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Thorp Reed, Clark Hill to merge



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Thorp Reed & Armstrong LLP, Pittsburgh's eighth largest law firm, is merging with Clark Hill PLC, a Detroit-based firm twice its size. The combined entity will employ more than 300 lawyers in 12 offices; the five that were part of Thorp Reed will be known as Clark Hill Thorp Reed when the deal closes in the second quarter.

Financials were not disclosed.

In confirming the merger, Clark Hill CEO [John Hern](#) Jr. and Thorp Reed Managing Partner [Jeffrey Conn](#) each stressed that the transaction was not an acquisition as it involves partnerships.

It is the first merger involving one of the city's 10 biggest firms. Clark Hill may be the first Detroit firm to enter Pittsburgh; it certainly is the largest.

Both firm chiefs said they will be better able to serve clients with more locations and expertise without hiking rates, and added there will be increased support for the lawyers. Thorp Reed, founded in 1895, employs about 90 lawyers, 73 of whom are based in Pittsburgh. Total employment here is about 150. Conn said there will be no staff cuts, and Hern said he plans to grow the Pittsburgh office as well as Thorp Reed's other four sites, but did not divulge goals.

The deal stemmed from a serendipitous meeting between two former University of Virginia classmates: Clark Hill Partner [Ed Hammond](#) ran into Thorp Reed Partner Randy Struk and their casual conversation triggered an idea that worked its way up the ranks of both firms.

"It struck Ed that our two firms had a lot in common and our cultures were very similar, so he suggested we explore the opportunity," Hern said. "When I expressed interest, Ed spoke to his college classmate and Randy ran it through the channels and Jeff said he'd be willing to take a call."

Pittsburgh "has been on our radar," Hern added, because many clients do business here; Clark Hill was doing more work for Pittsburgh's largest bank, **PNC Financial Services Group Inc.**, also a client of Thorp Reed's; and the city's business mix was similar to other Midwestern cities that are the base of the Detroit firm's footprint.

Conn said that a few months earlier Thorp Reed drafted a new five-year strategic plan that included being open to combining with other firms.

"We weren't seeking a merger partner," Conn said. "But we decided we would listen to inquiries that we thought made some sense and were appropriate."

The phone conversation led to Hern flying to Pittsburgh to meet Conn for lunch at the Duquesne Club. And talks and visits continued for more than a year. Hern said it wasn't until a late February meeting with Conn that he was confident the firms would merge.

"Jeff and I talked about the combination and the issues that go along with any marriage, and it was a long and very forthright conversation," Hern said. "Given Jeff's integrity and the strength of Thorp Reed, this was something we needed and wanted to do."

Still, it was a "very difficult decision," Conn said. "But we have a common culture and a similar management philosophy and our rate structure is very similar. The combined geographic scope is very unique and also very attractive to us. It allows us to expand our capabilities in more places; it gives us increased depth and allows for a smooth and easy transition for all of our firm's lawyers."

Hern, who will lead the combined firm, said he'll visit each office at least once per month.

"He's a manager full-time and the type of leader who demands excellence and wants the firm to be the best, but he does it in the right way, openly and democratically in a team and relationship way," Conn said.

Conn will be partner-in-charge of the Pittsburgh office but will not have a leadership role with Thorp Reed's other four current offices. Conn and Thorp Reed Partner [James Goldberg](#) both will join Clark Hill's executive committee.

"My role will change in a significant way," Conn said. "I will go back to practice law full-time, which I'm very much looking forward to. I've been practicing around two-thirds of the time since I became managing partner. And I will continue to lead the financial institutions and real estate finance practice group."

Clark Hill, which was founded in 1890, had two other Michigan offices — in Lansing and Birmingham — when Hern became managing partner in 2002. He has since added sites in Chicago; Washington, D.C.; Grand Rapids, Mich.; and Phoenix. Post-merger, these still will be known as Clark Hill.

Thorp Reed's Pittsburgh office, and its other locations in Philadelphia; Wheeling, W.Va.; Princeton, N.J.; and Wilmington, Del., will be known as Clark Hill Thorp Reed.

Hern could not say when the Thorp Reed name will be dropped.

"We think the Thorp Reed name has a fantastic reputation and brand in the Pennsylvania market, and our objective is to honor and respect that and to act in an intelligent way as we move forward together," Hern said. "We don't have a particular timeline or transition program."

Over the past decade but before Conn took the helm in 2007, Thorp Reed had conversations with Cincinnati-based Dinsmore & Shohl and Philadelphia-based Saul Ewing LLP but never got near the altar. Dinsmore, which already had a small Pittsburgh office, grew it by subsequently picking off several Thorp Reed lawyers, including the current and

past managing partner of that office. Saul Ewing, which entered Pittsburgh last May, announced March 25 that it added four lawyers from Thorp Reed.

Both Hern and Conn acknowledged the increasing flight of experienced lawyers from firm to firm is an industrywide issue and that the merger may prompt others to try and recruit from Thorp Reed. But they believe their lawyers are on board with the merger plan.

"I'm sure that firms have been trying and will continue to try to take some of our people," Conn said. "But I can tell you I don't expect that to continue to any degree as we move forward. We've provided full disclosure to our lawyers throughout this process and they're very excited about our merger and being part of the combined firm."

[David Antzis](#), Saul Ewing managing partner, said "in theory" the Thorp Reed/Clark Hill merger is positive for both.

"We're in an increasingly competitive global legal market and you're going to have clients with legal needs that possibly involve practice areas you don't have or clients looking to have work done in jurisdictions where you don't have an office, so having more geographic area and practice area depth is important for a full-service law firm," Antzis said.

[Jeff Wiley](#), managing partner of Dickie, McCamey & Chilcote PC, Pittsburgh's sixth largest firm, said it "sounds like a good opportunity" for Thorp Reed, but that the pressure is on all midsize firms to expand.

"I think that firms our size are looking to expand at least regionally, and we do that in different ways," Wiley said. "Ours is a different model; we look for smaller firms or groups of lawyers to bring in laterally."

[Lori Carpenter](#), president of recruitment firm Carpenter Legal Search, which has worked with Thorp Reed, said she doesn't know Clark Hill well enough to comment on the cultural fit, "but this could be a wonderful opportunity for Thorp Reed to continue to grow its footprint."

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