

Briefs

BENCH-BAR ■ SUCCESSION ■ MORE HIRING ■ IN MEMORIAM ■ LAW FIRM MERGERS ■ SCAMS

Political Flavor at Bench-Bar at Revel Oct. 5-6

This year's Bench-Bar & Annual Conference at Revel in Atlantic City, N.J., will have a decidedly political feel to it thanks to guest speakers Ann Compton of ABC News and Dick Polman of *The Philadelphia Inquirer*.

Compton, the first woman television reporter assigned to cover the White House, will be the speaker at the plenary luncheon on Friday, Oct. 5. Compton has covered seven different presidents for ABC and has traveled around the globe and through all 50 states with presidents, vice presidents and first ladies. Twice during campaigns she was invited to serve as a panelist for presidential debates (1988 and 1992) and she was assigned as a floor reporter at the 1976 Republican and Democratic National Conventions.

Polman, the *Inquirer's* national political columnist, will present a local perspective on the presidential election at breakfast on Saturday, Oct.



6. Polman writes a daily political blog for NewsWorks, the news website at WHYY. He has covered every presidential campaign since 1988 and has covered House and Senate races nationwide. In addition to his own journalism, he currently teaches political commentary writing and journalistic writing at the University of Pennsylvania, where he is on the full-time faculty as "Writer in Residence." He has been a frequent guest on

C-SPAN, CNN, MSNBC, the BBC, and various NPR shows, most notably as a regular guest on WHYY's "Radio Times."

A total of 21 CLE seminars with a maximum of 6 credits are available at the Bench-Bar & Annual Conference. More than 400 judges and attorneys are expected to attend at the new \$2.6 billion beachfront Revel. For more information, visit philabenchbar.com. ■

Many Law Firms Lacking Succession Plan, Survey Finds

Almost four in 10 (39 percent) attorneys polled said their law firm does not have a succession plan in place for its key leadership roles. Among those without succession plans, close to half (49 percent) said there are no intentions to develop one, according to the survey by Robert Half Legal.

"Leadership transition planning is an issue that many law firms often put on the back burner until a managing partner or practice group leader

retires or resigns. The best time to create a succession plan is when one isn't needed," said Charles Volkert, executive director of Robert Half Legal. "Proactive planning not only ensures the transfer of knowledge and business continuity but it also adds to the stability of the firm, which can be beneficial to employees, shareholders and clients alike."

Volkert noted it can take years for firms to identify and train new leaders for key roles. "When developing

succession plans, consider a broad spectrum of issues, including day-to-day operations, client service, business development and practice group management," he added.

Volkert offered five tips for effective succession planning:

- Determine which specialties are core business areas and what effect the retirement of staff supporting these areas will have on the firm.
- Look beyond a potential successor's legal expertise and client roster to

determine whether that person is able to create a vision and inspire others. The best candidates often bring a variety of skills to the table.

- Ask a departing employee to develop a plan for sharing as much knowledge as possible with his or her successor, such as conducting an analysis of work and preparing documentation to capture critical information.
- Once a successor has been identified, it's wise for leaders

to engage in active mentoring. This may include inviting the professional to key meetings, and making him or her aware of challenges to the business.

- Vacations can be an opportune time to put a future leader in charge and see how that person performs. Having an eventual successor take the reins during absences also may make time off more relaxing for senior attorneys. ■

Main Street Upbeat as Hiring Horizon Brightens for Small Business

An upbeat outlook on sales will prompt nearly one in three U.S. small business owners to add employees through the third quarter as their optimism returns to positive levels unseen since before the "Great Recession" of 2008-2009, according to the PNC Economic Outlook survey's newest findings.

The spring findings of PNC's biannual survey, which began in 2003, show expectations for sales and profits have rebounded from near-historic lows last fall and that owners have growing optimism about the U.S. economy, and their own company's prospects. Nearly three in four (70 percent) plan to invest in their business by the fourth quarter.

The spring 2012 survey of small and mid-sized Pennsylvania business owners shows a significant improvement in business expectations and optimism compared to autumn 2011, and a return to positive levels for hiring, profits and sales unseen since 2008. More Pennsylvania owners plan to raise selling prices to preserve profits in the face of higher non-labor and health care costs. These findings strongly support the PNC economists' baseline forecast that the U.S. economic and jobs recovery will continue in 2012-2013.

The findings from the survey show growing intentions to add new employees at small firms, which do the lion's share of hiring. Private sector job growth, especially among small businesses, is essential to sustaining the recovery. Eighteen percent of the Pennsylvania small business owners expect to hire full-time employees by the fourth quarter, up significantly from autumn 2011 (9 percent) and the highest since spring 2008 (23 percent). Only 7 percent plan to reduce full-time staff, the lowest since spring 2008 (6 percent). Plans to hire part-time employees are also on the rise. Improving outlooks for sales or business expansion plans are cited by 67 percent of owners as top reasons to add employees.

Despite the good news, inflation expectations remain elevated, as two in five owners (40 percent) plan to raise their selling prices, while only 7 percent intend to cut prices,

indicating a significant rise in pricing pressures. Two-thirds (69 percent) plan to increase prices by more than 2 percent, which is Federal Reserve's inflation "goal." ■

The PNC Financial Services Group, Inc. (NYSE: PNC) is one of the nation's largest diversified financial services organizations providing retail and business banking; residential mortgage banking; specialized services for corporations and government entities, including corporate banking, real estate finance and asset-based lending; wealth management and asset management. METHODOLOGY: Artemis Strategy Group conducted the telephone survey from January 25 to March 12, 2012, among small and mid-sized businesses. 1,697 interviews were conducted nationally. Sampling error is +/-8% at the 95% confidence level based on 152 interviews in Pennsylvania. DISCLAIMER: This report was

prepared for general information purposes only and is not intended as specific advice or recommendations. Any reliance upon this information is solely and exclusively at your own risk.

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IN MEMORIAM

Aaron Blumberg
Mar. 20, 2012, Age 74

Robert M. Smith
Apr. 4, 2012, Age 90

Herbert K. Fisher
Mar. 11, 2012, Age 84

Donald J. Goldberg
Apr. 7, 2012, Age 81

Ian Hemphill
Mar. 1, 2012, Age 53

Karen Detamore
May 1, 2012, Age 62

Joseph S. Ziccardi
Mar. 4, 2011, Age 77

William J. O'Brien
May 7, 2012, Age 77

Hon. Frank J. Montemuro Jr.
Mar. 29, 2012, Age 87

Hon. Louis H. Pollak
May 8, 2012, Age 89

Please send In Memoriam notices to
tplmag@philabar.org.

*Have you considered a contribution to the Philadelphia Bar Foundation in memory of a deceased colleague?
For information, call Lynne Brown,
Foundation Executive Director, at 215-238-6347.*

Clearing the Record

In the Spring 2012 edition of *The Philadelphia Lawyer*, Allan L. Marmon was mistakenly listed in the In Memoriam section due to a clerical error. To quote Mark Twain, the reports of his demise were "greatly exaggerated." *The Philadelphia Lawyer* apologizes for the error. ■

Law Firm Mergers on the Rebound

There were 14 law firm mergers and acquisitions announced in the United States in the first quarter of 2012, according to *Altman Weil MergerLine*. This continues the rebound of law firm combinations that began in the fall of 2010 and held through all of 2011.

“We’ve averaged about 15 mergers and acquisitions in each of the last six quarters,” said Altman Weil principal Eric Seeger. “The pace of merger activity is holding steady at pre-recession levels.”

Typically, there are one or two big law firm mergers announced in the first quarter of the year, as well as a spate of small acquisitions and combinations — and 2012 is no exception. There was one large law firm merger in the quarter, while the balance of reported combinations involved either the acquisition of a firm with 20 or fewer lawyers, or the merger of two small firms.

In January, Atlanta-based McKenna Long & Aldridge announced its intention to merge with California law firm, Luce Forward Hamilton & Scripps. The merger, which was finalized in March, created a new firm of more than 550 lawyers.

Five large law firms made geographic moves, expanding their footprints with



small, strategic acquisitions. K&L Gates acquired Marini Salsi Picciau in Milan, giving the firm its first Italian office. Littler Mendelson moved into Memphis with the acquisition of labor and employment boutique Kiesewetter Wise Kaplan Prather. Jackson Lewis strengthened its position in Milwaukee by combining with Simandl & Prentice. Baker Donelson made its second acquisition in the hot Houston market, with Drucker Rutledge & Smith. And, Womble Carlyle added an office in the South Carolina capital by acquiring Hall & Bowers in Columbia.

Carroll Burdick & McDonough, a San Francisco-based firm with 72 lawyers, made the only other cross-border deal of the quarter. The firm combined with Schweiger & Partners, a five-lawyer, intellectual property boutique with offices in Germany and Singapore.

“In this type of combination, the larger firm is able to acquire new

client relationships in new markets and the smaller firm is able to execute a transition that works for the partners and their clients,” Seeger explained.

In addition to the 14 new law firm combinations announced between January and March 2012, there were 11 deals announced at the end of last year that were finalized in the first quarter. This is also typical of the annual pattern of merger activity.

There were several noteworthy deals in this category, including; Bryan Cave’s acquisition of Holme Roberts & Owen to create a firm with more than 1,000 lawyers; and the merger between Faegre & Benson, a 447-lawyer firm headquartered in Minneapolis, and 323-lawyer Indianapolis firm, Baker & Daniels. ■

Beware of Collection, Settlement Scams

Who practice creditors’ rights and family law have been inundated by offers to take cases that turn out to be scams. Here’s how it works:

I receive an email from a foreign company, usually in the Far East or United Kingdom, or sometimes from their alleged attorney there. The email recites a debt owed by a company in my jurisdiction to the creditor, and might even include copies of agreements and/or invoices. It goes on to say that the debtor wants to resolve this amicably and for me to respond with a fee proposal.

If I do that I’ll get an email acceptance back with an instruction to

take no action yet. Then, amazingly, within a few days I’ll receive a check, purportedly from the debtor, sometimes a bank check, perhaps for hundreds of thousands of dollars, payable to my firm (frequently on an out-of-country bank).

The creditor will then email me, urging me to deposit the check and make immediate distribution. If I do so, the check will eventually be dishonored, which may take several weeks, even if it appears to be a cashier’s check. It turns out the check is a forgery or stolen.

That means my escrow account is out the money sent to the creditor, plus bank bounced check charges, an expensive lesson. Of course, attempts

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The Editorial Board of this magazine welcomes submissions from attorneys and other professionals who wish to share their expertise on law-related topics.

Articles must be original and previously unpublished.

Manuscripts should adhere to the following word counts:

- * Major Law-Related Articles: 2,000 words
- * Other Law-Related Features: 1,500 words
- * General Interest: 1,500 words
- * Fiction: 1,000 words
- * Practice Areas: 750 words
- * Essays or Humor: 750 words
- * Book Reviews: 750 words

*For more information
about submitting articles,
e-mail: tplmag@philabar.org.*



to communicate with the creditor or its supposed counsel thereafter elicit no response.

A variation of this scheme is addressed to family lawyers. It recites a property settlement agreement with a balance due by an ex-spouse in my jurisdiction, and may even attach a copy. The same scenario unfolds thereafter, with the same results.

No lawyer wants to turn down business, even if received anonymously over the Internet; i.e., not referred by

a known client or attorney. And it's very tempting to have a large check in hand and think of the amount of the fee available.

However, it is probably best to assume that any claim received as above is an attempted scam, and simply not respond, or decline it. I have a pre-drafted response my secretary now uses, conditioning the acceptance of the claim on full disclosure of contact information for creditor and debtor, refusal to deposit checks drawn on out-

of-country banks, and no distribution to be made until I am certain the check has cleared. That usually motivates the sender to stop contacting me (they infer that I am aware of these scams).

On the few occasions I believed the claim might be legitimate, I then got a check. If it was an out-of-country bank, I emailed a refusal to deposit it based upon my previous conditions. Usually I heard nothing thereafter, other than another request to deposit it. If on an American bank, I satisfy my curiosity by contacting the debtor directly. Usually I'm told they never had dealings with the creditor, and have no account at the bank involved, or that the check was stolen. When I email that information to the creditor, I hear nothing again.

Be alert to these scams! ■

– David I. Grunfeld

Readers' Comments

To the Editor:

I have written a book chapter on auctions, called "Auction Pricing," which will be published shortly in the "Oxford Handbook of Pricing Management." My own specialty is combinatorial auctions, which are auctions on which bids can be placed on packages of items. The reason I am writing to you is that I had discovered that the very first mention of combinatorial auctions in print was in *The Shingle* in 1955. [McLean, L. (1955). "Auction Anecdotes," *The Shingle* (Philadelphia Bar Association) 18 (3), pp. 65-70].

I am happy to be able to correct a mistake in the auction literature. Up until this point, this paper has always been cited as having been published in the *Oklahoma Bar Review* that same year. However, the *Oklahoma Bar Review* indicates that that was a reprint from *The Shingle* (which no one seems to have noticed!). Through the good offices of Senior Managing Editor Jeff Lyons the year before last – specifically, he provided me with a copy of the original article as well as the correct citation – I have been able to provide the correct reference now to *The Shingle*.

Professor Richard Steinberg
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To the Editor:

We certainly appreciate Peter Vaira's interest (*The Philadelphia Lawyer*, Spring 2012, "Civil Practitioners Can Aid Defender Association") in providing assistance to the Defender Association. We have found over several decades that "a few hours a month" does not work for us. We have had volunteer attorneys for six months to 12 months who have been quite helpful and have gained valuable trial experience.

We would appreciate the private bar supporting our efforts with the city to achieve parity of resources, including salaries, with the prosecution.

Ellen T. Greenlee
Chief Defender