

Growth Proposition

Mid-sized firms join network for a bigger platform, sans merger

By Petra Pasternak
RECORDER STAFF WRITER

At San Francisco's Brydon, Hugo & Parker, about 70 percent of firm revenues come from product liability litigation. To help diversify, partner John Brydon said he's looking to expand the firm's existing bad-faith insurance coverage and commercial trucking litigation work. Rather than merge the 32-lawyer firm into a bigger one to get the benefits of geography and resources — something Brydon says its leaders are not interested in doing — Brydon, Hugo has magnified its reach by hooking into a network of similar-sized firms with similar goals.

Part of its marketing approach is to get exposure to new carriers and trucking company representatives through events organized by Primerus Law Firms, a club of firms, each with fewer than 50 lawyers. Lawyers at firms like Brydon, Hugo interviewed for this story say that membership has raised their profile and opened doors to new clients and experts in far-flung corners of the country, among other benefits.

Of course, it's not enough to sign up, sit back, and wait for the referrals to roll in. And there's an ongoing cost: Member firms pay a flat monthly fee of \$1,250.

"It's not inexpensive," said Brian Davidoff, managing partner at Los Angeles firm Rutter Hobbs & Davidoff. "But like any organization, in order to make it work, you've got to get involved. You go to national conventions, and you have the cost of going there, and time out of your practice." Membership probably doesn't make sense for small firms that have no ambitions beyond their own region, he added.

But those who do engage say they've found plenty of upside. Brydon, though reluctant to divulge exact figures, does say that over the last four years, his firm has gotten between \$100,000 and \$500,000 in new business from contacts made through Primerus. He says the



JASON DOY

WORTH EVERY PENNY: John Brydon finds his firm's \$1,250-a-month membership well worth it. "I wouldn't be doing it if I didn't think it was a wise investment."

San Francisco defense firm generates about \$10 million in gross revenue annually.

Through Primerus, Brydon, Hugo gets connected to about 1,200 defense and plaintiff trial lawyers and transactional attorneys across the country. The lawyers meet several times a year and bring clients to share. For Brydon, Hugo, it's been a source not just of new client contacts, but also of manpower whenever one of its national clients needs help with matters outside California.

"The amount of money we've spent has been far exceeded in the amount of business we've been able to generate," Brydon said. "I wouldn't be doing it if I didn't think it was a wise investment on the part of my firm."

Primerus seems to have tapped into an unmet need. Formed in 1992, its membership has more than doubled in the past five years, according to its president, John "Jack" Buchanan — from 44 law firms in 2003 to about 100 today. To minimize competition among members, only a small number of

firms are allowed in per region, and each firm must focus on either defense litigation, business and corporate transactional work, or plaintiff-side representation of consumer groups and individuals.

With a membership that covers about 100 offices in 80 cities, Buchanan said, Primerus is big enough now that it's easier to get attention from clients such as Cox Communications Inc. and Tamko Building Products. "We go to big companies and say: 'Why pay the big prices?'" he said. "Clients are just as anxious to find good lawyers as lawyers are to find good clients."

Having recently added a firm in Canada, Primerus has begun a push to the international stage, with additions planned in Europe and Asia in the next five years, Buchanan said.

FINDING A TRUSTWORTHY FIRM

The red flags were up and flapping when Scott Buresh looked over his client's bill recently. The Berkeley defense attorney routinely handles liability claims for a

national medical-products maker, which is being sued for punitive damages on the East Coast. The bills from the client's Washington, D.C.-based outside counsel handling the litigation were irregular, Buresh said, with charges for work that he deemed unnecessary and wasteful. The result, he said, was that the client had more uninsured exposure in the case.

Having gone to a Primerus conference in 2007 with Brydon, Buresh — who is not a member — called him seeking a recommendation for a Maryland firm. Brydon's suggested firm, which was in the process of joining Primerus, turned out to be on a list of firms that the client's insurance carrier had already vetted.

"We're in the process of switching," Buresh said.

Primerus is not a new or unique model. Some networks boast more global memberships. Among them is ALFA International, a collective that counts about 125 member firms in the United States, Canada, Latin America, Europe and the Pacific Rim, and USLAW Network Inc., with a membership roster of 84 U.S. and European law firms, according to its Web site.

About three years ago, leaders at Rutter Hobbs decided that in order to better compete with other mid-sized firms, they'd have

to make a change. "The only way we saw possible to do that was by joining up with an affiliation of firms," Davidoff said.

Today, it has about five or six lawyers more than when it joined Primerus, said Davidoff, who says the firm's access to a national affiliation has helped in recruiting. Rutter Hobbs recently brought in a lawyer from the bigger Bryan Cave firm. "It was of concern to him because he has clients in different jurisdictions," Davidoff said. "We were able to bridge that."

Hugh McCabe, of San Diego firm Neil, Dymott, Frank, McFall & Trexler, another Primerus member, said that he refers a client to a lawyer in another state just about every month.

It helps that Primerus limits the number of its lawyers in any one city or region, McCabe said. "You're never competing against a large number of members."

Russell Reiner, of Redding plaintiff firm Reiner, Simpson & Slaughter, said that he's expanded his network of contacts by about 20 plaintiff firms across the country since joining Primerus about three years ago. Since then, he's gotten about seven referrals from other members, what he calls a small percentage of his personal injury firm's caseload.

But he says information-sharing has been one of the most important benefits. It's cut

down on his search time for experts. "It's extremely helpful to have another plaintiff attorney say: 'Yes, I've used this expert witness, and yes, the expert is good,'" Reiner said.

Primerus helps on the marketing front, as well, putting out a newsletter to clients on defective products and other topics of interest. "When we have cases in the office that we think would be of interest to the public, we can add our stories to the newsletter," Reiner said.

Earlier this month, Brydon attended a four-day conference in Tahoe put on by the American Trucking Association, where he put his Primerus contacts to use. He was one of four lawyers — the others from member firms in Southern California, Florida and Alabama — who organized a dinner for about 35 conference attendees and spouses.

"We made multiple contacts" at the conference, he said. "Probably between five and 10 representatives from trucking companies that hopefully will think of us when their litigation needs arise that we hope to follow up on."

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