

THE
AMERICAN LAWYERWhat's a 'New York Firm' in 2025? Latham's
Bid to Edge Out Wall Street Stalwarts

By Christine Simmons

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When Marc Jaffe started practicing in Latham & Watkins' New York office in 1993, the Manhattan branch had fewer than 100 lawyers. Jaffe, now managing partner of that office, remembers the firm's litigators were mostly chasing auto dealership litigation. Its corporate department, meanwhile, was known for its junk bond work.

Now the office, with about 830 lawyers, is among the five largest firms in New York by attorney head count. Its litigation department frequently handles crypto litigation, while its corporate lawyers are ranked among the top in M&A, capital markets, private credit and bank lending. The firm adds more lateral partners in New York than in any other city, according to Law.com Compass data.

Like Latham, the landscape in the city has evolved: No longer is the New York legal market run by a small cadre of Wall Street law firms. Now firms founded outside the city, including Chicago-founded Kirkland & Ellis and Los Angeles-founded Latham, have staked their claim to be among the largest in New York. Other firms such as Gibson, Dunn & Crutcher, Sidley Austin and Paul Hastings have grown their New York presence considerably, too.

But Latham's goal is not merely growth, but depth. Recent conversations with the firm's top partners in New York reveal its strategy in the city: to be a "talent



Courtesy photos

From top left (clockwise) : Ray Schrock, Stelios Saffos, Daniel Seale, Paul Kukish, Marc Jaffe, Benjamin Naftalis, Justin Hamill, and Nicole Fanjul of Latham & Watkins.

aggregator" and strategic adviser in all practice areas important to clients, especially when other firms prioritize specialization. Latham is also taking advantage of the market, with some observers seeing that the pool of preeminent firms in the city is narrowing, and top partners at once-impenetrable firms now more open to leaving.

Latham's New York office, now in its 40th year, has directly lured Wall Street talent in recent months, such as Ray Schrock from Weil, Gotshal & Manges;

Andrew Parlen from Paul, Weiss, Rifkind, Wharton & Garrison; Marc Berger from Simpson Thacher & Bartlett; and John Sobolewski, from Wachtell, Lipton, Rosen & Katz.

The benefits of growing its depth and bench of talent—competing head-on with New York-founded firms—are more points of contact with its largest corporate and financial clients, its lawyers say.

At Latham, “people see the synergies for all practices being able to have multiple points of contact within multiple [client] relationships,” Schrock said in an interview—one of several conducted with firm leaders.

“This is the future of very successful law firms. And you’re going to see some law firms that will just pull away” in market share and profits, he said. It’s “almost like a Big Four model where there’s just a few firms that can really exercise dominance and control over given verticals,” he added.

Several observers lately have remarked on consolidation at the top of the market. Sabina Lippman, managing partner of recruiting firm CenterPeak, noted how laterals are “coalescing” into the top firms in various practices.

It’s not just a firm’s profitability that compels lateral candidates toward new firms. The entire package is making more of a difference for lateral candidates, said Lippman, because these practices—from private funds and private equity to M&A, restructuring and white-collar—are all interconnected.

“More and more, you’re seeing people move from firms that have a subset of strong practices to firms that have really great offerings in all of these practices,” Lippman said.

Still, profitability never hurts. Latham’s surge in lateral partner hiring in recent months follows a year of significant financial growth for the firm. The law firm’s point value surged by double digits in 2024, according to sources, as Latham reorganized its compensation structure to be more competitive.

Latham’s Shift

Latham lawyers remember a time in New York when they weren’t advising on some of the top 10 biggest M&A deals in any given year.

“When I started at this firm 20 years ago,” said Paul Kukish, chair of its private equity and investment funds group, “I don’t think we would have had one.”

Stelios Saffos, Latham’s vice chair of capital markets and public company groups, recalls that Latham, in decades past, was “very much reactive” in New York. “[We were] much more in a position where we waited for phone calls—we got a call from a client, we got a team together and we were really ... fine-tuning our deal execution.”

Latham years ago also did “very little bank lending work,” noted Daniel Seale, global chair of the firm’s banking practice. “If you look at syndicated loans and working for large banks, we were kind of nowhere.”

Now, he noted, Latham is among the top-ranked firms in syndicated loans and private credit loans.

That change has happened relatively quickly, Seale said, “but it’s tangible and it’s real.”

“There’s no firm that can work on the multibillion-dollar syndicated loan for JPMorgan, right down to the middle-market loan for a private credit fund. They’re all clients—we’re top choice or second choice for all,” he said.

Latham is also now advising on some of the 10 biggest M&A deals in any given year, often eating into some of the market share of Wall Street firms that have dominated M&A.

A look at league tables in the past decade illustrates the market share evolution in deals. According to Mergermarket data, Wall Street law firms were mostly No. 1 and No. 2 in the legal adviser rankings based on global deal value, from 2014 to 2019. During that time frame, Latham was No. 5, at the highest point, but it sometimes sat at No. 9 or No. 11.

Then, in 2020, Latham came in at No. 2, just below Sullivan & Cromwell. From that year forward, Latham has appeared in the top three rankings, often above Wall Street firms. Last year, Latham was No. 2 in the Mergermarket rankings for global deal value—just below Kirkland, and above Skadden, Arps, Slate, Meagher & Flom, Sullivan & Cromwell and Paul Weiss—advising on \$506.75 billion worth of deals.

Among other big deals, Latham's New York lawyers are representing Skydance Media in its pending merger with Paramount. They are also advising long-time client Endeavor Group Holdings in its pending \$13 billion take-private acquisition by private equity firm Silver Lake.

The firm has also come to dominate the IPO space. Last year, Latham advised on 31 U.S. IPOs, more than double the number of IPOs advised on by the next law firm, according to Deal Point Data, which looks at IPOs of more than \$75 million and excludes SPAC IPOs.

"The place we occupy now"—compared with before the 2008 financial crisis—"it's a complete sea change," noted Saffos.

Latham says its buildup across key services for its largest financial and corporate clients is deliberate.

"There are firms that we compete with in slices, in products. I think there is no firm that presents to the market the breadth of ... market leadership that we do," Jaffe said.

Market Changes

The New York legal market has evolved quickly in the last decade, both in market pressures and in newer entrants. In 2014, Paul Weiss, Skadden, Davis Polk, Simpson Thacher & Bartlett and Sullivan & Cromwell were the top five firms by attorney headcount, according to data from the NYLJ 100.

Now, on the most recent count, Kirkland, previously No. 11, is No. 1. Latham, previously No. 13, moved to No. 5. Paul Weiss, Davis Polk and Simpson were still in the top five, while Skadden was No. 6, and Sullivan & Cromwell No. 9.

Other law firms have also rapidly grown their New York offices, rivaling those firms founded in the city. They include Gibson Dunn (with more than 500 lawyers, at No. 13 in the NYLJ 100); Sidley Austin (more than 430 lawyers, No. 15); and Paul Hastings (more than 380 lawyers, No. 23).

New York is Latham's top city for lateral partner additions, and while it has sustained its share of lateral losses globally, New York is only the No. 3 city on its partner departures list, behind London and Washington, D.C., Compass data shows.

Meanwhile, several other law firms that had large presences in New York have either dissolved in the last 15 years (Stroock Stroock & Lavan, Dewey & LeBoeuf) or merged with larger firms based outside the city (Chadbourne & Parke; Shearman & Sterling; and Kaye Scholer).

The New York legal market was the same for a very long time, Saffos said.

"There were the five or six firms that were founded in New York 100 years before us. And they did the same thing for a really, really long time," he said.

Saffos recalled firms vying for the position of "the best capital markets law firm in the world when I was a summer associate in 2005."

"Some of those firms don't exist in name anymore, and others have a capital markets team that we don't really think about as like competitors anymore," he said.

Other high-end firms are de-prioritizing practices that have neither the support for products nor the rates, noted Benjamin Naftalis, Latham's deputy office managing partner in New York.

Latham partners say their mindset comes from not having an institutional role in the city—being a "newer market entrant." They said they function as "a strategic advisory role for the clients" in the day-to-day business needs, rather than an "episodic deal-focused law firm."

"Some of the best law firms in New York City still have that old mindset of ... chasing a deal," Jaffe said.

"We had the luxury of not having the history of 150 years of representing James Pierpont Morgan or Mr. Goldman," Jaffe said. "We invested in our clients. We thought about, where do the clients want to be in five years, 10 years, and what skills are we going to need to bring to our platform to be that consigliere, that strategic adviser to our very best clients."

"We continue to have that upstart mentality where we think we're the insurgents and we're continuing to push," Saffos added.

Private capital illustrates the change in pace in New York, according to the Latham partners.

"It's been a huge surge in the market, whether it's on the private equity side or the credit side.

We have been there for a long time. We've been the leaders there," noted Seale, global chair of the firm's banking practice.

Talent Factors

Partners say breadth and depth of practices have meant the difference for key talent, both in retaining and attracting partners.

It's "not a lifecycle relationship to just be able to do one or two [services]," noted one partner. "And that's if you look at who's moving around, it's folks who are no longer fitting into the product at the firm."

Slight differences in profit are "not really the end game," Saffos said. "The end game is to be in that class of firms that emerge as the most important strategic advisers to the most sophisticated consumers of legal services ... and are talent aggregators."

Latham partners say they often get "cold calls" from laterals in the market who are taking notice of their rise.

From what they see in the lateral market, "people are experiencing sort of push factors," added Kulkish, the private equity and investment funds group chair. "They're recognizing that their current firms oftentimes don't have the platform that is going to put them in a position to service those clients more broadly."

Justin Hamill, chair of Latham's M&A practice, reinforced recruiter Lippman's sentiment of talent coalescing to the top of the market. "It has been going on for years and it will only continue to accelerate," Hamill said.

At the same time, Nicole Fanjul, co-deputy managing partner for the New York office, said the firm isn't

looking for laterals to "operate as a silo. ... We want someone to plug in and be driven to make the connections and really deliver the platform the way we all grew up."

Challenges and Goals

The Latham partners pointed to the firm's geographical reach, including in Europe, as a differentiator, but there have been challenges.

The firm saw a steady flow of partner departures across Europe in the last year, with laterals heading to Sidley Austin, Kirkland and Milbank, among others. The firm isn't immune to exits in the U.S. either, with two Boston corporate partners this week heading to Freshfields and Paul Hastings.

Sources say the firm's compensation structure hasn't always kept up with elite firms, although changes last year in its partner pay structure put it much closer. Law.com previously reported that top partners there can now make more than \$20 million in pay, after the firm added two new tiers of points at the top of the scale.

Latham's overarching challenge continues to be the day-to-day battle with other elite firms for talent and client market share. That's a battle with old-line New York law firms, as well as newer entrants like Kirkland and international firms like Freshfields.

Despite those and other challenges, Jaffe maintains high aspirations for Latham in New York.

"When you have a bet-your-company M&A matter, when you have a bet-your-company controversy ... I want someone to think, 'We need to call Latham & Watkins,'" Jaffe said. "I want us to be the only firm that comes to mind."