

Proskauer Nears \$1B Revenue Mark as It Posts New Profit Highs

The firm saw gross revenue grow by 9.8 percent, while profits per equity partner jumped 12.4 percent.

By Meghan Tribe
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Proskauer Rose continued its steady financial growth in 2018, as the New York firm hit a new high mark for revenue.

Gross revenue at the firm grew 9.8 percent to \$977.9 million last year, up from \$890.3 million in 2017. Revenue per lawyer also increased by 10.4 percent to \$1.35 million, while profits per equity partner (PEP) jumped 12.4 percent to \$2.66 million in 2018.

As its financial metrics increased, head count at Proskauer remained relatively flat, decreasing by 0.5 percent to 726 attorneys across the firm. Its equity ranks stayed the same as in 2017 at 173 partners, while its nonequity partner tier grew 11.3 percent to 69 attorneys.

“We were essentially the same size firm as we were the year before so that was entirely organic growth,” said Proskauer chairman Joseph Leccese, who took over the reins of firm leadership in 2010.

Proskauer’s corporate and litigation groups, which both saw double-digit revenue increases in 2018, led the way for the financial growth at the firm last year, Leccese said. But he quickly pointed out that there was shared success across all the platforms of the firm, noting strong performances by its transactional practices like its private funds investment, M&A and bankruptcy practices.

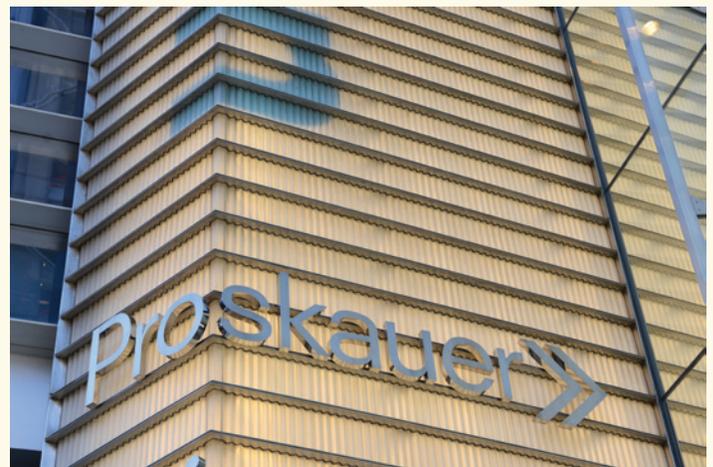


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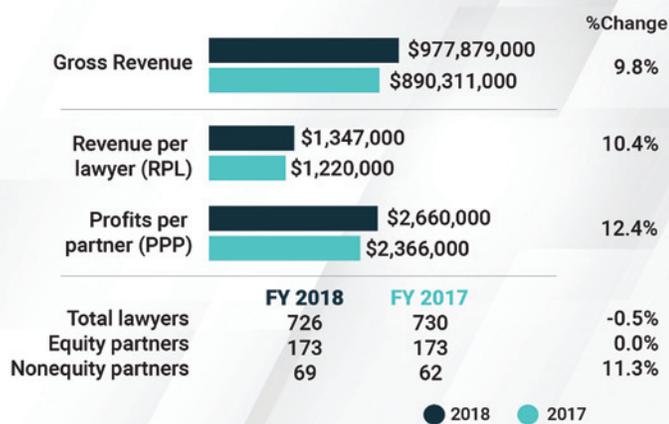
Proskauer Rose

“You don’t have a double-digit increase in revenues and profits without having most of your strong assets performing extremely well, and I think that’s what we had last year,” Leccese said.

Since 2017, Proskauer’s bankruptcy team has served as leading outside counsel to the Financial Oversight and Management Board for Puerto Rico in its ongoing bankruptcy and restructuring proceedings. The group also represented unsecured claimholders in nuclear services company Westinghouse Electric Co.’s Chapter 11 bankruptcy proceedings, as well as its subsequent sale to Brookfield Asset Management Inc. for \$4.6 billion.

The firm represented longtime client Celgene Corp. in its \$9 billion acquisition of Juno Therapeutics Inc.

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It also counseled the senior executives and employee shareholders of Sky Betting a& Gaming in its \$4.7 billion sale to Stars Group Inc., creating the largest online gaming company.

Leccese led a team that represented the National Football League's Carolina Panthers, along with William "Billy" Moore of North Carolina firm Moore & Van Allen, in its \$2.2 billion all-cash sale to billionaire hedge fund manager David Tepper in May.

Proskauer also nabbed roles in high-profile litigation last year.

The firm was lead trial counsel for Johnson & Johnson on two of its products liability trial victories related to its talc-based products. It also successfully represented the band U2 in its copyright lawsuit over its 1991 hit "The Fly," and Thousand Oaks, California-based biopharmaceutical company Amgen Inc. in its patent infringement battle against Roche subsidiary Genentech Inc. over the anticancer medicine Avastin.

"The general model we've had for years is to be highly diversified and not overly dependent upon any one line of business or any one client," Leccese said of the firm's overall strategy.

"Last year was a great year for many of us in the profession, but we also want to have a model that will weather the next downturn or slow period."

The firm also made several key hires to shore up its core practices.

In Washington, D.C., Proskauer added longtime Dechert corporate and capital markets partner William Tuttle, as well as former U.S. Securities and Exchange Commission counsel Samuel Waldon, and Waldon's former SEC colleague Karen Garnett, who had served as associate director of the agency's corporation finance division.

Proskauer also added tax partner Jeremy Naylor from Cooley to its private funds group and tax department in New York. In Boston, the firm welcomed back tax partner **Scott Jones** in July, four months after he left to start up Kirkland & Ellis' tax practice in Beantown.

In Los Angeles, transactional partners Don Melamed and Albert Stemp joined from O'Melveny & Myers and Hogan Lovells, respectively. In June, the firm added commercial litigation partner Jonathan Weiss from Kirkland & Ellis.

Proskauer's fiscal year closed Oct. 31 and just three-and-a-half months into its next cycle, the firm is already seeing its 2018 performance carry into 2019, Leccese said. And with this momentum, the firm will surely continue to reach new highs in the coming year, he added.

"We are very optimistic about this year," Leccese said. "We will certainly break the billion-dollar cash-collected barrier, and our profits per partner we expect will continue to go up."

Meghan Tribe is a reporter covering the changing face of Big Law, from lateral moves and work-from-home programs to diversity initiatives. Contact her at mtribe@alm.com. On Twitter: @TribeMeghan