Attorneys and Law Firms in Hampton Roads

ATTORNEYS AND LAW FIRMS IN HAMPTON ROADS

Who hasn't heard a joke about lawyers? While it might be enjoyable for us to poke a bit of fun at attorneys here, we'll forgo that pleasure because we have a serious goal for this chapter. We want to illuminate the markets for lawyers, attorneys and law firms in Hampton Roads.

First things first. What is the difference between a *lawyer* and an *attorney*? These terms often are used almost interchangeably. **Traditionally, a lawyer is an individual trained in the field of law who can provide advice on legal matters. An attorney, however, is an individual licensed to act on a client's behalf and who is able to represent that client in court. Even so, the Code of Virginia typically utilizes the term lawyer rather than attorney except when referring to the attorney general.**

Lawyers rival politicians as targets for aggressive stereotyping. To wit: the notion that the legal profession is filled with rapacious individuals who are only interested in generating fees and billable hours that will increase their incomes. In this view, these lawyers have only a passing interest in "justice," however that might be defined.

Reality is that such stereotypes, while salient for the occasional legal miscreant, usually sail wide of the mark. Taken as a group, attorneys are notable for their probity, reliability and dedication. Millions of Americans can and do put their trust in the work of attorneys and are not disappointed. Further, many attorneys do not earn high incomes and more than a few donate pro bono hours of legal service to those in need.

An important reason why it is difficult to generalize about attorneys is that there is remarkable variation in their demographic and operational characteristics. This is true nationally and in Hampton Roads. Some attorneys are members of large firms that boast hundreds of attorneys who pursue their profession in multiple locations around the globe, while others ply their trade in the solitude of single-office firms that usually carry their own names.

Further, though many lawyers earn attractive incomes, this certainly is not true for all. **Table 1 reports data from the Bureau of Labor Statistics (www.bls.gov) that reveal that the mean annual income of the 4,950 individuals classified as lawyers in Hampton Roads was $115,690 in May 2011.** In Washington, D.C./Northern Virginia, the BLS reported that the mean income of a lawyer was $157,780. These are attractively high numbers, but they disguise a highly differentiated market. The 2012 annual report of the Association for Legal Career Professionals (NALP), http://www.law.syr.edu/_assets/documents/professional-and-career-development/James%20Leipold%20Article.pdf, found that the mean starting salary of a new lawyer was only $63,000 in 2010 and that this salary had fallen 12.5 percent from 2009.

NALP also reported that the mean starting salary for lawyers working within the federal government was $62,000, while it was $44,000 within state government, $50,000 within local government and $42,900 for positions within public-interest groups.

Perhaps the most telling indication that all lawyers are not created equal, however, is NALP's finding that 29 percent of all new law school graduates either were working part time or in a temporary position, or both.

We will return to Table 1, but there is one additional point that should be made relative to the wage rates and incomes reported there. The BLS "mean hourly wage rate" computation for each metropolitan area rigidly assumes that each lawyer works 2,080 hours per year, that is, 40 hours per week, 52 weeks per year. Our conversations with local lawyers revealed that this is a misleading assumption because many lawyers put in 60- to 70-hour weeks on a regular basis (though all of these hours may not be billed to clients) and it is commonly assumed that these work demands are the way medium- to large-sized legal firms operate. This makes a significant difference in how the income numbers in Table 1 are interpreted. In Hampton Roads, for example, if a lawyer works 60 hours rather than 40 hours per week, then her hourly wage rate shrinks from \$55.62 to \$37.08. It is not so easy to make a case that the typical lawyer is "overpaid" if she works much longer hours than the average employee and ends up earning only \$37.08 per hour for her efforts.

Nevertheless, lawyers in Hampton Roads are reasonably well paid compared to those who occupy other professions. Graph 1 reports the average income earned in May 2011 by workers in a variety of occupations that usually require considerable education beyond a baccalaureate degree. **The mean annual income of lawyers (\$115,690) is well below that of physicians, but well above incomes earned by a variety of other professional occupations, including computer and information research scientists, electrical engineers and social workers, and approximately the same as the average income earned by college administrators.**

Thus, while legal stereotypes may contain a few elements of truth, most are overly broad generalizations that don't adequately characterize either the increasingly diverse demographics of the profession, or the rich variety of environments in which lawyers operate. Our region is home to many attorneys and they do many different things. One of our primary aims in this chapter is to enlighten readers as to how and why this is so. We will begin by examining the market for attorneys – that is, the supply of attorneys relative to society's demand for them.

TABLE 1

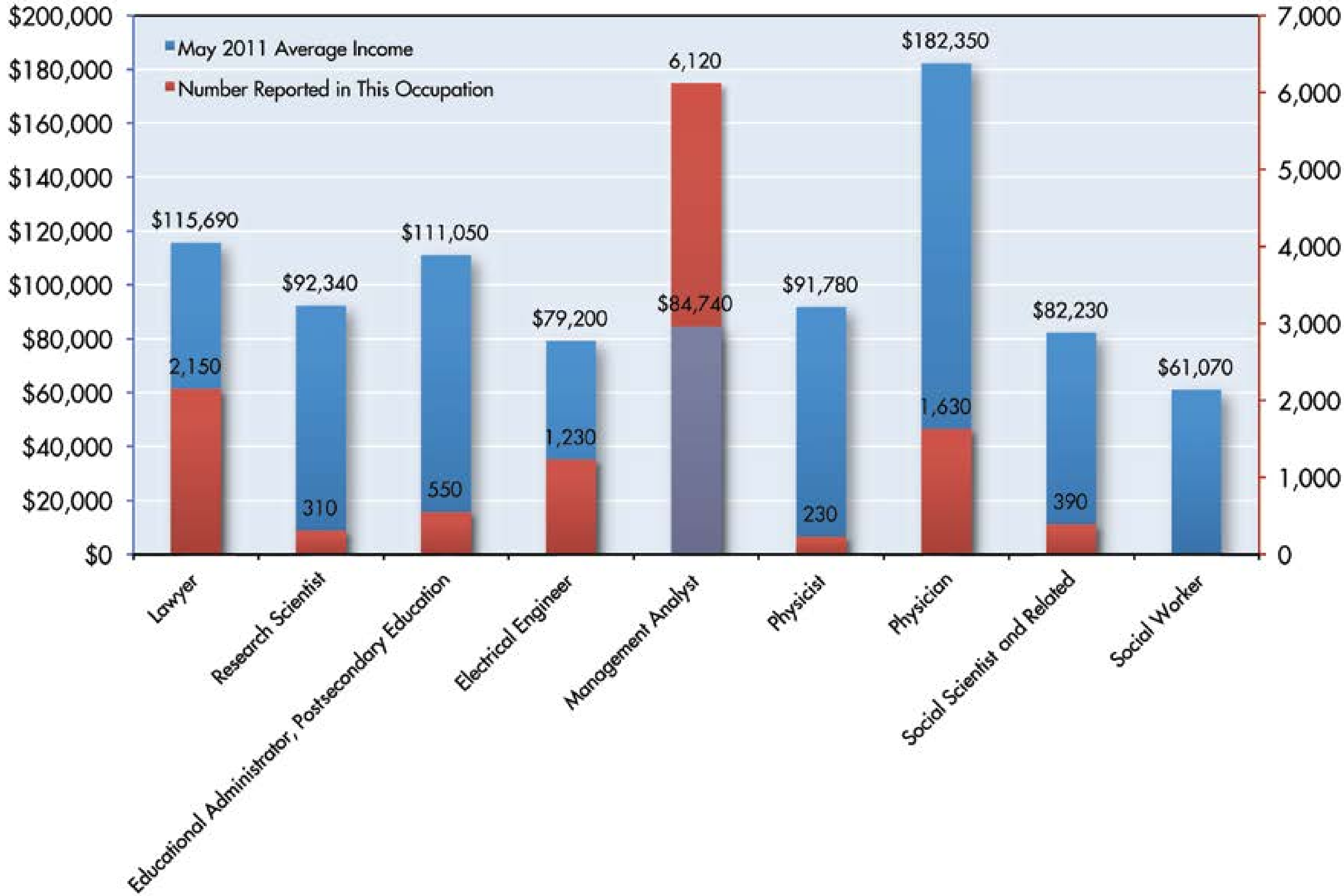
BUREAU OF LABOR STATISTICS DATA FOR HAMPTON ROADS, WASHINGTON, D.C./NORTHERN VIRGINIA, RICHMOND, CHARLOTTE AND JACKSONVILLE, MAY 2011

	Number of Lawyers and Percentage of Labor Force	Mean Hourly Wage	Mean Annual Wage
Hampton Roads	4,950 (0.030%)	\$55.62	\$115,690
Washington, D.C./ Arlington/Alexandria	38,230 (1.655%)	\$75.86	\$157,780
Richmond	2,780 (0.047%)	\$60.87	\$126,600
Charlotte	3,150 (0.038%)	\$60.66	\$126,170
Jacksonville	2,410 (0.042%)	\$46.99	\$ 97,740

Source: Bureau of Labor Statistics, http://www.bls.gov/ncs/ocs/compub.htm#Division

GRAPH 1

COMPARING THE AVERAGE ANNUAL INCOMES OF WORKERS IN VARIOUS OCCUPATIONS IN HAMPTON ROADS, MAY 2011



Source: www.bls.gov/oes/current/oes_47260.htm

An Old Story: Supply And Demand

Numerous newspapers and professional trade journals have written about changes in the practice of law and have concluded that today we live in a world in which there is an oversupply of lawyers. What does "oversupply" mean? An excess supply of lawyers means that at existing wage rates paid them (as represented by their billing rates for their services, per hour), there are more lawyers wishing to provide work than there are clients who want to hire them.

Evidence (which we describe below) strongly indicates that there is an excess supply of lawyers, though not in all specialties, not in all localities and typically not for the graduates of the most prestigious law schools. The best indicators of the oversupply are stagnant legal incomes and the souring placement rates for new attorneys.

In what some might consider to be a "man bites dog" scenario, **a few law school graduates have sued the very institutions that granted them their degrees on the grounds that these schools falsely depicted overly favorable job market conditions for their graduates.** True, those suing typically did not graduate from the most prestigious law schools and in many cases they had accumulated impressively large debts in order to obtain their law degrees. Nevertheless, relative to their probably inflated job market expectations, they have not done well and have sought recompense from their law schools.

Two such legal actions have involved graduates of the nation's largest law school, the 4,000-plus-student Thomas M. Cooley Law School (an institution with four campuses in Michigan and one in Florida), and the 1,600-student New York Law School. Neither is highly ranked in most law school ranking systems. Both have been accused of embroidering their placement and salary data even while charging increasingly high tuitions. For example, The New York Times (David Segal, July 16, 2011) reported that the New York Law School (not to be confused with New York University) was ranked in the bottom one-third of all law schools nationally in terms of quality, but charged $47,800 per year in tuition in fall 2011. Indeed, with respect to tuition, the same New York Times article reported that between 1989 and 2009, the overall increase in college tuition was 71 percent, but law schools raised their tuitions a stratospheric 317 percent during this period.

In most markets, when there is an excess supply of a good or service, those who are supplying that good or service either contract the amount they are supplying, or they exit the market. These actions exert downward pressure on prices as suppliers begin to compete with each other for the limited number of available customers. As prices fall, this causes two things to happen. First, some suppliers react by supplying fewer units. Second, a few other suppliers leave the market entirely. Eventually, customers find the good or service more attractive at lower prices and begin to purchase more units. This restores equality between the number of units that producers want to supply and consumers wish to purchase.

The market adjustment process just described doesn't always occur immediately. Let's contrast two familiar markets in this regard. If supply exceeds demand at existing prices at a Norfolk Tides baseball game, then hot dog vendors shutter their operations and go home. This can occur literally between innings.

On the other hand, when supply exceeds demand at going sales prices in the housing market, the adjustment process nearly always is much slower. An important reason for this is that the inventory of houses available seldom changes rapidly. Hot dog vendors at the Norfolk Tides' Harbor Park may disappear in the middle of a game, but most houses are here to stay. Consequently, sometimes it takes years for the supply of housing to adjust to new realities.

Here is the nub of the matter – the market for lawyers has more in common with the housing market than it does with the hot dog vendors at Harbor Park. **The market for lawyers notoriously reacts slowly to changes in supply and demand.** Yes, when there is an excess supply of attorneys, billing rates and fees tend to decline, but not rapidly and often not publicly. In economic parlance, billing rates and fees are "sticky downward" and don't decline as rapidly as one might anticipate. This delays market adjustments as law firms and individual lawyers only reluctantly abandon their previous billing schedules and then often without acknowledging such.

Historically, the existing supply of lawyers has not been highly responsive to changes in lawyers' incomes. In economic jargon, the elasticity of supply of lawyers relative to their incomes is small. There are several reasons for this. First, prospective law students do not seem to be especially well informed about supply and demand conditions for lawyers. They often enroll in law schools and accumulate debt in situations that a more detached, informed analysis would suggest is ill advised. However, some law schools have exacerbated this situation by promoting law degrees as an analog to an M.B.A. degree by arguing that a law degree broadly prepares holders for a wide range of positions, only some of which are specifically in the law itself (Katherine Mangan, The Chronicle of Higher Education, May 27, 2012).

Second, the pipeline for new lawyers is at least three years in length and once in the pipeline, most candidates tend to persist, sometimes because they believe – or hope – things will improve by the time they graduate.

Third, it has not been in the best financial interest of most law schools to contract the sizes of their programs. Compared to other post-baccalaureate professional programs (such as medical programs that produce physicians), the costs of providing legal education are not high. In fact, on most campuses, law school programs are "cash cows" that are capable of generating substantially more revenue than they cost. Further, law school graduates often occupy key occupational and political positions, and this is another reason administrators are loath to diminish the flow of potential law school alumni. When all is said and done, most senior administrators have decided to continue to generate law school graduates even though they know that many of those graduates will exit with crushing levels of debt and face dim employment prospects.

The results have been predictable, economically speaking. **New graduates often have encountered difficulty in finding full-time, permanent positions; the advancement of attorneys within their organizations has slowed; many attorneys' incomes have stagnated; actual billing rates have decelerated or ceased to climb; price cuts (often secret) are being offered; there is increasingly aggressive advertising of cut-rate legal services; many employers are making increased use of part-time and temporary attorneys; and the outright bankruptcy or dissolution of some legal firms has occurred.**

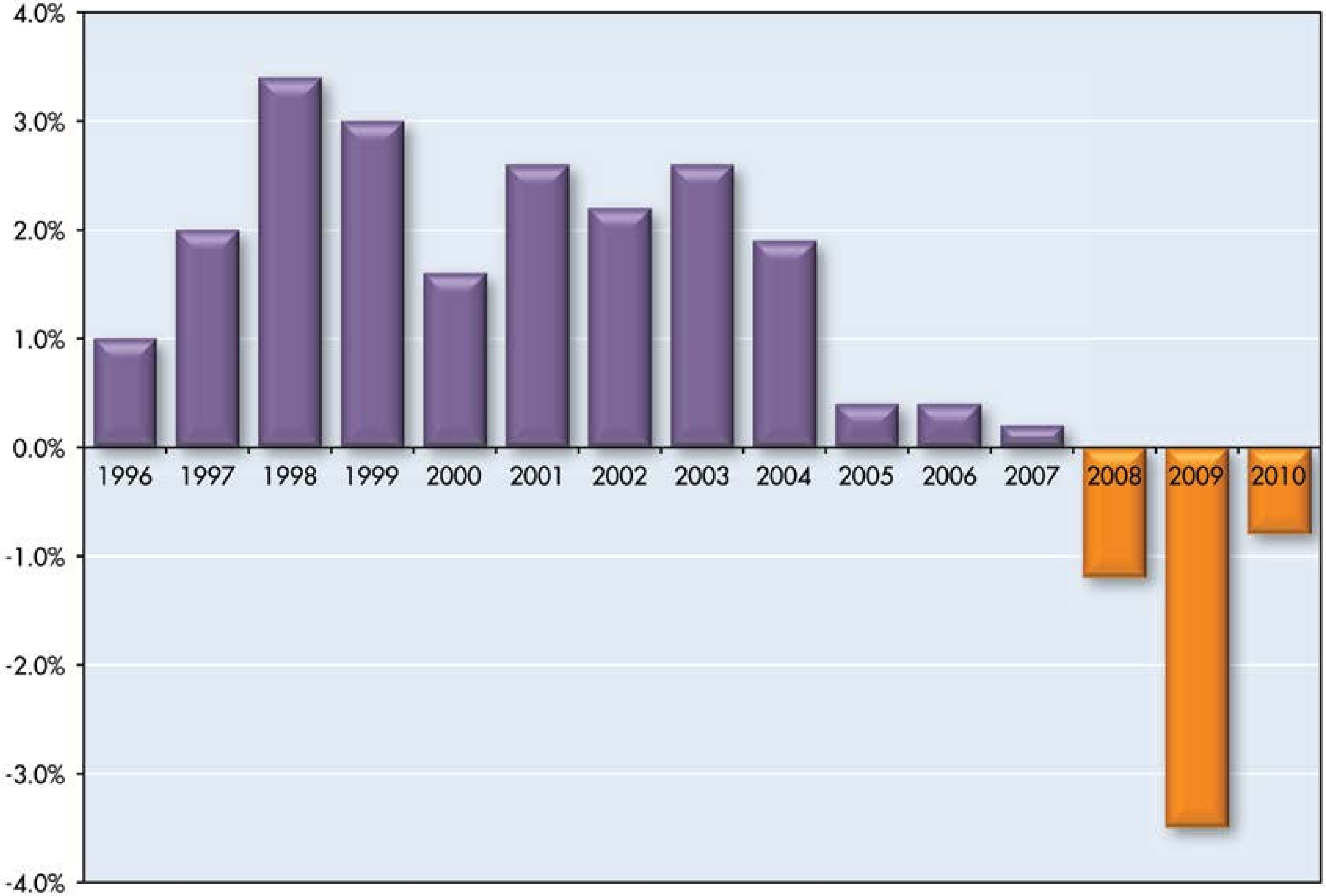
Graph 2 depicts the decline in employment that occurred nationally, 2008-10, in the general category of "legal services." This is a term that includes not only lawyers, but also paralegals and a variety of other people who work for law firms. The largest 250 firms in the United States reduced their employment of lawyers by more than 9,500 (8 percent) in 2009 and 2010 (The Economist, May 11, 2011). This was an eye-opening change since employment in the legal services profession had expanded almost every year for half a century. **Indeed, the share of gross domestic product devoted to legal services grew from .4 percent in 1978 to 1.8 percent in 2003** (The Economist, May 11, 2011). Amazingly, during this interval, the legal industry grew approximately four times as fast as the American economy as a whole. The eminent economist Herb Stein once averred to the effect that things that cannot go on forever, don't. Such was true here. The steady expansion of the legal industry could not continue indefinitely and came to a screeching, reverberating halt.

One attorney to whom we talked in preparing this chapter highlighted several of the practical effects of the deterioration of the market for lawyers:

> *We are simply hiring fewer associates. I have noticed that it is much more difficult to make partner than it used to be. The criteria used to be rather subjective, but now the criteria are overly objective and heightened. Basically, only attorneys that control a substantial book of business will be making equity partner.*

GRAPH 2

CHANGES IN U.S. EMPLOYMENT IN THE LEGAL SERVICES CATEGORY OF THE BUREAU OF LABOR STATISTICS, 1996-2010



Source: Adapted from data found in The Economist (May 11, 2011)

A CLOSER LOOK AT THE SUPPLY OF ATTORNEYS

The legal profession has grown significantly since World War II because of the increased legal, regulatory and contractual complexity that pervades nearly all sectors of society. Organizations, both public and private, that never employed their own legal counsel now have established legal departments. Many decline to take any action of consequence without the blessing of their legal counsel. There are those who decry these developments and argue that the allocation of resources to legal departments ultimately represents a dead-weight loss for society because legal departments seldom if ever increase productive efficiency, develop new technologies or lower production costs (see www.overlawyered.com for a précis of this view).

Regardless, the number of attorneys employed in the United States grew nearly every year after World War II until the financial upheaval in fall 2008 and the subsequent recession. **Graph 3 illustrates the 20.5 percent growth in the number of students entering the nation's law schools that occurred between 2000-01 and 2010-11.** Further, this increase in enrollment was accommodated by an increase in the number of American Bar Association-accredited law schools during the same time span. Currently, 201 ABA-accredited law schools exist in this country.

Without question, the Great Recession that began in fall 2008 was (perhaps still is) a wrenching experience for the legal profession because it brought with it diminished demand for many types of legal services and strong pressures to reduce billing rates and costs. These factors in turn led to a reduced demand for new lawyers.

Nevertheless, for years, law students seemingly were impervious to deteriorating labor market conditions for lawyers. **According to the NALP, only 64 percent of law school graduates in 2010 landed full-time jobs requiring a law license within nine months after graduation, and only 85.6 percent had any kind of job after nine months.** Further, unrealistic notions of future earnings caused some law school students to accumulate astonishingly high levels of debt in order to pay the costs of their education. Bloomberg reported in spring 2012 that the typical law school graduate exited law school with $100,433 in debt, and at one institution, California Western School of Law, the average student debt upon graduation exceeded $153,000 (http://www.bloomberg.com/news/2012-04-18/law-school-student-debt-exceeds-100-000-amid-jobs-shortage.html).

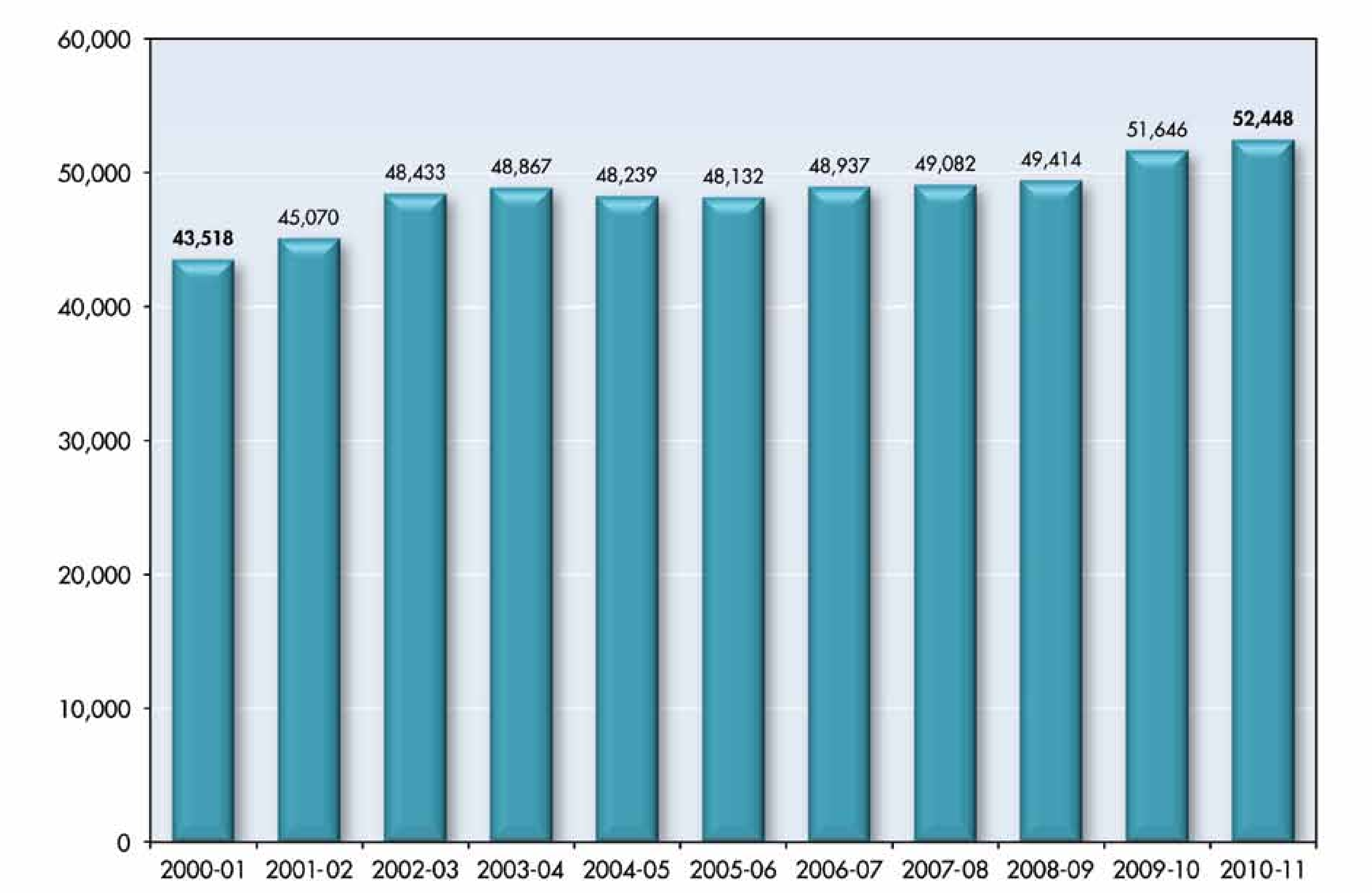
Only in 2012 have slow adjustments to these new market realities become evident. **For fall 2012, the Law School Admissions Council reports that applications for admission to law schools are down more than 15 percent** (Katherine Mangan, The Chronicle of Higher Education, May 27, 2012). This is a considerable reduction, though it must be noted that this followed the largest law school applicant pool in history in 2011.

The significant deterioration in the market for attorneys that occurred from 2008 to 2010 should not have come as a surprise. Storm warnings of a potential oversupply of attorneys were evident before the financial crisis. In 2007, The Wall Street Journal reported that since the mid-1980s, real, inflation-adjusted incomes had been flat for attorneys in solo practice, grew less than the rest of the economy for those in large firms and grew only modestly for lawyers in the public sector (Amir Efrati, The Wall Street Journal, Sept. 24, 2007).

Even a few law journals issued jeremiads. In 2007, Jason Dolin, in the California Western Law Review (http://www.californiawestern.edu/content/journals/dolin.pdf), argued that the profession suffered from two major labor market problems. One was that too many attorneys were being produced. The second was that the law students weren't being taught the right things. With respect to this second point, Dolin argued that students were being exposed to tremendous amounts of case law, but were acquiring insufficient practical experience. That is, they were being graduated without their actually knowing how to be a lawyer in real life. As an aside, Dolin also lamented what he saw as a decline in the degree of civility and professionalism within the legal ranks because of increasingly strident competition among a larger roster of attorneys for clients.

GRAPH 3

GROWTH IN LAW SCHOOL ENROLLMENTS



Source: Derived from data provided by the American Bar Association, www.americanbar.org

Attorneys are well-educated professionals who provide many different services to individuals and firms with the goal of enabling those parties to cope with an increasingly complex set of laws, regulations and institutions that circumscribe their activities. A minority of attorneys in the Hampton Roads region actually are members of the American Bar Association. The ABA advertises itself as "the largest voluntary professional association in the world" (www.americanbar.org) and claims almost 400,000 members. The ABA does many different things – it provides law school accreditation, engages in continuing legal education, dispenses information about the law, conducts programs to assist lawyers and judges in their work, and supports initiatives to improve the legal system for the public.

The ABA grandly proclaims that its goal is to serve attorneys and the public "by defending liberty and delivering justice as the national representative of the legal profession" (www.americanbar.org).

There are 726 ABA members in Hampton Roads, or about one of every five lawyers in our region.

MEASURING THE OVERSUPPLY OF ATTORNEYS

What is the size of the oversupply of attorneys? Economic Modeling Specialists Inc. (EMSI), a research firm specializing in economic analysis, performed a simple analysis of the supply/demand situation for new law school graduates in each state and the District of Columbia in 2009 and 2010. EMSI first utilized an econometric model to forecast the annual number of law openings in each state and the District. The research firm then looked at the number of students passing the bar exam and added those to the existing stock of attorneys. In all but three cases (Nebraska, Wisconsin and the District of Columbia), EMSI found a surplus of attorneys. New York had the greatest surplus at almost 7,700; California was next with almost 3,000. Virginia rounded out the top one-third of the states (and was ranked No. 17) with a surplus of 419 attorneys (Catherine Rampell, The New York Times, June 27, 2011).

Table 2 adds the estimates from EMSI to data found on the website Law School Tuition Bubble (www.lawschooltuitionbubble.com) in order to identify the relative severity of the surplus of lawyers in selected states. The second column of Table 2 provides the number of attorneys per 10,000 residents in 2010 in each state and the District. Note that slightly more than 8 percent of the residents of the District of Columbia are lawyers! The U.S. government has done its very best to employ the nation's lawyers.

Column three of Table 2 estimates the number of active lawyers, defined here as those actually practicing law rather than the number of individuals with law degrees. Hence, it does not include law school graduates that are not formally practicing law and may be corporate managers, consultants or university professors.

Column four of Table 2 estimates the actual surplus of practicing lawyers and takes into account both the number of estimated openings for lawyers and the number of individuals who have newly passed the bar exams in each state and the District.

The final column shows the surplus or shortage of the total roster of active lawyers in each state and the District as a means to identify the extent of the imbalance in selected jurisdictions.

The data indicate that comparatively speaking, Virginia is not particularly lawyer intensive. The District of Columbia has an incredible 28 times as many lawyers per capita as does Virginia. Even so, EMSI also estimated no surplus of lawyers currently exists in the District because of the powerful demand for lawyers' services generated by the U.S. government and those who seek to deal with it.

According to EMSI, while Virginia does have a surplus of lawyers, it is not as dramatic as in some other states. The state that reports the lowest number of lawyers per 10,000 population is Arkansas, with 19.89 (about 50 percent fewer than Virginia), but Arkansas' demand for lawyers is comparably low and hence the Land of the Razorbacks has a surplus of only 48 attorneys.

Not everyone accepts the argument that the supply/demand situation for attorneys is dire. Aaron Taylor, a law professor at St. Louis University, argued in The National Jurist (Oct. 11, 2011) that law school is still a good investment for most students and that the best evidence of this is the relatively low unemployment rate for attorneys (about 6 percent nationally compared to about 8 percent for all occupations). Very few attorneys are standing on street corners with tin cups. Further, because fewer people now are applying for admission to the nation's law schools and some law schools have reduced the size of their entering class, future labor market prospects for law school graduates likely will be brighter, especially if the U.S. economy approaches full recovery and large firms resume extensive hiring. Thus, individuals such as Professor Taylor argue that the legal profession glass is half full rather than half empty insofar as employment is concerned.

TABLE 2

LAWYER STATISTICS FOR SELECTED STATES AND WASHINGTON, D.C., 2009-2010

(1) State/District	(2) Lawyers per 10,000	(3) Active Lawyers	(4) Surplus	(5) Percent Surplus (+) or Shortage (-)
Virginia	28.26	22,472	419	1.86%
New York	80.59	157,778	7,687	4.87%
District of Columbia	805.89	49,207	-345	-0.70%
Maryland	38.61	22,149	717	3.24%
Florida	33.66	62,875	755	1.20%
North Carolina	21.38	20,266	529	2.61%

Sources: http://economix.blogs.nytimes.com and the Law School Tuition Bubble, http://lawschooltuitionbubble.wordpress.com

The University of California's Hastings College of the Law said that it would reduce the size of its incoming class by 20 percent in fall 2012 (Bob Egelko, The San Francisco Chronicle, May 2, 2012). Other law schools that have made similar announcements include George Washington University, Albany Law School, Creighton University and Touro Law Center.

Focusing On Hampton Roads

Among Hampton Roads' largest cities, Norfolk easily is the most lawyer-intensive, according to the data reported in Table 3. Norfolk is the region's legal center and to the extent that large regional and national law firms are located in Hampton Roads, their offices typically are in downtown Norfolk. That said, Virginia Beach is gaining currency in terms of legal activity and within a few years may host more lawyers than Norfolk, though many fewer on a per capita basis.

Williamsburg/James City County is the most lawyer-intensive small city in the region. This reflects a variety of factors, but especially the presence of the law school at the College of William and Mary.

The legal needs of Hampton Roads are specific to the activities and residents here. One would expect to find more attorneys with maritime specialties in Hampton Roads because of the region's shipbuilding and repair facilities, the U.S. Navy presence and the Port of Virginia. By contrast, a city such as Charlotte, N.C., does not have similar needs and instead focuses on the needs of its huge banking community and other Fortune 500 headquarters. Table 4 reports the broad legal specialties ("practice areas") that plausibly would be reported by attorneys in Hampton Roads and Graph 4 depicts how common those specialties are among attorneys in our region by means of legal profession specialty coefficients. These coefficients compare the relative size of legal specialties in Hampton Roads to the national average. For example, the criminal law specialty coefficient in Graph 4 is 1.25. This tells us that in Hampton Roads we have about 25 percent more criminal lawyers than the national average.

One can see in Graph 4 that the legal profession specialty coefficient for maritime law exceeds 2.5. Thus, Hampton Roads has at least 150 percent more attorneys that focus on maritime law than the national average. As just noted, this hardly comes as a surprise in light of our region's geography, port and naval activity.

TABLE 3

NUMBER OF LAWYERS AND LAWYER INTENSITY IN HAMPTON ROADS JURISDICTIONS, 2010

Jurisdiction	Number of Lawyers		Total	Number of Lawyers per 10,000 Residents
	Private Practice Government	Corporate Counsel		
Chesapeake	208	7	215	9.68
Hampton	184	6	190	13.82
Newport News	335	22	357	19.75
Norfolk	1,160	95	1,255	51.69
Portsmouth	160	1	161	16.85
Suffolk	75	4	79	9.34
Virginia Beach	1,082	28	1,110	25.34
Franklin	12	1	13	15.15
Poquoson	7	0	7	5.76
Williamsburg/ James City	240	10	250	31.64
Yorktown/ York County	44	1	45	6.85
Isle of Wight	2	0	2	0.56
Surry	7	0	7	9.91

Sources: Martindale-Hubbell Law Directory and the U.S. Census

With respect to specialties, one lawyer to whom we talked told us that the mix of legal activity and specialties in Hampton Roads has been changing:

Probably the legal market for business deal making has shrunk in recent years; however, the market for restructuring deals has grown as many of the deals put together in the boom days have begun to fall apart. Litigation seems to stay the same, but the issues may change.

TABLE 4 PRACTICE AREA DEFINITIONS	
Area of Specialty	**Definition**
Litigation	Trial practice, administrative hearing, Alternate Dispute Resolution (ADR)
Real Estate	Real estate transactions and related matters
Personal Injury	Plaintiff tort actions
Corporate	Business transactions
Insurance	Defense of claims insurance policies
Trusts and Estates	Testamentary instruments and estate planning
Tax	Tax planning, avoidance and tax litigation
Workers Compensation	Practice before Workers Compensation Commission
Maritime	Claims and matters arising from commercial activities at sea
Immigration	Practice before the Immigration and Naturalization Service (INS) and federal courts
General Practice	Advice and representation across many specialties
Criminal Defense	Defense against criminal charges
Family	Marital rights and family-related matters
Patent/Intellectual Property	Patent, copyright, trademark, trade secrets
Labor	Practice based upon labor and management relations laws
Civil Rights and Contracts	Actions based on antidiscrimination laws and contracts
Bankruptcy	Practice before federal bankruptcy courts

In general, however, Hampton Roads has fewer attorneys in most legal specialties than the national average. That is, ours is not an attorney-intensive region. Ironically, those who bemoan what they perceive to be the excessive intrusion of attorneys into everyday affairs don't know how good they have it here!

Graph 5 specifically compares Hampton Roads to Charlotte, N.C., and Jacksonville, Fla., in terms of legal specialty representation, but does so in terms of the number of lawyers in each specialty area per 1,000 adults in the regions' labor force. Somewhat surprisingly, by this standard, the Jacksonville metropolitan area has more lawyers than either Hampton Roads or Charlotte, and this is true in 13 of the 17 specialties. Hampton Roads is marginally more lawyer-intensive than Charlotte by virtue of having higher lawyer representation in nine of the 17 specialty areas. This is despite the fact that Charlotte hosts the headquarters of nine Fortune 500 firms, including the gigantic Bank of America, the retailer Lowe's, steel maker Nucor and utility giant Duke Energy. Our region's greatest areas of representational advantage relative to Charlotte are criminal, family, litigation, personal injury, maritime and bankruptcy law.

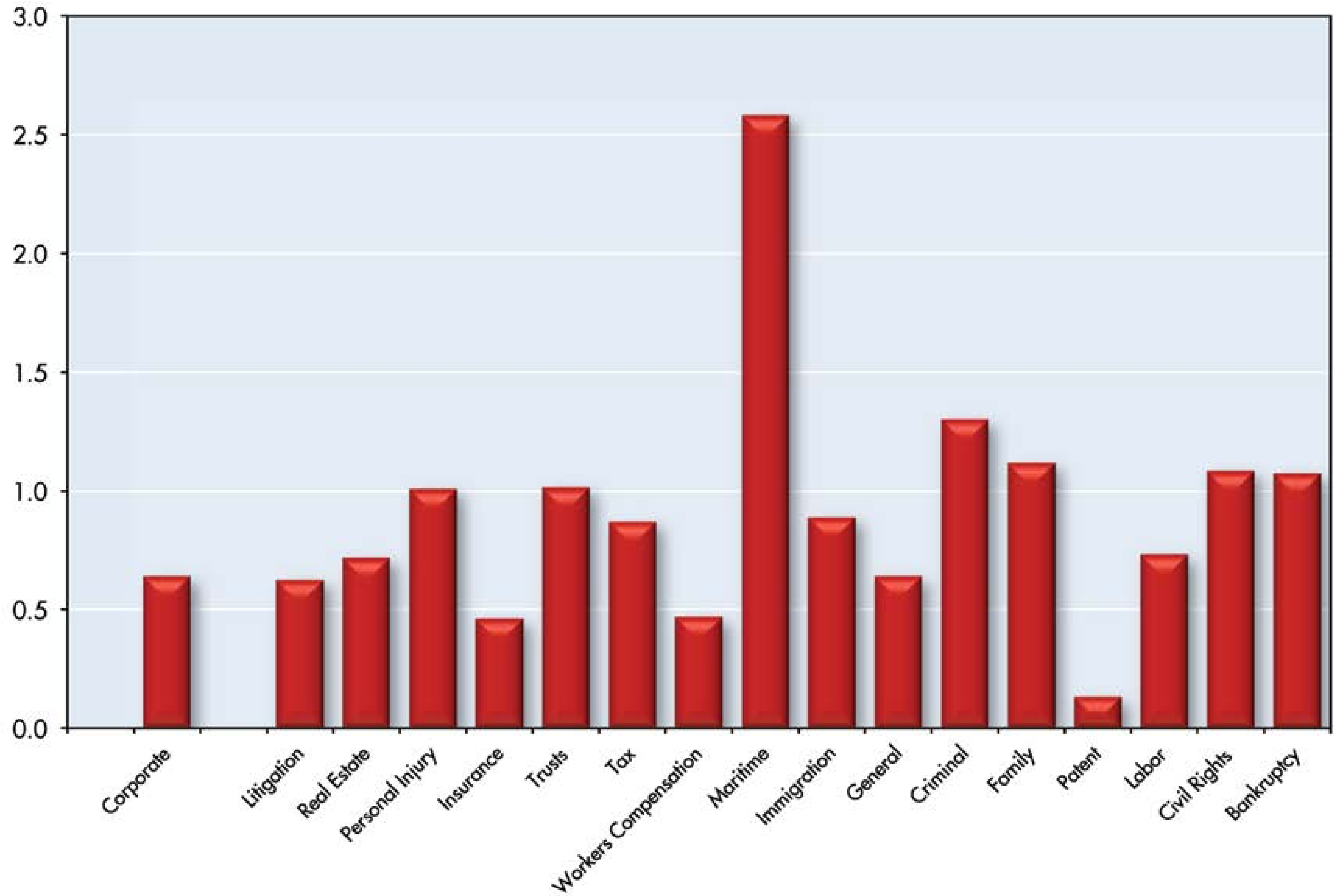
It's not clear why Jacksonville should be so lawyer-intensive other than the peculiar nature of the Florida statutes and legal system. On the other hand, it's also not obvious why Hampton Roads should lead either of the other two regions in terms of having substantially more attorneys specializing in criminal law.

Graph 6 performs a comparable analysis for Hampton Roads versus Richmond and Northern Virginia.[1] **It is immediately apparent that Richmond, presumably fed by the state government and corporate headquarters, is far more lawyer intensive than either Richmond or Hampton Roads.** There are six specialty areas in which Hampton Roads is more lawyer intensive than either Richmond or Northern Virginia – personal injury, trusts and estates, general, family, bankruptcy, and maritime and admiralty.

[1] Hampton Roads is defined here as the cities of Chesapeake, Franklin, Hampton, Norfolk, Poquoson, Portsmouth, Newport News, Suffolk and Virginia Beach, plus the counties of Isle of Wight, Williamsburg/James City and Yorktown/York. Richmond is defined as the city of Richmond and the counties of Chesterfield, Henrico and Hanover. Northern Virginia is defined as the cities of Fairfax, Alexandria, Manassas, Manassas Park and Falls Church, and the counties of Prince William, Fairfax and Loudoun.

GRAPH 4

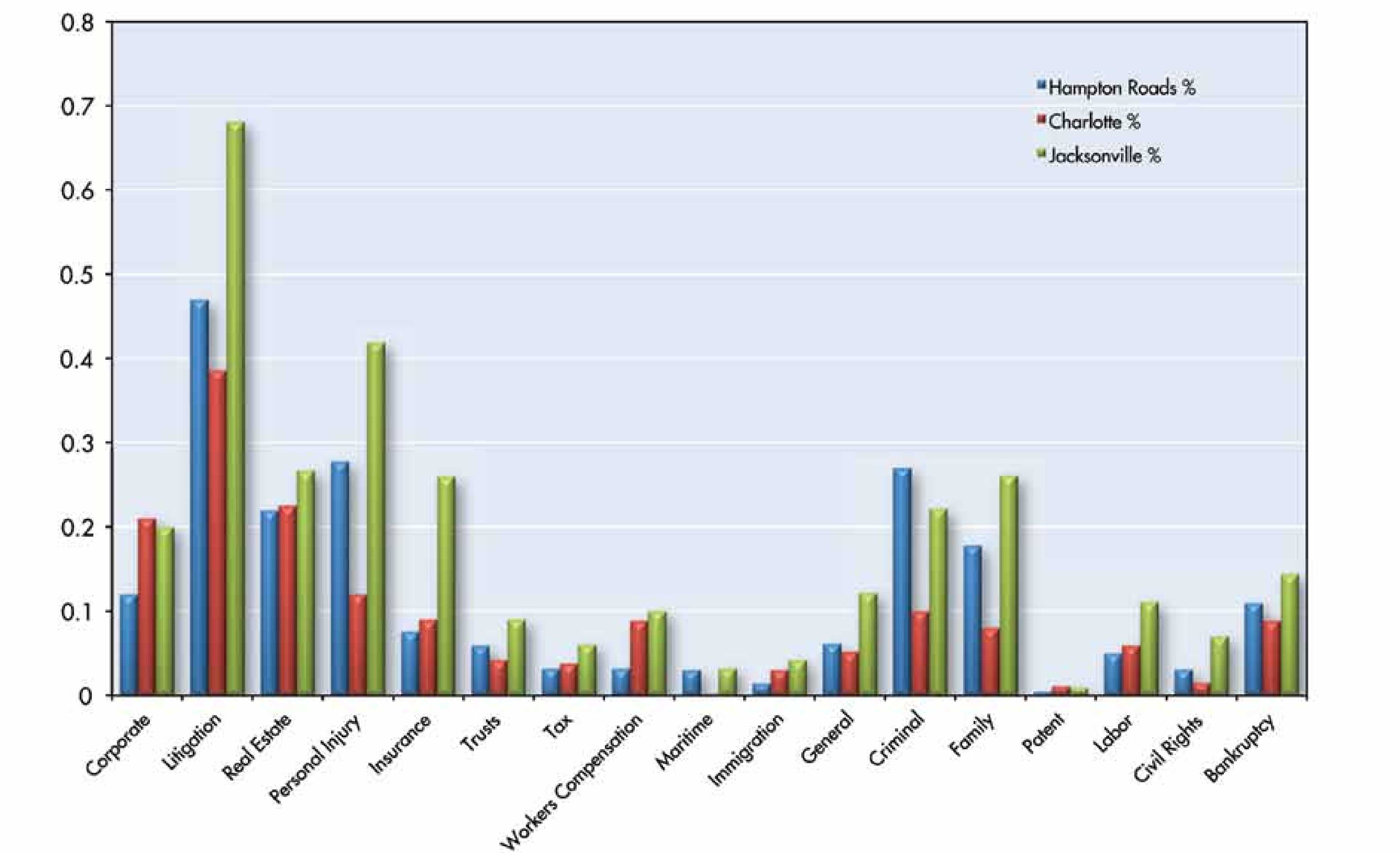
LEGAL PROFESSION SPECIALTY COEFFICIENTS IN HAMPTON ROADS: SPECIALTIES WITH REPRESENTATION ABOVE OR BELOW THE NATIONAL AVERAGE (1.00)



Sources: Martindale-Hubbell Law Directory and the U.S. Census

GRAPH 5

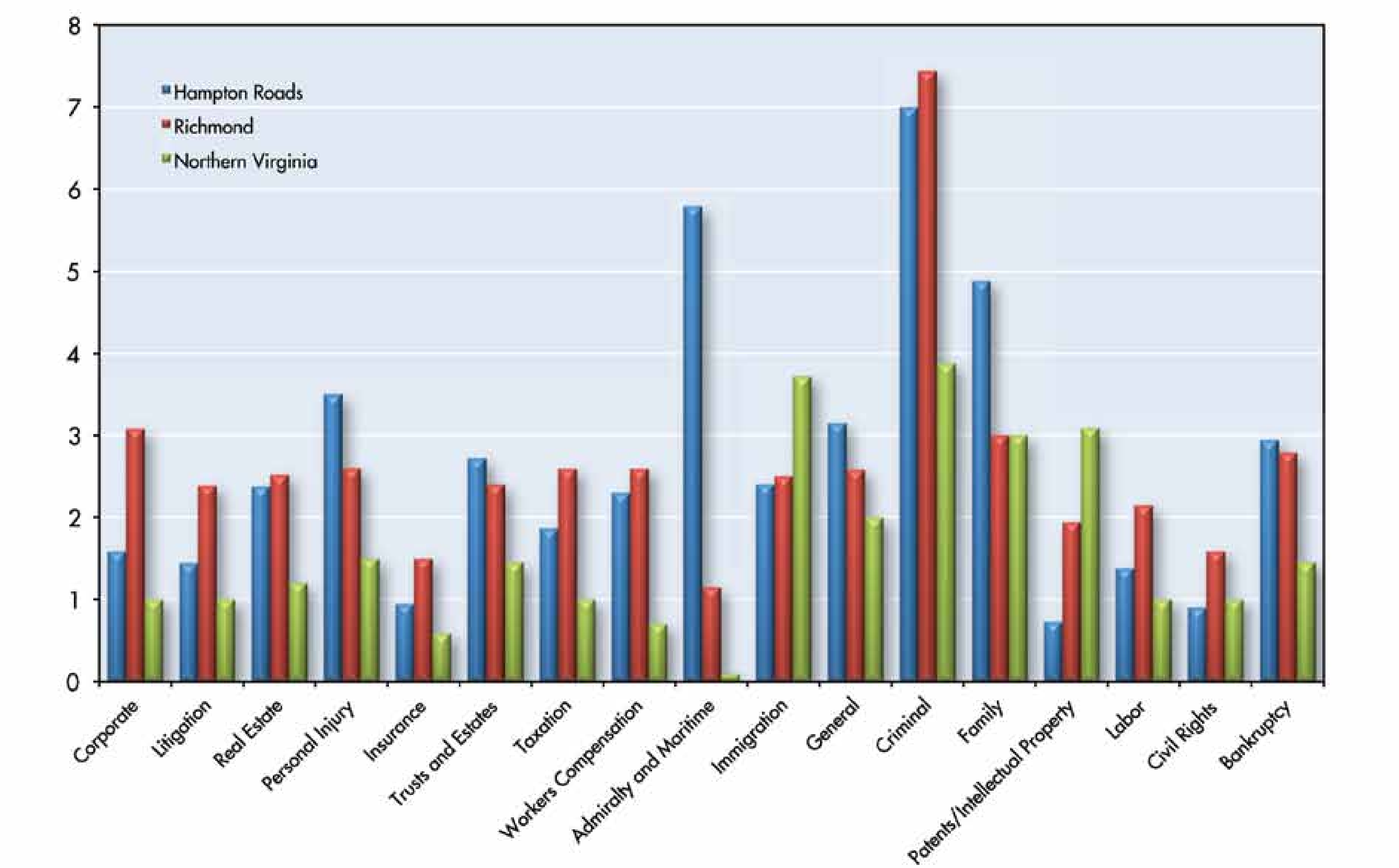
COMPARING LEGAL SPECIALTY REPRESENTATION IN HAMPTON ROADS WITH CHARLOTTE AND JACKSONVILLE (LAWYERS PER 1,000 PEOPLE IN LABOR FORCE)



Sources: Martindale-Hubbell Law Directory and the U.S. Census

GRAPH 6

LAWYER SPECIALTY REPRESENTATION IN VIRGINIA (LAWYERS PER 1,000 PEOPLE IN LABOR FORCE)



Sources: Martindale-Hubbell Law Directory and the U.S. Census

THE REGIONAL OFFICE PHENOMENON

In recent years, Hampton Roads has seen the establishment of regional offices of medium- and large-sized law firms whose headquarters are in other cities. Why has this been occurring? Based upon the analysis in the previous section, one could argue that Hampton Roads is "under lawyered," at least compared to metropolitan areas such as Northern Virginia and Jacksonville. Thus, to legal outsiders, it may appear that opportunities exist within our region.

It may also be true, however, that large law firms, having invested considerable time and money in developing their reputations and "brands," can capitalize further on their investments by entering new markets and establishing a presence there. A highly regarded local lawyer told us that the large firms then are able to handle cases that strain the resources and competence of lawyers in smaller firms. Ordinarily, this occurs via the process of referral and their presence in Hampton Roads in essence makes them much more likely recipients of referrals from lawyers in smaller practices.

An equally important reason, however, is that there are economies of scale associated with the operation of law firms. Larger law firms may enable affected firms to spread their fixed costs over more lawyers and clients and thus reduce their unit costs. Larger law firms also may benefit from "learning by doing" (the increased magnitude of cases in a specialty area may increase competence and perhaps even reduce costs) and avoid under-employing lawyers with more exotic specialties.

Economies of scale may especially be present where the management of law firms and their use of information technology are concerned. A simple illustration of the latter is software such as Microsoft Office, whose cost per unit typically declines as the number of Office licenses in a law firm rises. More substantial information technology examples relate to the purchase and operation of accounting, financial and personnel systems, the purchase of access to databases, the use of broadband hookups and switches, and system maintenance and troubleshooting.

Two examples of mergers that appear to reflect hopes of realizing economies of scale involve the law firms Williams Mullen and Troutman Sanders, both of which now have offices in Norfolk. Richmond-based Williams Mullen acquired the Virginia Beach-based firm Clark and Stant in 1999. In 2004, it acquired the Norfolk law firm Hofheimer Nusbaum. Some local attorneys believe that an impetus for this latter merger was the valuable set of clients that Hofheimer Nusbaum had accumulated. One of the most important among them was Dollar Tree, the large discount variety store chain. By 2008, Dollar Tree had earned a spot on the annual Fortune 500 list of the largest national firms and hence would be a valued client for any law firm.

The Troutman Sanders case is interesting because it reflects what some lawyers refer to as "the law firm food chain." The story begins with Mays & Valentine, also a Richmond-headquartered law firm, entering the Hampton Roads market in 1989. It gradually expanded here and elsewhere, and eventually boasted 150 lawyers in Richmond, Norfolk, Tysons Corner and Virginia Beach. However, in 2001, Mays & Valentine, after some internal management challenges, was acquired by the Atlanta-based Troutman Sanders firm.

In addition to Williams Mullen and Troutman Sanders, other large regional and national law firms that have established offices in Hampton Roads include McGuire Woods, LeClairRyan and Hunton and Williams. **Data from Virginia's Largest Law Firms 2011 Directory, published by Virginia Lawyers Weekly (a trade journal), reveal that the largest law firm in Virginia, Richmond-based McGuire Woods, has more than 900 lawyers in major cities and foreign countries, but only 15 lawyers in Norfolk.** By comparison, McGuire Woods has 49 lawyers in Tysons Corner and 219 in its Richmond headquarters. Thus, McGuire Woods has staked out a position in Hampton Roads, but relies on Richmond-based talent to service many of its clients.

The net result of these and similar mergers for Hampton Roads is that our region now is an outpost for much larger law firms. They offer the area a much larger potential stable of lawyers as well as a much larger pool of resources to deploy on specific cases. Simultaneously, there usually is a sifting out of putatively less ambitious or talented lawyers from the acquired firms and these lawyers frequently end up moving to smaller firms within our region.

Some local clients (and some lawyers) have harsh things to say about these and similar developments. They argue that the regionally or nationally based firms do not provide personalized ("I know you and your problem") service and that their billing rates are too high. While these complaints could have occasional validity, there is an economic market test that appropriately applies to such situations. Reality is that many other local law firms continue to exist, and both clients and lawyers are free to take their business to them and/or work for them. Alternatively, clients could desert local firms for the regional and national firms. If the regionally and nationally based firms begin to lose clients and market share, then this will signal that these assertions about service and billing rates probably hold water. It is too early to determine if this is the case.

The largest law firm headquartered in Hampton Roads is Norfolk-based Kaufman and Canoles, which has 116 lawyers overall. Approximately100 of these lawyers are located in Hampton Roads and nearly all of the remainder are situated in Richmond.

Of the 10 largest law firms in Virginia, six have their headquarters in Richmond, two in Northern Virginia and two in Norfolk. All of the five largest law firms in the Commonwealth are located in Richmond. Taken together, however, these Richmond-based firms have 87 lawyers positioned in Hampton Roads. Table 5 reports lawyer employment data for the 10 legal firms with the most lawyers in Hampton Roads in 2011 and 2012.

Historically, in the area of antitrust economics, much attention has been paid to what is termed the "four-firm concentration ratio." This is defined as the share of the market controlled by the largest four firms. When this percentage is high (as currently is the case in the market for breakfast cereals, where the four-firm concentration ratio is about 80 percent, and in textbooks, where the four-firm concentration ratio is about 84 percent), the presumption is that the firms involved exercise some degree of monopoly power and have the ability to push prices above competitive levels. Experience indicates consumers often fare badly in these markets. The U.S. Department of Justice (DOJ) frequently disapproves mergers between large firms when the four-firm concentration ratio in a market is high. In some cases (for example, those involving IBM and Microsoft), the DOJ even files suit to break apart dominant firms in highly concentrated markets.

TABLE 5

THE TOP 10 LEGAL FIRMS IN HAMPTON ROADS IN TERMS OF THE NUMBER OF LAWYERS EMPLOYED, 2011 AND 2012

	Number of Lawyers Employed		**Increase/ Decrease**
	2011	2012	
Kaufman and Canoles	100	104	+4
Williams Mullen	75	66	-9
Willcox and Savage	58	58	0
Vandeventer Black	48	49	+1
Pender and Coward	36	31	-5
Wolcott Rivers Gates	29	28	-1
Troutman Sanders	31	28	-3
Patten, Wornom, Hatten and Diamonstein	23	24	+1
Poole Mahoney	23	21	-2
Glasser & Glasser	20	20	0

While we don't know the actual revenues of the privately owned law firms in Hampton Roads, a rough proxy for those income amounts is the number of lawyers each firm maintains. In 2012, the four firms with the most lawyers in the region together employ 277 lawyers. Since there are approximately 3,500 lawyers in Hampton Roads firms, according to Martindale-Hubbell (or 4,950, according to the Bureau of Labor Statistics), our four-law firm concentration ratio is between 5 percent and 8 percent. **Thus, the legal market in Hampton Roads is not highly concentrated on the seller side and certainly is not monopolized.**

In fact, the legal market in Hampton Roads is highly competitive in an overall sense, even though the number of competitors in some specialty areas may be small. Many different sizes of law firms exist and appear to prosper. Barriers to entry into the market are relatively low. It's relatively easy for one or more lawyers to hang their proverbial shingle out in front of a rented office and quickly begin the practice of law. As a consequence, the residents of Hampton Roads benefit from a plentiful and diverse set of possibilities when they desire legal representation.

THE INFLUENCE OF LAW SCHOOLS

The Commonwealth of Virginia boasts seven law schools and two of them are located in Hampton Roads. One of these, the School of Law at the College of William and Mary, was founded in 1779, while the other, the Regent University School of Law, was founded 210 years later in 1989. Table 6 lists Virginia's law schools, the dates of their founding, and their 2011 student enrollments according to U.S.News & World Report's annual college edition for 2011.

TABLE 6

VIRGINIA'S SCHOOLS OF LAW, THEIR FOUNDING DATES AND THEIR ENROLLMENTS, 2011

	Date Founded	Enrollment
College of William and Mary School of Law	1779	628
University of Virginia School of Law	1819	1,105
University of Richmond School of Law	1830	452
Washington and Lee University School of Law	1923	407
George Mason University School of Law	1980	505
Regent University School of Law	1989	409
Appalachian School of Law	1994	127

Source: U.S.News & World Report Best Colleges, 2012

Two of Virginia's law schools – those at the College of William and Mary and the University of Virginia – are widely considered to be among the very best in the United States. U.S.News' 2011 edition ranked the School of Law at U.Va. ninth in the country and W&M's law school 27th. However, three other Virginia law schools were in the top 100: Washington and Lee at 30th, George Mason at 40th and the University of Richmond at 67th.

These highly regarded law schools are an attractive source of supply of lawyers for Hampton Roads law firms. Even so, only 11 percent of the graduates from the U.Va. law school stay in Virginia, while 29 percent of the graduates of W&M's law school remain in the Commonwealth. On the other hand, approximately 60 percent of the graduates from the UR law school stay in Virginia (data from www.top-law-schools.com).

In spite of the percentages just cited, the University of Virginia is an important source of talent for the largest law firms in the state. The largest in Hampton Roads, Kaufman and Canoles, employed 100 lawyers in the region in 2011 (and 116 in all sites). Approximately one-third (32 percent) of Kaufman and Canoles lawyers listed in the Martindale-Hubbell Law Directory are graduates of law schools from outside the Commonwealth of Virginia, with 5 percent emanating from Ivy League institutions. More than 30 percent of Kaufman and Canoles lawyers, however, are graduates of the School of Law at the University of Virginia. Lawyers educated at the University of Richmond and the College of William and Mary each claim about 14 percent of the roster at Kaufman and Canoles. Washington and Lee University is responsible for about 7 percent and Regent University 3.5 percent.

LAWYERS' INCOMES

Graph 7 reports the mean annual income earned by lawyers in Hampton Roads and selected other metropolitan areas in May 2011. One can see that Hampton Roads ranks fourth among the five metropolitan areas in terms of the annual incomes earned by their lawyers.

One should resist assigning too much meaning to these numbers, however, because of the proverbial "apples and oranges" problem. The rosters of attorneys in each metropolitan area vary in many different ways. Of course, lawyers in the Washington, D.C., metropolitan area typically earn more than those in Hampton Roads, but that does not necessarily mean that comparably situated lawyers in areas such as Richmond and Hampton Roads earn different salaries. For example, it could be the case that the somewhat higher incomes earned by Richmond lawyers compared to Hampton Roads lawyers reflects the distribution of specialties of the lawyers in each region. Thus, it could be possible for lawyers in each specialty to be paid the same in each region, but for Richmond's average to be higher because it claims more lawyers in the most highly paid specialty areas.

The "Salaries of Lawyers" section of the website www.aboutlawschools.org appropriately notes that many different factors determine the ultimate salaries of lawyers. Work experience is perhaps the most important factor and salaries of new lawyers often rise by more than 50 percent after they have accumulated five to nine years of experience. One local lawyer told us, "New lawyers just out of law school aren't even diamonds in the rough; they're usually pieces of coal. They need lots of training before they really become useful." He added that as new lawyers acquire experience, often by working very long hours, their salaries usually rise significantly.

The nature of a lawyer's employer can also be an important determinant of salary – those lawyers working in large firms are paid more than government lawyers, and government lawyers in turn are paid more than lawyers in nonprofit agencies.

Fields of legal specialization within the law are also significant. Lawyers in corporate law usually earn substantially more than lawyers who specialize in general, family-oriented practices that focus on wills, divorces and small claims. Salaries for corporate lawyers are almost twice those of criminal lawyers.

The size of the employer usually also makes a difference. Lawyers working in very large firms (more than 600 lawyers) earn about twice what lawyers earn in practices with fewer than 10 attorneys. Lawyers in large firms typically enjoy challenging work, but it can at times be all-consuming work that demands long hours. In certain high-stress time periods, perhaps involving imminent legal briefs or trials, such lawyers literally must block out other competing commitments, including those involving families and recreation.

As one might expect, lawyers in large cities such as New York City, Washington, D.C., Chicago and Los Angeles typically earn much higher salaries than those, say, in Norfolk or Nashville. Of course, the cost of living is higher in populous locations, but lawyers' salaries in the largest cities typically are higher than those in smaller cities even after they have been adjusted for cost of living differences. This is primarily a function of the type of cases such lawyers take and the nature of the clients they serve.

As we already have noted, lawyers and law practices have not been immune to the effects of the economic downturn. **Data from Virginia Lawyers Weekly (April 18, 2011) indicate that in 2011 only two of the 10 largest law firms in the Commonwealth increased the number of lawyers in their employ.** Oblon, Spivak, McClelland, Maier & Neustadof of Alexandria gained four lawyers, and Vandeventer Black of Norfolk expanded by seven lawyers. The other eight of the 10 largest law firms in Virginia collectively shed 39 lawyers between 2010 and 2011.

An apparently unhappy attorney to whom we talked characterized his work situation this way:

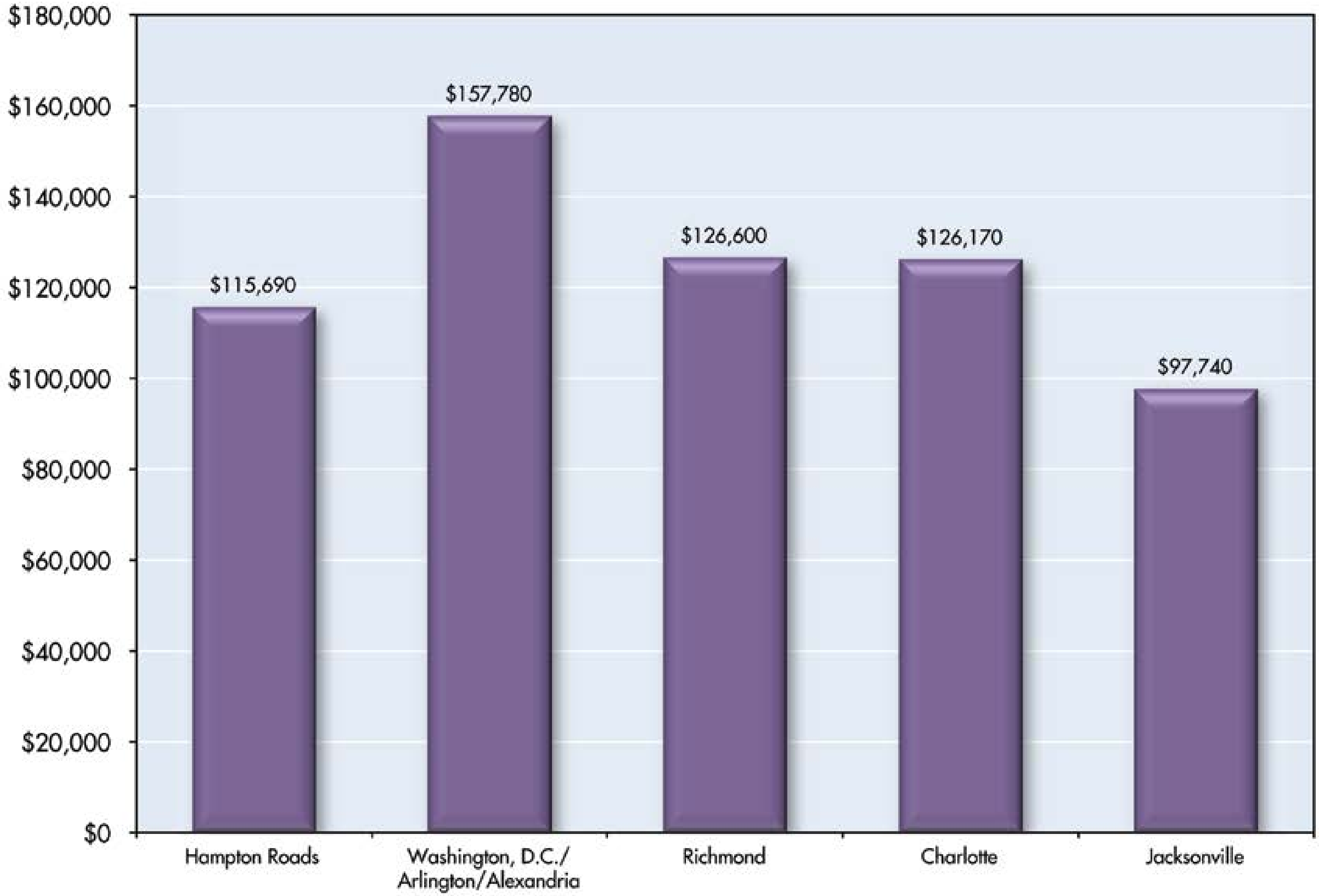
> *We are working much harder for far less money. It is now also a buyer's market when it comes to clients paying bills. Many will not argue about the legal bill until the matter is essentially already concluded, and then they will insist on a discount in bad faith. Theoretically, we could always request advance deposits or credit card payments from every client, but the fear of not having files to work on minimizes the amount that we are able to do this confidently.*

Another lawyer opined:

> *We have not reduced any positions. We froze salaries just for one year three years ago. We have become more efficient in how we practice law. We also see that clients are looking for more advantageous fee arrangements. We have reexamined our marketing activities to focus our marketing dollars on things that work.*

GRAPH 7

ANNUAL INCOMES OF LAWYERS IN HAMPTON ROADS AND OTHER METROPOLITAN AREAS, 2011



Source: Bureau of Labor Statistics, http://www.bls.gov/ncs/ocs/compub.htm#Division

LAWYERS IN HAMPTON ROADS TELL US ABOUT THEIR PROFESSION

In spring 2012, we surveyed a broadly selected group of 28 lawyers in Hampton Roads and asked them to tell us about the nature of their work and their challenges. We already have utilized several of their comments in the material above.

We asked these lawyers what is distinctive about the practice of law in Hampton Roads. Two separate responses were salient:

> *The only thing that I recognize as being unique to practicing in Hampton Roads from other regions of the state is the high percentage of service [military] members; consequently (at least in my practice), I am dealing with service members who are deployed/transferred out of the area, sometimes temporarily, sometimes permanently. Because they are from other areas, I am dealing with insurance policies from other states and sometimes dealing with health care providers whose practices are located in other states.*

> *You have to be able to practice in several courts – Virginia Beach, Norfolk, Chesapeake, federal, etc. I think practicing here may be less rigid than in other areas where there's a benefit to being from that area, like Richmond.*

The lawyers that we queried were not especially enamored of very large law firms. While some respondents indicated that there was not an ideal size for law firms in Hampton Roads, almost half averred that the ideal size was only four or five lawyers, while almost as many opted for medium-sized law firms, with 10 to 30 lawyers.

When asked how clients gain access to their services, 57 percent of the respondents indicated that they obtain most of their clients from referrals. However, "out of the blue" telephone inquiries at 13 percent and Internet inquiries at 17 percent also were important. In this regard, the manner in which clients access lawyers in Hampton Roads does not differ greatly from other sections of the country.

Respondents to our survey indicated that the mergers of legal firms in the region have pushed salaries and billing rates higher than they would have been otherwise. However, some of this is due to a change in the mix of cases handled by the lawyers in the larger firms. They frequently handle more complex cases that require high levels of skill and specialization, and their billing rates reflect this.

Given the low level of law firm concentration (the largest four firms in the region have only 5 percent to 8 percent of the region's lawyers), it's not clear why this should hold true unless clients of larger firms believe they gain access to superior talent and resources and this then translates to their being willing to pay higher billing rates. Whether or not this is true, the pricing model we see in legal services in Hampton Roads is hardly unusual and is replicated in many other industries and professions, including automobiles, personal computers, earthmoving equipment and physicians.

When we asked our sampled lawyers how their law firms have responded to recent law firm consolidations and mergers, approximately 70 percent indicated that they had not changed their operations. When things did change, it was usually via their firms broadening the scope of their practices and adding legal specialties. Specialties with net increases included trusts and estates, and intellectual property.

Nevertheless, reflecting the impact of the recession, twice as many respondents said their firms recently had cut back on specialty offerings. Labor and personal injury law was the area of specialty that most often was discontinued, though criminal defense, employment and litigation also were among those areas that were, as the British put it, found to be redundant.

Law firms do not exist in a vacuum. Implicitly or explicitly, they compete with each other for clients and income. Since a groundbreaking U.S. Supreme Court decision in 1977 [2], one way for law firms to compete for clients is via advertising. When asked if legal advertising is effective, two-thirds of our respondents indicated their belief that it is effective. However, about 40 percent of those lawyers who believed it was effective also indicated that the degree of effectiveness varied by specialty. One lawyer told us:

[2] Bates v. Arizona State Bar 433 U.S. 350 (1977)

It depends upon your target audience. For consumer work, advertising is very effective. Absent a referral (which is our largest source of business), most people have no idea who to call or where to go. Advertising gives them a starting point. I am not opposed to all advertising, but do have an issue with those ads designed to make people litigious (i.e., personal injury ads offering piles of cash).

Another respondent indicated:

Legal advertising is effective for segments of legal services, i.e., personal injury and domestic relations. The website for larger law firms has become the source of information and "marketing" for many firms. Lawyer advertising is legal regardless of the taste exhibited in the advertising.

Head-to-head competition among law firms, by custom, occurs constantly and is basically unavoidable. How does this competition take place? Two lawyers told us:

I don't see firms taking aim at their competitors. More often, I see firms competing for the same business by marketing their firm/attorneys and covertly obtaining business from competitors by contacts, prior client referrals and word of mouth.

The market has grown larger. It has become more competitive because large law firms have struggled with the recession and they have become more "aggressive."

Improvements in technology have led to changes in how local law firms practice law. Respondents indicated that generally they now have a smaller support staff and no longer maintain an extensive law library because most legal research now is performed online. Further, federal courts now require that most court filings be done online.

Our panel of lawyers also told us that mediation and pretrial arbitration have become increasingly important in their lives and that Alternative Dispute Resolution (ADR) techniques have become more common in lieu of court litigation. Half of our lawyers indicated that they have used ADR techniques. Our survey shows that their use of ADR varies by specialty and occurs most frequently in personal injury, real estate and employment law cases.

Our respondent lawyers indicated that their firms have changed how they are hiring, granting partnerships and terminating lawyers. Not surprisingly, we were told that local law firms now are hiring more contract and part-time attorneys and are using more paralegals as well. **One lawyer told us somewhat ruefully that "paralegals are now doing the work that bar-admitted attorneys used to do,"** but it also is clear that when guided by a talented senior lawyer, paralegals can increase the productivity and effectiveness of that senior lawyer. Reflecting changed supply and demand conditions for lawyers, another lawyer said:

We have become more demanding because we get dozens of resumes for each position, so we can pick and choose. We used to receive fewer resumes. Now even for paralegal positions, we receive resumes from people who are licensed attorneys. Candidates are desperate. We do not generally use part-time attorneys, although if the person we want to hire is the right fit and prefers a reduced schedule, we have accommodated those requests on occasion, but not by design. We never use temporary attorney services.

Lawyers in the region may not be amused by the situation, but they recognize that market conditions for lawyers have changed significantly in recent years. Eighty percent of the respondents that answered a question concerning the labor market for lawyers agreed that there is an excess supply of lawyers in Hampton Roads. Which areas are most afflicted by oversupply? Litigation, family law, personal injury, real estate and general practice.

A direct consequence of this oversupply, the lawyers told us, has been falling billing rates. Approximately half of them reported that their rates have fallen and many clients now feel they have additional negotiating power. One respondent said:

There are many more lawyers now in HR than in years past that are making a living and many graduates looking for jobs. I think the oversupply has held down salaries, earnings and hourly rates.

Not all agreed with this assessment, however, with respect to billing rates. Said one:

> *Yes, there is an oversupply. My personal opinion is that this situation is not limited to any one practice area. When times are good, firms over-hire in the business and real estate sections. When times are bad, they over-hire in the bankruptcy/creditor's rights sections. I have not seen the oversupply impact rates, however.*

Given the many changes that have been occurring in the legal profession, is life as a lawyer in Hampton Roads still attractive? Or, if they had to do it over again, would some of our lawyers opt for a different career and lifestyle? **By more than a 2:1 ratio, our panel of lawyers told us that the quality of their professional lives has declined.** Respondents cited more hours, more demanding clients, greater stress, and the need now to spend increased time working on marketing and community involvement to "show our flag" and "troll for clients" as examples of less-attractive aspects of their current responsibilities.

One lawyer candidly told us that he wouldn't do it again if he had the choice:

> *I would definitely go to medical school. The quality of life has just become too poor, and there is no way to adequately manage client expectations to change the deficiencies in the firm model. Too much of the administrative burden and client management falls only on the attorney and these are functions that cannot be adequately delegated downstream. As a result, each partner essentially has not less than three different jobs. The medical profession has done a far better job of allocating resources and functions in managing patients' expectations.*

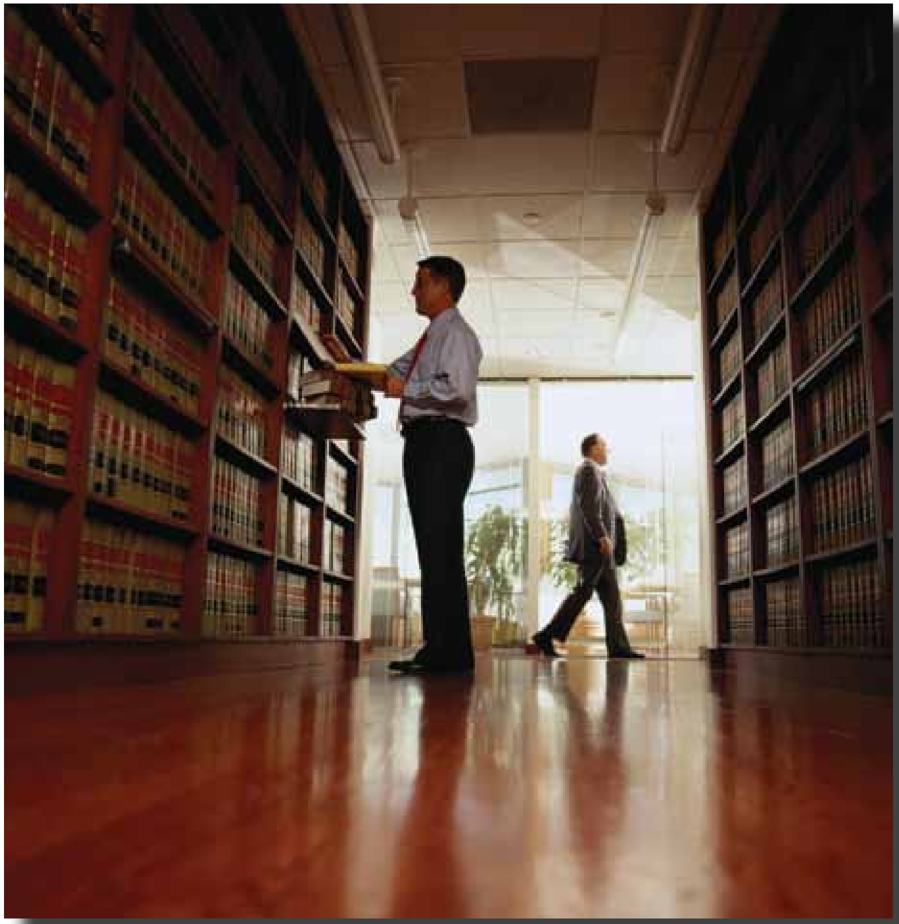
Another lawyer succinctly informed us:

> *The lawyers and clients make it difficult to do your job. It has stopped being a profession and now is just a daily grind.*

Fifty-five percent of our respondents indicated that they would become a lawyer again if they had the choice, but an impressive 30 percent indicated that they would not.

Still, some of the lawyers on our panel are still in love with what they do. Said one:

> *I enjoy what I do and who I do it with. Despite its problems, the practice of law remains an honorable and valuable profession.*



Final Observations

In April 2011, a task force commissioned by the New York State Bar Association (NYSBA) to examine the future of the legal profession noted in its published report [3]:

> "There is strong evidence that unprecedented changes in practice are producing a restructuring in the way legal services are delivered. These changes include widespread access to legal information, the routinization of many legal tasks, demands by clients for more control of legal service delivery, and the emergence of an increasingly competitive marketplace. This restructuring in the way legal services are delivered affects all law firms – regardless of size, geographic location, and substantive practice area – although it may impact different firms in different ways. Clients are seeking more efficient services, predictable fees, and increased responsiveness to their needs, and they are willing to replace their lawyers if they are not satisfied with the services they receive."

Our examination of the market for lawyers in Hampton Roads confirms these observations. There is ferment in the legal profession that bodes to change everything, from how lawyers are trained to how they are compensated for their work. The economic recession and an oversupply of lawyers have punched the legal profession in the solar plexus and consequently have driven law firms and other employers to substitute less-expensive personnel and technology for conventionally trained lawyers.

One attorney with whom we talked about legal developments in Hampton Roads somewhat wistfully recalled salad days when "lawyers were well paid and respected, we acted like colleagues, clients didn't hop around as much and one could predict where next year's billable hours were going to come from." Even though lawyers in our region earn well more than twice the regional average income, almost one-third of the respondents in our sample confessed that they would not become lawyers if they had the ability to make an occupational choice again. By more than a 2:1 ratio, they perceived that the quality of their lives had declined.

If law school enrollments at long last taper off and our nation experiences economic recovery, then many of the economic circumstances that have prompted these lamentations will change for the better. Nevertheless, the impact of new technologies on the practice of law will continue unabated. Further, most employers are not likely to forget their discovery that less-expensive employees and paralegals have the ability to perform or backstop a variety of legal tasks that previously were accomplished only by bar-admitted lawyers.

Given the nature of our increasingly complicated society and the litigious American legal system, there always will be a significant demand for lawyers, both nationally and in Hampton Roads. However, as professional brethren such as physicians and college professors have learned (sometimes painfully), lawyers likely will find that the Camelot-like epoch one lawyer pensively labeled "the good old days" is unlikely ever to return. *Plus ça change.*

[3] http://www.nysba.org/AM/Template.cfm?Section=Task_Force_on_the_Future_of_the_Legal_Profession_Home&Template=/CM/ContentDisplay.cfm&ContentID=48108