

Growing Brownstein Boosts Revenue as Lobbying Stays Strong

Brownstein Hyatt managing partner Richard Benenson said the firm's D.C. office and its gaming, natural resources, litigation and middle-market M&A practices all helped drive double-digit revenue growth.

By Lizzy McLellan
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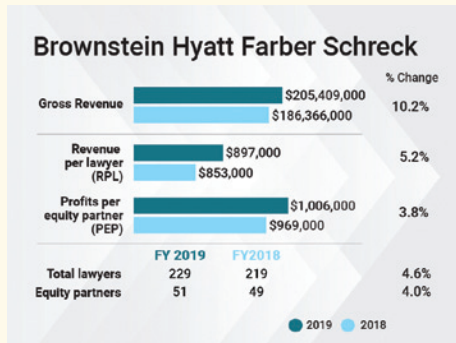
As it continues to build momentum in lobbying and other practices, both in Washington, D.C., and nationally, Brownstein Hyatt Farber Schreck saw strong revenue growth for 2019 and an increase in profits, despite ongoing investments in the firm.

Brownstein saw gross revenue grow 10.2%, to \$205.4 million in 2019 from \$186.4 million in 2018. Revenue per lawyer was up 5.2% to \$897,000 in 2019.

That included lobbying revenue of \$40.7 million for the year, managing partner Richard Benenson said. According to the Center for Responsive Politics, those revenues included \$39.54 million from federal lobbying, which was second only to Akin Gump Strauss Hauer & Feld, which raked in \$42.7 million. Brownstein Hyatt narrowly led Akin Gump in the

second quarter of the year, when it brought in \$10.07 million in lobbying revenue.

Benenson noted that the government relations practice was particularly strong in the last three quarters of 2019.



Profits per equity partner were up 3.8% to just over \$1 million, compared with \$969,000 in 2018. Net income increased 8.1%, to \$51.7 million.

Benenson said practices performed well across the firm. Particular highlights he noted were in the D.C. office, the gaming practice, natural resources, litigation and middle-market mergers and acquisitions.

The firm saw head count increase by 4.6%, to 229 lawyers in 2019, while the partnership grew by four lawyers, to

133. The additions were split evenly among the equity tier and the nonequity tier. Equity partners totaled 51, and nonequity partners numbered 82.

In total, Benenson said, Brownstein Hyatt hired almost 50 people in 2019. He said the firm invested much of its additional revenue in 2019, so he sees RPL as a better barometer of success than PEP.

Those investments included raising associate salaries—they now start at \$150,000 in the firm's Denver headquarters—as well as cybersecurity and privacy measures and C-suite positions. The firm brought on chief operating officer Barbara Mica from Munger, Tolles & Olson in March, and it is pursuing a ISO27000 certification in the security space.

The firm also expanded in Nevada and added a Wyoming office early this year, when it absorbed a three-person group early this year, led by shareholder Neal Tomlinson.

While the firm raised rates by an average of 5.2%, its pricing strategy overall did not change, Benenson said. A significant number of client relationships involve monthly retainers, he said, and between 3% and 5% of all revenue comes from other “nontraditional” fee arrangements like success fees and hybrid fees.

In 2020, Benenson said, the firm will continue to grow and invest in talent, as well as support multidisciplinary groups.



Richard Benenson, with Brownstein Hyatt Farber Schreck.

Lizzy McLellan writes about the Pennsylvania legal community and the business of law at firms of all sizes. Contact her at lmclellan@alm.com. On Twitter: @LizzyMcLell