

Winston Acquires Boutique and Hires Sidley Trio to Bulk Up on West Coast

The Am Law 100 firm is acquiring a Los Angeles boutique that has generated about \$12 million a year in revenue in recent years.

By Andrew Maloney
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Citing a strategy to boost its core strengths and expand on the West Coast, Winston & Strawn has acquired Los Angeles-based Scheper Kim & Harris, a 15-lawyer white-collar and complex litigation boutique.

The Chicago-based firm, ranked 40th in the most recent Am Law 100, also announced Tuesday a separate, three-lawyer pick-up in real estate restructuring from Sidley Austin, bringing its new lawyer addition this week to 18 and its head count in Los Angeles to just under 90 lawyers.

"This is a part of an overall strategy that Winston has to expand on the West Coast, not just in Los Angeles, but San Francisco and Silicon Valley," said Eva Davis, managing partner of the firm's Los Angeles office and co-chair of its private equity practice. She said the disruption caused by COVID-19 is also likely to bring in more work in real estate and restructuring.

Despite having a "great" year in 2020 and generating about \$12 million a year in revenue for the last few years, the Scheper Kim lawyers said they couldn't pass up the merger opportunity. They said Winston chairman Tom Fitzgerald wrote them a letter last summer offering "a better entrée and better mix of cases," Dave Scheper recalled.

Scheper, a former Winston attorney who helped open the Am Law 100 firm's Los Angeles office in 1999, said his familiarity with the firm, as well as a pandemic that forced him to think big-picture, helped accelerate the deal.

"We had an amazingly good 2020, but I think we'll have a better 2021 because we can access better resources coast to coast and across the oceans," he said.

Angela Machala, managing partner for Scheper Kim, said Winston's focus on diversity and the team's forthcoming ability to provide a full slate of services for their clients on the Winston platform made the offer especially attractive.

"We'd been approached by several large law firms over the last few years, and the pluses of leaving what we built at Scheper Kim never outweighed the minuses until we got the Winston letter," she said.

Meanwhile, the firm's new real estate restructuring lawyers are former Sidley partners Paul Walker, Liz Walker and Bruce Fraser, who are joining as partners in Los Angeles. The group counts clients in more than 30 states, Winston said.

Paul Walker said in an interview that Wells Fargo, Credit Suisse, private equity fund Kildare Partners and investment management and services firm 3650 Reit were all clients, and he anticipates they will stay with the team when they join Winston.

He said that predicting the future in real estate is a tough task, "but if you look at the office market, you look at retail, it's a disaster," he said. "If you look at the hotel industry, it's going to need rescue capital. It's going to be a pretty busy year."

A spokesperson for Sidley could not immediately be reached for comment on the move.

Davis, Winston's managing partner in Los Angeles, said the separate group hires just happened to occur at the same time.

"We'd love to have Paul and Liz and Bruce with us, COVID or no COVID, but now there's much more of a focus on real estate and restructuring," she said. "The Scheper Kim team, that's really them complementing our global national trial practice, and just getting more heft and more weight on the West Coast."

I'm a Chicago-based reporter covering the business of law, focusing on national and global law firms for The American Lawyer, Law.com and other ALM publications.



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Winston & Strawn offices.

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