

THE
AMERICAN LAWYERWinston, Seeing Strength in
'Big Litigation' and Miami Practices,
Sets Firm Revenue and Profits Records

By Andrew Maloney

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What You Need to Know

- The Chicago-founded firm saw a slight downturn in revenue per lawyer as it grew its head count about 4.6%.
- Incoming firm chair Steve D'Amore noted the firm built up in Miami, and is also looking for more growth internationally.
- 'I think I would not be a prudent leader of the law firm if I said I'm not open to growth opportunities in whatever shape or form they come in,' D'Amore said.

As its litigation and finance practices picked up activity, Winston & Strawn achieved firm records in revenue and profits last year, growing its topline by about 4% to roughly \$1.2 billion, and average profits per equity partner by roughly 2.5% to more than \$3.2 million.

The Chicago-founded firm, which announced last fall that Steve D'Amore was set to take over for longtime chair Tom Fitzgerald this summer, saw a slight downturn in revenue per lawyer, as it grew head count by 4.6% to roughly 890 lawyers.

Firm leaders said the head count growth was intentional, particularly after opening an office in Miami in 2022 and growing that location from six partners to 16 partners and 33 lawyers total. D'Amore said in an



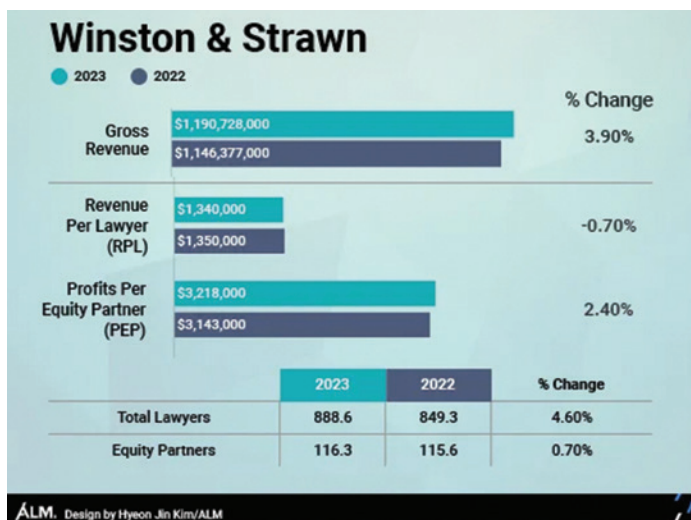
Courtesy photos

Tom Fitzgerald, left, and Steve D'Amore, right, of Winston & Strawn.

interview that the firm is excited about its investment in South Florida, as a gateway to other parts of the world and as wealth and capital continued to relocate there from the Upper East Coast.

"The yin and yang of that is we add practitioners and we hope to get a lift from that, of course," he said. "But at the same time, we have to integrate those practices, and so the real impact of those investments is going to continue to be felt in the future as those investments really take root."

As the total lawyers count rose, the number of partners stayed almost the same, with the number of both equity and nonequity partners rising less than 1%, to 116 and 226, respectively.



Additionally, said Fitzgerald, the firm increased billing rates by roughly 7% or 8% overall—though, there are plenty of matters that are billed on something like a fixed fee basis and/or have “tremendous nuance.”

He added that the firm looks hard at its effective realization rate, which was pretty steady at 81% in 2023 after coming in at 82% in 2022.

Despite a 4% decrease in the number of hours billed, down to about 1,680,541 in 2023, Fitzgerald said the firm still handled more services for clients.

“In a year that had challenges, that was a remarkable accomplishment,” he said. “We leave Steve and this new administration with a substantially improved financial state.”

D’Amore also chalked up the performance last year to strength in litigation as well as a pickup in finance work. He said the transactional practices were affected by “the same market conditions that affected all other firms,” but that Winston will continue investing in middle-market and rising private equity.

“We still continued our strength in big litigation, middle-market and rising private equity, and what I refer to as specialized finance, structured finance, project finance,” he said.

He said they’d like to continue building in New York and Texas in particular.

Internationally, London “did nicely year over year” and D’Amore wants to increase the firm’s focus on markets outside of the U.S. moving forward, he said. London and Paris are priorities “No. 1 and No. 1A,” he added, in terms of international cities Winston would like to bolster. The firm declined to detail its London and European office revenues.

“We’re still not the size in London that I want us to be, so there’s more work to do there in terms of growth,” D’Amore said. The firm has about 50 people in that office and about 73 in Paris.

“Once I feel very strong there, other markets will be up for consideration,” he added.

D’Amore said the firm is not in merger talks but Winston is “always open” to opportunities that can enhance the firm for its clients and its people. The primary criteria is that the transaction would have to make Winston “a better firm, not just a bigger firm.”

“I think I would not be a prudent leader of the law firm if I said I’m not open to growth opportunities in whatever shape or form they come in,” D’Amore said.

As new leadership takes control, Fitzgerald, the outgoing leader, said Winston is strong financially and has a strong balance sheet. Fitzgerald, who will step down as chair in June, added that he’s proud of the transition process because succession planning can and does go awry.

“Law firms are a collection of individuals. We don’t sell Buicks or Oreo cookies. We sell people and services, and Winston has successfully made the transition from my generation to the next generation,” Fitzgerald said. “It has done so picking a great team and a great leader, it’s done so with a combined spirit and commitment, and has done so in a way that will ensure the survivability and success of the firm.”

“We’re 170 years old, and we’re going to get” to the firm’s 200th anniversary, he added.