

OCS Weekly Bulletin

January 17, 2008

Upcoming OCS Programs and Firm Events & Career-Related Articles

What's Inside

Upcoming OCS Programs and Firm Events, Pages 1-2

Career-Related Articles, Pages 3-6

OCS Staff Contact Info, Page 7

Upcoming OCS Programs



About OCS

The Office of Career Services (OCS) serves as a bridge between students, alumni and employers. The staff helps students and alumni to shape and realize their career goals. We also provide counseling, workshops and resources on judicial clerkships, international opportunities and non-law alternatives.

OCS is open Monday through Friday from 8 a.m. to 5 p.m. The office is located on the first floor in Room 143 in the Law School's office building on Nathan Abbott Way.

“What’s Your Dress Code? Find A Career That’s Tailored to You”

Thursdays, beginning January 31st.

Give us an hour a week; we’ll give you a game plan. A career plan that’s unique to you.

6 hours. Seems like a lot, we know. But don’t you owe it to yourself to invest the time? After all, what’s 6 hours compared to the 3 years you’ve already committed to your career? Take the time now to start thinking about what you want and how to get it. This series of highly interactive workshops and one-on-one counseling sessions will walk you through the process.

- Jan 31: Career Drivers -- Your Values & Interests
- Feb 4-8: One-on-One Myers-Briggs Individual Counseling Sessions
- Feb 14: Understanding Differences in Personality Types
- Feb 21: Making a List -- Exploring Career Options
- Feb 28: Building a Road Map -- Steps to Success

12:45 - 1:45 pm

Space is limited. Participants must commit to attending all 4 workshops and 1 individual counseling session. Sign up through *Symlicity* by Wed., Jan. 23, 2008.

Upcoming Firm Events

Skadden Arps 1L Cocktail Reception

Please join us for the annual Skadden Arps 1L Cocktail Reception-- Thursday, January 24th from 6:00-8:00pm in the Stanford Faculty Club Red Lounge.

RSVP by January 22nd to Lynn.Feldman@skadden.com.

Paul Hastings 1L Luncheon

Paul Hastings cordially invites you to attend an afternoon round table discussion, which will serve as a forum for you to interact with our attorneys and learn more about Paul Hastings. We will also give you the opportunity to submit resumes for our 2008 summer program. We hope you will be able to join us!

When:

Tuesday, January 29, 2008
12: 45pm - 2:00pm

Where:

Stanford Law School
Room 272

RSVP:

Elizabeth Franks elizabethfranks@paulhastings.com

Attire:

Business Casual

O'Melveny & Myers LLP Presents: "Diversity and Pro Bono: What Do These Mean to Your Legal Career?"

Join us for a lunch panel with O'Melveny attorneys and a former summer associate from Stanford.

Thursday, January 31, 2008
12:45 - 1:45pm
Stanford Law School
Room 280B

Please RSVP before January 28th to Becky Walley at rwalley@omm.com or (310) 246-6818.

Lunch will be catered by Zibbibo.

We will be raffling off a \$100 iTunes Card during the event!

Career-Related Articles

• **Leaner Pay, Bonuses May Be Reality in 2008**..... Pages 3-4

First-year associates at top firms in New York and on the West Coast made \$45,000 in bonuses in 2007 in addition to \$160,000 in base pay, with some shops doling out “special bonuses” and senior associates scoring bonuses of up to \$110,000. But all that cheer in 2007 may become a distant memory as 2008 is looking increasingly leaner and the U.S. economy continues to be troubled by the subprime mortgage collapse and rising oil prices.

• **Firms Hungry for More Lawyers in Russia**..... Pages 5-6

The recent surge in Russian IPOs has fueled considerable growth at the established international firms in Moscow. Clifford Chance has gone from around 40 lawyers in 2002 to more than 130. White & Case has seen its office boom from around 10 lawyers in 1998 to almost 100 today. And Skadden Arps has Russian visas for every one of its 115 lawyers in London, to avoid the usual overnight delay in visa processing whenever extra English- and U.S.-qualified lawyers are needed to help their Moscow office.

• **Texas Firms Interested in Golden State**..... Page 6

Texas law firms have had so much space into which to expand in their big, politically conservative state that many of them haven’t bothered with that other big state, the liberal one to the west. But that may be changing, as the biggest firms with roots in Texas explore opening offices in California. The firms say California clients and opportunities in the areas of intellectual property, high-technology, venture capital and Asia-related business are too important to handle from their Texas offices.

Leaner Pay, Bonuses May Be Reality in 2008

Leigh Jones / Staff reporter
January 7, 2008

As law firms wrapped up operations for 2007, the associate compensation picture looked eerily similar to the boom before the bust seven years ago.

The ratio of bonuses to base salaries for first-year associates at the nation’s top law firms in 2007 was on par with the figures in 2000, a year that precipitated a dramatic plunge in those annual perks that help to make the punishing associate hours more tolerable.

For 2007, beginning associates made as much as \$45,000 in bonuses in addition to the \$160,000 in base pay at top firms in New York and on the West Coast, with some shops doling out “special bonuses” and getting bragging rights ahead of competitors.

But all that cheer in 2007 may become a distant memory as 2008 is looking increasingly leaner.

“There’s more concern out there now than there was in the summer,” said James Cotterman, an attorney-compensation consultant with Altman Weil. “There’s more talk about a recession.”

Most of 2007 apparently was strong enough to support the giant bonuses at elite law firms. But subprime mortgage failures, high oil prices, unrest in the Middle East and an enfeebled dollar closed out the 2007 economy with a whimper.

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Career-Related Articles

Leaner Pay, Bonuses May Be Reality in 2008

(continued from page 3)

Big firms, big money

At top firms, including Sullivan & Cromwell; Cravath, Swaine & Moore; Shearman & Sterling; Fried, Frank, Harris, Shriver & Jacobson; and others, the \$45,000 bonuses for first-year associates ran at 22% of total compensation, which equaled \$205,000. Senior associates ended 2007 with as much as \$110,000 in bonuses alone. Some firms paid those bonuses across the board, while others tied amounts to hours billed.

Top firms, for the purposes of this article, compose a group of large New York-based law firms that generally copy one another in bonus structures. The exception is Wachtell, Lipton, Rosen & Katz, which usually provides bonuses far above the others.

Many law firms other than the top New York pack offered attractive year-end bonuses in 2007, ranging from \$10,000 to higher, but without the “special bonus” offerings.

At Weil, Gotshal & Manges, sixth-year associate Naomi Munz said she’ll put a big chunk of her bonus in her savings account. She started at the New York firm two years ago after working for a law firm in Australia, where firms bestow associate bonuses only in rare circumstances.

Weil Gotshal was one of the firms that gave out special bonuses in November, and is giving out year-end bonuses matching those in the New York market.

Munz plans to have a little fun with the windfall, too.

“I’ll end up spending some on travel,” said Munz, a mergers and acquisitions attorney.

The last time that bonus amounts at top firms exceeded 2007’s percentages was in 2000. That year, the perks for beginning lawyers equaled 24.2% of total compensation. Back then, beginning lawyers at major firms were making \$125,000 in addition to bonuses of \$40,000.

Much of the good fortune in 2000 came from growth in the Internet sector, which buoyed a strong stock market and venture capital endeavors.

By March 2001, however, 10 years of

sustained economic growth — the nation’s longest period on record — officially had come to an end, according to the National Bureau of Economic Research. The terrorist attacks on Sept. 11, 2001, sent an already faltering economy plummeting even further.

Bonuses in 2001 reflected the big changes. In sharp contrast to the previous year, first-year perks at top firms sank to 13.8% of total compensation, or \$20,000. Bonus amounts fell again in 2002 to \$17,500 for first-years and remained at that level in 2003. During that time and up to 2006, salaries for beginning lawyers remained at \$125,000.

Law firms started to rebound in 2004, when several announced first-year bonuses that were 19.4% of total compensation, or \$30,000. Salaries remained at \$125,000. The following year was the same, except that some firms in 2005 upped senior associates’ bonuses from \$50,000 to \$60,000.

Senior associates again were favored in 2006, when many elite firms increased perks for those attorneys to \$65,000, while the rate for first-year associates stayed the same. But associates enjoyed an increase in salaries, which for starting attorneys went up to \$145,000 at many big firms. Many of those same firms raised first-year pay again in 2006, at least in some of the their offices, to \$160,000.

‘Game of chicken’

But if the economy remains tepid, or grows worse, less homogeneity in bonus and salary structures is expected this year. Already, one firm, Washington’s Williams & Connolly, has raised associate salaries for 2008 to \$180,000. The firm generally does not provide year-end bonuses. The question is whether other firms will follow that salary hike or go even higher.

“It’s a game of chicken,” said William Henderson, a professor at the University of Indiana School of Law — Bloomington. His scholarship focuses on law firm operations.

Henderson expects many of the firms that were able to match the \$160,000 salaries and even some that met last year’s bo-

nus amounts will not be able to keep pace should one firm break from the pack in 2008 and increase starting pay yet again.

“Somebody’s going to play hardball,” he said. Only those law firms still performing well in a few of the most lucrative practice areas in 2008, such as mergers and acquisitions, private equity and white-collar defense, will be able muster a match, he said.

Altman Weil’s Cotterman agreed. He also expects new levels of market segmentation among law firms in 2008 and predicts that only “a handful” of firms this year will be positioned to raise pay again. He added that the stronger firms will see an advantage if the economy weakens in 2008 by hiking associate pay when they know that other firms will struggle or even fail to ante up.

“One of the times you want to play that card is when you know you have an upper hand in a challenging market,” Cotterman said.

But at least one non-New York firm, which is among the 50 largest law firms in the nation, said it will play. Its leader, who requested anonymity, said that if a New York-based firm with offices in its market raises associate pay in 2008 and other firms followed, it likely will have to keep up.

“Our firm must be competitive on salaries,” he said. “If the increase is applied in other markets, we and other firms would likely match.”

Career-Related Articles

Firms Hungry for More Lawyers in Russia

Richard Lloyd

The American Lawyer

01-07-2008

Although Skadden, Arps, Slate, Meagher & Flom has been in Moscow since 1992, its office in the Russian capital is still rather modest. Around 30 attorneys handle a typical Skadden diet of high-end corporate finance work. But reinforcements are available on short notice. The firm has Russian visas for every one of its 115 lawyers in London, to avoid the usual overnight delay in visa processing whenever extra English- and U.S.-qualified lawyers are needed on the ground in Russia.

The demand for extra lawyers is high. Typically, at any one time about 35 of Skadden's London lawyers are involved in Russian work and making good use of their visas. Since the 1998 financial crisis, when most foreign firms scaled back -- Skadden had little more than a nameplate in Moscow for more than a year -- the Russian legal market has been transformed by Russia's booming economy. Vladimir Putin has brought political stability and, although due to step down as president, looks set to continue to play a prominent role in government. Meanwhile, high oil prices mean that Russia is awash in petrodollars. Between 2002 and 2006, GDP almost trebled from \$345 billion to \$984 billion.

Capital markets practices, in particular, are in overdrive, as increasing numbers of Russian companies go public. The IPO surge has fueled considerable growth at the established international firms in Moscow. Clifford Chance has gone from around 40 lawyers in 2002 to more than 130 today. White & Case, another local leader, has seen its office boom from around 10 lawyers in 1998 to almost 100 today -- a track record that helped former Moscow head Hugh Verrier become chairman of the firm in October. Thus far, Moscow has not seen an influx of new entrants into the market, but that may be changing. Last fall, the United Kingdom's Simmons & Simmons became the first firm to launch in Moscow since Jones Day's 2004 debut, hiring the former general counsel of Russian investment bank Renaissance Capital to lead a finance practice.

"There's so much business here that

new entrants are bound to be successful," enthuses veteran Baker & McKenzie partner Paul Melling, who set up Baker's office in 1989. For many firms, the biggest problem remains finding enough bodies to do the work.

London has been the biggest beneficiary of the boom. Thanks in part to the greater regulatory demands of New York, the United Kingdom has emerged as the favored place for Russian companies to go public, and English law has become the governing law of choice for many Russian corporate finance deals. That has meant plenty of work for London lawyers and bankers: International law firms are finding that the road to success in Moscow runs through the City of London.

To put the IPO boom into context: From 1994 through 2004, Russian companies raised a total of \$1.6 billion in all markets. In the first six months of 2005, as the market began to heat up, Russian companies, such as steel giant Evraz Group S.A., raised a total of \$2.4 billion on the London Stock Exchange and its subsidiary markets, most often the Alternative Investment Market (AIM). Since 2005, the pipeline of IPOs has swelled to include the \$10.6 billion London float of OAO Rosneft Oil Company in July 2006, the \$1 billion-plus offering of steel company OAO Severstal in London in November 2006, and Russian savings bank Sberbank's \$9 billion offering in early 2007. While the credit crunch has put a brake on the flow of listings -- the multibillion-dollar London IPO of aluminum giant RUSAL was postponed in September because of market turmoil -- lawyers say there is still a glut of companies looking to list overseas or in Russia.

Although London has become the IPO market of choice for Russian businesses, U.S. firms have taken their fair share of the work. Most of the documentation may be written under English law, but the style is one that U.S. attorneys can easily recognize. Cleary Gottlieb Steen & Hamilton, for instance, advised Rosneft and Sberbank on their listings and has generally emerged as issuer's counsel of choice,

typically appearing beside Linklaters, the go-to firm for underwriters. Debevoise & Plimpton, Dewey & LeBoeuf, Skadden and White & Case have also all profited from Moscow's corporate finance boom. The model that Skadden, Cleary and Debevoise have followed is to develop highly focused, überprofitable corporate finance practices of no more than 30 lawyers. In contrast, the leading U.K. players -- Allen & Overy, Clifford Chance and Linklaters -- all have more than 50 lawyers covering a wider range of practices.

To meet the increased demand, international firms have hastily rebuilt their Russian practices after cutbacks during the late 1990s crisis. Cleary, Freshfields Bruckhaus Deringer and Linklaters have all moved partners to Moscow from New York and London. But as Freshfields's Moscow head Jacky Baudon admits, finding lawyers willing to move to Moscow can be tough. He says he'd willingly take more: "I don't even need them to speak Russian."

London-based backup remains crucial. Skadden is not the only firm to regularly deploy U.K.-based lawyers on Russian deals. Akin Gump Strauss Hauer & Feld's 30 Moscow attorneys, acting for clients such as Russian oil and gas giant OAO Lukoil, regularly call on another 20 lawyers based in London. Cleary partner Daniel Braverman, who has been a lead partner on many of the firm's Russian IPOs, including Rosneft and Sberbank, is based in London, while Dewey & LeBoeuf's Brian Zimmler splits his time between Moscow and London.

International firms have begun to make their first Russian partners: most recently, Dmitri Kovalenko at Skadden in 2007 and Murat Akuyev at Cleary at the start of 2008. But the supply of Russian lawyers remains tight. "It's a unique market, in that the economy and legal market have grown more quickly than the system can produce lawyers," says Moscow- and London-based Skadden partner Pranav Trivedi. U.S. and U.K. firms tend to hire lawyers who have graduated from one of a handful of elite Russian law schools

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Career-Related Articles

Firms Hungry for More Lawyers in Russia

(continued from page 5)

(such as the Moscow State Institute of International Relations) and who typically have a second law degree from an American or British law school. "We could hire 10 attorneys tomorrow if we could find them," says White & Case partner Eric Michailov. Also competing for lawyers are local corporations and investment banks, both Russian and foreign.

Between an overabundance of work and the scarcity of talent, firms can find

themselves stretched too thin. Last year Latham & Watkins lost both its Moscow-based partners. Capital markets partner Varun Gupta left for A&O in April, and in August former practice head Anya Goldin—"the queen of the IPO," according to Gupta—became general counsel of Russian technology, telecoms and real estate conglomerate Sistema JSFC. Latham moved quickly to fill the void, hiring capital markets partner Mark Banovich from Dewey

& LeBoeuf in September.

"Latham is very committed to Moscow," Banovich says, citing aggressive plans to build the office from around 15 lawyers today to 40 within a few years. In the meantime, the firm might consider following Skadden's lead and arranging visas for its London attorneys. Missing out on Moscow's boom is a play that few can afford to make.

Texas Firms Interested in Golden State

Lynne Marek

The National Law Journal

January 10, 2008

Texas law firms have had so much space into which to expand in their big, politically conservative state that many of them haven't bothered with that other big state, the liberal one to the west.

Three of the four biggest firms with roots in Texas, including Baker Botts; Vinson & Elkins; and Haynes and Boone, have been absent from California, but that may be changing. Baker Botts and Haynes and Boone are exploring the possibility of opening offices in Northern California as soon as 2008. The firms say California clients and opportunities in the areas of intellectual property, high-technology, venture capital and Asia-related business are too important to handle from their Texas offices.

"Today, we do have an interest in California," said Terry Conner, the managing partner of Haynes and Boone, which has its primary base in Dallas. "California has a tremendous depth of clients and business. It should be of interest to Texas firms."

Texas and California lawyers have been a bit leery of each other historically, Conner said. Texas firms have had a cultural bent, particularly with respect to politics, that led them to avoid California, said Mark Jungers, a recruiter at legal search firm Major Lindsey & Africa who

covers an area including Texas.

"On the cultural spectrum, they're very far apart," Jungers said.

Fulbright & Jaworski is one of the few Texas firms to have a sizable presence in Los Angeles, with about 70 lawyers there. Locke Liddell & Sapp launched an office in that city last year when it merged with Lord, Bissell & Brook to become Locke Lord Bissell & Liddell.

Now, the size of the Texas economy and the steady corporate wealth of high-technology companies are making the market too appealing to pass up as firms nationwide become more competitive and expansion-minded. Even the major New York firms that don't have offices elsewhere are in Silicon Valley, Jungers said.

"If you're not there, it becomes harder to do that kind of work," said Jungers, noting the headquarters of Apple Inc., Google Inc. and Cisco Systems Inc. "The new economy companies are all based in Silicon Valley."

Intellectual property litigation and patent prosecution work, as well as mergers and acquisitions business related to Asia, are driving Haynes and Boone's California interest, Conner said. The firm, which has 480 attorneys, has been growing more aggressively outside Texas in recent years and now has 70 lawyers away from the

home base, he said.

The U.S. district court in Northern California is an increasingly important jurisdiction for patent litigation with technology companies based there driving the action and judges having become sophisticated in the area, said Bart Showalter, who leads the intellectual property group at Baker Botts.

"We've got a significant number of clients who have expressed an interest in us being out there," Showalter said. "There's going to be a lot of important clients in Asia that we serve, and to have a West Coast office is a benefit."

Baker Botts, which has 800 attorneys and 150 in the intellectual property group, plans to open an office this year, Showalter said. An office in Northern California will buttress the firm's ties to Japanese, Chinese, Korean and Taiwanese clients who have operations there, Showalter said. It's a natural progression after the firm opened an office in Beijing last year, he said.

Baker Botts and Haynes and Boone expect to open the offices by relocating some lawyers and hiring others already in the city.

Contact

Office of Career Services

559 Nathan Abbott Way
Stanford, CA 94305-8610
ocs@law.stanford.edu
650 723.3924

Staff

Susan C. Robinson, Esq.

Associate Dean for Career Services
susanr@law.stanford.edu
650 723.3925

Susan advises students and alumni on a wide range of issues involving career planning and job searches. She also works closely with employers to assist them in utilizing OCS resources to maximize the recruitment of SLS students and alumni.

Elizabeth C. Armand, Esq.

Director of Judicial Clerkships
earmand@law.stanford.edu
650 723.0363

Elizabeth is responsible for all aspects of the judicial clerkship application process and manages the legal recruiting program for advanced degree students. She is available to counsel all students on career planning and job-search strategies for private sector as well as judicial clerkship and externship opportunities.

Lee Kite

Private Sector Advisor
lkite@law.stanford.edu
650 725.5045

Lee Kite is a Private Sector Advisor with more than 17 years of experience in legal recruiting and she advises students on private sector careers and options. She has reviewed thousands of resumes, interviewed and evaluated candidates, and served as an informal counselor to summer and new associates.

Maureen Krantz, J.D.

Director of International and Advanced Degree Programs
mkrantz@law.stanford.edu
650 725.6786

Maureen advises students on international career strategy and development. She also oversees the legal recruiting program for foreign trained lawyers in the advanced degree programs and works with firms and organizations to expand international opportunities for Stanford students.

Melissa Leger

Associate Director of Career Services
melissa@law.stanford.edu
650 723.3924

Melissa Leger runs both the Fall and Spring Campus Interviewing Programs, and is the primary liaison between students and the employers who recruit them.

Renee Ritucci

Career Services Coordinator
rritucci@law.stanford.edu
650 723.3924

Renee is the primary contact for the office and works closely with employers who wish to recruit Stanford Law School students and alumni. She also provides technical assistance with the online jobs search database and helps coordinate the spring and fall Campus Interviewing Programs.

Deidre Sparks, Esq.

Private Sector Advisor
dsparks@law.stanford.edu
650 725.5045

Deidre Sparks is a Private Sector Advisor who advises students on private sector careers and options. Prior to joining Stanford, Deidre was Special Counsel at Cooley Godward LLP. She practiced corporate law for a number of years and then moved into professional development. She has served on her firm's summer and recruiting committees, interviewed on campus and served as a mentor to summer and new associates.