

Business of Law

Female Employment Lawyers Find Edge in Starting Own Firms

BNA Snapshot

- Female lawyers gain control by starting their own firms
- Lower fees and quality work attract clients



By Gayle Cinquegrani

The aphorism says, “If you can’t beat them, join them,” but when it comes to female lawyers, the saying probably should be, “If you can’t beat them, leave and do it your way.”

Women who endured the rigorous academics of law school sometimes find their reward is a law firm job that doesn’t leave them time for a personal life or pay them as much as their male counterparts. For some women, the answer is to start their own law firm.

“Women who are not happy in their current situation should absolutely give consideration” to starting their own firm, Nancy Ezold, founder of the Ezold Law Firm in suburban Philadelphia, told Bloomberg BNA.

The number of such law firms seems to be growing. Women owned 29,560 law firms in the U.S. in 2012, data from the U.S. Census Bureau shows. “When I started my firm, there were very few women-owned law firms,” Patricia Nemeth, founder of Nemeth Law in Detroit, told Bloomberg BNA. “It’s great to see” more women lawyers opening their own firms, she said.

Being Your Own Boss

The female labor and employment lawyers interviewed by Bloomberg BNA gave various reasons for launching their own firms. Some were escaping firms they considered discriminatory, some wanted a flexible schedule, and some sought greater control over their legal practice.

Many found hanging out their shingle to be challenging, but they all found it rewarding. “By the time I was done with big firm law, I had made up my mind I would never work for someone else again,” Peggy McCausland, founder of McCausland & McCausland in Conshohocken, Pa., told Bloomberg BNA.

Ezold’s exit from big law involved a lawsuit.

“I became the first woman in the U.S. to sue and take to trial a law firm for denial of partnership based on sex,” she said.

Her win in federal district court was overturned on appeal, but the publicity helped her attract enough business to keep her firm afloat. “I received inquiries from so many clients,” Ezold said. “Most of my clients initially were employees who heard about my case and felt that if I were going to bat for myself, they wanted me to represent them.”

Discrimination cases—including those involving race, national origin, sex, and disability for both male and female employees—still form the bulk of her caseload.

“I wanted a collaborative, noncompetitive environment,” Patricia Nemeth said. “I decided if I couldn’t

For Kamee Verdrager, litigation also led to self-employment. She started KBV Law in Bedford, N.H., after Mintz, Levin, Cohn, Ferris, Glovsky and Popeo fired her following her complaints about gender discrimination. Mintz Levin recently agreed to settle the lawsuit. “For me, it was a matter of necessity” to

find it, I'd create it."

start a firm, Verdrager told Bloomberg BNA. "My options were very limited."

Even women who didn't encounter discrimination often found the structure of traditional law firms incompatible with a satisfying personal life.

Sima Ali said, "I have three kids. That was a motivating factor in starting my own firm."

She went to a four-day workweek when she had children, but even so, "I had had 20 different babysitter/nannies" in only a few years. "Going to work in-house or for another firm would be more of the same," she said, so she started her own firm in 2011. At Ali Law Group in Huntington, N.Y., Ali represents employers in worklaw cases with the help of two attorney employees, a counsel who works when needed, a paralegal, and an office manager.

Missing Congeniality

Some women wanted a more collegial atmosphere than they could find in the competitive world of large law firms. "I just couldn't find a law firm where I wanted to be," Nemeth said. "I wanted a collaborative, noncompetitive environment," and "I decided if I couldn't find it, I'd create it." Nemeth Law, in business since 1992, now has 10 lawyers who represent management in labor and employment law.

Katherin Nukk-Freeman said she and her law school roommate Suzanne Cerra founded Nukk-Freeman & Cerra because "we wanted to create a place where everybody wanted to come to work." Their employment law firm has 18 lawyers in three offices in New York and New Jersey. When starting the firm, their philosophy was to "take the best of these big law firms and the best of the ideas that we had in our heads that we weren't seeing at these firms" and combine them, Nukk-Freeman told Bloomberg BNA. In the 11 years they've had their firm, "we've never had an attorney leave to go to another firm," she said.

Another reason for leaving is a poor fit between a law firm and a lawyer's legal specialty. "I started my own firm because I really felt like big firm practice wasn't the best place for a labor and employment lawyer," McCausland said. "I found it very challenging to bring in clients that could afford big law firm rates." With the lower overhead she has at her two-lawyer firm, "I don't have that crazy overhead that the big firms have."

Starting a firm isn't easy. "I know how to be a lawyer, but I don't know how to run a business," Ali said. As the owner of a law firm, "I have to wear both hats. I have to be both the visionary and the producer."

Employment Lawyers Have An Edge

Employment lawyers may find starting a business a little less daunting because of their familiarity with workplace issues. "I didn't have to go out and hire anyone. I could do my own employee handbook," Nemeth said.

Ezold suggested lawyers going out on their own share office space with other lawyers. Not only will this arrangement save money, but it also provides companionship and "someone to bounce ideas around with," she said.

"By the time I was done with big firm law, I had made up my mind I would never work for someone else again," said Peggy McCausland of McCausland & McCausland.

Some have hired family members to help in their offices. McCausland and her daughter are partners in McCausland & McCausland, and Ezold and her son are partners. The son, Chris Ezold, handles business and health law cases. At one point, Nukk-Freeman hired her mother, who had a marketing background, to promote her firm. "Who better than your mother to sing your firm's praises?" she said.

Of course, every firm must establish a client base. Nemeth said she benefited from lucky timing. She opened her firm in 1992, one year after accusations of

sexual harassment against Supreme Court nominee Clarence Thomas led to a surge in Equal Employment Opportunity Commission claims. "It was a good time for a female doing labor and employment defense work," she said.

Personal Connections

Personal connections have been important in attracting and retaining clients.

McCausland said 80 percent of her clients brought their employment work from her former firm to her when they found out she had left. "Since going out on my own, I've had no problem bringing in business because I can charge rates that the client feels is a fair rate that brings value," she said. In addition, she said, "I have been finding that women are trying to be helpful to other

women.” She soon will become president of the Forum of Executive Women in the Philadelphia area.

Nukk-Freeman took a similar route. She said a few clients followed her and Cerra from their previous firms, and their business took off when they were certified as a women-owned business by the Women's Business Enterprise National Council. “It's been a great door-opener” to getting clients, Nukk-Freeman said.

To lawyers considering launching their own firm, Nukk-Freeman gave this advice: “Don't look at law firms as models. Don't think like a lawyer. Think like a businessperson.”

Other founders commented that the internet makes it easier to break away from an established firm. The ability to do research on the internet “really levels the playing field a lot” because a lawyer no longer needs to buy a lot of books, Ezold said. “It's much easier for somebody to be on their own today” because “there's not a whole lot of upfront investment,” McCausland said.

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