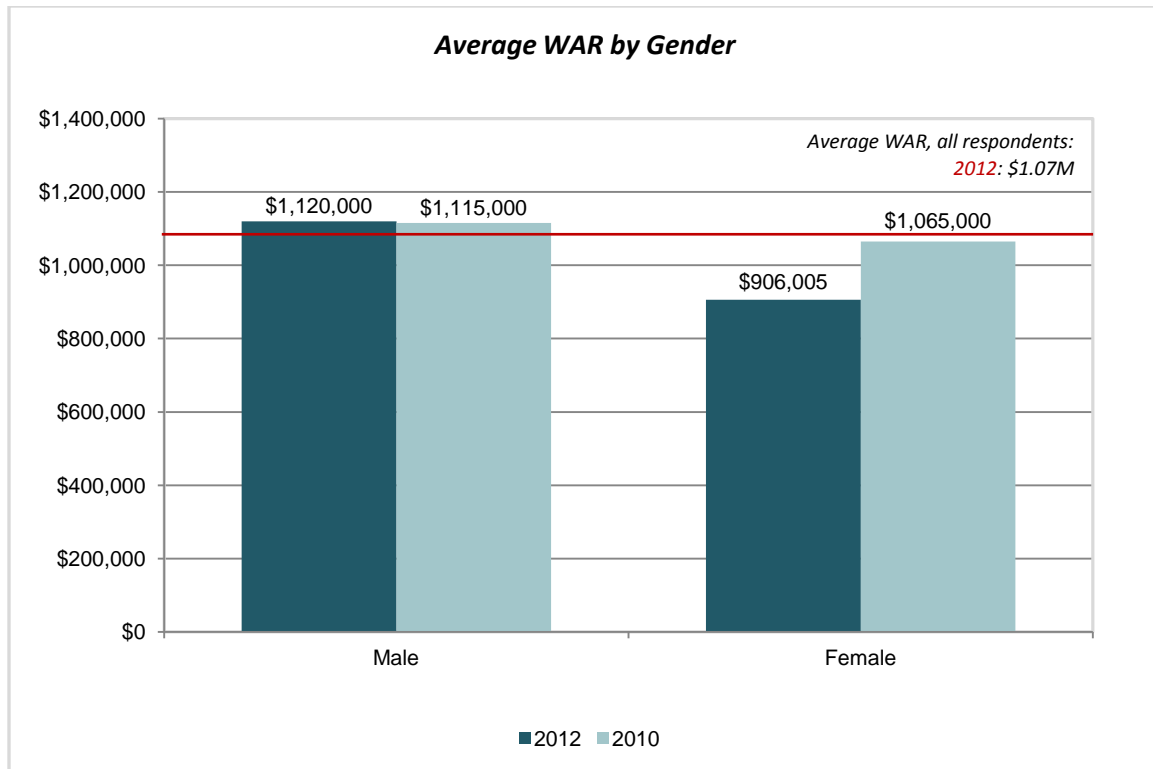


Average WAR by Firm Size



Average WAR by Firm PPP





APPENDIX VI—AVERAGE BILLING RATES

Average Billing Rates, All Respondents: \$584

Partnership Tenure	2012	2010
1 to 5 years	\$510	\$498
6 to 10 years	\$582	\$531
11 to 20 years	\$602	\$578
More than 20 years	\$650	\$630

Partnership Status	2012	2010
Equity Partner	\$632	\$591
Non-equity Partner	\$506	\$491

Practice Area	2012	2010
Corporate	\$671	\$614
Tax & ERISA	\$629	\$615
IP	\$601	\$560
Real Estate	\$565	\$522
Litigation	\$537	\$541
Labor & Employment	\$473	\$462
Other	\$596	\$542

City	2012	2010
New York, NY	\$760	\$700
Silicon Valley, CA	\$732	n/a
Boston, MA	\$687	\$590
Washington, DC/NoVA	\$662	\$608
San Francisco, CA	\$622	\$597
Houston, TX	\$607	\$571
Dallas, TX	\$602	\$529
Chicago, IL	\$586	\$518
Los Angeles, CA	\$584	\$587
Atlanta, GA	\$560	\$458
Philadelphia, PA	\$511	\$516
Seattle, WA	\$490	\$420

Compensation Transparency	2012	2010
Open	\$610	\$574
Partially open	\$563	\$536
Closed	\$536	\$510

Lockstep Type	2012	2010
My firm is pure lockstep	\$814	\$607
Generally lockstep	\$555	\$543
My firm is not lockstep at all	\$585	\$557

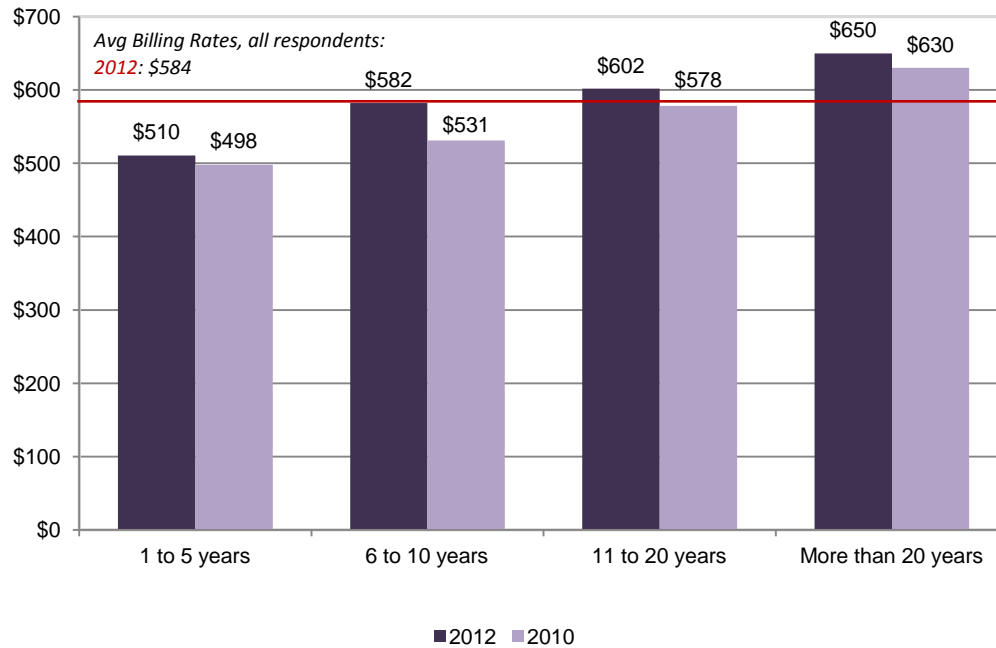
Firm Size	2012	2010
51-200 attorneys	\$442	\$436
201-500 attorneys	\$495	\$519
501-1,000 attorneys	\$604	\$605
1,000+ attorneys	\$695	\$666

Profits per Partner	2012	2010
\$250,001 - \$500,000	\$432	\$419
\$500,001 - \$750,000	\$464	\$512
\$750,001 - \$1 mil	\$590	\$608
\$1 mil - \$1.25 mil	\$655	\$675
\$1.25 mil - \$1.5 mil	\$704	\$709
\$1.5 mil - \$1.75 mil	\$772	\$740
\$1.75 mil - \$2 million	\$764	\$837
\$2 million +	\$883	\$797

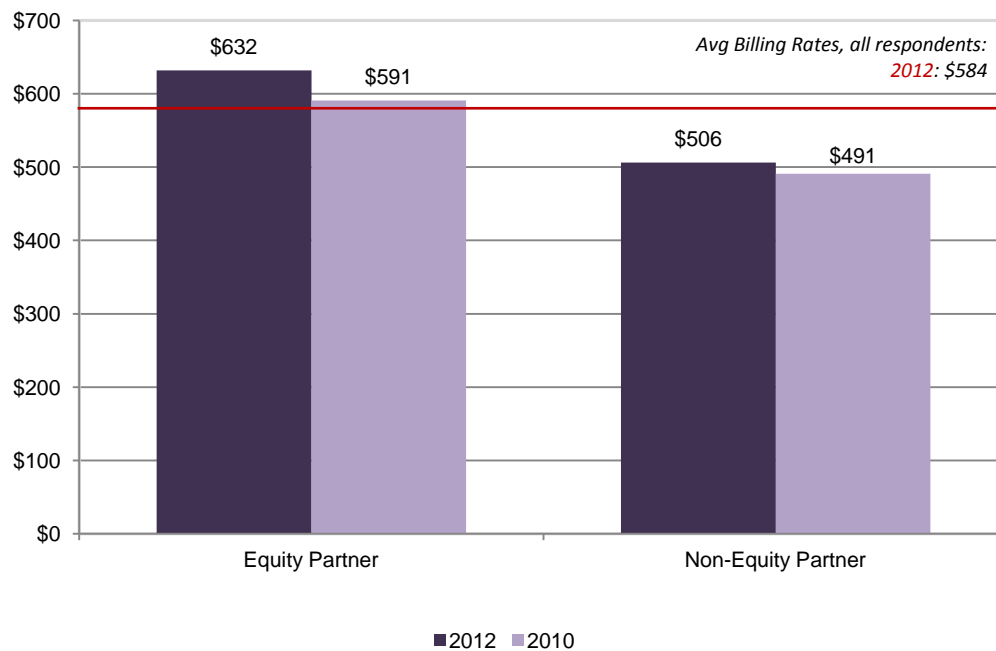
Gender	2012	2010
Male	\$598	\$564
Female	\$533	\$523

Ethnicity	2012	2010
White, not Hispanic	\$580	\$557
Black, not Hispanic	\$531	\$543
Hispanic	\$563	\$518
Asian Pacific, not Hispanic	\$651	\$532
American Indian, not Hispanic	\$778	\$613
Mixed races	\$650	\$532

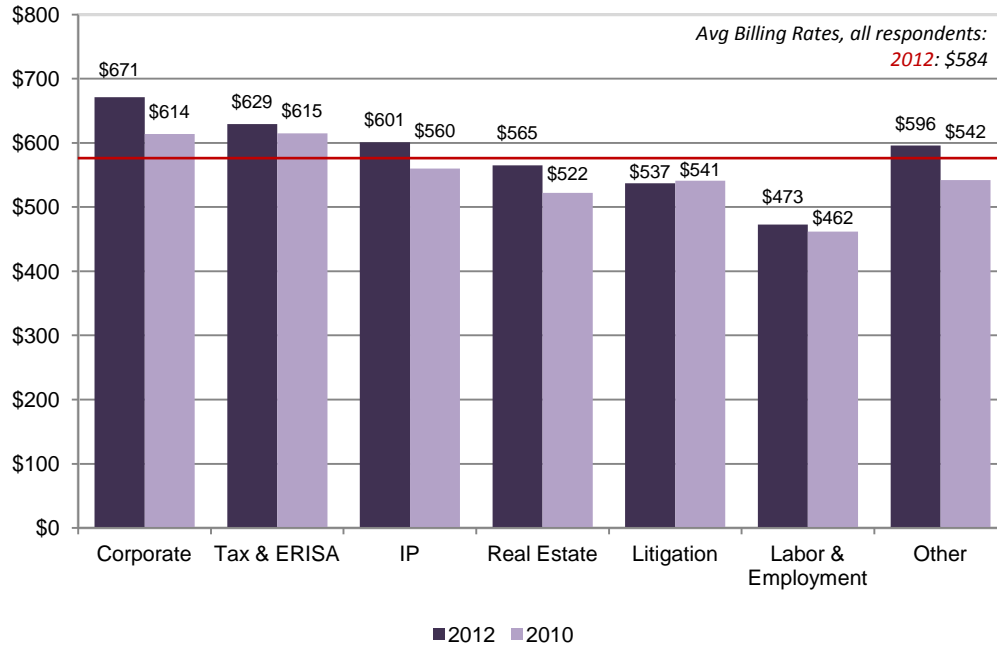
Average Billing Rate by Partnership Tenure



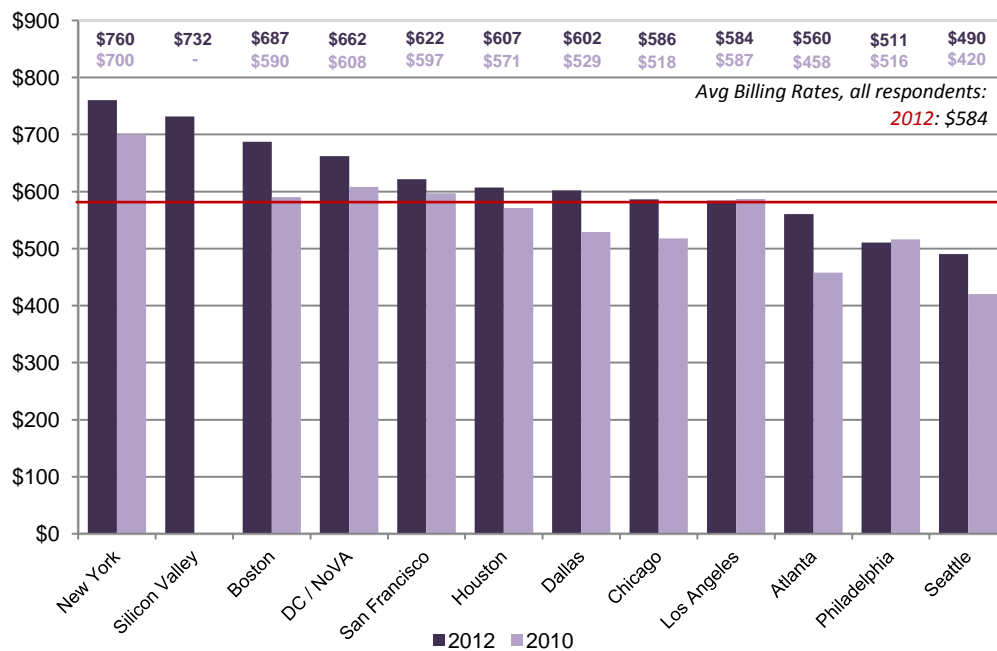
Average Billing Rate by Partnership Status

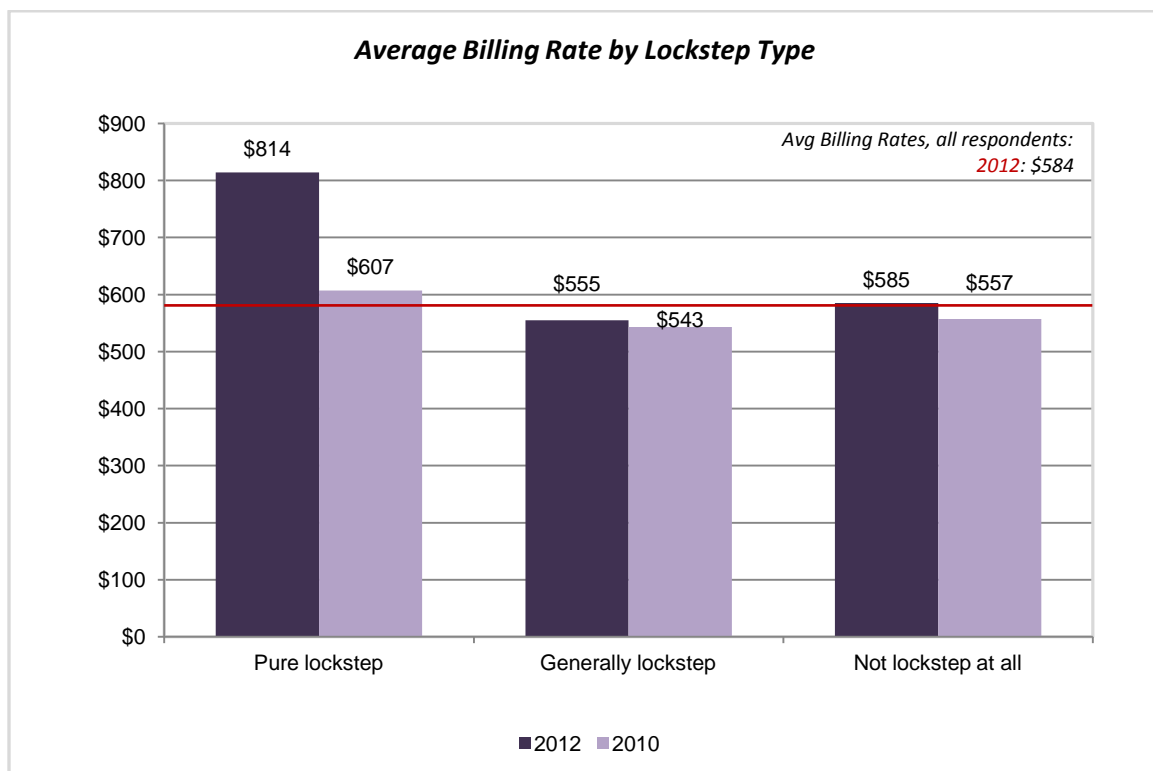
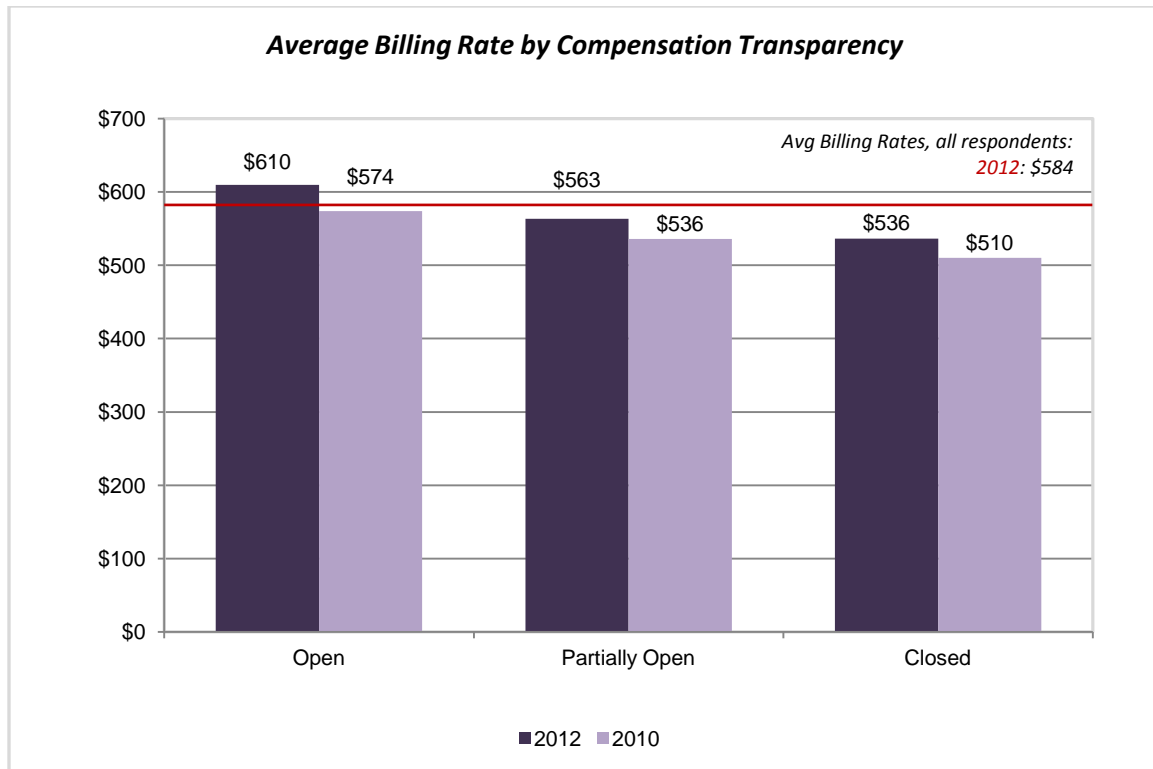


Average Billing Rate by Practice Area

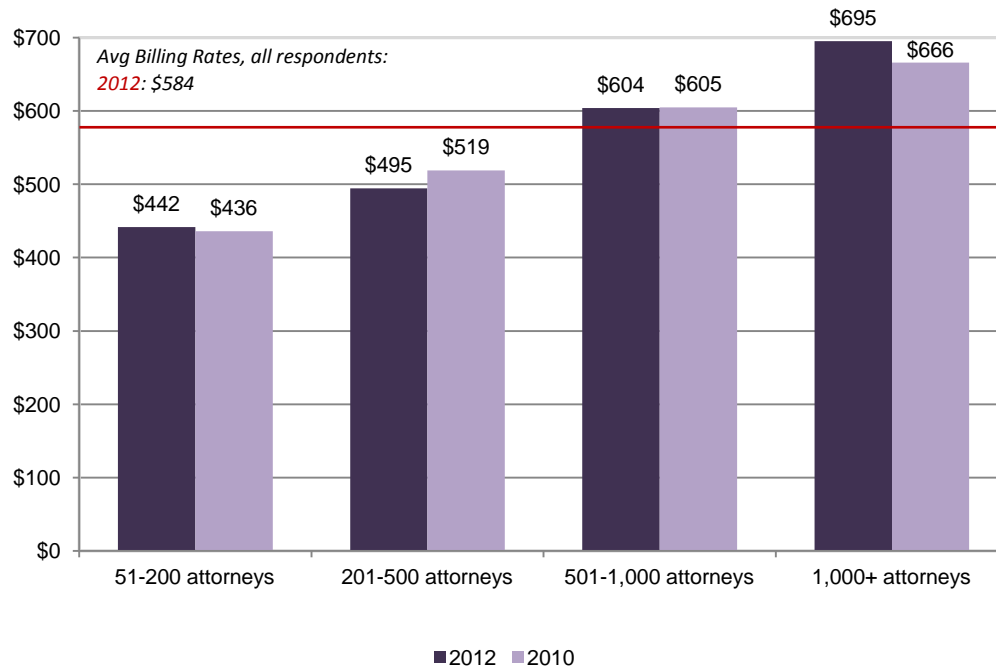


Average Billing Rate by City

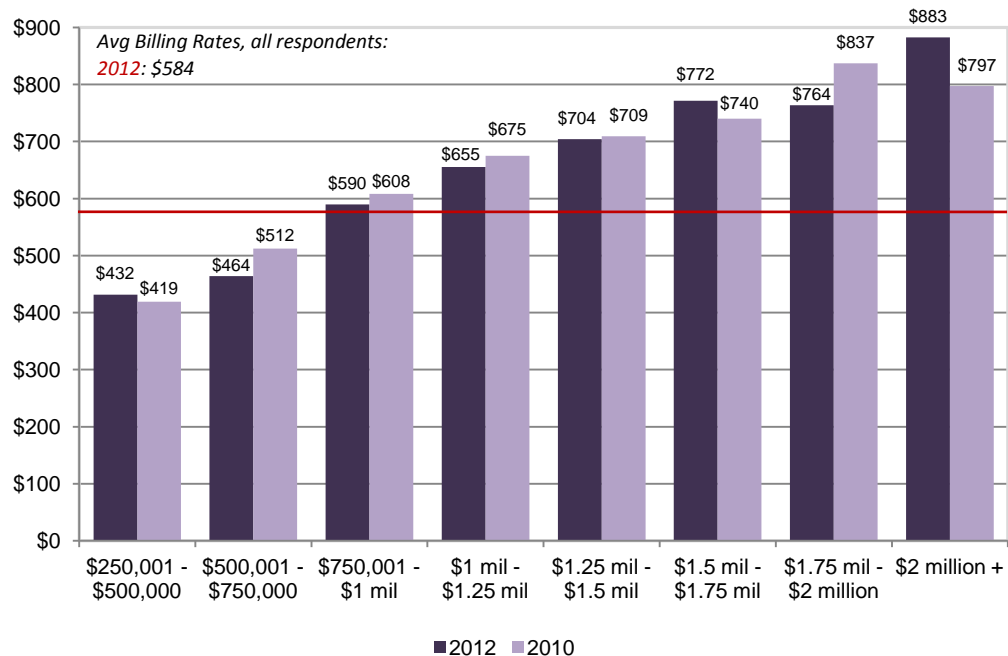




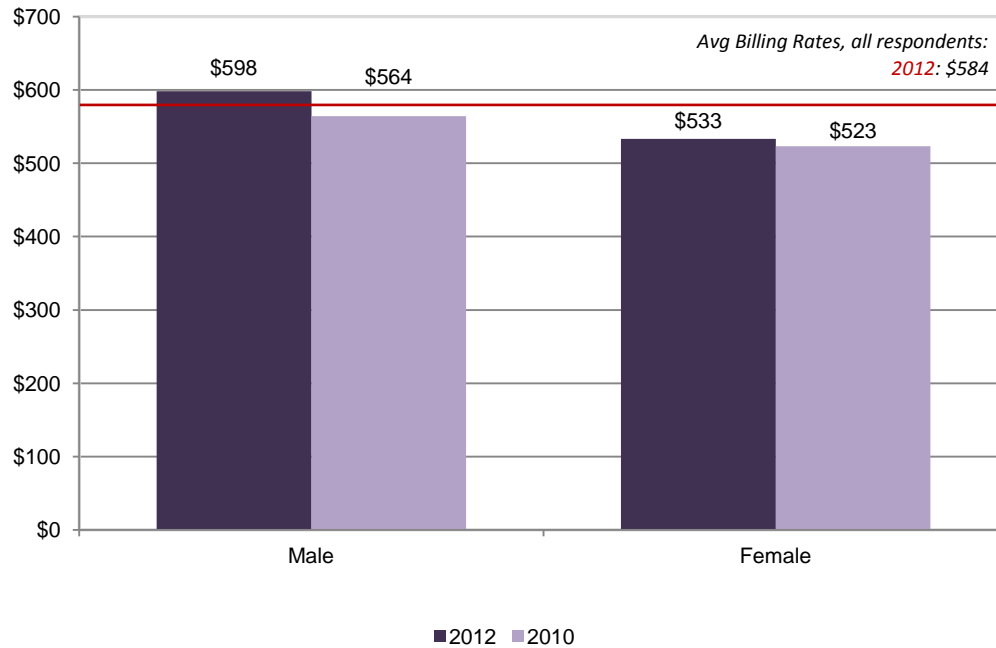
Average Billing Rate by Firm Size



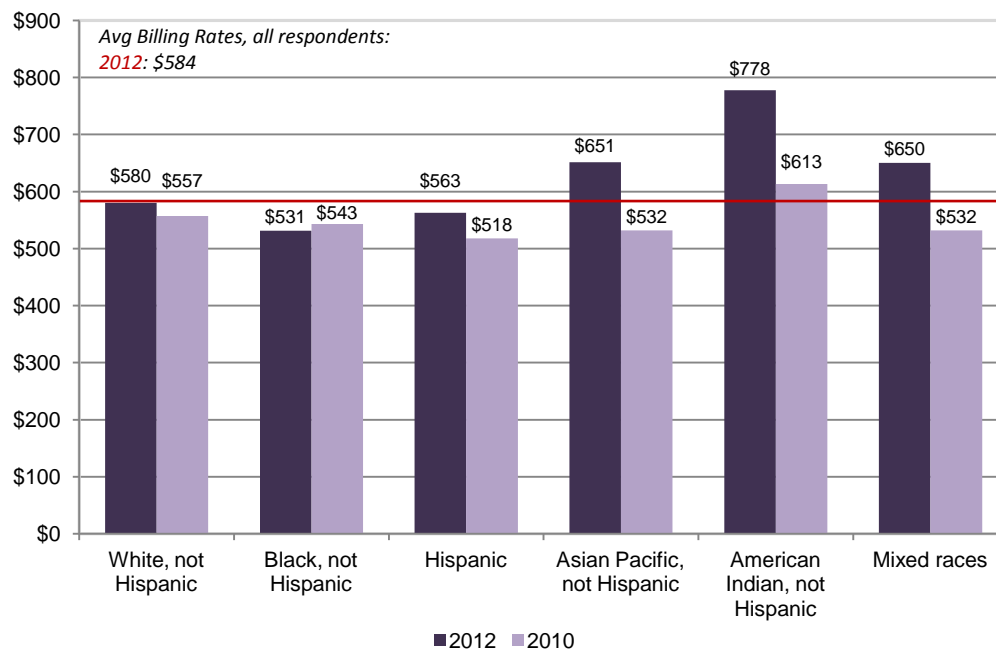
Average Billing Rate by Firm PPP



Average Billing Rate by Gender



Average Billing Rate by Ethnicity



APPENDIX VII—AVERAGE BILLABLE HOURS

Average Billable Hours = 1,687

Partnership Tenure	2012	2010
1 to 5 years	1,774	1,717
6 to 10 years	1,759	1,698
11 to 20 years	1,652	1,651
More than 20 years	1,555	1,543

Partnership Status	2012	2010
Equity Partner	1,701	1,683
Non-equity Partner	1,663	1,618

Practice Area	2012	2010
Litigation	1,792	1,817
IP	1,769	1,751
Labor & Employment	1,660	1,675
Tax & ERISA	1,649	1,629
Real Estate	1,593	1,434
Corporate	1,518	1,501
Other	1,691	1,670

City	2012	2010
Los Angeles, CA	1,801	1,700
San Francisco, CA	1,796	1,691
Boston, MA	1,781	1,645
Atlanta, GA	1,777	1,630
Washington, DC/NoVA	1,743	1,700
Chicago, IL	1,723	1,660
Silicon Valley, CA	1,718	n/a
Dallas, TX	1,709	1,770
New York, NY	1,696	1,646
Seattle, WA	1,687	1,479
Philadelphia, PA	1,664	1,607
Houston, TX	1,662	1,660

Compensation Transparency	2012	2010
Open	1,677	1,659
Partially open	1,677	1,669
Closed	1,722	1,652

Lockstep Type	2012	2010
My firm is pure lockstep	1,672	1,730
Generally lockstep	1,756	1,728
My firm is not lockstep at all	1,674	1,643

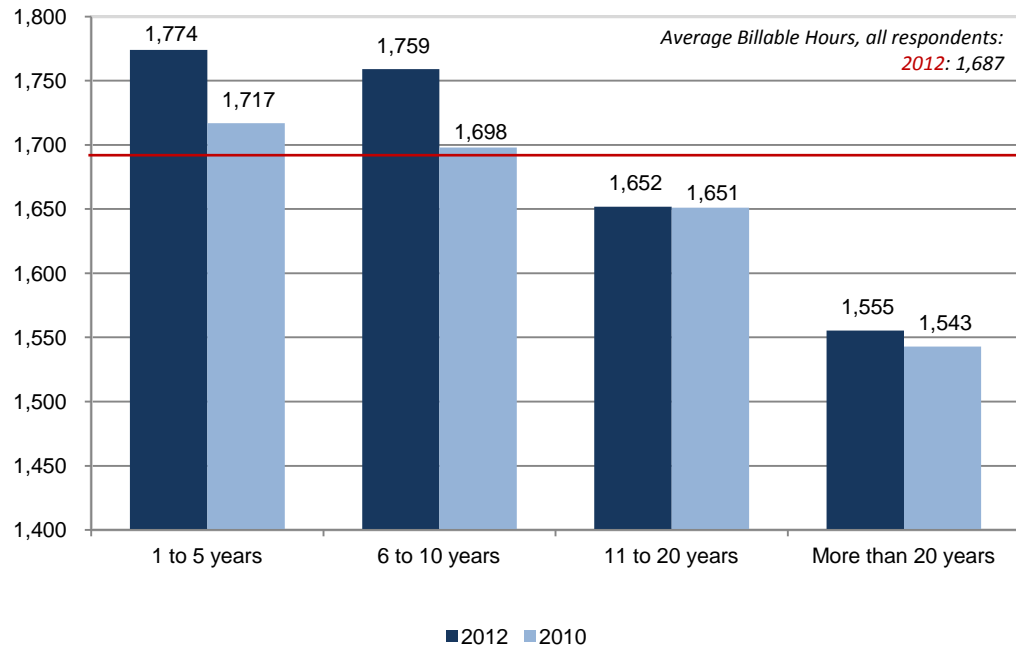
Firm Size	2012	2010
51-200 attorneys	1,578	1,584
201-500 attorneys	1,656	1,671
501-1,000 attorneys	1,699	1,648
1,000+ attorneys	1,736	1,712

Profits per Partner	2012	2010
\$250,001 - \$500,000	1,651	1,565
\$500,001 - \$750,000	1,653	1,617
\$750,001 - \$1 mil	1,602	1,661
\$1 mil - \$1.25 mil	1,679	1,745
\$1.25 mil - \$1.5 mil	1,820	1,677
\$1.5 mil - \$1.75 mil	1,645	1,670
\$1.75 mil - \$2 million	1,879	1,676
\$2 million +	2,043	1,988

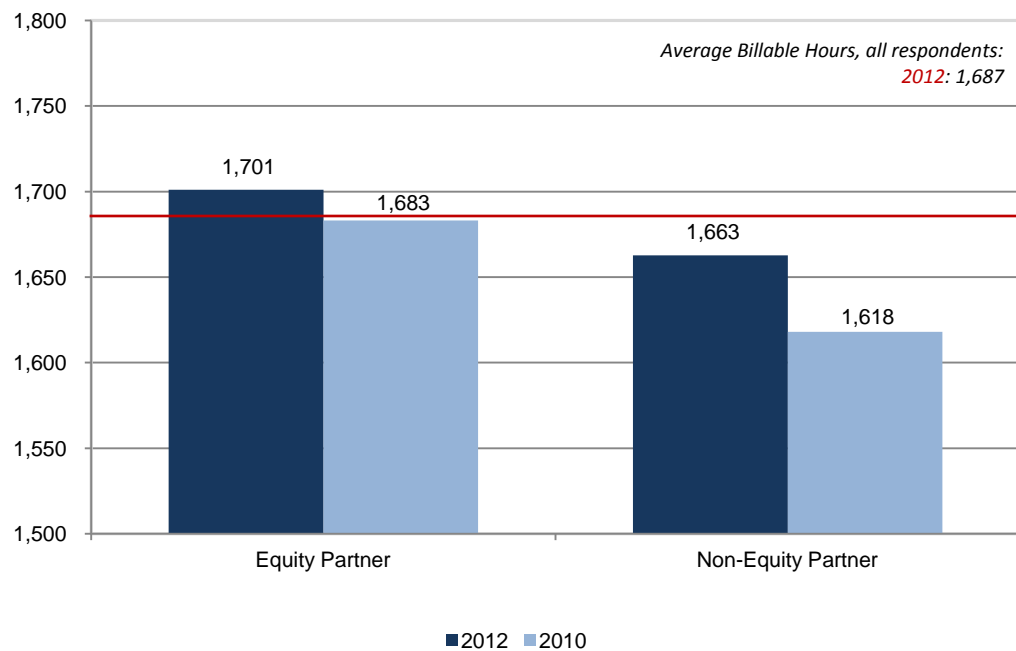
Gender	2012	2010
Male	1,690	1,666
Female	1,670	1,622

Ethnicity	2012	2010
White, not Hispanic	1,689	1,663
Black, not Hispanic	1,578	1,400
Hispanic	1,720	1,633
Asian Pacific, not Hispanic	1,605	1,716
American Indian, not Hispanic	1,320	1,601
Mixed races	1,616	1,640

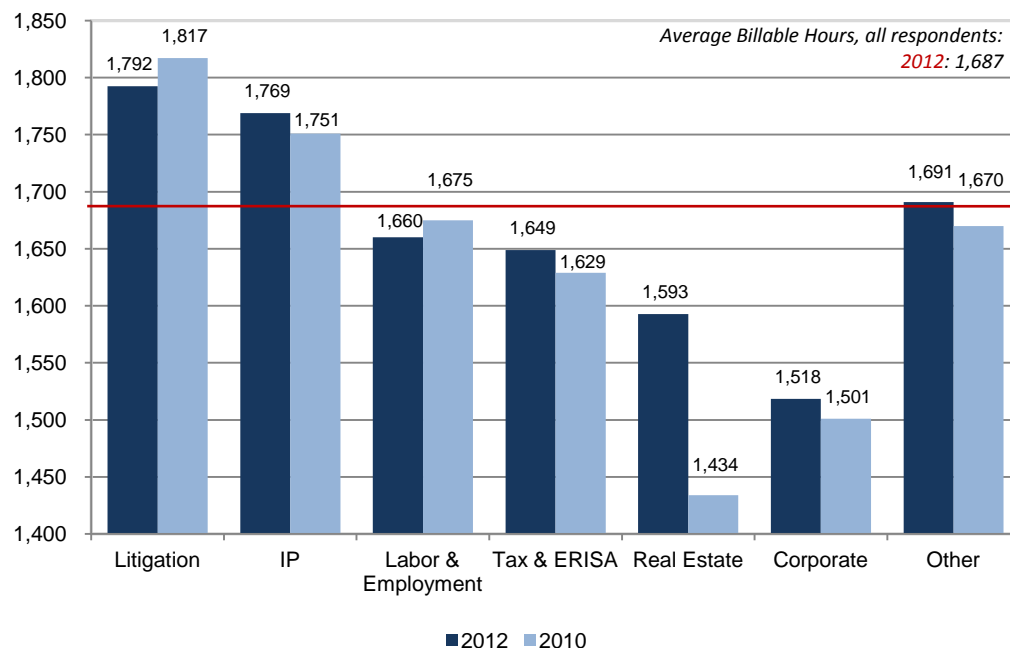
Average Billable Hours by Partnership Tenure



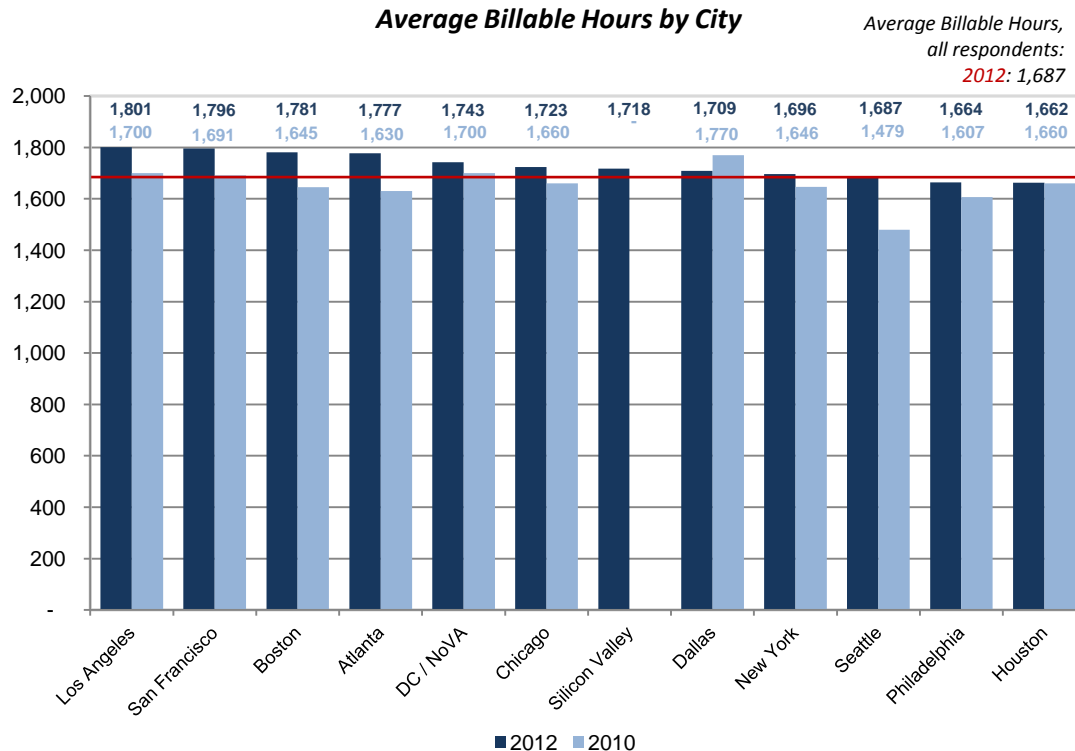
Average Billable Hours by Partnership Status



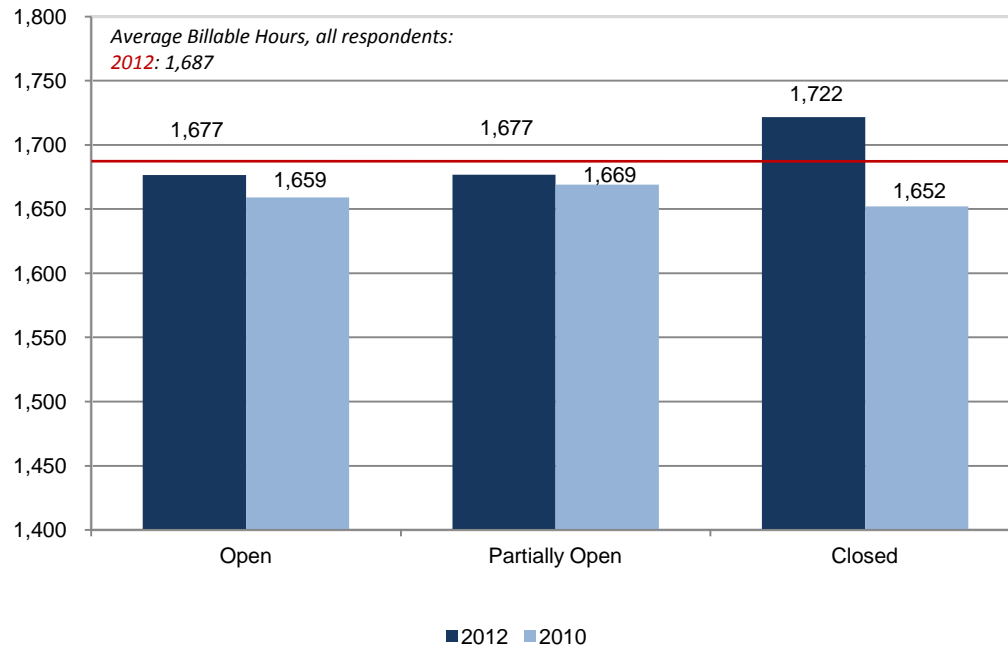
Average Billable Hours by Practice Area



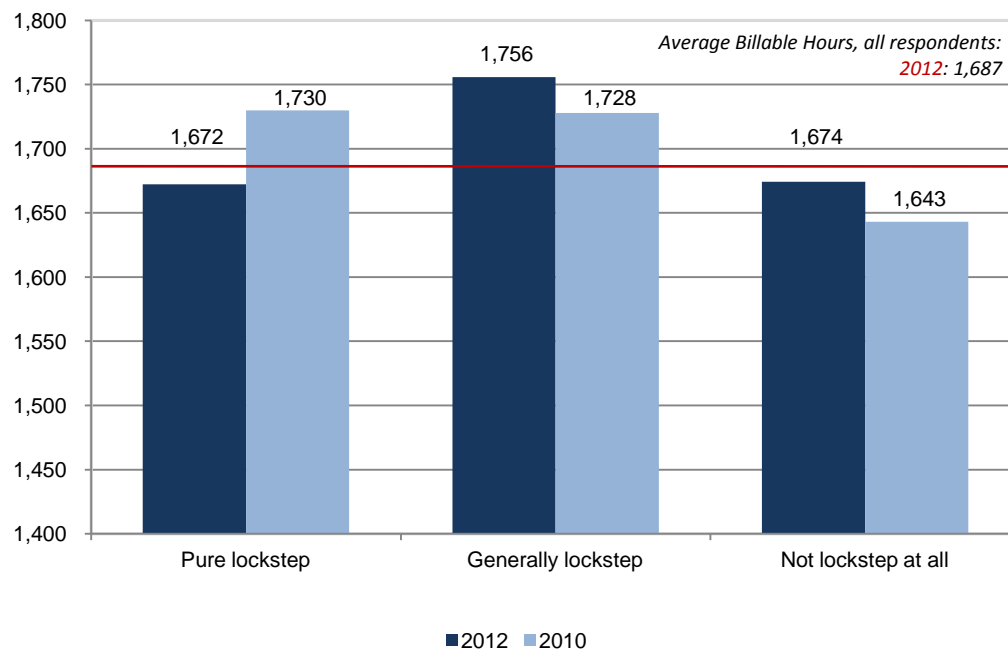
Average Billable Hours by City



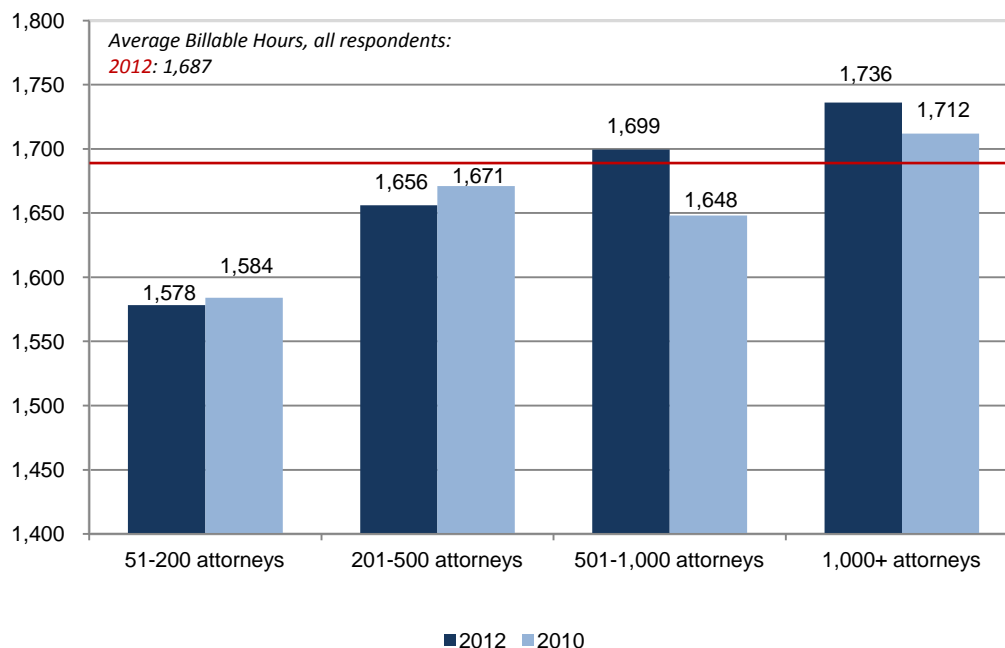
Average Billable Hours by Compensation Transparency



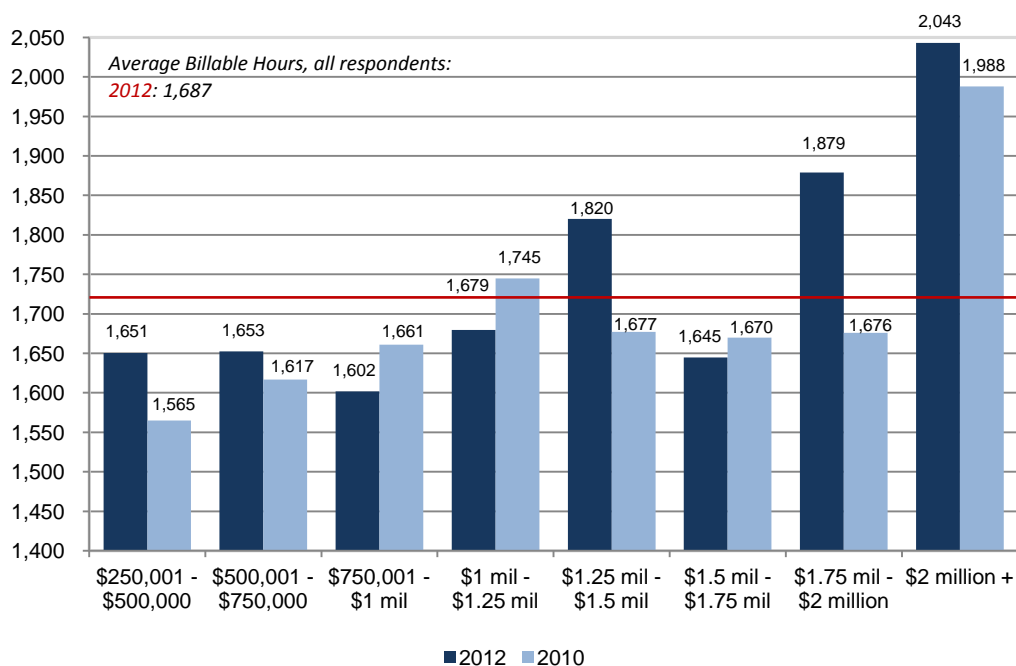
Average Billable Hours by Lockstep Type



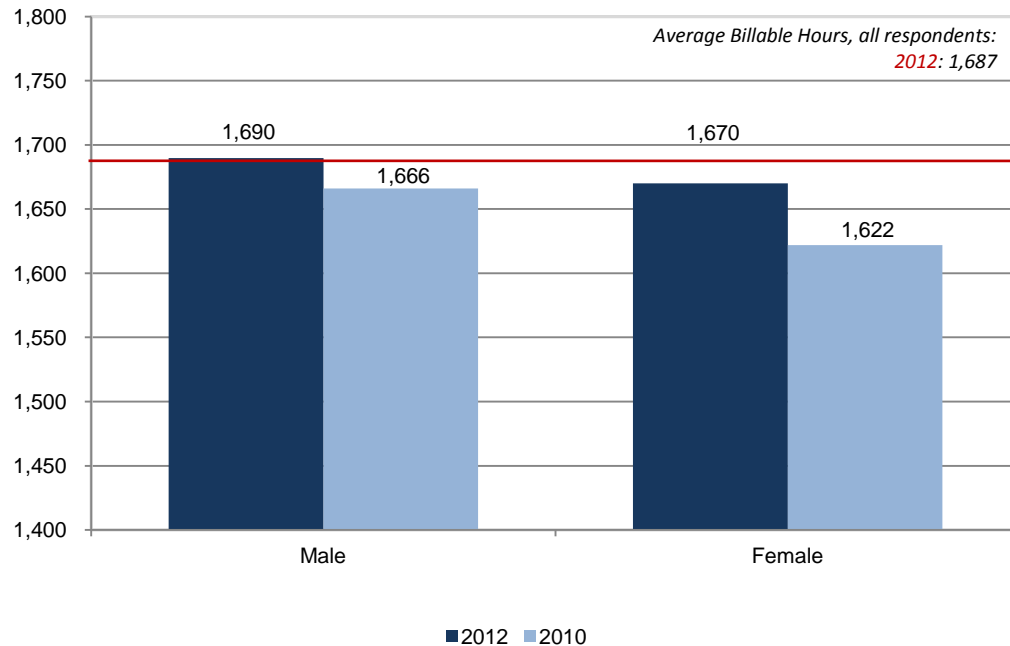
Average Billable Hours by Firm Size



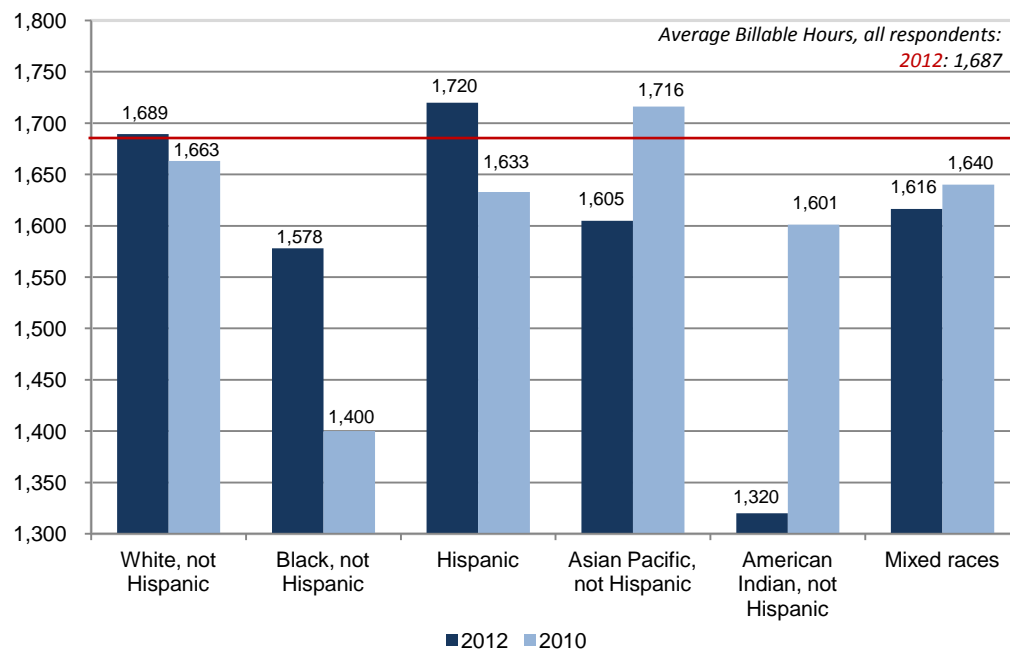
Average Billable Hours by Firm PPP



Average Billable Hours by Gender



Average Billable Hours by Ethnicity



APPENDIX VIII—AVERAGE NON-BILLABLE HOURS

Average Non-Billable Hours = 530

Partnership Tenure	2012	2010
1 to 5 years	455	496
6 to 10 years	531	500
11 to 20 years	556	583
More than 20 years	587	694

Partnership Status	2012	2010
Equity Partner	570	591
Non-equity Partner	467	505

Practice Area	2012	2010
Corporate	615	676
IP	542	505
Tax & ERISA	511	535
Real Estate	511	598
Labor & Employment	489	563
Litigation	459	451
Other	552	585

City	2012	2010
Silicon Valley, CA	606	n/a
Atlanta, GA	600	624
Washington, DC/NoVA	599	610
Houston, TX	545	632
Seattle, WA	513	553
New York, NY	512	604
Dallas, TX	511	543
San Francisco, CA	511	640
Philadelphia, PA	495	555
Boston, MA	490	588
Los Angeles, CA	475	551
Chicago, IL	432	468

Compensation Transparency	2012	2010
Open	571	587
Partially open	530	535
Closed	435	487

Lockstep Type	2012	2010
My firm is pure lockstep	589	455
Generally lockstep	512	483
My firm is not lockstep at all	534	578

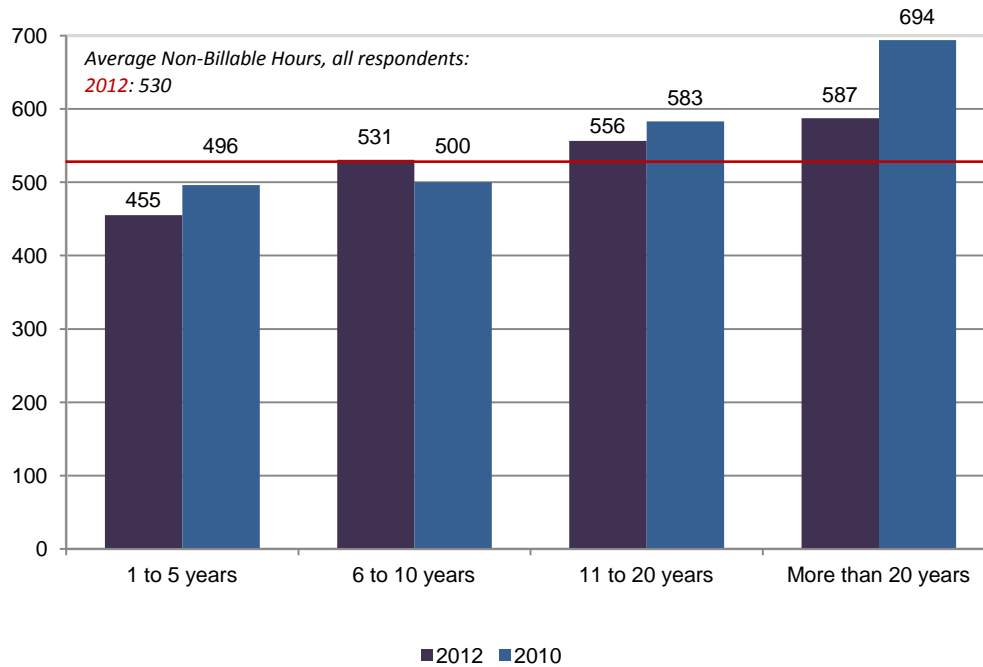
Firm Size	2012	2010
51-200 attorneys	461	486
201-500 attorneys	507	532
501-1,000 attorneys	552	620
1,000+ attorneys	542	624

Profits per Partner	2012	2010
\$250,001 - \$500,000	501	474
\$500,001 - \$750,000	516	620
\$750,001 - \$1 mil	576	641
\$1 mil - \$1.25 mil	515	589
\$1.25 mil - \$1.5 mil	540	647
\$1.5 mil - \$1.75 mil	585	640
\$1.75 mil - \$2 million	613	710
\$2 million +	489	441

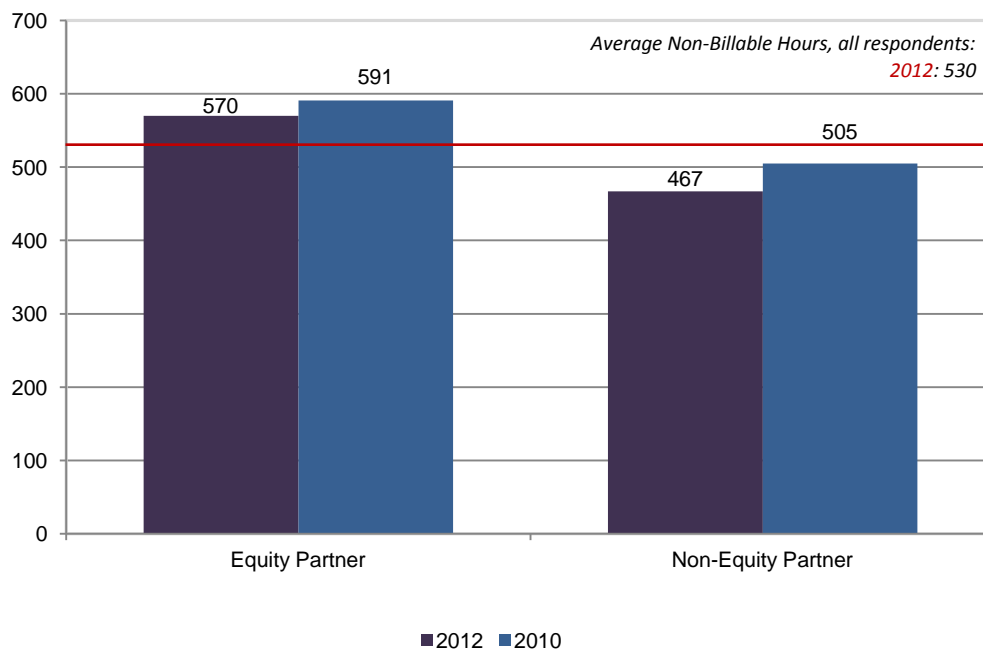
Gender	2012	2010
Male	541	567
Female	490	548

Ethnicity	2012	2010
White, not Hispanic	525	562
Black, not Hispanic	551	631
Hispanic	497	537
Asian Pacific, not Hispanic	634	512
American Indian, not Hispanic	865	626
Mixed races	542	514

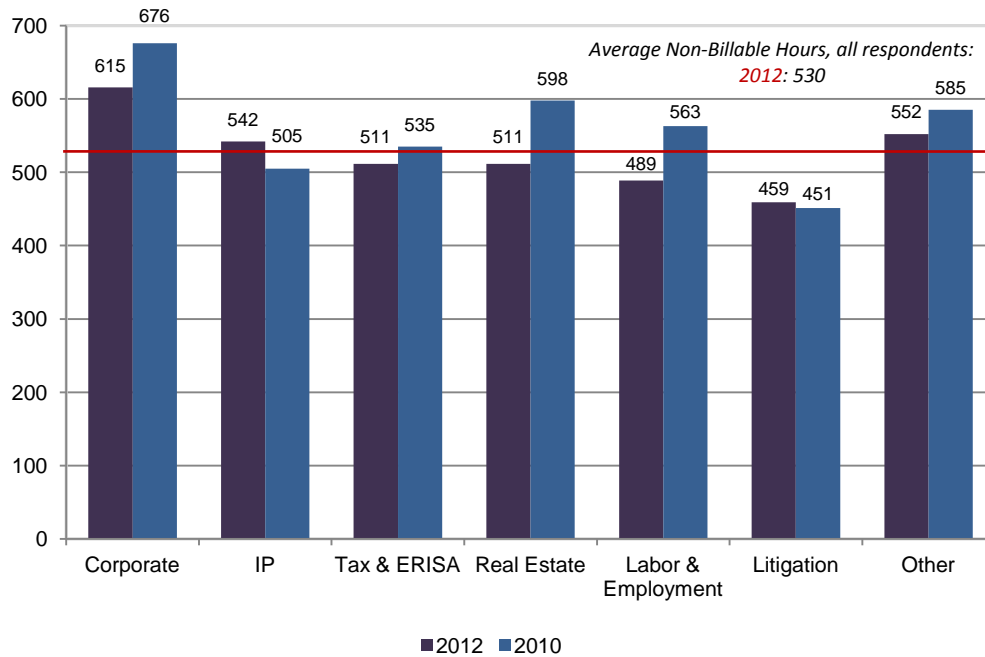
Average Non-Billable Hours by Partnership Tenure



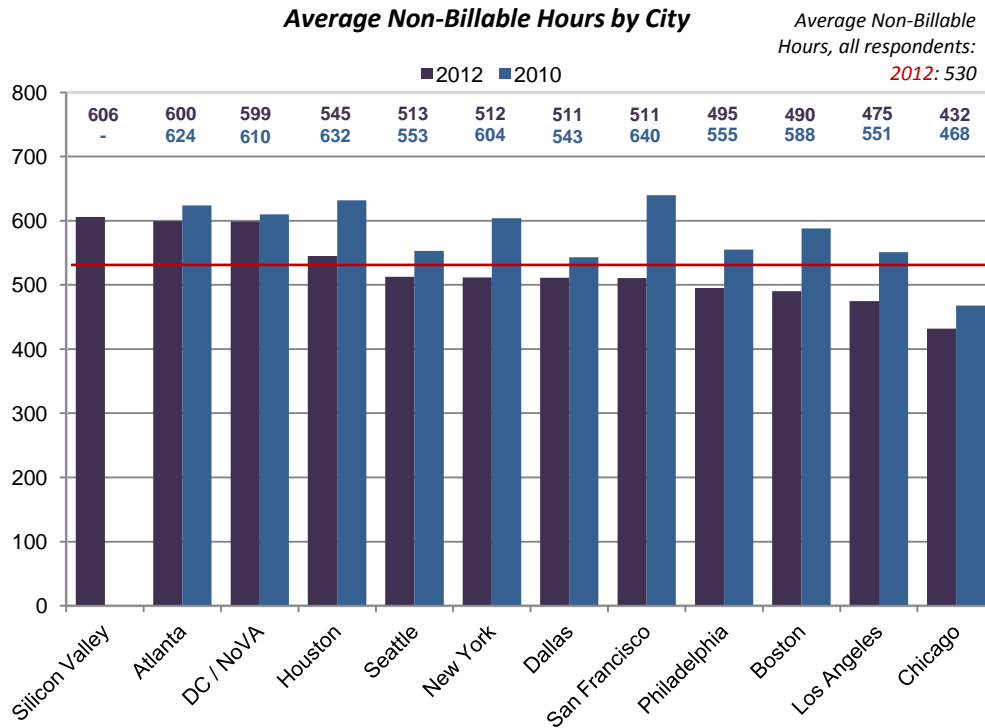
Average Non-Billable Hours by Partnership Status



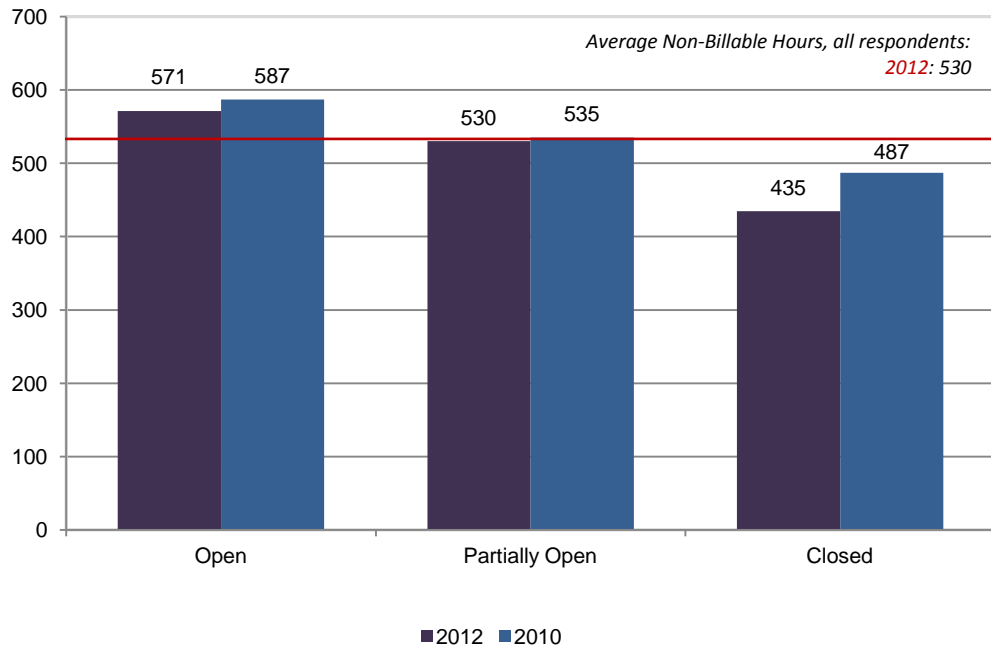
Average Non-Billable Hours by Practice Area



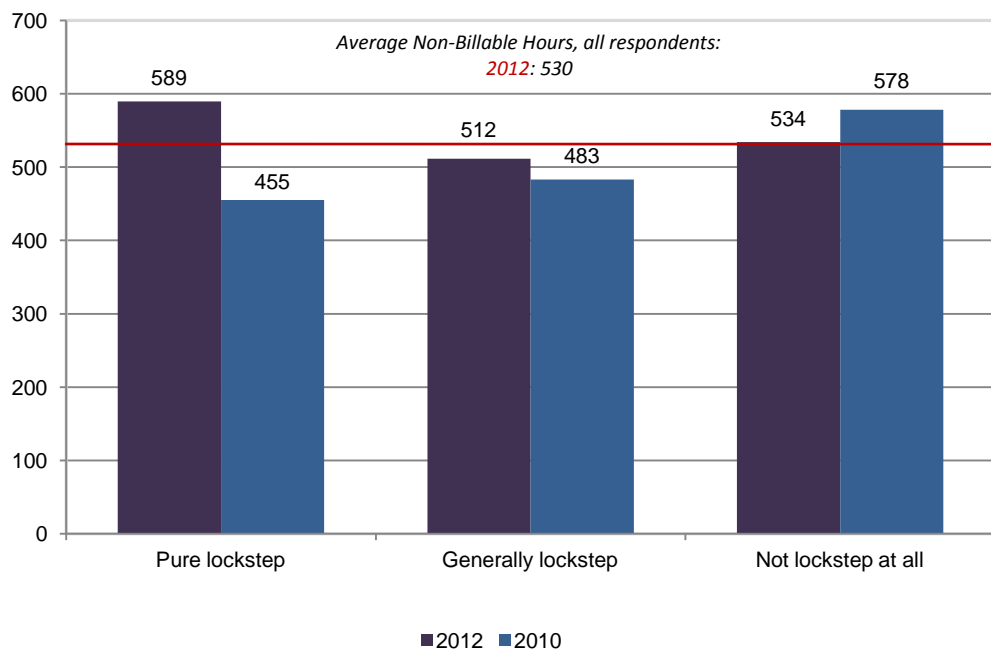
Average Non-Billable Hours by City



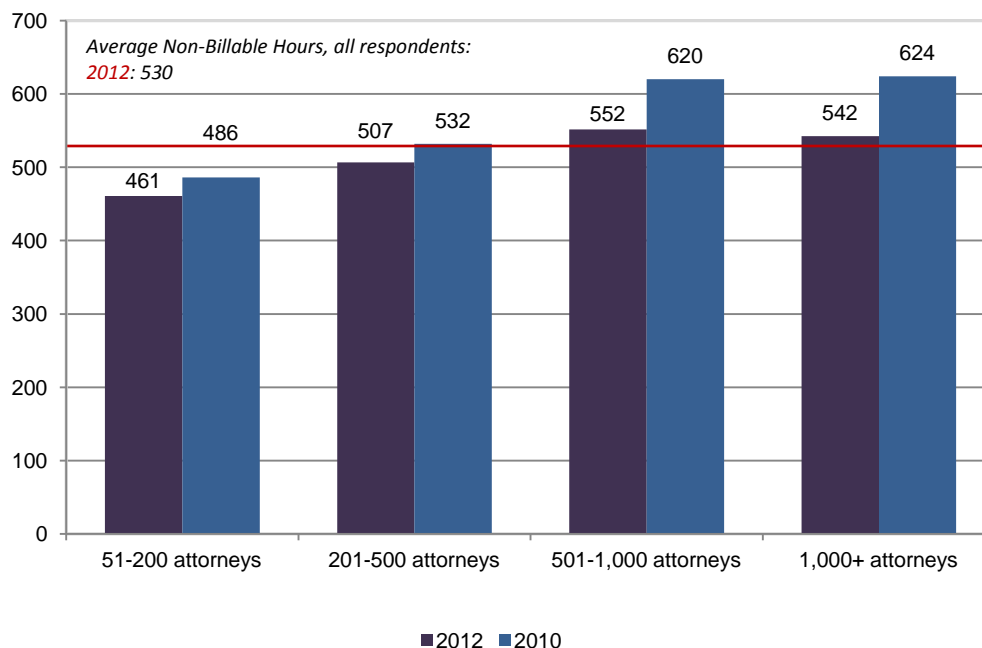
Average Non-Billable Hours by Compensation Transparency



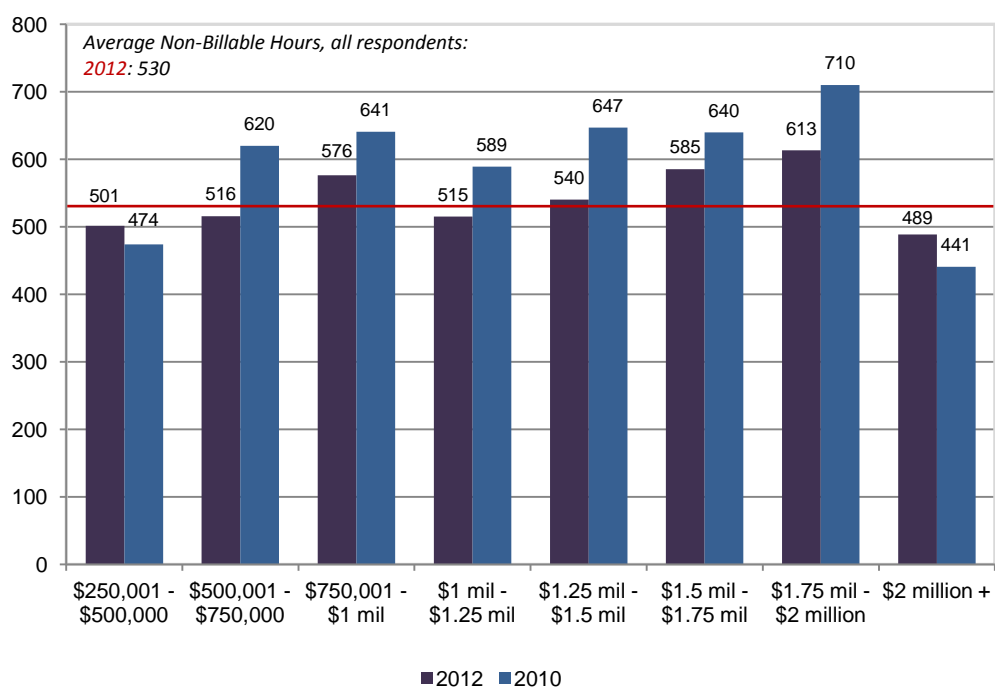
Average Non-Billable Hours by Lockstep Type



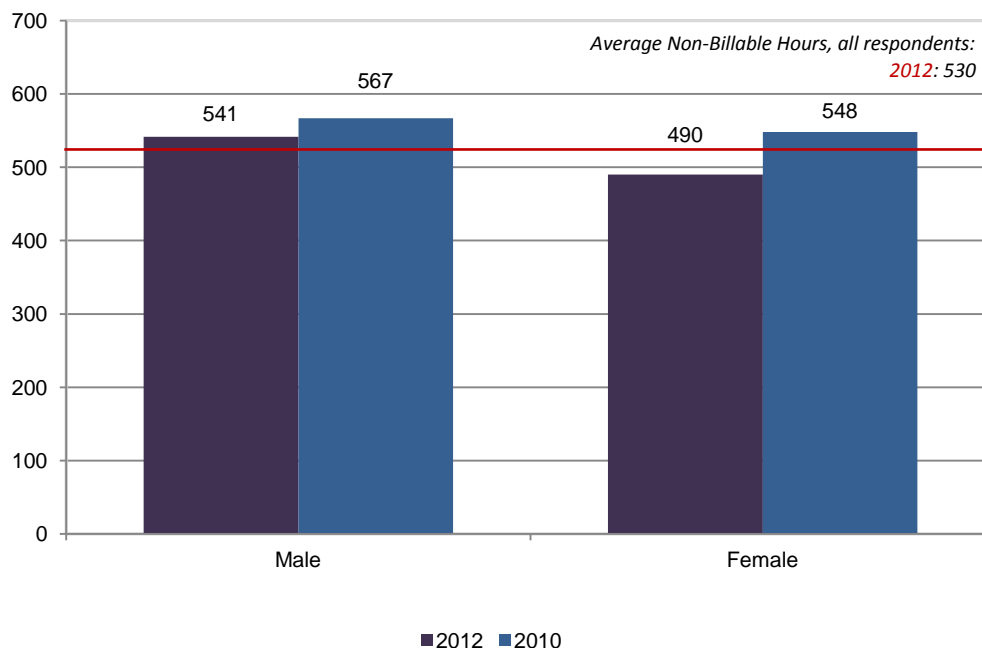
Average Non-Billable Hours by Firm Size



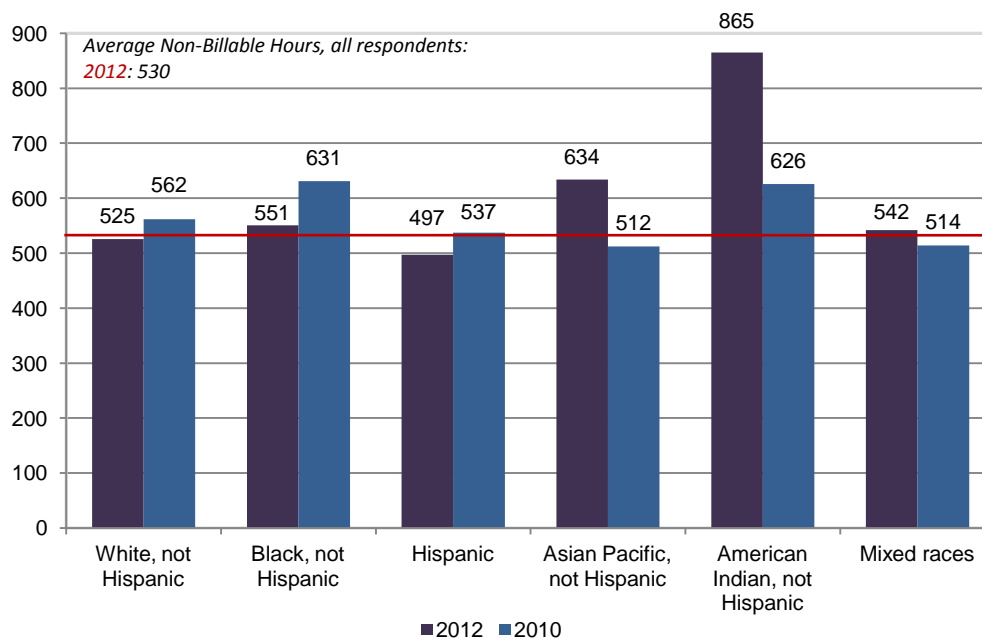
Average Non-Billable Hours by Firm PPP



Average Non-Billable Hours by Gender



Average Non-Billable Hours by Ethnicity



APPENDIX IX—SATISFACTION WITH TOTAL COMPENSATION

Compensation Satisfaction	2012	2010
I am very satisfied	27%	24%
I am somewhat satisfied	51%	52%
I am not very satisfied	15%	17%
I am not at all satisfied	7%	6%
Not sure	1%	1%

Partner Tenure	2012				2010			
	1 to 5 years	6 to 10 years	11 to 20 years	More than 20 years	1 to 5 years	6 to 10 years	11 to 20 years	More than 20 years
Very Satisfied	18%	25%	31%	33%	21%	17%	28%	28%
Somewhat Satisfied	55%	52%	50%	47%	52%	56%	51%	49%
Not Very Satisfied	19%	15%	14%	12%	18%	18%	15%	17%
Not At All Satisfied	6%	7%	5%	7%	8%	6%	5%	4%
Not sure	1%	0%	1%	1%	--	--	--	--

Partnership Status	2012		2010	
	Equity Partner	Non-equity Partner	Equity Partner	Non-equity Partner
Very Satisfied	36%	12%	28%	15%
Somewhat Satisfied	50%	54%	52%	53%
Not Very Satisfied	11%	22%	14%	23%
Not At All Satisfied	4%	11%	5%	8%
Not sure	0%	1%	--	--

Practice Area	Labor & Emp		Tax & ERISA		Corporate		IP		Real Estate		Litigation		Other	
	2012	2010	2012	2010	2012	2010	2012	2010	2012	2010	2012	2010	2012	2010
Very Satisfied	23%	15%	31%	20%	28%	23%	28%	27%	20%	23%	22%	24%	31%	26%
Somewhat Satisfied	60%	61%	49%	63%	50%	55%	49%	48%	56%	46%	53%	50%	49%	51%
Not Very Satisfied	13%	15%	14%	9%	16%	15%	13%	16%	15%	19%	18%	20%	14%	16%
Not At All Satisfied	4%	5%	5%	4%	6%	5%	9%	7%	8%	11%	6%	5%	6%	5%
Not sure	0%	--	1%	--	0%	--	2%	--	1%	--	1%	--	1%	--

City	Atlanta, GA		Boston, MA		Chicago, IL		Dallas, TX		Houston, TX		Los Angeles, CA	
	2012	2010	2012	2010	2012	2010	2012	2010	2012	2010	2012	2010
Very Satisfied	31%	20%	19%	18%	22%	19%	34%	27%	32%	29%	22%	25%
Somewhat Satisfied	55%	58%	55%	55%	56%	55%	57%	56%	59%	54%	49%	59%
Not Very Satisfied	7%	14%	13%	19%	14%	16%	9%	15%	4%	14%	22%	11%
Not At All Satisfied	8%	3%	13%	6%	8%	8%	0%	2%	4%	3%	6%	5%
Not sure	0%	--	0%	--	0%	--	0%	--	2%	--	2%	--
City	New York, NY		Philadelphia, PA		San Francisco, CA		Seattle, WA		Silicon Valley, CA		Washington, DC/NoVA	
	2012	2010	2012	2010	2012	2010	2012	2010	2012	2010	2012	2010
Very Satisfied	32%	22%	16%	28%	33%	29%	38%	26%	33%		28%	28%
Somewhat Satisfied	41%	50%	53%	45%	41%	51%	47%	42%	44%		50%	53%
Not Very Satisfied	17%	19%	25%	13%	19%	15%	15%	19%	14%	n/a	16%	15%
Not At All Satisfied	8%	8%	3%	12%	8%	4%	0%	9%	8%		6%	3%
Not sure	1%	--	4%	--	0%	--	0%	--	2%		0%	--

Satisfaction with Total Compensation (cont.)

Lateral Status	Lateral Move	Home Grown
Very Satisfied	30%	24%
Somewhat Satisfied	49%	53%
Not Very Satisfied	14%	16%
Not At All Satisfied	7%	6%
Not sure	1%	1%

Move-related Compensation Change	Increase	Decrease	No Change
Very Satisfied	35%	10%	25%
Somewhat Satisfied	48%	43%	53%
Not Very Satisfied	11%	20%	17%
Not At All Satisfied	5%	28%	6%
Not sure	1%	0%	1%

Compensation System	Open	Partially open	Closed
Very Satisfied	34%	21%	13%
Somewhat Satisfied	49%	55%	53%
Not Very Satisfied	12%	17%	22%
Not At All Satisfied	5%	6%	11%
Not sure	0%	1%	1%

Lockstep type	Pure lockstep	Generally lockstep	Not lockstep at all
Very Satisfied	55%	26%	26%
Somewhat Satisfied	24%	54%	51%
Not Very Satisfied	12%	14%	15%
Not At All Satisfied	9%	6%	7%
Not sure	0%	0%	1%

Law Firm Size	51-200 attorneys	201-500 attorneys	501-1,000 attorneys	1,000+ attorneys
Very Satisfied	27%	27%	28%	25%
Somewhat Satisfied	49%	51%	51%	52%
Not Very Satisfied	18%	15%	15%	14%
Not At All Satisfied	7%	6%	5%	8%
Not sure	1%	1%	1%	1%

Satisfaction with Total Compensation (cont.)

Profits per Partner (group)	\$250,001 - \$500,000	\$500,001 - \$750,000	\$750,001 - \$1 mil	\$1 mil - \$1.25 mil	\$1.25 mil - \$1.5 mil	\$1.5 mil - \$1.75 mil	\$1.75 mil - \$2 million	\$2 mil+
Very Satisfied	22%	19%	25%	23%	36%	31%	39%	51%
Somewhat Satisfied	57%	52%	54%	55%	49%	45%	46%	40%
Not Very Satisfied	16%	21%	14%	14%	10%	13%	9%	6%
Not At All Satisfied	6%	7%	7%	8%	4%	10%	7%	2%
Not sure		1%	0%	1%	1%	2%		

Gender	Male	Female
Very Satisfied	28%	22%
Somewhat Satisfied	52%	50%
Not Very Satisfied	14%	18%
Not At All Satisfied	6%	9%
Not sure	1%	1%

Ethnicity	White, not Hispanic	Black, not Hispanic	Hispanic	Asian Pacific, not Hispanic	American Indian, not Hispanic	Mixed races
Very Satisfied	27%	24%	27%	19%	0%	15%
Somewhat Satisfied	51%	52%	59%	57%	60%	40%
Not Very Satisfied	15%	6%	9%	15%	0%	25%
Not At All Satisfied	6%	18%	6%	8%	40%	15%
Not sure	1%	0%	0%	1%	0%	5%

Total Compensation	Less than \$300K	\$300,001 to \$500,000	\$500,001 to \$1M	\$1.01M to \$1.5M	\$1.51M+
Very Satisfied	10%	16%	30%	54%	65%
Somewhat Satisfied	50%	59%	55%	40%	31%
Not Very Satisfied	26%	17%	11%	5%	4%
Not At All Satisfied	13%	8%	3%	1%	
Not sure	1%	1%	0%		

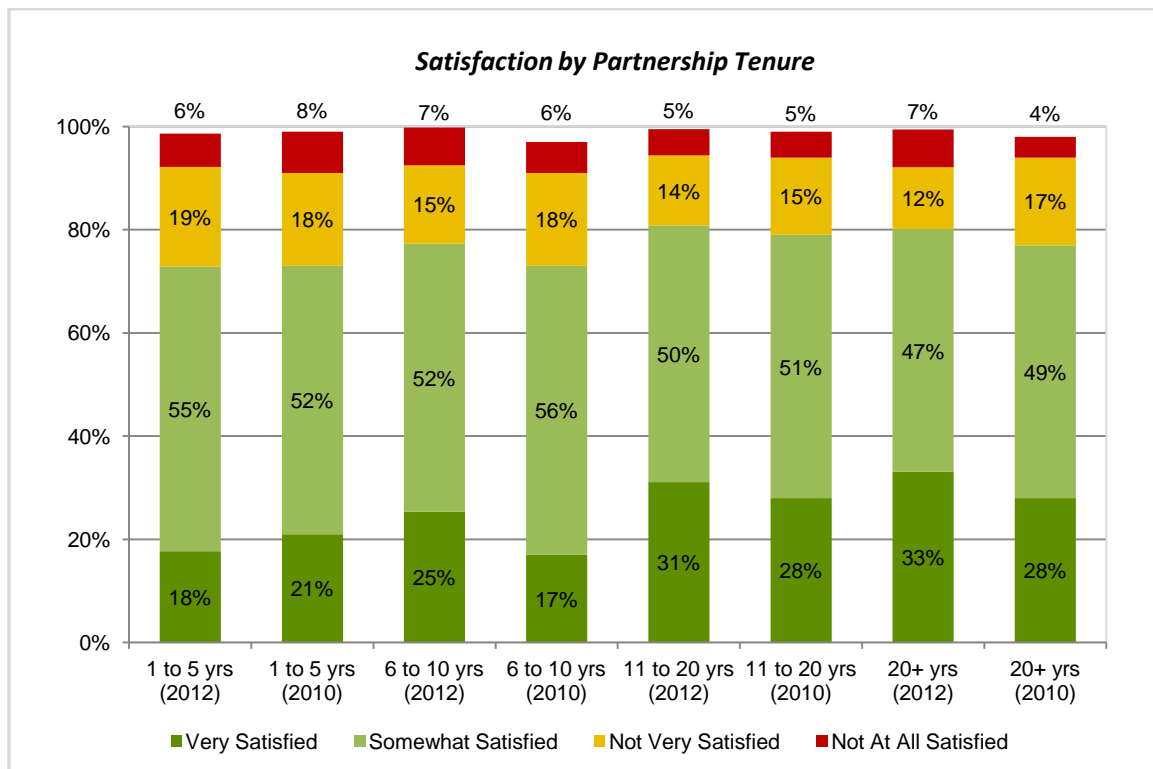
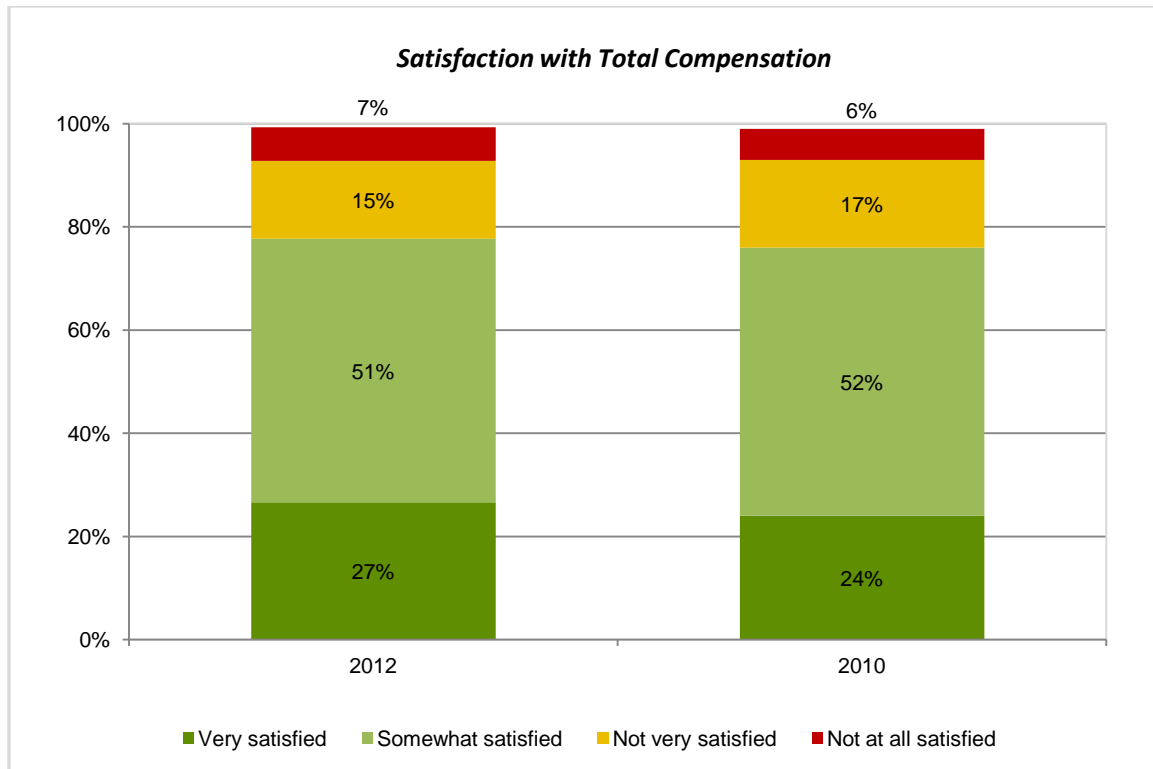
Total Originations	Up to \$1 Million	\$1M to \$2M	\$2.01M to \$3M	\$3.01M to \$5M	\$5.01M+
Very Satisfied	17%	28%	32%	49%	51%
Somewhat Satisfied	54%	52%	50%	45%	41%
Not Very Satisfied	19%	15%	11%	7%	6%
Not At All Satisfied	9%	5%	6%		1%
Not sure	1%	0%	1%		

Billable Hours	<1,500	1,501 to 1,800	1,801 to 2,100	2,101 to 2,400	2,401 or more
Very Satisfied	23%	26%	29%	29%	34%
Somewhat Satisfied	49%	52%	52%	56%	51%
Not Very Satisfied	18%	15%	15%	11%	11%
Not At All Satisfied	10%	7%	4%	3%	4%
Not sure	1%	1%	1%	1%	

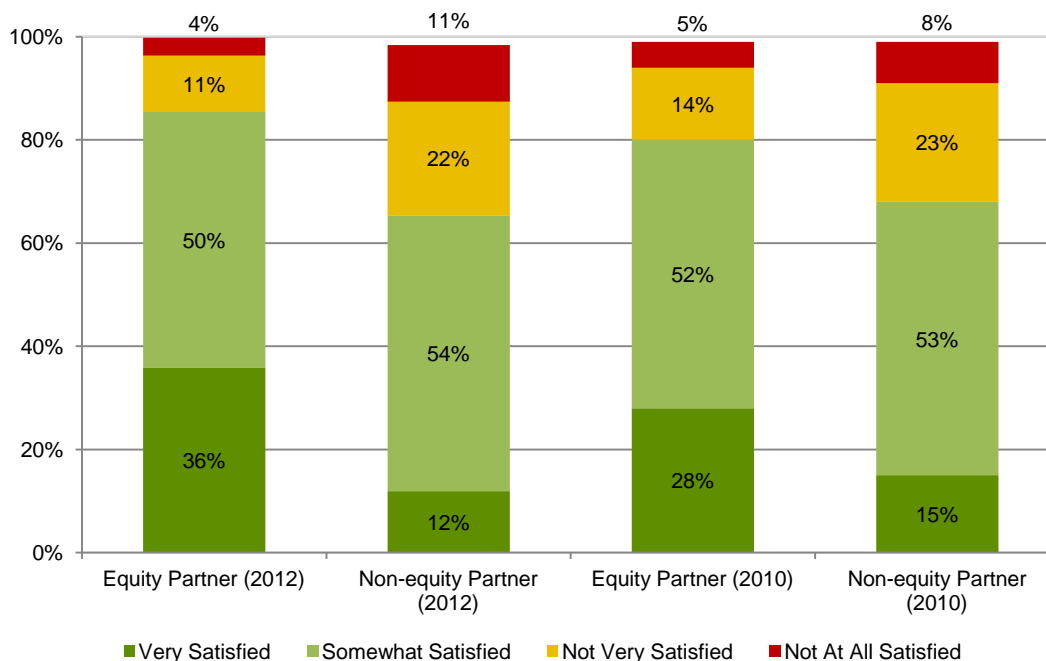
Satisfaction with Total Compensation (cont.)

Perceived Bias

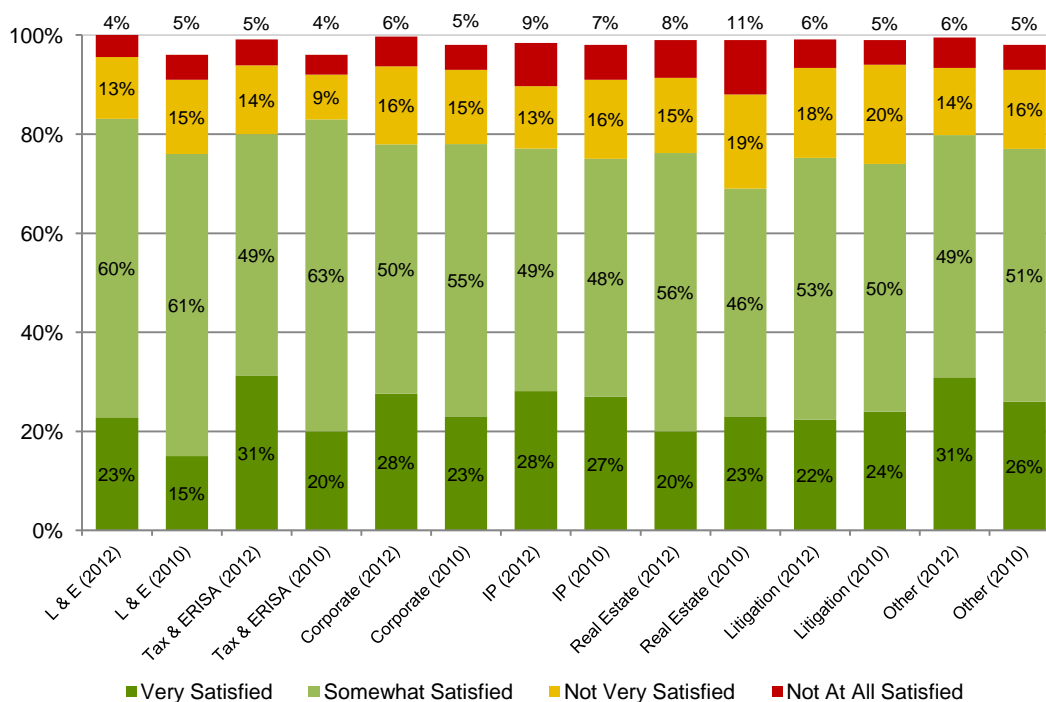
Perceived Bias of Compensation	2012	2010
Cronyism	35%	40%
Gender bias	11%	5%
Sexual orientation bias	2%	3%
Bias against laterals	1%	7%
Racial bias	1%	2%
Other reason	21%	31%
Not sure	29%	26%

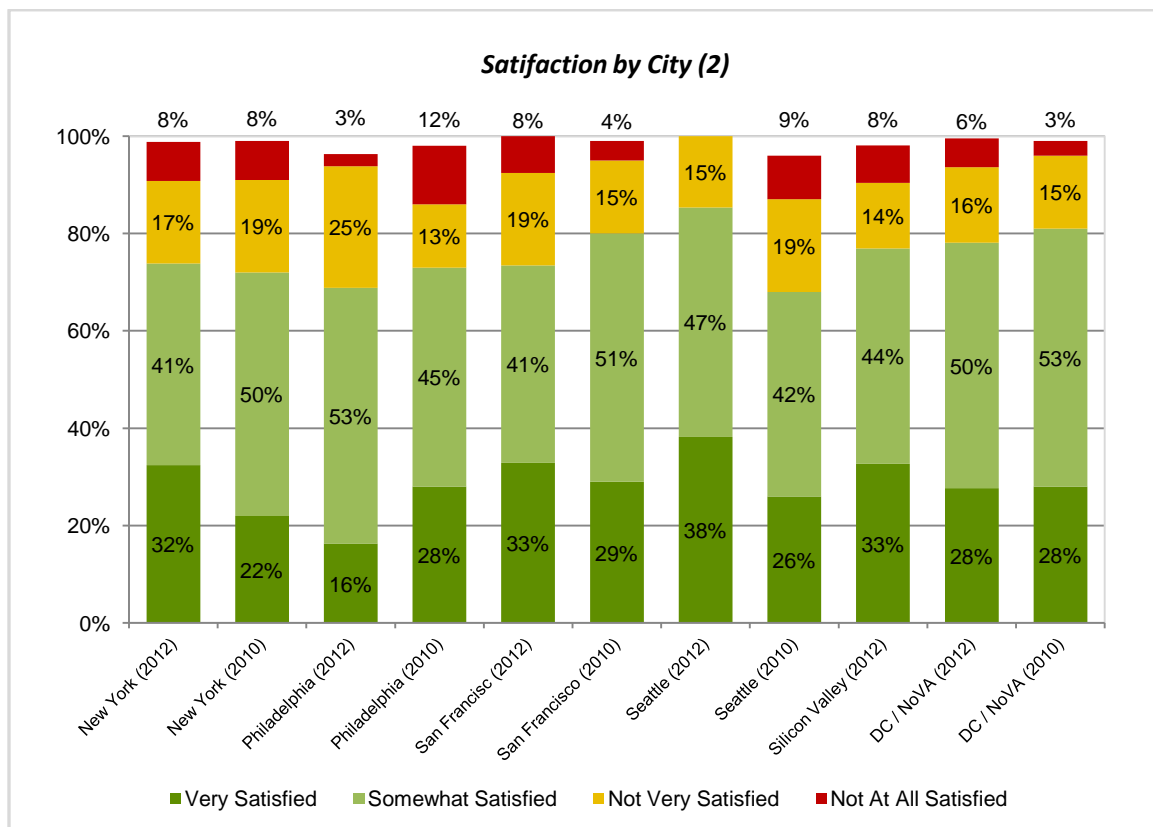
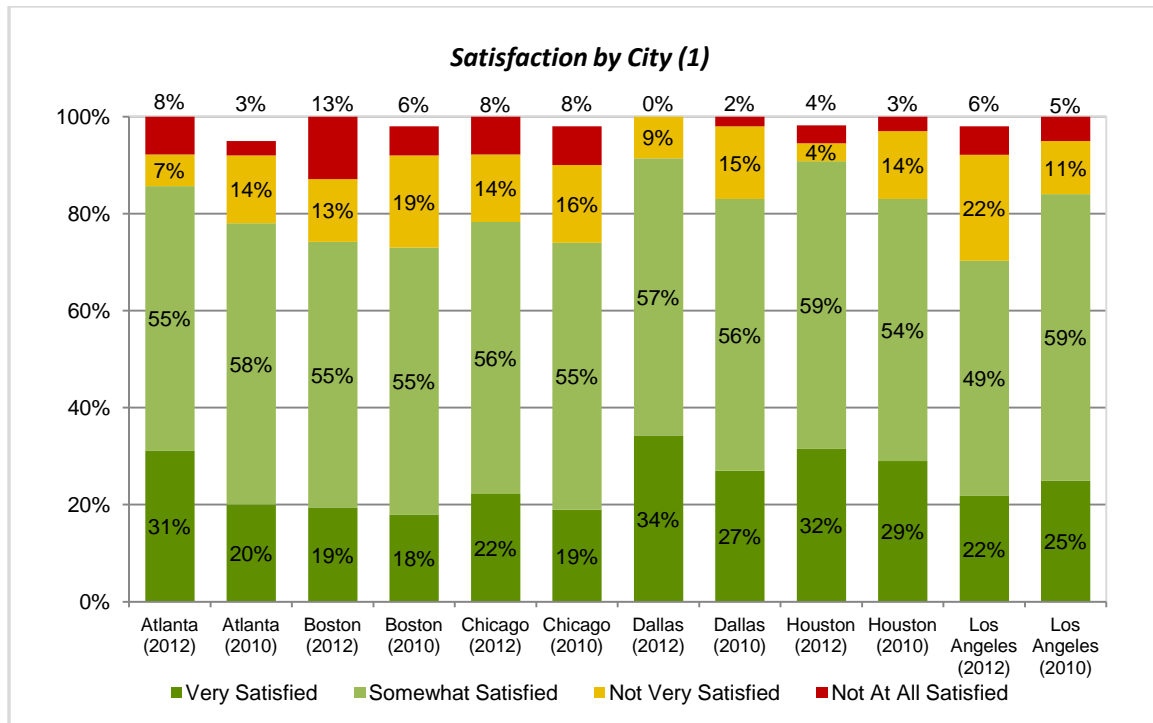


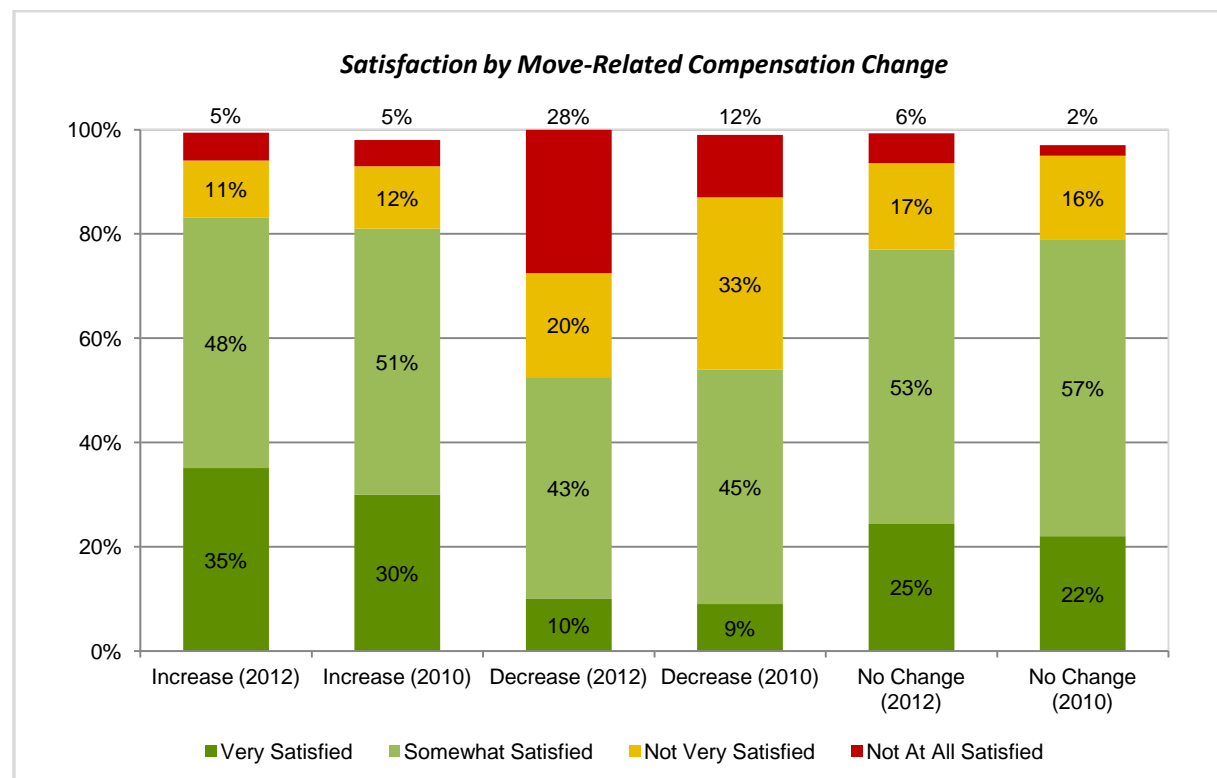
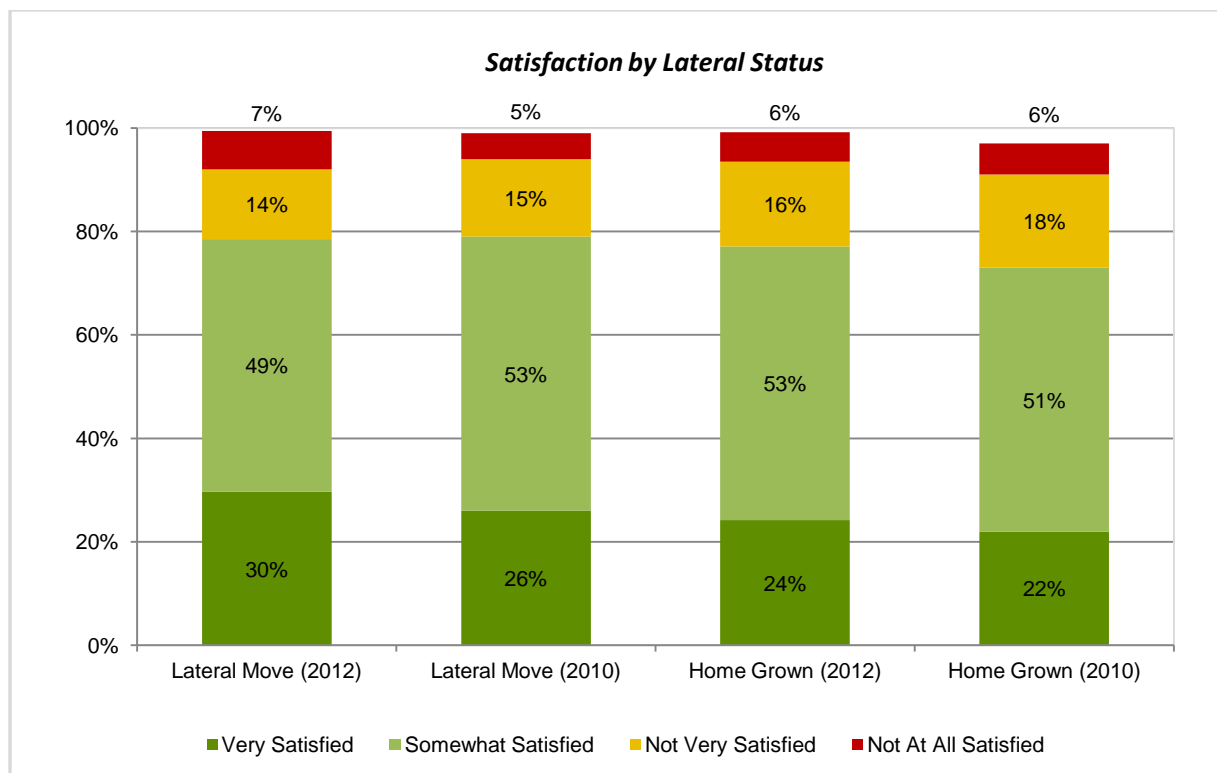
Satisfaction by Partnership Status

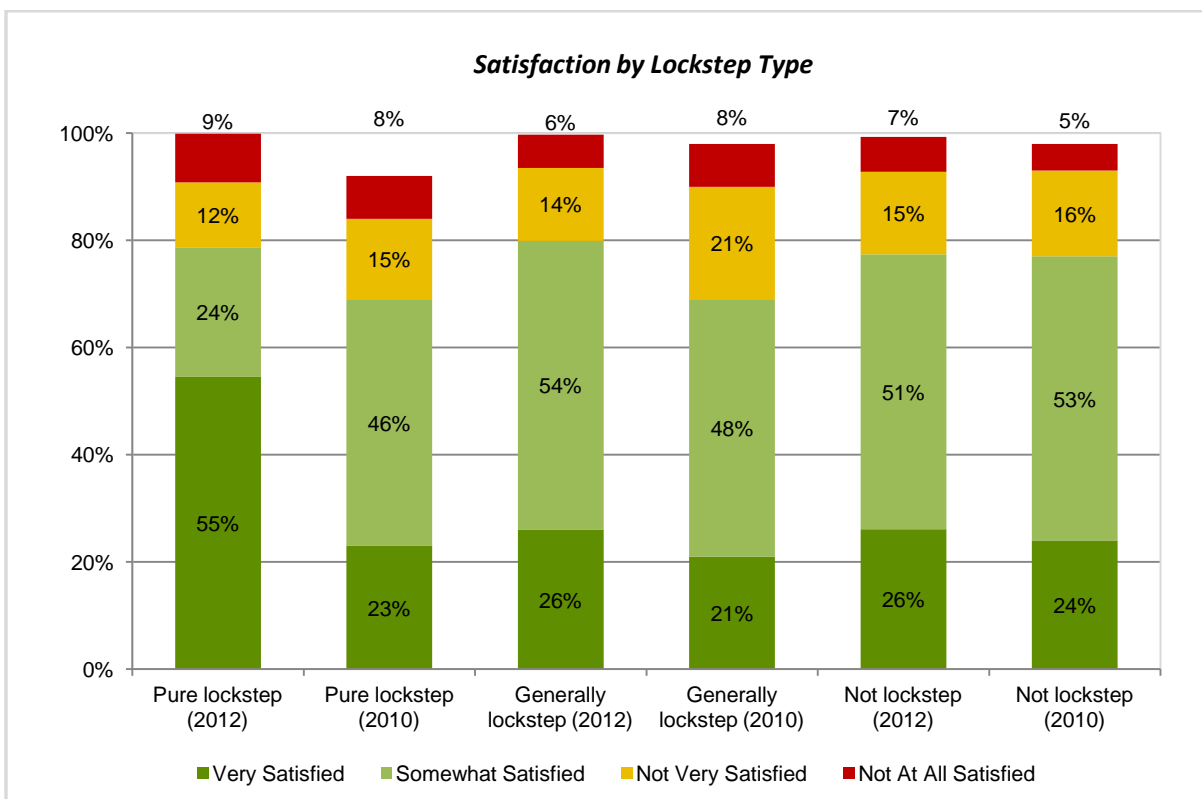
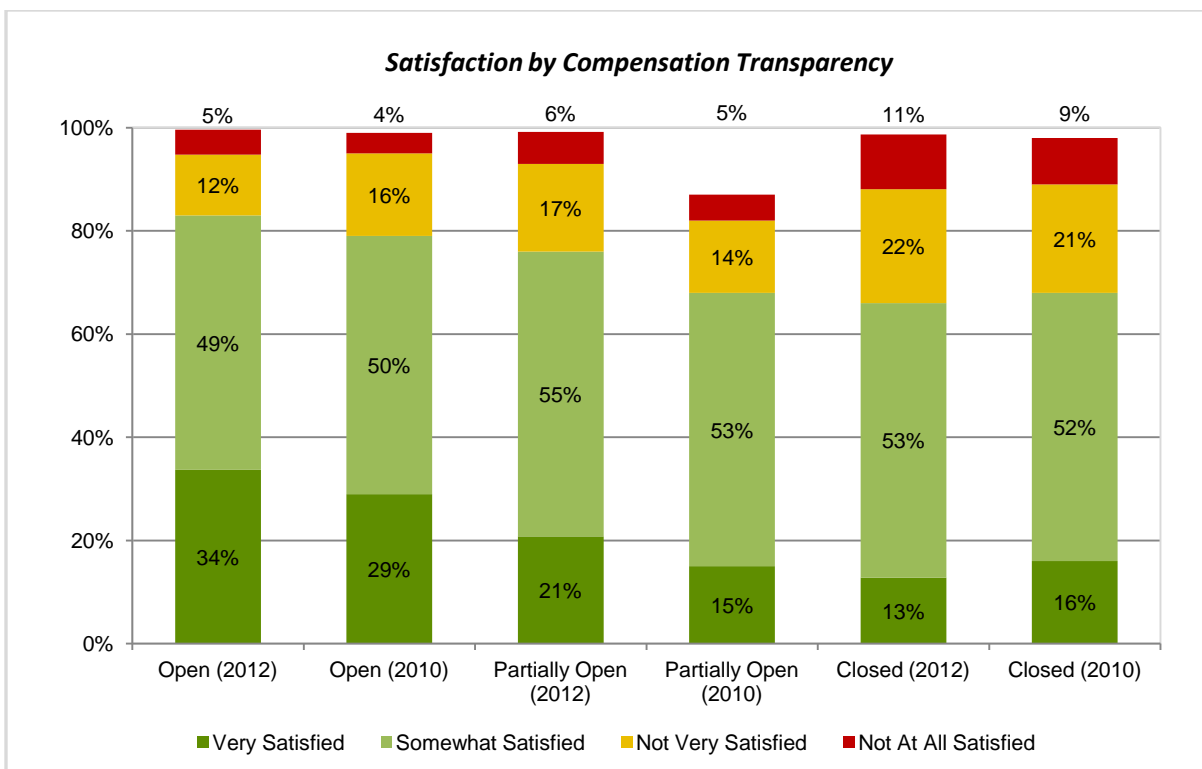


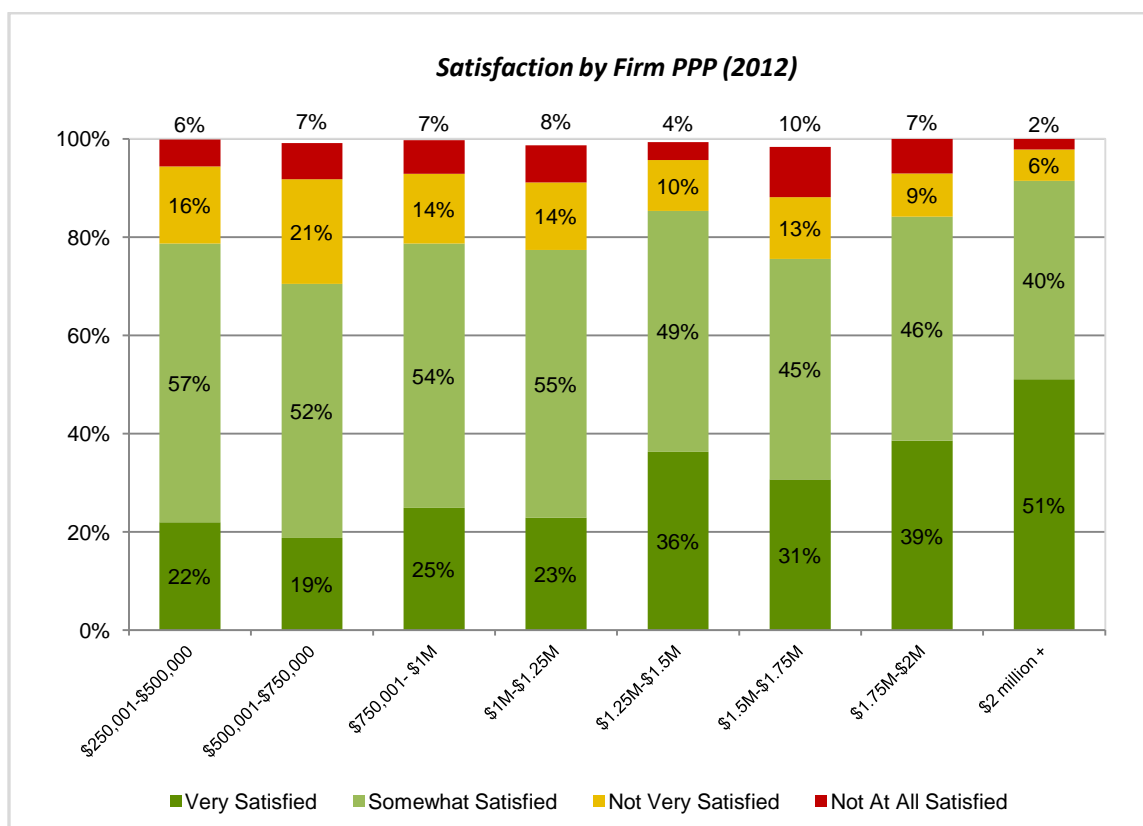
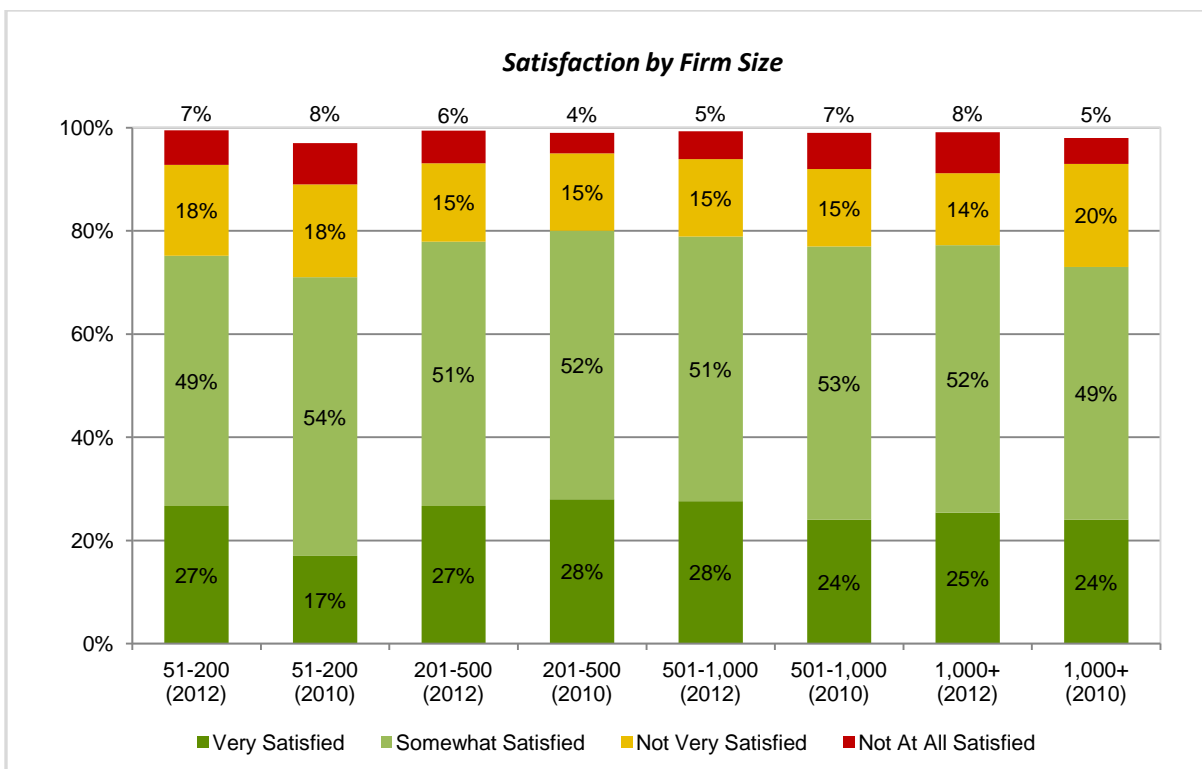
Satisfaction by Practice Area

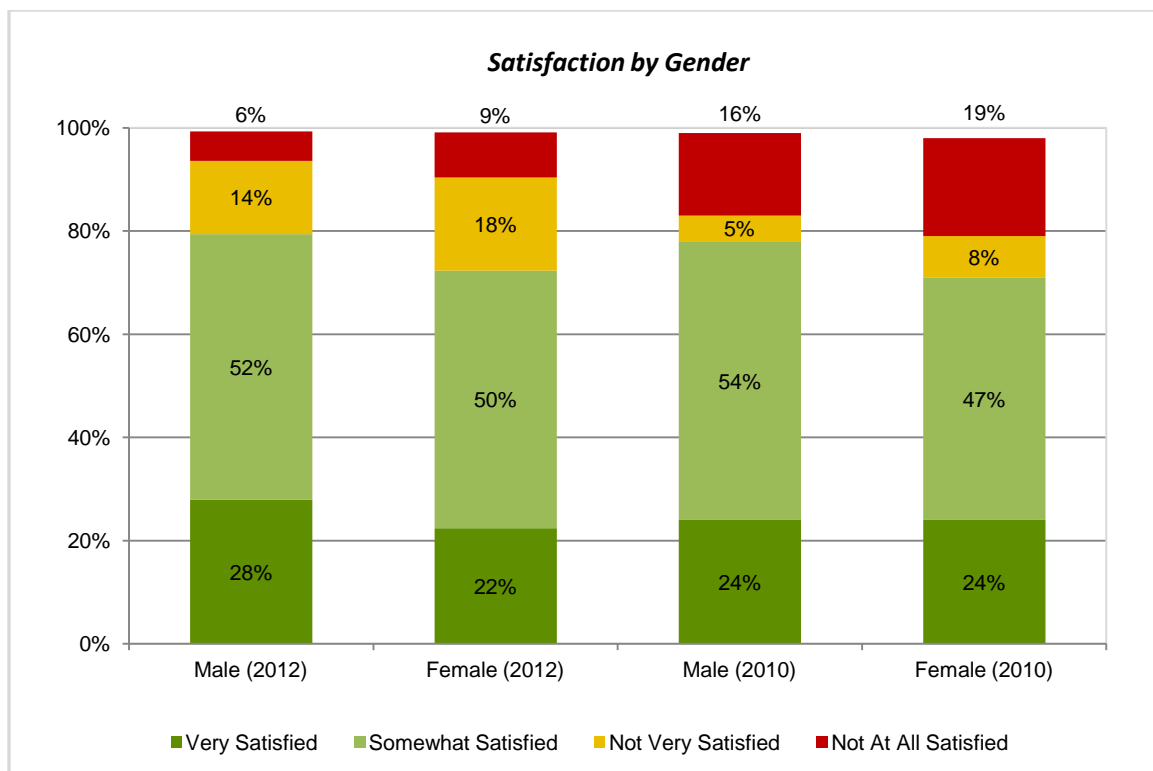
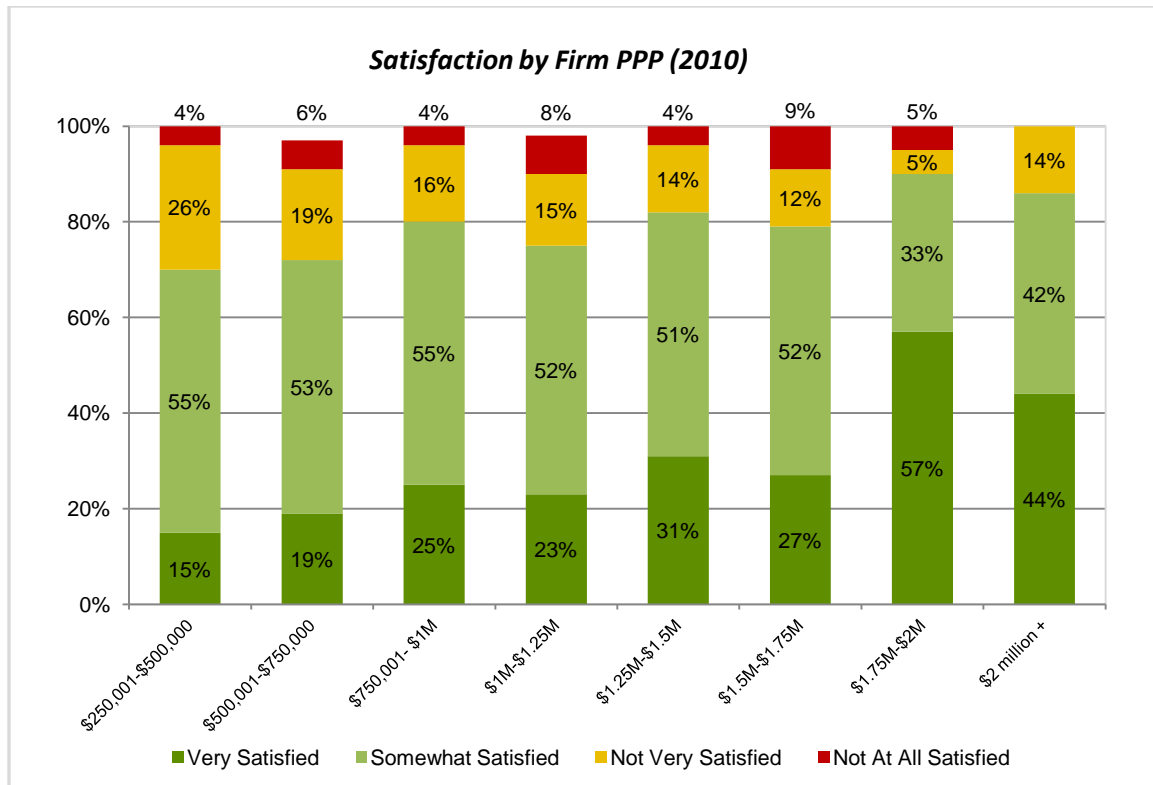


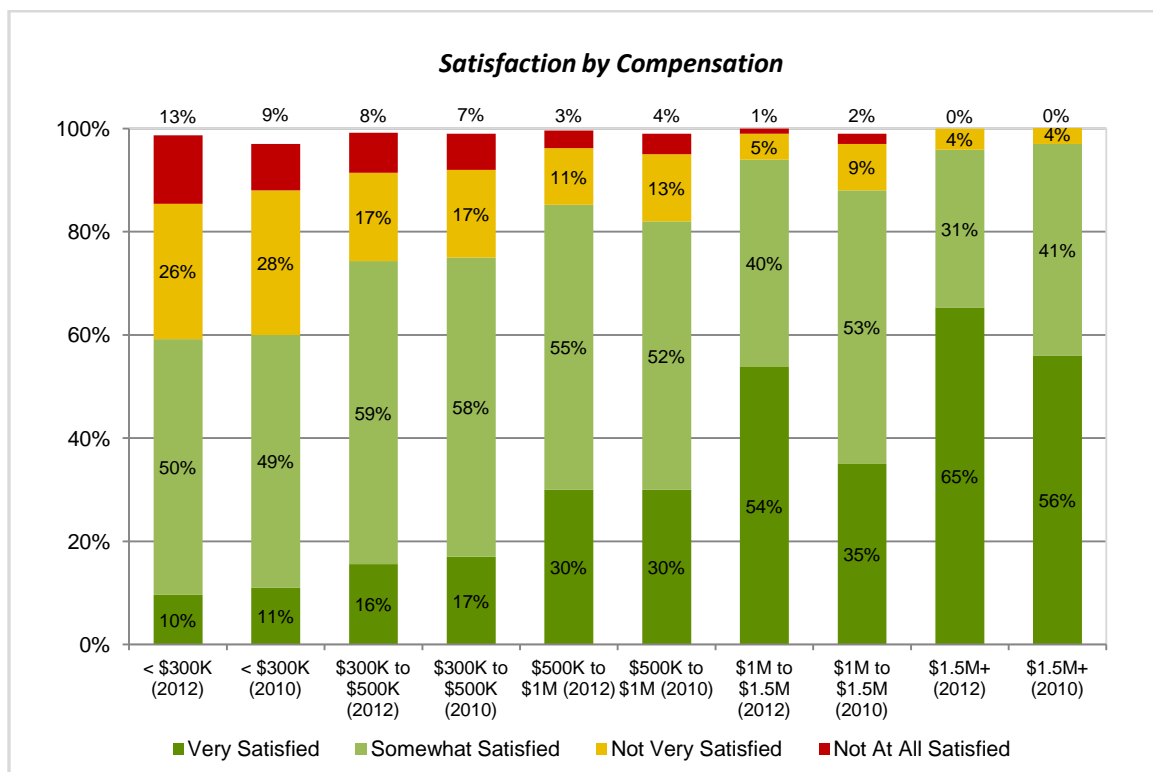
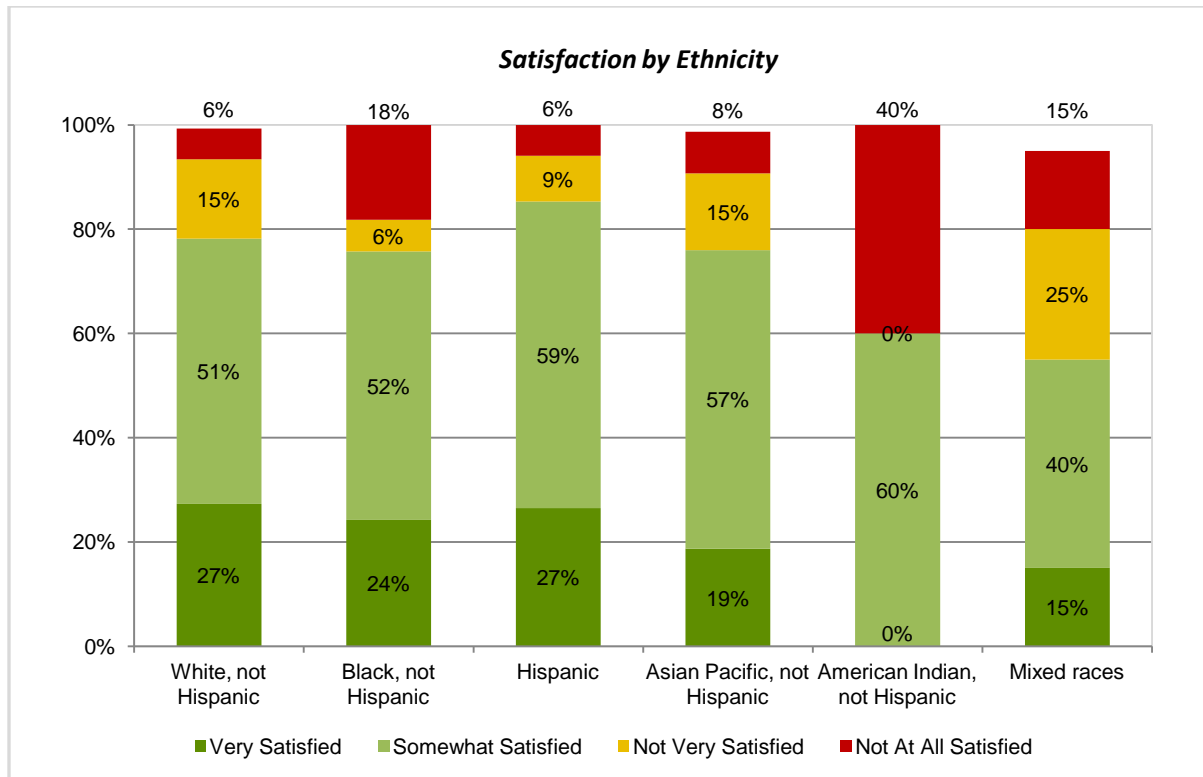


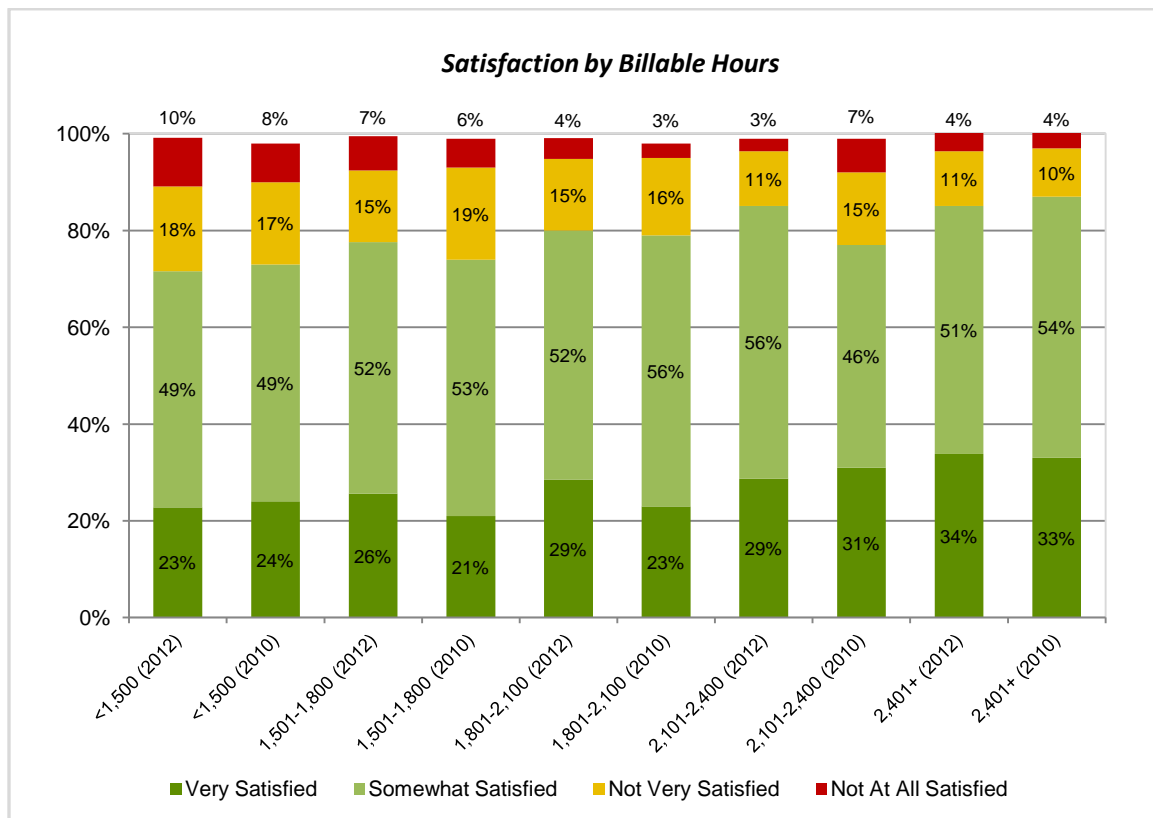
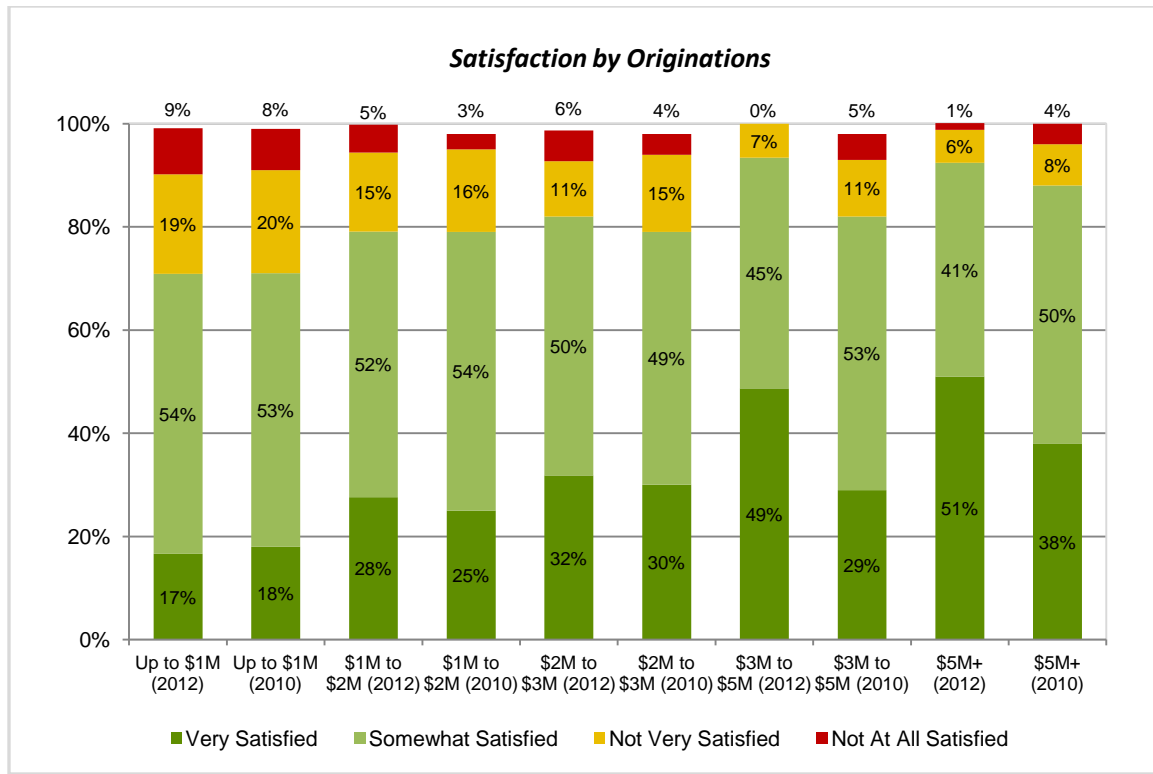


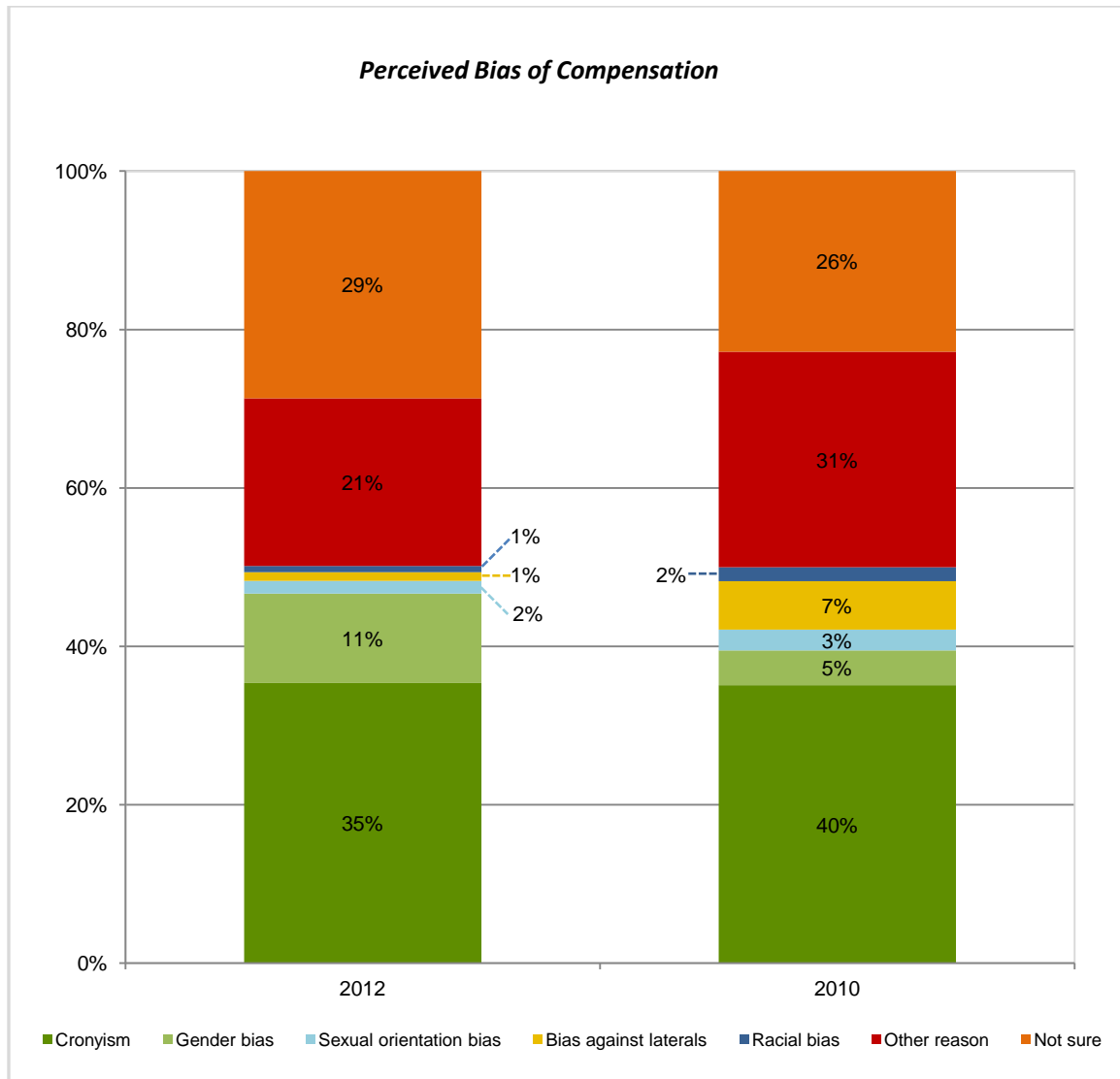










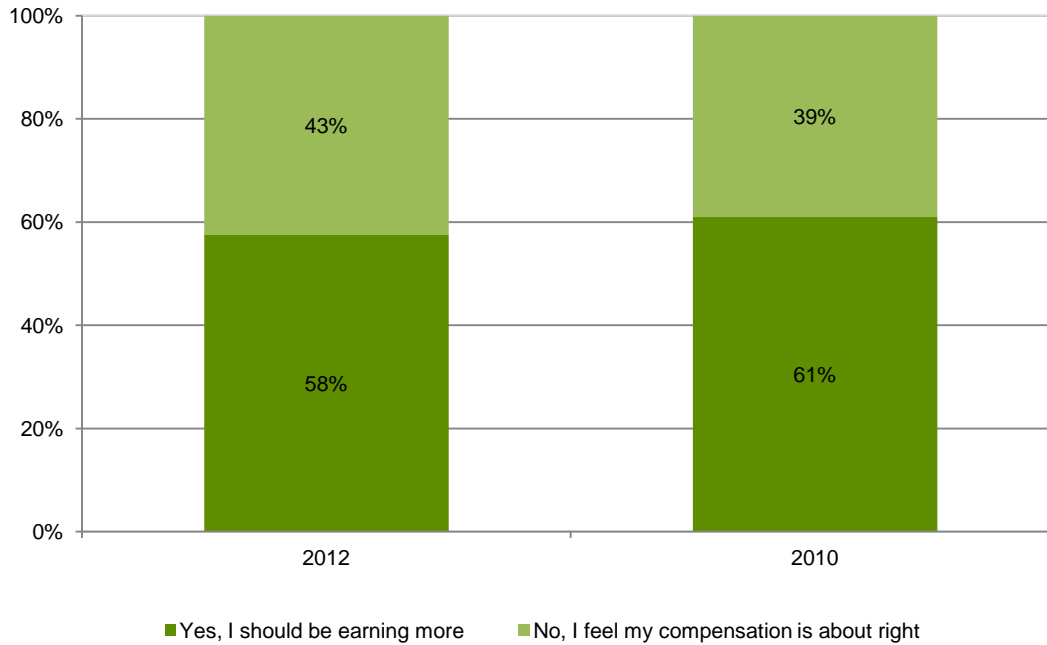


APPENDIX X—DESIRED COMPENSATION

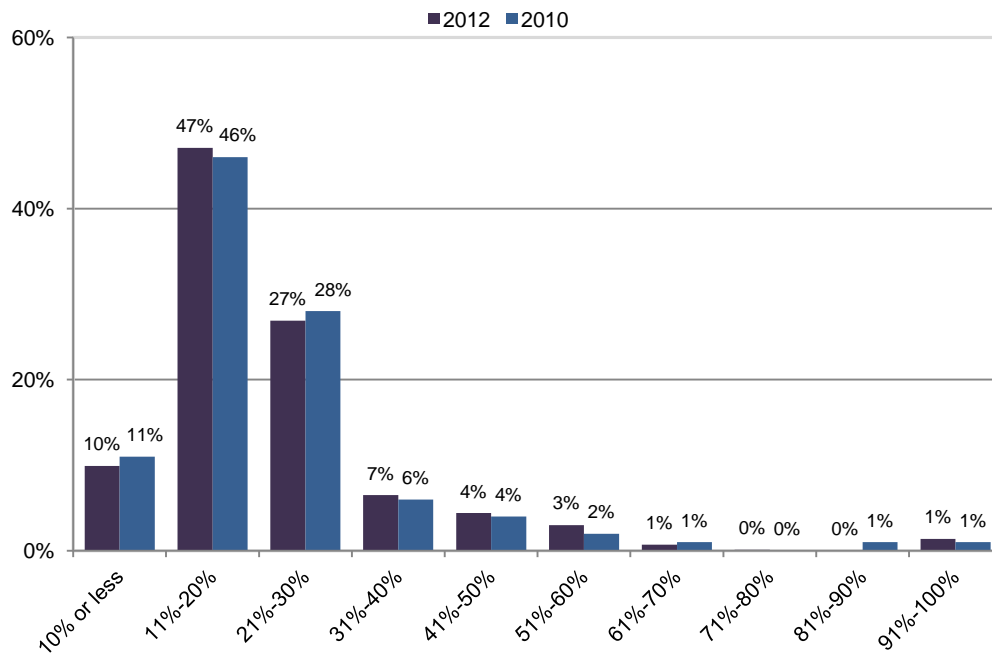
Should your compensation be higher than it is?	2012	2010
Yes, I should be earning more	58%	61%
No, I feel my compensation is about right	43%	39%

How much higher should your compensation be?	2012	2010
10% or less	10%	11%
11%-20%	47%	46%
21%-30%	27%	28%
31%-40%	7%	6%
41%-50%	4%	4%
51%-60%	3%	2%
61%-70%	1%	1%
71%-80%	0%	0%
81%-90%	0%	1%
91%-100%	1%	1%

Satisfaction with Compensation Level



Level of Compensation Desired



APPENDIX XI—IMPORTANCE OF FACTORS IN DETERMINING COMPENSATION / DESIRE FOR CHANGES

2012	Originations	Receipts	Realization	Billable Hours	Non-Billable Hours	Mgmt Respons.	Cross-Selling	Good Citizenship	Seniority
Very Important	74%	59%	26%	40%	1%	9%	12%	10%	6%
Somewhat Important	22%	34%	58%	50%	28%	54%	46%	42%	31%
Not Very Important	3%	6%	14%	9%	49%	32%	33%	34%	43%
Not Important at All	1%	1%	2%	2%	21%	5%	9%	14%	20%

2010	Originations	Receipts	Realization	Billable Hours	Non-Billable Hours	Mgmt Respons.	Cross-Selling	Good Citizenship	Seniority
Very Important	76%	58%	32%	57%	1%	13%	12%	10%	7%
Somewhat Important	21%	34%	53%	36%	27%	59%	45%	46%	38%
Not Very Important	3%	7%	13%	5%	50%	24%	32%	32%	40%
Not Important at All	1%	1%	2%	1%	22%	4%	10%	12%	15%

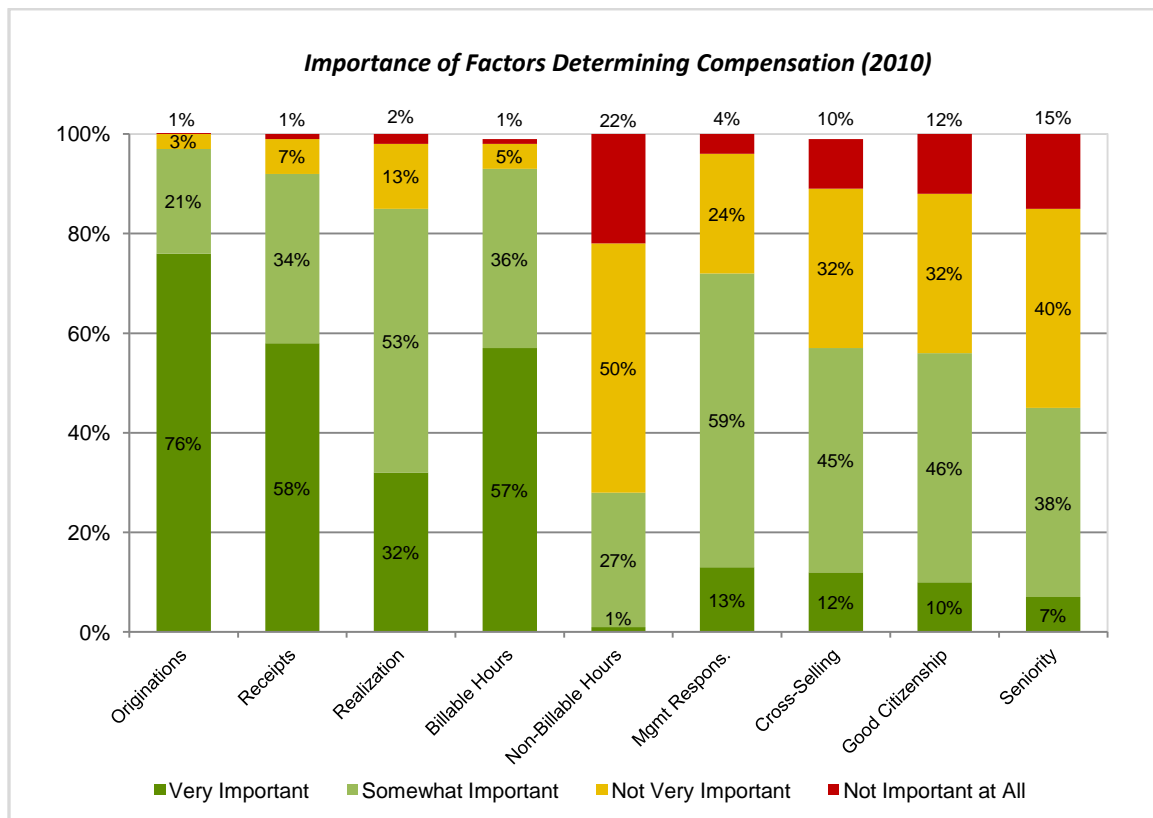
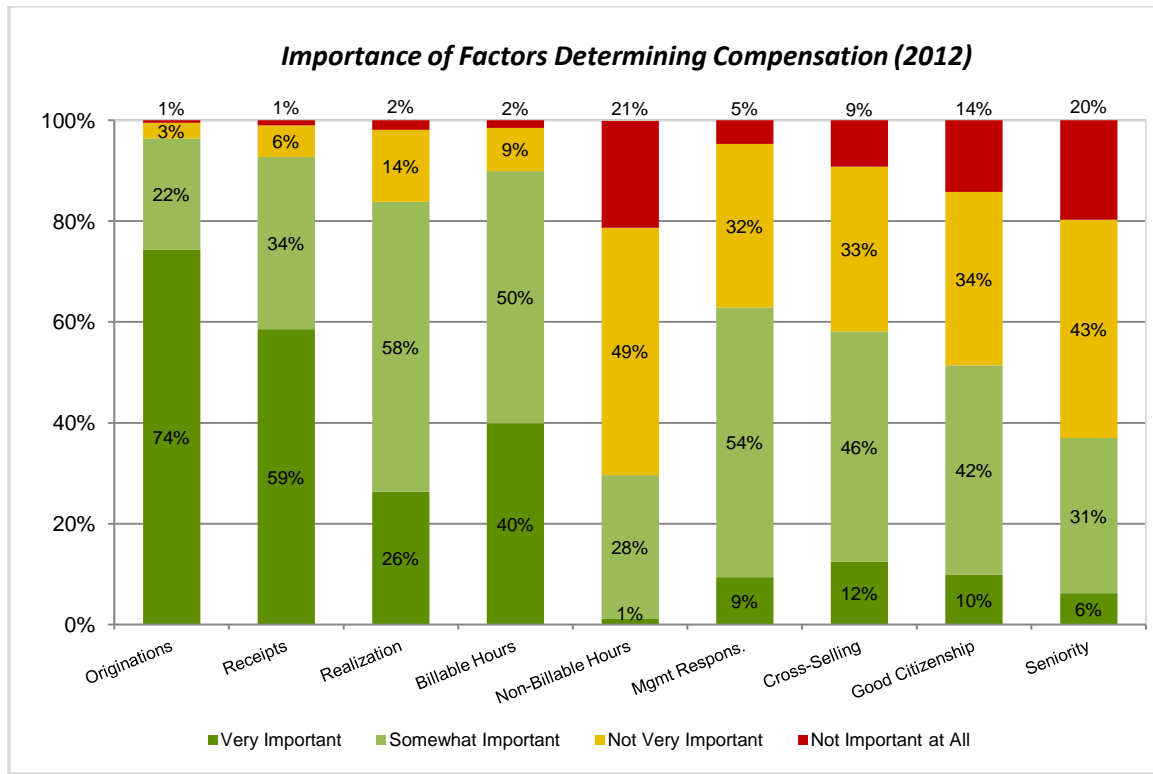
Factor Determining Compensation	2012		2010	
	Is Most Important	Should be Most Important	Is Most	Should be Most
Originations	65%	58%	64%	58%
Working atty receipts	21%	25%	21%	26%
Billable hours	8%	4%	9%	3%
Mgmt responsibilities	2%	1%	1%	1%
Cross-selling	1%	5%	1%	4%
Realization rate	1%	2%	1%	3%
Seniority	1%	1%	1%	1%
Good citizenship	1%	3%	1%	3%
Non-billable hours	0%	0%	0%	0%

Change in Importance	2012	2010
Yes, has been a change	44%	41%
No, has not been a change	37%	41%
Not certain	19%	18%

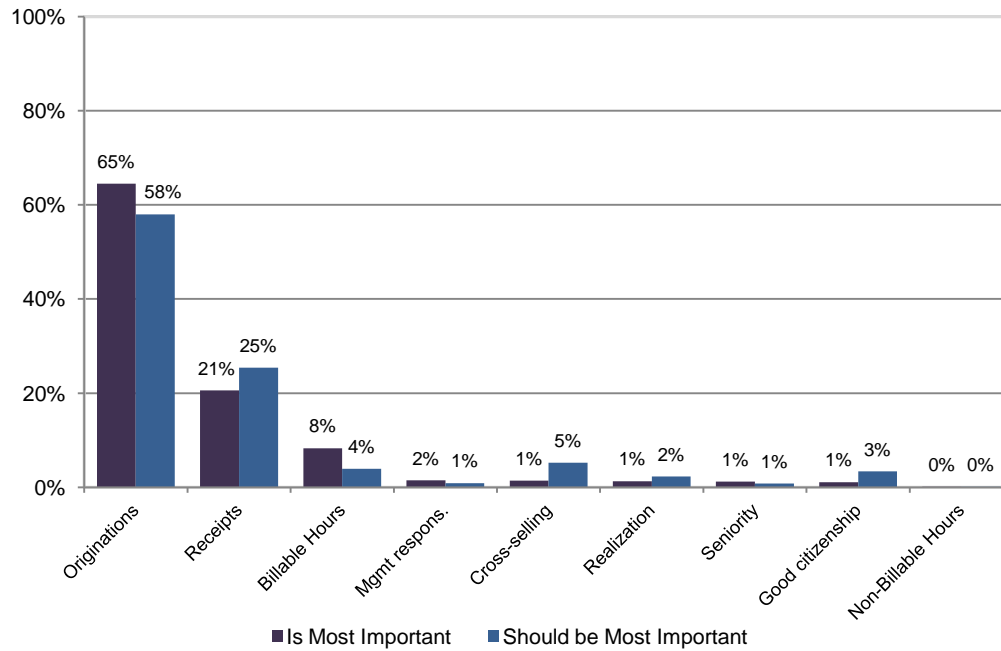
Factor has become ...	2012		2010	
	More important	Less important	More important	Less important
Originations	55%	7%	24%	9%
Working atty receipts	32%	11%	14%	21%
Billable hours	31%	11%	21%	31%
Realization rate	27%	8%	7%	52%
Cross-selling	21%	15%	15%	8%
Mgmt responsibilities	14%	19%	14%	7%
Good citizenship	7%	45%	25%	11%
Non-billable hours	2%	36%	32%	7%
Seniority	1%	52%	42%	32%

Importance of Factors in Determining Compensation / Desire for Changes (cont.)

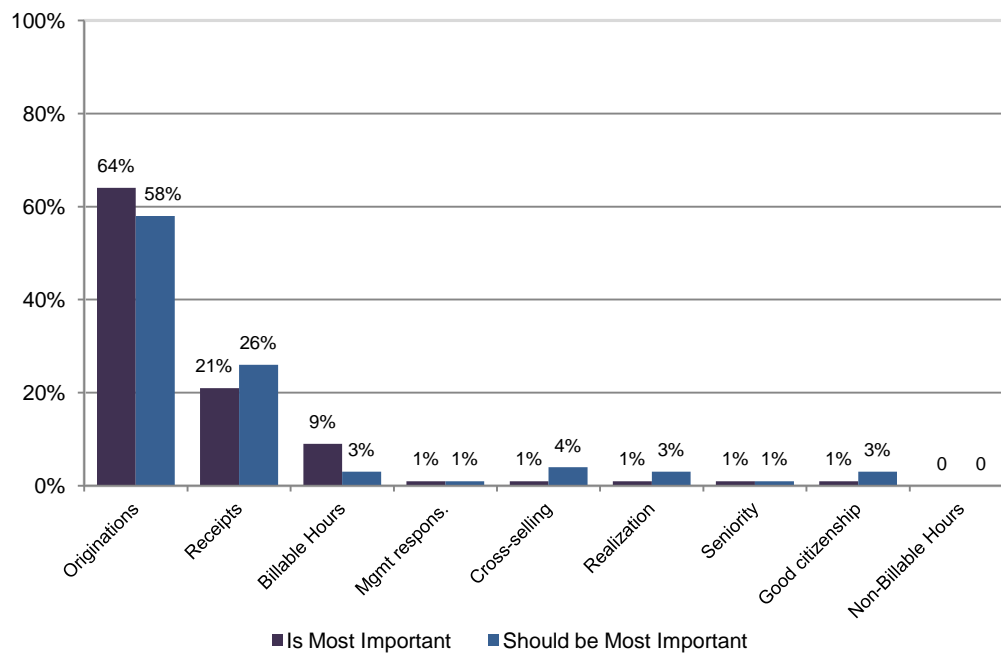
Anything about compensation system that you would like to see changed?	2012	2010
Yes, I would like to see some changes	67%	63%
No, no need for changes	20%	21%
Not sure	14%	21%

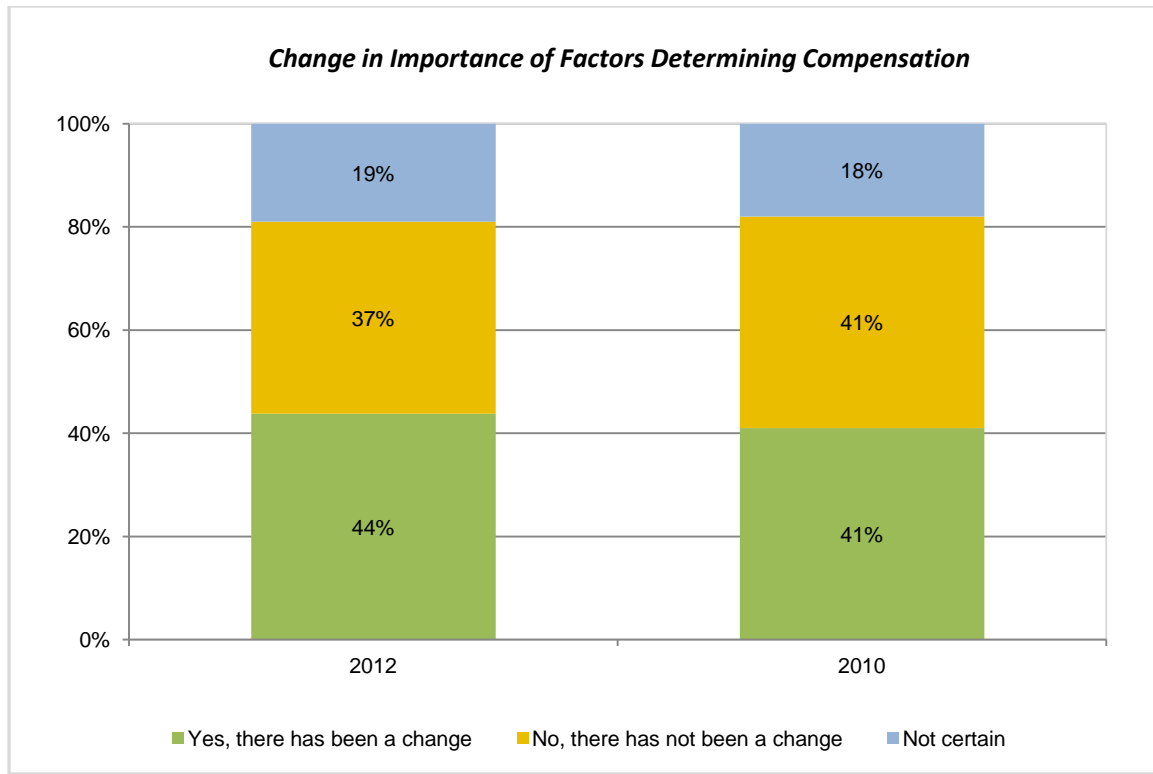


Perceived Importance of Factors Determining Compensation (2012)

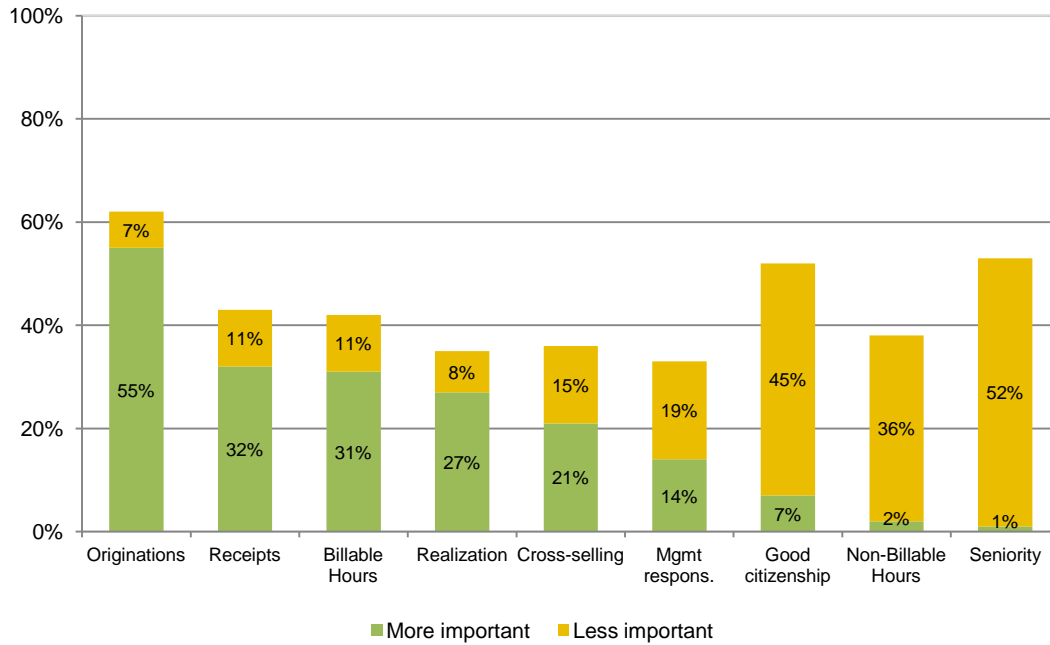


Perceived Importance of Factors Determining Compensation (2010)

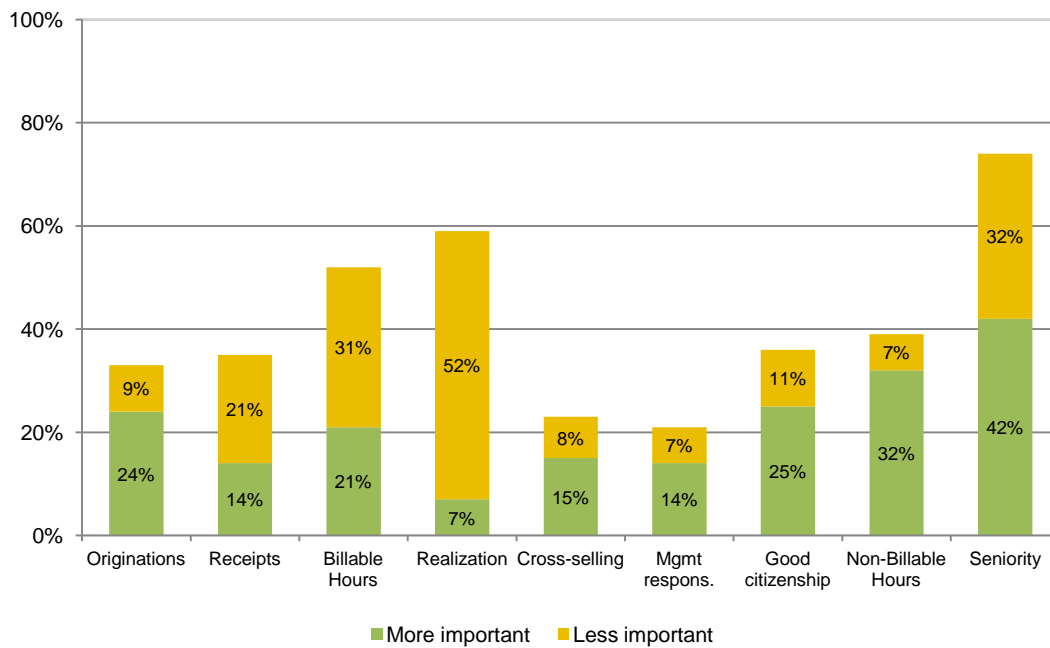


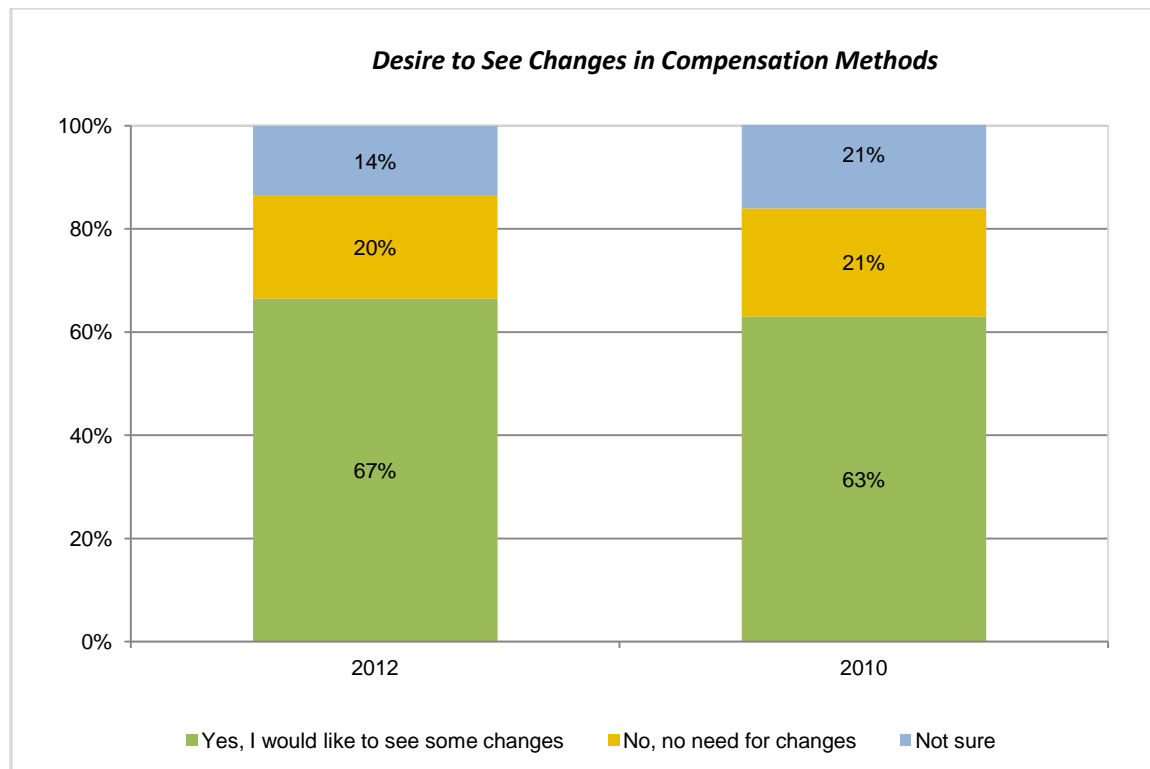


Perceived Change in Importance of Factors (2012)



Perceived Change in Importance of Factors (2010)





APPENDIX XII—QUESTIONNAIRE

2012 Major, Lindsey & Africa Partner Compensation Survey

Thank you for agreeing to participate in this survey. Your responses will be kept strictly confidential by ALM Legal Intelligence and no identifying information will be associated with your answers or forwarded to Major, Lindsey & Africa or any other party.

1. First, in what year did you graduate from law school?

- Drop down menu of years ranging from “1950 or Earlier” to “2012,” in 1-year increments

2. How many years have you been a partner at a law firm? Please include any and all law firms including your current one.

- 1 to 5 years
- 6 to 10 years
- 11 to 20 years
- More than 20 years

3. What was your Partnership Status during the 2011 compensation year?

For your response, please use The American Lawyer definitions of Partnership Status, which define Equity Partners as those who receive no more than half their compensation on a fixed-income basis and Non-Equity Partners as those who receive more than half their compensation on a fixed basis.

- Equity Partner
- Non-equity Partner

4. What is your primary practice area?

Administrative/Regulatory	Immigration
Antitrust	Insurance
Banking	International
Bankruptcy	IP - Litigation
Corporate - General	IP – Transactional
Corporate - Finance/Securities	Litigation - General
Corporate - M&A	Litigation - Appellate
Employment/Labor	Litigation - White Collar/Securities Enforcement
Energy	Project Finance
Entertainment	Real Estate
Environmental	Tax
ERISA/Benefits	Trusts & Estates
Government Contracts	Other
Healthcare	

5. In what city do you practice?

- *Drop down menu of cities and states, as listed below*

Akron, OH	Indianapolis, IN	Phoenix, AZ
Albuquerque, NM	Irvine, CA	Pittsburgh, PA
Arlington, TX	Jacksonville, FL	Portland, OR
Atlanta, GA	Kansas City, MO	Providence, RI
Austin, TX	Las Vegas, NV	Raleigh, NC
Baltimore, MD	Long Beach, CA	Richmond, VA
Birmingham, AL	Los Angeles, CA	Sacramento, CA
Boston, MA	Louisville, KY	San Antonio, TX
Buffalo, NY	Memphis, TN	San Diego, CA
Charlotte, NC	Mesa, AZ	San Francisco, CA
Chicago, IL	Miami, FL	San Jose, CA
Cincinnati, OH	Milwaukee, WI	Seattle, WA
Cleveland, OH	Minneapolis, MN	St. Louis, MO
Colorado Springs, CO	Mountain View, CA	Tallahassee, FL
Columbia, SC	Nashville, TN	Tampa, FL
Columbus, OH	New Orleans, LA	Tucson, AZ
Dallas, TX	New York, NY	Tulsa, OK
Denver, CO	Newark, NJ/Northern NJ	Virginia Beach/Tidewater, VA
Detroit, MI	Oakland, CA	Washington, D.C./NoVA
El Paso, TX	Oklahoma City, OK	Westchester, NY
Fort Worth, TX	Omaha, NE	Winston-Salem, NC
Fresno, CA	Orange County, CA	Other
Greenville, SC	Orlando, FL	
Hartford, CT	Palo Alto/Silicon Valley, CA	
Honolulu, HI	Philadelphia, PA	
Houston, TX		

6. Did you join your present firm laterally as a partner, or were you previously an associate or counsel with your present firm before making partner?

- I joined my present firm laterally as a partner
- I was previously an associate or counsel with my present firm before making partner

[IF RESPONDENT DID NOT JOIN PRESENT FIRM Laterally AS A PARTNER, SKIP TO Q.10]

7. When you joined your present firm laterally as a partner, did your total compensation increase, decrease or stay about the same as in your previous position?

By total compensation we mean all base and bonus compensation earned by you in respect of a fiscal year, even if it was paid in the following fiscal year.

- Compensation increased
- Compensation decreased
- Compensation stayed about the same (changed +/- 10%)

8. [IF COMPENSATION INCREASED – FROM Q.7] By about what percent did your total compensation increase?

- Drop down menu of percentages ranging from “10% or less” to “more than 100%,” in 10% increments.

9. [IF COMPENSATION DECREASED – FROM Q.7] By about what percent did your total compensation decrease?

- Drop down menu of percentages ranging from “10% or less” to “more than 100%,” in 10% increments.

10. Is your firm’s compensation system an open or closed one, i.e., do you know what other partners make?

- Open: I know what everyone makes, or can easily find out
- Partially Open: I know ranges of compensation, but do not know exactly who makes what
- Closed: I don’t know what anyone else makes

11. What was your total compensation for 2011?

For purposes of this question, total compensation means all base and bonus compensation received by you in respect of your 2011 fiscal year, even if a portion of it was paid in your 2012 fiscal year. [Please exclude one-time contingency case payments or other unusual payments that are unlikely to re-occur.]

- Drop down menu of compensation values ranging from “Less than \$100,000” to “more than \$8,000,000,” in \$50,000 increments.

12. What were your total originations for 2011?

By total originations we mean the total dollar value of work performed and collected by you and the other attorneys at your firm for which your efforts were the proximate cause of such work coming to the firm.

- Drop down menu of origination values ranging from “Less than \$100,000” to “more than \$30,000,000,” in \$100,000 increments through \$10 million and \$1 million increments between \$10 million and \$30 million.

13. What were your total working attorney receipts for 2011?

By total working attorney receipts we mean the number of dollars collected (or expected to be collected) by your firm for work performed personally by you in a fiscal year, even if it was collected in the following fiscal year. [Please exclude one-time contingency case payments or other unusual payments that are unlikely to re-occur.]

- Drop down menu of working attorney receipts values ranging from “Less than \$100,000” to “more than \$5, 000,000,” in \$100,000 increments.

14. What was your standard hourly billing rate for 2011?

- Drop down menu of standard hourly billing rate values ranging from “\$0-50” to “more than \$2,000,” in \$25/hour increments.

15. What were your total billable hours for 2011?

- Drop down menu of billable hours values ranging from “1,000 or less” to “more than 3,000,” in 50-hour increments.

16. What were your total non-billable hours for 2011?

This would include management, recruiting, business development, CLE, etc.

- Drop down menu of non-billable hours values ranging from “0-50” to “more than 1,000,” in 50-hour increments.

17. Is your firm's compensation system pure lockstep, generally lockstep but it allows for some variance based on certain factors, or not lockstep at all?

As you may know, lockstep means that compensation is based on seniority and not on ability, experience or work product.

- My firm is pure lockstep
- My firm is generally lockstep, but allows for some variance
- My firm is not lockstep at all

[IF RESPONDENTS' FIRM IS PURE LOCKSTEP SKIP TO Q.24]

18. For each factor below please tell us how important it is to your firm when determining compensation.

- Drop down menu of importance listing “Very Important”, “Somewhat Important”, “Not Very Important” and “Not At All Important”.

Originations

Working attorney receipts

Realization rate

Billable hours

Non-billable hours

Management responsibilities

Cross-selling

Good citizenship

Seniority

19. Which one of these factors do you feel is the most important?

Originations

Working attorney receipts

Realization rate

Billable hours

Non-billable hours

Management responsibilities

Cross-selling

Good citizenship

Seniority

20. And which one do you feel should be the most important?

Originations
Working attorney receipts
Realization rate
Billable hours
Non-billable hours
Management responsibilities
Cross-selling
Good citizenship
Seniority

21. Do you feel that over the past few years there has been any change in the importance of these factors for determining compensation?

- Yes, has been a change
- No, has not been a change
- Not certain

22. Which factors, if any, do you feel have become more important? (Please select as many as apply)

Originations
Working attorney receipts
Realization rate
Billable hours
Non-billable hours
Management responsibilities
Cross-selling
Good citizenship
Seniority

23. And which factors, if any, do you feel have become less important? (Please select as many as apply)

Originations
Working attorney receipts
Realization rate
Billable hours
Non-billable hours
Management responsibilities
Cross-selling
Good citizenship
Seniority

24. Generally, how satisfied are you with your total compensation?

- I am very satisfied
- I am somewhat satisfied
- I am not very satisfied
- I am not at all satisfied
- Can't say

25. [ASK Q.25 ONLY IF NOT VERY OR NOT AT ALL SATISFIED] If you are not satisfied with your compensation, do you feel it is because of any bias on the part of your firm such as any of the following:

- Racial bias
- Sexual orientation bias
- Bias against laterals
- Gender bias
- Cronyism
- Cannot say

26. Do you feel your total compensation should be higher than it is?

- Yes, I feel it should be higher
- No, I feel it is about right

27. Roughly how much higher do you feel your compensation should be?

- *Drop down menu of percentages ranging from "10% or Less" to "more than 100%," in 10% increments*

28. Are there any things about your compensation system that you would like to see changed?

- Yes, would like to see some things changed
- No, no need for changes
- Can't say

[IF "YES, WOULD LIKE TO SEE SOME THINGS CHANGED", ASK Q.29]

29. What would you like to see changed?

- *Write-in responses allowed at this point*

Finally, just a few background questions.

30. How large is your law firm?

- 1-50 attorneys
- 51-200 attorneys
- 201-500 attorneys
- 501-1,000 attorneys
- 1,000+ attorneys

31. What is your gender?

- Male
- Female

32. Which of these categories, used by the American Bar Association, best describes your ethnicity?

- White, not Hispanic
 - Black, not Hispanic
 - Hispanic
 - Asian Pacific, not Hispanic
 - American Indian, not Hispanic
 - Native Hawaiian or Pacific Islander, not Hispanic
 - Mixed races
-

Thank you for participating in the Major, Lindsey & Africa Partner Compensation Survey.

For Managing Partners and members of firm management who want a more detailed briefing on the results of this survey, please contact Jeffrey Lowe, Managing Partner, Washington D.C. at Jlowe@mlaglobal.com or 202-628-0661.

To learn more about Major, Lindsey & Africa, visit www.mlaglobal.com