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November 14 — The Day Fulbright & Jaworski Changed the Texas Legal Landscape Forever

NOVEMBER 14, 2024 | **BY MARK CURRIDEN**

Fulbright & Jaworski was the biggest of the Big Three in Texas.

For most of the past century, Fulbright, Baker Botts and Vinson & Elkins reigned as the masters of corporate law in Texas. Lawyers at the trio didn't need to do much business development because clients rushed to their offices when they needed big-time help. With a few exceptions, New York, Chicago and California law firms were mostly unsuccessful in their attempts to open or grow branch offices in the Lone Star State.

A dozen years ago, Fulbright and her two sister firms — all headquartered in Houston — represented Texas' biggest businesses and wealthiest citizens. Each employed about 700 attorneys, and they reported roughly the same revenues and profits. The best students at all the Texas law schools prayed one of the Big Three would extend them an offer. Lawyers joined Fulbright and stayed until they retired. Even as national law firms dipped their toes in the Texas legal market waters, leaders at the Big Three swore they would never merge. Texas forever.

And then came Nov. 14, 2012.

The Texas Lawbook issued a breaking news bulletin exactly 12 years ago today: **"Fulbright & Jaworski and Norton Rose to Merge."**

Months and months of secret merger negotiations between Fulbright, a firm founded in Houston in 1919, and London-based Norton Rose became public. Combined, the new global mega-firm boasted 3,800 attorneys in 55 different offices, more than $2 billion in revenues and a whole new way of operating a legal partnership.



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The Dallas Morning News — Section D — Thursday, November 15, 2012 — dallasnews

FOOD INDUSTRY

Hostess gives workers deadline

Company to liquidate if striking bakers don't return to jobs today

By KAREN ROBINSON-JACOBS Staff Writer

Hostess Brands Wednesday gave striking bakers until 4 p.m. Dallas time Thursday to get back to work. If they don't, Hostess said, it will file a motion with the U.S. Bankruptcy Court on Friday to liquidate the company.

"We simply do not have the financial resources to survive an ongoing national strike," said Gregory Rayburn, chairman and chief executive of the Irving-based snack maker.

"Therefore, if sufficient employees do not return to work by 9 p.m. EST on Thursday to restore normal operations, we will be forced to immediately move to liquidate the entire company, which will result in the loss of nearly 18,000 jobs."

Rayburn said it is now up to

See HOSTESS Page 6D

Ron Bruno/Getty Images

Hostess Brands, maker of Twinkies, said nearly 18,000 jobs will be lost if it liquidates the company.

TECHNOLOGY

TI to lay off 1,700, 500 in Dallas area

Chipmaker will cut jobs as it discontinues its mobile business

By SHERYL JEAN Staff Writer

Texas Instruments Inc. said Wednesday that it will lay off about 1,700 people globally, including 500 in the Dallas area, to cut costs as it shifts away from the wireless mobile market.

The move is part of TI's previously announced plans to refocus on faster-growing, more profitable areas of business.

It also means the Dallas-based chipmaker will discontinue its mobile business instead of selling it, spokeswoman Whitney Jolly confirmed.

The cuts amount to roughly 6 percent of TI's near-

By 10,000 employees worldwide and 9,000 workers in North Texas. The company plans to notify affected employees by the end of the month and the layoffs will occur over the next few quarters, Jolly said.

Financial analysts who follow TI see the move as positive.

"I think this will be viewed

See TI Page 6D

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LAW FIRMS

Fulbright, British practice merging

Company to be in top 10 globally, with 55 offices, 3,800 lawyers

By MARK CURRIDEN The Texas Lawbook

For the past decade, Texas-based Fulbright & Jaworski and London-based Norton Rose had been rumored to be in merger talks, even though lawyers at the two law firms contended they were merely friends.

On Wednesday, they made their relationship formal, an-

Dallas Morning News business section cover from Nov. 15, 2012

The news of the global law firm merger stunned the Texas legal and business communities. Fulbright was a Texas institution, the home of legendary Watergate special prosecutor Leon Jaworski, with more than 500 attorneys in Dallas, Houston and Austin. Fulbright partners chaired nonprofit organizations, led fundraisers for charities and headed bar association and chamber of commerce committees. There were immediate worries that a firm as prestigious as Fulbright would suddenly disappear or even slowly fade — the way AOL vanished after its merger with Time Warner or the way the name Continental Airlines was eventually scrubbed out by United Airlines.

There had been previous law firm

mergers — Dallas-based Hughes and Luce merged with K&L Gates in 2007 — but legal industry analysts described the Fulbright combination with Norton Rose as groundbreaking and evidence of a dramatically changing Texas legal market.

"Fulbright & Jaworski was the biggest brand in Texas legal history," said Kent Zimmermann, a law firm consultant at Zeughauser Group. "It was a giant of a law firm — the biggest in Texas and one of the top five biggest in the U.S. Everyone was stunned. But there were partners at Fulbright who clearly saw big changes on the horizon in the Texas legal community and they were right."

Leaders at Fulbright quickly explained their strategy and promised the name Fulbright would never disappear.

"We are the same law firm with the same integrity and the same quality serving our clients but on an expanded global basis," Kenneth Stewart, who was then Fulbright's partner-in-charge of its Dallas office, said in an interview with *The Texas Lawbook* on Nov. 14, 2012. "This is a smart combination of two groups whose geographic presence, capabilities and client service cultures are strongly complementary."

A dozen years later, it is evident that the worries were clearly misplaced.

The Fulbright name is stronger than ever in Texas and its lawyers are even more embedded in the community, serving as presidents of bar associations and Inns of Court and high-profile nonprofits.

Texas Lawbook 50 data shows that Norton Rose Fulbright has flourished. The firm ranks in the top five for lawyer headcount and total revenues in Texas and has been on a significant hiring spree in 2024. Lawyer headcount is up by more than 50 attorneys to more than 850 attorneys in the U.S. In Texas alone, Fulbright has grown from 375 attorneys in 2023 to 426 now, including 129 in Dallas.

Revenues generated by the firm's Texas lawyers were up nearly nine percent last year, to $403 million. Firm leaders say they are on pace for another nine percent in revenue growth in 2024. Since the 2012 merger, revenues per lawyer are up nearly 50 percent — from $740,000 in 2012 to $1.1 million in 2023.



Jeff Cody

"We are enjoying another really busy year across so many of our practices," Jeff Cody, a partner in Norton Rose Fulbright's Dallas office and the firm's global managing partner, told The Lawbook in a recent interview. "The projects team, with its highly regarded renewables lawyers, continues to be involved in large and innovative transactions. Our IP disputes team is in high demand, particularly for their work with technology patents. And our litigation group remains a focus of the firm, with the new Houston Business Court presenting many opportunities for clients."

In 2017, Norton Rose Fulbright acquired Chadbourne & Parke, giving the firm increased corporate transactional expertise on the East Coast.

"Both combinations have far exceeded my expectations," Cody said. "We still see the direct benefits. Revenues are up. Productivity is up significantly. Our attrition rates are low. Our lateral recruiting is strong and it is global."

"We attract clients and work from clients that we would not have except for the combination with Norton Rose," he said. "The day the combination took effect, we became one of the five truly global law firms in the world."

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Cody agrees that law firm mergers, especially huge global combinations like the one with Norton Rose, are complex and take time to see results.

"Just addressing the day-to-day issues and the newness and the change can be difficult," he said. "The real challenge was putting people together, making connections. We are in a people business, which requires building relationships with your partners."

Cody said that another major challenge is "retention after a merger."

"It is a big deal because folks are naturally going to be nervous," he said. "In my mind, you have to be as transparent as you can be. You have to communicate with everyone, especially your partners. If you don't make people comfortable with the changes, they will be unhappy and they will look to leave."

Cody dismisses the idea that the institution known as Fulbright & Jaworski vanished in 2012.

"I don't accept that Fulbright & Jaworski disappeared," he said. "Yes, the name is different. But the traditions and ethics that Mr. Jaworski brought to the firm are still with us today."

In the years that followed, more Texas firms merged with out of state operations. Andrews Kurth merged with Hunton & Williams. Gardere combined with Foley. Strasburger & Price became Clark Hill. Thompson & Knight merged with Holland & Knight. And most recently, Locke Lord combined with Troutman.

"There are definitely going to be more law firm combinations in Texas," Cody said. "We and other firms are always looking for opportunities to grow and make ourselves stronger.

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