

THE
AMERICAN LAWYERKing & Spalding's Journey to
Best Law Firm of the Year

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What You Need to Know

- The Atlanta-founded firm steadily increased its revenues over the years before breaking the \$2 billion mark in 2022, said chairman Robert Hays.
- The firm will top its 2022 revenue mark and in other metrics in 2023, he said.
- King & Spalding beat out seven other firms for the Best Law Firm of the Year.

King & Spalding, which received The American Lawyer's Best Law Firm of the Year award in late 2023, has achieved notable success in recent years, growing its revenue and profits, key offices and international presence, all without a merger.

Its financial growth was particularly remarkable during the pandemic, as the litigation powerhouse targeted growth across the energy, food and beverage, and health care sectors when other industries were stagnant, according to one analysis.

The Atlanta-founded firm steadily increased its revenues over the years before breaking the \$2 billion mark in 2022—and will top that mark and other metrics in 2023, said long-time chairman Robert Hays in an interview this month. The firm's revenue growth has consistently beaten the Am Law 100 collective growth rate each year for the past several years.

King & Spalding has expanded in major U.S. markets like New York and in growing international regions like Saudi Arabia throughout the year, said Hays, who has served as chairman since 2006 and was reelected earlier this month.

Meanwhile, the law firm reached \$4.7 million in profits per equity partner in 2022, rivaling New York firms in top profits in the industry.

"Breaking the \$2 billion revenue mark and continuing our streak of profitability growth were certainly important milestones," Hays said. "But they came after years of positive momentum as we've successfully executed on our long-term strategy to grow in both scale and profitability—a difficult combination to achieve.

"We did this not through mergers or acquisitions, but by investing in our strengths, increasing connectivity with clients and colleagues and leaning into the firm's collaborative culture to attract top talent," he said.

King & Spalding beat out seven other firms for the Best Law Firm of the Year award and



Robert Hays

Photo: John Disney/ALM

also won awards for Attorney of the Year (Sally Yates), and Best Client-Law Firm Team (King & Spalding and Blackstone Credit). It was a finalist for Managing Partner of the Year (Robert Hays), Best Provider Collaboration, Litigation Department of the Year for Product Liability, and Georgia Litigation Department of the Year.

According to ALM data, since 2006 the firm has more than tripled both its gross revenues and profits per equity partner and doubled its revenue per lawyer. It was among only 17 law firms with revenues exceeding \$2 billion in 2022.

Also, while the firm is 17th in 2022 gross revenue in the latest Am Law 100 rankings, last year's "Power Ranking" survey by Jae Um of legal industry analytics firm Six Parsecs ranked King & Spalding ninth among all Am Law 100 law firms in performance through the pandemic after its revenue grew 34% and its profits per equity partner increased 58% between 2019 and 2022.

"I think that speaks a lot to the resiliency and commitment of all the lawyers and the staff to the client and the work and the firm," Hays said in an interview.

The survey showed King & Spalding was among only 20 firms in the Am Law 100 that were able to use their strengths to outperform all others through the pandemic, based on a composite score of 2022 financial metrics and their change from 2021 and 2020.

The analysis concluded that King & Spalding was "particularly notable" for its "strategic overlay of practice strengths around savvy sector choices" and was a "litigation powerhouse with sector strengths across energy, food and beverage, and health care," Um wrote.

The report also stated that "energy was the only bright spot" in the stagnant economy during the pandemic and King & Spalding was among firms that "made sustained investments in talent depth and market reputation" in that sector.



Photo: John Disney/ALM

For instance, it added multiple energy partners during the pandemic, such as Nina Howell in London in April 2022. And in 2020, King & Spalding hired 55 lateral partners, a record number for the firm, including 19 partners from Boies Schiller Flexner, Law.com has reported.

King & Spalding also has attracted numerous high-profile lawyers in recent years—from former U.S. deputy attorney general Yates in 2018 in its special matters and government investigations practice in Atlanta, to former Sidley Austin global co-leader Sean Royall in 2023 in its trial and global disputes practice group in Houston, Brussels and Washington, D.C.

In 2023 alone, the firm added 15 lateral partners in a variety of practice areas in seven U.S. offices and its United Arab Emirates and Paris offices.

Regional to Global

Hays, in the interview, cited an award factor mentioned during the presentation ceremony in New York: the firm's history in recent decades of moving from being a regional firm to a "national and global firm."

King & Spalding expanded from its "flagship" Atlanta office in 1989, to 13 U.S. and 10 foreign offices with more than 1,300 lawyers today, according to firm information.

In 2023, after years of operating offices in the United Arab Emirates, the firm's longtime affiliation with a local firm led to Saudi Arabia's Ministry of Justice awarding King & Spalding a foreign law license.

"Our presence in the Middle East more broadly is really what gave additional legs to that effort," Hays said in an interview.

He noted that the firm has worked in the energy sector in the Middle East for decades and is now helping Saudi Arabia in its efforts to expand beyond its traditional major role in the fossil fuel market into renewable energy development.

"Saudi Arabia is an important market and that country is going through a lot of positive changes as well, and we are excited to be a part of it and have a good bit of relationships and connections there," Hays said.

In the firm's work in litigation, transactional and investigation in 2023, Hays said he was especially proud of some specific accomplishments, including:

- Winning an International Chamber of Commerce (ICC) arbitration award in June of more than \$1 billion in damages for a troubled refinery, Refinería de Cartagena in Colombia, despite more than \$400 million in counterclaims sought by construction contractor Chicago Bridge & Iron.
- Representing Lehigh Valley Health Network in a merger with Jefferson Health in a \$12.6 billion deal to create an integrated health care system in Pennsylvania and New Jersey in the last working week of 2023.
- Representing Texas-based Kodiak Gas Services, Inc. in its merger with CSI Compressco LP in a deal valued at approximately \$854 million, including the assumption of \$619 million of net debt, also in late December.

The firm's growth in the New York market also has contributed to its recent success, Hays said. King & Spalding has about 220 lawyers in its 34-year-old New York office and added lateral partners in the past two years in practice groups like finance and trial and global disputes.

"New York is maybe the most important legal market in the world [and] a place where we've had good presence for a while," he said. "We really in the last three or four years have been able to expand it materially."

The firm is moving from its 20-year New York City home in a 169,000-square-foot office at 1185 Sixth Ave., to a 175,000-square-foot space six blocks north at 1290 Sixth Ave. in 2025.

"We've got real growth opportunities and the need for more office space," Hays said.

Hays said he also was proud of the firm's pro bono practice. Its clients ranged from a Texas church that claimed the local government was targeting it for excessive water tap fees, to Vietnam's first private nonprofit university in a financing project to create more workforce and educational opportunities in the Southeast Asian country.

The key to future firm growth, he said, is "drawing really talented people who are very committed to the clients" and winning their trust in handling complex legal matters "to gain more business."

"If you don't have the talented people who are committed to the clients, then you can't grow revenue and profitability above the average like we've been able to do consistently for a decade," Hays said.

"Our focus is on continuing to invest heavily in our strong practices and leveraging our collaborative culture across offices and practices," he added. "Our mantra is, 'Know your partners, know your firm.' It's both a rallying cry and an articulation of our expectation that every partner has a role in building the firm."