

Holding steady in shaky times

Our 15th survey of big U.S. firms' law departments and main outside counsel.

By Dee McAree

STAFF REPORTER

EACH YEAR SINCE 1988, *The National Law Journal* has surveyed law departments of the nation's largest 250 corporations to track the rise and fall of in-house attorneys and to determine who represents corporate America. While last year's survey only covered service and industrial corporations, this year we've included financial institutions. Our list is the *Fortune* 250 from April 2002.

Despite a wary economy, the numbers of in-house lawyers at the nation's largest companies held their own. There has been some bloodletting inside the past year—Enron, Kmart and Ford lost nearly half their staffs. But the majority on the *Fortune* 250 list saw an increase in their number of corporate counsel.

In some instances, as with Pharmacia and Cisco, the increases were impressive. Others' gains were more modest but enough to offset the larger layoffs.

For example, while retailers Sears and Kmart dropped about 15 lawyers, Target and Federated Department Stores added about that many. Enron and Reliant saw huge cuts, but American Electric Power and Cinergy added lawyers, and the numbers at other energy concerns held steady.

In two of the three big mergers, the combined companies lost few corporate counsel. Chevron, with 157 lawyers, merged with 132-lawyer Texaco. ChevronTexaco this year reported 250 in-house lawyers. Conoco, with 90 lawyers, merged with 33-lawyer Phillips Petroleum and the combined company this year reported 120 lawyers—virtually all its combined staff.

Most-mentioned

Skadden, Arps, Slate, Meagher & Flom of New York was the firm most often mentioned as outside counsel, as it has been every year since this survey's inception, with Chicago-based Kirkland & Ellis a very close second. The top rankings this year were as close as last year, with no firm leading by an impressive margin. First and second place were decided by just one mention: Skadden with 19 and Kirkland with 18.

The remaining list of the most-popular firms contains all the usual suspects, with McGuireWoods of Richmond, Va., this year working its way into the top 10. Hunton & Williams, Covington & Burling of Washington, D.C., and Jenner & Block of Chicago were also new additions among the most men-

tioned. Chicago-based Mayer, Brown, Rowe & Maw moved into the top five from seventh place last year. Latham & Watkins, Davis Polk & Wardwell of New York and Baker Botts fell off slightly, but still landed inside the top 20.

Of the 20 companies that listed just one firm as outside counsel, 13 of them were loyal to that same firm last year. The other seven, including Kmart and Lear Corp., scaled back from the handful of firms they reported in the past.

Traditionally the NLJ questionnaire had asked companies to provide the number of in-house attorneys throughout the company, the names and titles of the top in-house attorneys—as well as any board members who are practicing attorneys—and the names of the law firms it used most often in the previous year.

For this year's survey, the NLJ has adjusted the questions. The question about board members has been dropped, and the question about outside representation has been changed to spotlight litigation. This year we asked each company to tell us the

Most-mentioned firms in survey

Skadden, Arps, Slate, Meagher & Flom19
Kirkland & Ellis18
Jones, Day, Reavis & Pogue14
Mayer, Brown, Rowe & Maw12
Akin, Gump, Strauss, Hauer & Feld11
Howrey Simon Arnold & White11
Sidley Austin Brown & Wood11
Hunton & Williams
McGuireWoods
O'Melveny & Myers9

names of its "primary outside firms" for litigation. The firms we listed were provided by the office of the company's top legal officer. In instances where a company did not disclose its information, we relied on our own research of court records and corporate databases. The law firms are listed in alphabetical order.

Each company was also asked to indicate whether the law firms it listed were used predominantly or exclusively for defense or as counsel when the company was acting as a plaintiff. If a law firm is hired predominantly for defense work, the letter (d) appears next to its name on the chart; if it is hired predominantly to sue other companies, the letter (p), for plaintiff, appears; if a firm is hired for both, the letter (b) is used.

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THE NLJ CLIENT LIST—WHO DEFENDS CORPORATE AMERICA									
Rank	Company	In-house counsel			Outside counsel				
	Headquarters	Type of business	Top legal officer	Lawyers in-house	Top litigation officer	Most-used outside counsel for litigation, 2001-02			
2	Exxon Mobil Gorp., Irving, Texas	Petroleum refining	Charles Matthews, Vice President, General Gounsel	537	John Tully, Assistant General Counsel- Litigation	Akin, Gump, Strauss, Hauer & Feld (d); Baker Botts (d); Beck, Redden & Secrest (d); Covington & Burling (d); Fulbright & Jaworski (d); Howrey Simon Arnold & White (d); O'Melveny & Myers (d)			
30	Dynegy Inc., Houston	Pipelines	Kenneth Randolph, Executive Vice President and General Counsel	35	Steve McCain, Assistant General Counsel	Akin, Gump, Strauss, Hauer & Feld (d); Locke Liddell & Sapp (d); Pillsbury Winthrop (d); Schiff Hardin & Waite (d); Thompson & Knight (d)			
38	Albertson's Inc., Boise, Idaho	Food and drug stores	John Sims, Executive Vice President and General Counsel	40	Charles Cole, Group Vice President- Litigation and Regulatory Affairs	Akin, Gump, Strauss, Hauer & Feld (d); Christie, Parker & Hale (d); McDermott, Will & Emery (d); Saul Ewing (d); Steptoe & Johnson (d)			
47	Johnson & Johnson, New Brunswick, N.J.	Pharmaceuticals	Roger Fine, Vice President and General Counsel	150	Taysen Van Itallie, Associate General Counsel	According to recently filed federal civil lawsuits: Akin, Gump, Strauss, Hauer & Feld (d); Carpenter, Bennett & Morrissey (d); Paul, Weiss, Rifkind, Wharton & Garrison (d)			
50	J.C. Penney Co. Inc., Plano, Texas	General merchandisers	Charles Lotter, Executive Vice President, General Counsel and Secretary	52	Mary Tacher, Vice President and Associate General Counsel	Akin, Gump, Strauss, Hauer & Feld (d); Jones, Day, Reavis & Pogue (d); Locke Liddell & Sapp (d)			
55	United Parcel Service Inc., Atlanta	Mail, package, freight delivery	Joseph Moderow, Senior Vice President and General Counsel	38	Norman Brothers, Litigation Manager	Akin, Gump, Strauss, Hauer & Feld (d); Alston & Bird (d); Gibson, Dunn & Crutcher (d); King & Spalding (d); Morrison & Foerster (d); Paul, Hastings, Janofsky & Walker (d); Piper Rudnick (d); Quarles & Brady (d)			
73	The Walt Disney Co., Burbank, Calif.	Entertainment	Louis Meisinger, General Counsel and Executive Vice President	283	Edward Nowak, Senior Vice President and Assistant General Counsel	Akin, Gump, Strauss, Hauer & Feld; Christensen Miller; Dewey Ballantine; O'Melveny & Myers; Irell & Manella			
99	The Coca-Cola Co., Atlanta	Beverages	Deval Patrick, Executive Vice President and General Counsel	136	C. Benjamin Garren Jr., Chief Counsel- Worldwide Litigation Group	Akin, Gump, Strauss, Hauer & Feld (b); Atkins & Evans (b); Holland & Knight (b); Howrey Simon Arnold & White (b); King & Spalding (b); Morrison & Foerster (b); Thomas, Kennedy, Sampson & Patterson (b)			

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238	CSX Gorp., Richmond, Va.	Railroads	Ellen Fitzsimmons, Chief Legal Officer, Senior Vice President- Law & General Counsel	40	Mike Abel, Associate General Counse	Akin, Gump, Strauss, Hauer & Feld (b); Huddleston, Bolen, Beatty, Porter & Copen (b); McGuireWoods (b); Crowell & Moring (b); Williams & Connolly (b)				
242	FirstEnergy Corp., Akron, Ohio	Utilities: gas and electric	Leila Vespoli, Senior Vice President and General Counsel	18	Michael Buting, Associate General Counsel; Gary Beuz, Asssociate General Cousel; David Feltner	Akin, Gump, Strauss, Hauer & Feld (b); Calfee, Halter & Griswold (b); Jones, Day, Reavis & Pogue (b); Pillsbury Winthrop (b); Roetzel & Andress (b)				
243	Clear Channel Communications Inc., San Antonio, Texas	Radio, billboard advertising	Ken Wyker, Senior Vice President, General Counsel and Secretary	26	Michael Gayler, Associate General Counsel; Mary Stitch, Corporate Counsel; Dawn Finlayson, Corporate Counsel; James Dockery, Corporate Counsel; Neal Murphy, Corporate Counsel	Akin, Gump, Strauss, Hauer & Feld (d); Ford & Harrison (d); Littler Mendelson (d); Powell, Goldstein, Frazer & Murphy (d); Susman Godfrey (d); Thelen Reid & Priest (d); Wiley, Rein & Fielding (d)				

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