

## Where Are Partners Moving in Asia?

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In the 14 months ending in February, Linklaters lost 11 partners in Asia, eight of them in Hong Kong. Of those eight, six joined U.S. firms: Davis Polk & Wardwell; White & Case; Paul, Weiss, Rifkind, Wharton & Garrison and Kirkland & Ellis.

That loss of partners to American firms was not unique to Linklaters. According to our analysis of 362 partner-level moves in Asia and Australia during the 14 months ending Feb. 29, 2016, there was a much bigger flow of laterals into U.S. firms from U.K. firms than in the opposite direction.

The moves we recorded included 125 departures from U.S. firms. Only 19 (15 percent) of those partners ended up at U.K. firms. But out of the 71 departures from U.K. firms to U.S. firms, 32 partners (45 percent) went to U.S. firms, while just 21 laterals joined other U.K. firms.

This was particularly true in Hong Kong, where more than half of the U.K. firm defectors joined U.S. firms. Only 14 percent of partners leaving U.S. firms found new home at English firms.



To be fair, it's worth noting that as a result of global mergers, a few firms we categorize as U.S. firms—since they have most of their lawyers in the U.S.— also have a strong British heritage. Hogan Lovells, Norton Rose Fulbright, Reed Smith and DLA Piper fall into that category. (The results remain largely the same if we exclude the above four firms from the calculation. Twelve out of 87 departures (14 percent) from U.S. firms went to U.K. firms; and 28 out of the 67 departures (42 percent) from U.K. firms went to U.S. firms.)

William Voge, Latham & Watkins' London-based global chair, contends that part of the reason for the outflow from U.K. firms is historical. As a former British colony, Hong Kong became the Asia base for large U.K. firms well before their U.S. counterparts arrived. The longer-established firms make likely targets for lateral recruiting, according to Voge.

"[U.K. firms] established here and started doing business in Asia before we had one lawyer here.... If you are looking for talents in the market, it's pretty clear that you have to go to the firms that have the most talents," says Voge, whose firm has just hired [three](#) private equity and finance partners from Freshfields Bruckhaus Deringer, Clifford Chance and Hogan Lovells.

For Gary Hamp, who is one of the three new Latham hires and who was formerly head of banking in Hong Kong for legacy Lovells, part of Latham's appeal was actually the U.S. firm's London practice. "It's fair to say U.K. firms are less successful penetrating the U.S. market than their U.S. counterparts penetrating London," Hamp says. He notes that especially in the finance side, clients want both top capital markets lawyers in New York and top leveraged finance lawyers in London. "That was a really strong attraction to me as we are providing global products here," he says.

Pay is still an important factor. U.S. firms generally pay more, says Rob Green, chief executive at Hong Kong-based legal recruiter firm GRMSearch. "We are seeing as much as a 30 percent increases in base salary alone [when moving to U.S. firms], but [with] other benefits, [it] can be higher," he says.

In terms of practice areas, some 228 new partner hires were transactional lawyers, including 128 specializing in mergers and acquisitions and 66 in capital markets deals.

In comparison, 98 out of the 362 Asia laterals were disputes specialists; only 56, or 15 percent, were litigators. Despite the efforts by Hong Kong and Singapore to become hubs for international arbitration, laterals with arbitration practices only accounted for 8.8 percent of all moves in the region.



Singapore saw the highest rate of arbitration practitioner hires, with 14 out of 53 lateral moves into Singapore involving arbitration specialists. Last year, [The Asian Lawyer](#) reported that, despite leading the pack in advising on big-ticket arbitrations coming out of Asia, international firms still had a limited arbitration presence on the ground in Asia. In the past 14 months, global players including King & Spalding, Clyde & Co, Bird & Bird, K&L Gates and King & Wood Mallesons all added arbitration partners in Singapore. In addition, [Shearman & Sterling](#), [Gibson, Dunn & Crutcher](#) and [Hogan Lovells](#) made significant arbitration hires in Hong Kong.

“There are always going to be more deal lawyers in terms of the sheer volume,” says GRM’s Green. “But over the past seven years I’ve been in Asia, demand of talents with specific skill sets such as government investigations and financial institution regulations has definitely grown.”

Even for deal lawyers, Green says, firms are now looking more for the quality of a lawyer’s work, what specific clients she can bring in as opposed to the quantity of the work. “In the past, firms were very specific on the size of the book a candidate can bring in. It must be certain billions [dollars] of deals that’s in line with the head offices,” he adds. “Now they are more willing to hire on potential.”