

When Latham calls: The man behind the standout hiring spree of 2016

By Rachel Moloney 30 August 2016

Lateral hiring comes easily to Latham & Watkins. But the firm only ever recruits in waves.

In 2016, the firm has hired an impressive seven laterals, as well as two senior members from UK Government and one in-houser.

Practice areas that have particularly benefitted this year include corporate, finance and litigation, with partner and executive committee member Richard Trobman – the man behind the serious recent round of hires – telling *The Lawyer* that his firm “has a clearly defined strategy for where we want to go”.

“We need to be top-ranked in practices that are global in nature,” Trobman adds.

The Class of 2016 comprises of Slaughter and May corporate partner Sanjev Warna-kula-suriya, Allen & Overy former banking head Stephen Kensell and Ashurst partners Rob Moulton and Simon Baskerville.

White & Case partner Joshua Kieran also joined the capital markets team, while Dechert partner Jeremy Trinder will bolster the firm’s real estate capability alongside GE Capital in-houser Quentin Gwyer.

Away from corporate and finance, the firm has pushed litigation heavily this year, hiring Debevoise & Plimpton partner Sophie Lamb and Stuart Alford QC from the UK’s Serious Fraud Office. Jonathan Parker also joined from the Competition and Markets Authority (CMA). His move has been credited as kick-starting Latham’s aggressive recruitment drive for 2016.

Identifying the perfect candidates

Parker’s arrival marked the first time Latham had recruited at partner level since early 2015 when it took on Herbert Smith Freehills (HSF) corporate partner Simon Tysoe. Prior to that the firm hadn’t made a lateral hire since 2014 when



corporate lawyer Paul Davies became one of the few partners to leave Macfarlanes.

The recent recruitment drive instead mirrors that of Latham’s 2013/14 growth spurt, in which eight new partners joined between May 2013 and April the following year. These included a Clifford Chance trio – David Walker, Tom Evans and Kem Ihenacho – while Herbert Smith Freehills partner Simon Bushell was the firm’s only litigation hire between 2013 and this year, until now.

So what changed for Latham in the first half of 2016? Trobman, who meets every potential lateral hire, observes that “the financial markets are evolving and we have seen a shift in the provision of capital.”

“We’re investing in areas we feel will play an increasingly important role in the future and we’ll continue to invest where we see opportunity to improve the strength of our global platform.”

Developing areas include fintech and lending through structured products and derivatives. Warna-kula-suriya and Baskerville will play a key role here advising special situation lenders and private equity sponsors, while A&O partner Kensell will focus on the banks, leveraged finance and corporate work. Kensell, a frontrunner in A&O’s recent leadership elections, clearly fitted the bill for Latham, and he is

understood to have only considered joining the US firm, and no others. Warna-kula-suriya, on the other hand, is believed to have been in discussions with a number of firms prior to settling on Latham – a shock move for a Slaughters partner.

“We’re looking for leadership qualities in our laterals,” Trobman adds. “A partner must be as right for us as we are for them and we look for people who want to buy into the firm’s culture.”

Fitting into the firm

But Latham’s culture is not for everyone. “There will be just as many people leaving as joining,” says a source. “Its model is to grow by lateral recruitment and it works, but that brings good things and bad things. Some people just don’t fit with its culture.”

Culture has to be a major consideration in the recruitment process, with Latham hiring from a range of firms, including magic circle and US outlets, as well as in-house and Government roles.

Lawyers like Kensell and Baskerville are long-serving partners of their former firms, and Trobman acknowledges the importance of explaining what joining Latham actually means. “We have an extensive interview process,” he says. “Alongside lawyers from other practices and offices, our lateral candidates meet other recent laterals so they can better understand our culture and how the firm differs in practice.”

Latham is one of the most respected in the business. Latham and Skadden Arps Slate Meagher & Flom were the first US firms to generate revenues in excess of \$2bn in 2007, with revenue now standing at approximately \$2.65bn. As a result, money is constantly given as a reason for joining and partners in London can benefit from the firm’s global profit per equity partner (PEP) figure of nearly \$3m (£2.3m).

This is worlds away from PEP at A&O, for example, which totalled £1.2m in 2015/16.

“It’s the go-to firm,” says a source. “Everyone wants to go there.”

The Latham way

Trobman is keen to play down the money aspect of its recent hires, highlighting Latham’s already high-standing in the legal rankings.

The firm has hired some heavy hitters in the form of Baskerville, Lamb and Kensell, but their individual billings do not form the basis of their applications, according to Trobman.

“We don’t recruit based on billings,” he says. “We’re less interested in adding revenue in the short-term, as it’s a longer term play about bringing in talent that will make us stronger globally. The strategy is flawed if you’re only recruiting to bump up revenue in a single office or practice in the short-term.”

With Latham hiring in such large numbers this year, it may be that some new joiners may find the US firm’s culture impossible to handle. The firm has lost several laterals in the past year, including Lucy Oddy to A&O and Graeme Sloan to Morrison & Foerster, although the majority of its new joiners since the 2013/14 growth spurt do still practice at the firm.

Trobman remains tight-lipped on whether the firm’s 2016 recruitment drive is still in full swing, or whether it will fit into Latham’s traditional pattern of hiring extensively only once every three years. Instead, he maintains the hiring strategy is about predicting which areas will grow in importance in the coming years and ensuring the firm’s next generation is prepped to cope with the influx of work in corporate, finance and litigation.

As one lawyer says, “the firm has a plan – let’s see how they do”. Stay tuned for the 2019 hiring spree.