

Kirkland & Ellis Seizes New \$3 Billion Business: Litigation

by Roy Strom

Kirkland & Ellis has a new growth engine that's a throwback to the firm's roots.

Kirkland added nearly 300 lawyers to its litigation department since the beginning of last year, an increase of about a third. The growth rate eclipsed all other top 50 law firms, even as some rivals also load up on trial lawyers, according to data collected by Bloomberg Law.

The world's largest law firm by revenue remains entrenched as a premier adviser to the private equity industry. But now it is using a familiar playbook to strengthen the business on which it was founded: fighting courtroom battles.

"I can't think of a business we would want to invest in more," said Andy Calder, a private equity partner in Houston who serves on the firm's leadership committee.

Kirkland's litigation practice grew faster than any of its other business lines through the first nine months this year, the firm's leaders said.

It has been a \$3 billion business over the last 12 months, according to a person with direct knowledge of the firm's finances who wasn't authorized to share details publicly.

Before Kirkland began hiring splashy groups of partners this year, the firm spent years lifting the profitability of its litigation practice to match its transactions group, the person said. The firm bills out litigators at rates ranging from \$1,000 to more than \$2,400 per hour, court records show.

"It was always a good business, but it historically had been lower margin than our transactional business," Jon Ballis, the firm's chairman, said. "Now we're seeing the same margins as on the transactional side and it's become a great business."

To accomplish that, Kirkland moved into higher-leveraged matters, such as defending against mass tort claims for the likes of Johnson & Johnson, Abbott Laboratories, and Uber. The firm also refused to budge on its rates, convincing partners to turn away lower-priced work that would

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otherwise pad their hours, according to firm leaders. And it leaned into flat-fee types of deals, including in the mass torts space, where it's seeking to deploy its broad range of litigators for a group of clients who need a lot of help and want a better sense of how much they'll have to spend. When the firm wins cases, those alternative fee deals can generate outsize profits.

Chicago-based trial lawyer Andrew Kassof helped develop the profits-before-growth strategy. He's gotten buy-in from top private equity partners such as Calder, a stark departure from Kirkland's "eat-what-you-kill" days of old.

Some of the largest and most profitable law firms, like Kirkland, view litigation investments as helping to solve two problems at once, said Kent Zimmermann, a principal at law firm consultancy Zeughauser Group. Firms see an imperative to grow because it allows them to pay their top partners competitively. Many have become too reliant on transactional work, which is prone to cyclical spikes and valleys.

“A lot of firms are saying, ‘as we put the pedal down on growing more we should do it in a way that hedges on cyclicity,’” Zimmermann said.

Corporate Push

Kirkland’s chair position was held exclusively by litigators until 2009, when corporate lawyer Jeff Hammes took over. Hammes’ decade-long tenure was defined by an intense push to grow its corporate practice and strengthen its grip on private equity clients.

Its success on that front helped make Kirkland the most profitable large law firm in the world last year, with its average equity shareholder earning more than \$9 million. The shift more broadly forced other law firms to aggressively compete for private equity work, contributing to something like a free agent bidding war as Big Law jostled for corporate talent.

The firm’s litigators appeared to be left in the backseat. Some courtroom lawyers who departed described Kirkland’s litigation business as being

a mere “service” arm for corporate clients. Morale in the litigation group suffered as the firm’s main success came from transactions work, according to one person with direct knowledge.

In 2016, the firm’s regular two-year reallocation of equity shares resulted in a “bloodbath” for senior litigators, the American Lawyer reported, in what seemed like a culmination of the firm’s corporate partners taking control.

A New Strategy

Kassof, a 30-year Kirkland veteran and member of the firm’s executive committee, is one of the key partners behind the strategy. He was keen to bolster profits so litigators provided returns to equity partners on par with the corporate group, firm leaders said.

His strong personal relationship with Ballis, a private equity lawyer, has also benefited the litigation group’s growth, a person with direct knowledge of the situation said. It marks a contrast to head butting among leading litigators and corporate partners in years past.

“Lots of people can write things on the blackboard, but to go out and execute on it is hard,” Ballis said in an interview. “And that’s what our litigation leadership has been able to do.”

The firm turned its attention to mass torts and products liability defense after Kassof parsed data, searching

for the commercial litigation matters that command the highest billing rates and are growing in demand, according to a person who was briefed on his strategy.

Early forays include representing Juul, the e-cigarette-maker, against claims it deceptively marketed its vape products to minors, and 3M in lawsuits over its military earplugs.

Kirkland is now defending Johnson & Johnson on its talc lawsuits. A team of litigators is representing Abbott in trials over claims its baby formula can harm pre-term babies. It’s defending Tylenol-maker Kenvue against lawsuits linking the pain reliever to autism, Uber against passengers’ sexual assault claims, and social media company Snap against plaintiffs who say its product is addictive.

Mass tort cases, now often fueled by private equity and other litigation funders backing plaintiffs’ lawyers, represent a significant financial and reputational threat for companies. That makes them the types of matters where clients inherently turn to top law firms. The workload is massive, especially when the cases reach the phase of bellwether trials.

Kirkland has invested in mass tort litigators with the type of zeal it once brought to hiring New York deals lawyers.

The firm in January recruited a team from Skadden, Arps, Slate, Meagher & Flom to launch a Philadelphia office. In May, it hired a group of more than

20 litigators from King & Spalding. The firm also picked up litigators this year from Latham & Watkins and Butler Snow.

Wrap Around

Part of the new strategy is a tactic Kirkland mastered with the private equity industry—wrapping itself around its clients to service all of their legal needs.

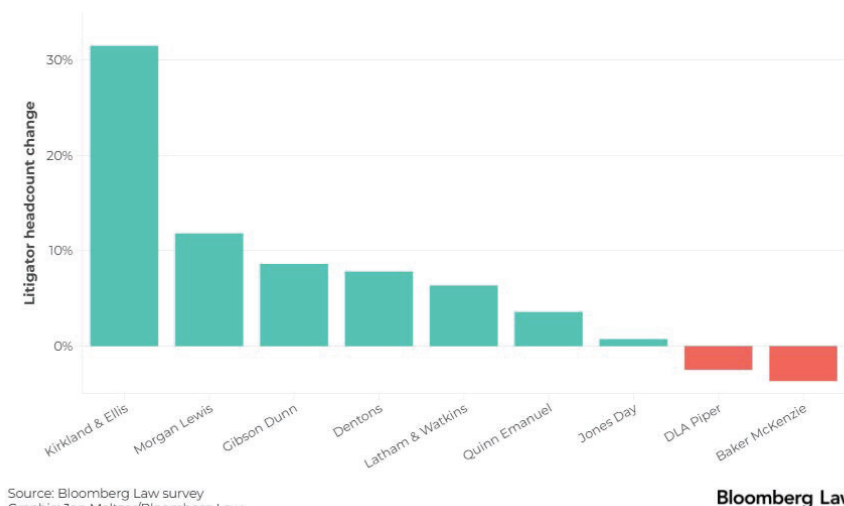
The firm's push into the mass tort space sometimes involved offering flat fees to clients, firm leaders said. Kirkland aims to bundle together the clients' mass tort-related work—ranging from regulatory issues to attorneys' general investigations to managing litigation up through trials.

Companies typically hire lawyers from multiple firms because of the sheer scale and variety of work required to defend thousands of cases at the same time. Those attorneys work together in what the industry calls "virtual law firms." For instance, a pharmaceutical company might hire one law firm to handle trials while another firm interfaces with the Food and Drug Administration. The firms are expected to share information or coach each other up on important issues.

That structure has bred more friendly competition among firms, a leading lawyer in the space said, speaking on the condition of anonymity to protect relationships. Lawyers often rely on referrals from professionals at other firms. Those joining Kirkland have stellar reputations as collegial players, he said.

Kirkland Trial Lawyer Roster Swells

Litigation headcount growth from the start of 2024 through Q3 2025 at firms with more than 1,000 litigators



An effort by any firm to ring-fence all of a clients' work could risk those cozy relationships, the lawyer said. But offering a turn-key solution "may be a compelling pitch" for clients, the lawyer said.

Culture Shock

The firm also made an effort to turn down matters from clients who demanded discounts or wanted Kirkland to match lower rates offered by competitors, firm leaders said, a decision that resulted in some partner departures.

"We weren't afraid to shrink the business, at first, if that's what was needed to position the practice properly," Ballis said.

Convincing partners to turn away cases can be difficult, both financially and politically. Lawyers often get paid based on the work they

generate and the hours they bill. Telling them to reject work can be interpreted as saying their matters aren't good enough.

But the effort mirrored a broader push by Ballis to move away from Kirkland's "eat-what-you-kill" reputation. Kassof emphasized "collaboration without self-interest."

Partners would be financially rewarded for a team-based approach to client relationships. Selecting partners to pitch for new work wouldn't be based on who you knew at the firm, but which partners had the most relevant skill and experience for the matter. The firm emphasized staffing across offices on the same basis—something the pandemic-driven work-from-home era fostered.

Geographic Expansion

Partner support for the approach had a trickle-down effect on Kirkland's hiring strategy. The firm began to hire lawyers in smaller cities where it didn't have equity partners feeding them work. Those lawyers would plug into national matters.

The strategy has played out in Salt Lake City, Boston, and Miami in recent years. The firm now has roughly 30 litigators in Utah and around 20 in both Boston and Miami, all hired within the past two-plus years.

Then there is Philadelphia, where Kirkland this year opened an office to accommodate the hire of Alli Brown, a top mass torts trial lawyer, and a large group of lawyers from Skadden.

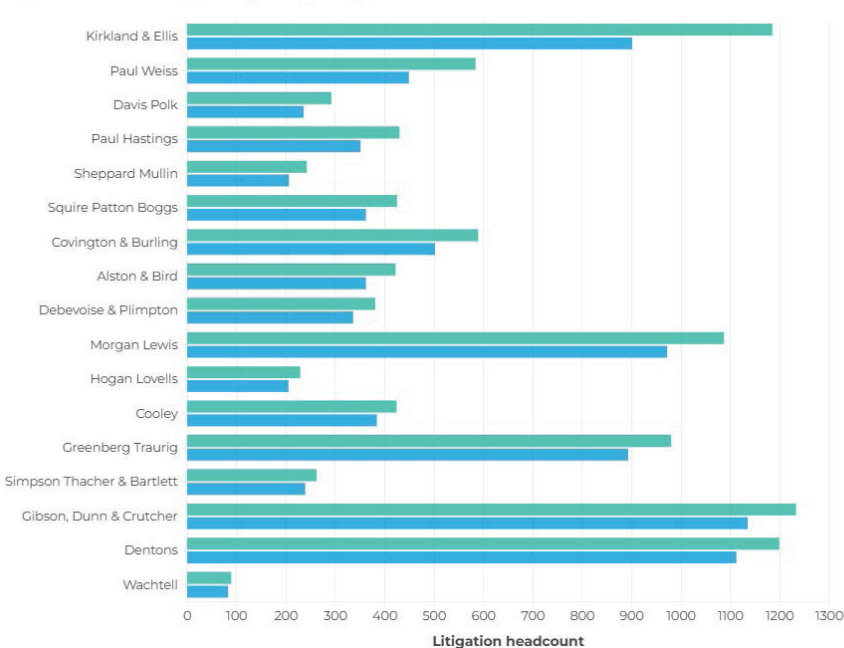
Brown led a team in a San Francisco courtroom that last month secured a win for Uber in its first sexual assault case to go to a jury trial. The team included New Yorker Kristen Fournier, who joined from King & Spalding in May, and, Jennifer Levy, a 27-year Kirkland veteran based in DC.

Edward Sassower, a Kirkland partner who co-leads its restructuring practice, said Brown's hire, and the trial team that supported her, were examples of how the firm's litigation practice now works more seamlessly across the country.

"That never could have happened before," Sassower said. "We would have needed to have a huge team in Philly to justify that lateral move. Now you have a Kirkland lifer from the DC office embracing her new partner to make the best team for the client."

Big Law Loads Up on Litigators

Litigation headcount as of: ■ End of Q3 2025 ■ January 1, 2024



So long as the firm's bet is correct—that its litigators will stay fully utilized and billing at high rates—the litigation group is poised to contribute significant growth to Kirkland's already mammoth \$8.8 billion top line.

Kirkland hired 106 first-year litigators in October, more than any other top 50 law firm, according to data collected from 33 of those firms by Bloomberg Law. It added more than 140 lateral hires to its litigation group just this year, and firm leaders say they expect growth next year to continue.

Adding 240 litigators who bill 1,800 hours a year at an average rate of \$1,200 an hour equates to more than \$500 million in annual revenue. Change those conservative assumptions to 2,000 hours a year

at \$1,500 an hour, and the revenue is \$720 million.

It's the kind of business that's gotten the attention of the firm's private equity lawyers.

"It's a driving factor behind the firm," Calder said. "They have been the big success story of the firm for the past two or three years."

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