# TEXAS LAWYER

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## The Numbers Are In: Attorney Income Nosedived Nationwide in Last 2 Months

In a national survey of 292 lawyers, 59% of respondents said their income has decreased because of COVID-19 disruptions, while 34% said their income had stayed the same during the pandemic.

By Angela Morris | May 26, 2020



#### Photo: enciktepstudio/Shutterstock.com

Lawyers have taken a hit to the pocket book as case filings nosedived, and new clients quit seeking representation during the COVID-19 pandemic, according to a new survey of attorneys nationwide.

ALM Media, which publishes Law.com, conducted a lawyer-income survey to ask how the coronavirus outbreak has impacted attorneys' income or revenue, how their new case filings have changed, and what's been happening with new clients seeking representation.

The results are drastic.

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Fifty-nine percent of the 292 respondents-lawyers hailing from Texas, Georgia, Florida, Connecticut, California, New York, Pennsylvania, New Jersey, Washington, D.C. and other states-reported cuts to income.

And among the survey-takers, 34% of attorneys said their income had stayed the same, while 2% said their income has risen during the pandemic.

View the survey results:

When asked how much money they've lost already, among the 129 total respondents who reported losing earnings, half of them had lost 30% or less of their income. However, one-quarter of respondents had lost amounts ranging from 50-100% of their earnings.

One lawyer who took a temporary pay cut was Texas family law attorney Thomas Just.

He explained that he works at a small four-attorney law firm in San Marcos. The firm, Sergi & Associates, temporarily reduced lawyer and staff salaries.

"My wife and I both work, so it wasn't great, but we were able to get through it," Just said.

Then a Paycheck Protection Program loan came through and the law firm restored the full salaries, he added.

"We've been trying to get as much work done in billables, to the point we will be okay. We seem to be doing a pretty good job for right now," said Just.

### **Fewer calls**

Trial lawyers are already filing and defending fewer cases, and fewer potential clients are contacting them for new representation.

When asked how the coronavirus outbreak has impacted new cases that they filed or in which they entered an appearance for a defendant, 65% of the surveyed attorneys said case numbers have decreased, while 25% said new cases had stayed the same. The Numbers Are In: Attorney Income Nosedived Nationwide in Last 2 Months | Texas Lawyer

We asked attorneys to tell us how the pandemic has impacted the number of potential clients contacting them for new representation. Among the 292 total respondents, 64% said that fewer calls are coming in. Call volumes are staying the same for 15% of these lawyers, while another 10% of respondents reported getting more contact from potential clients.

One attorney getting more calls is Robert Harvey, a partner in Jenks Harvey in West Palm Beach, Florida.

Why? He explained that his niche practice, handling securities litigation and arbitration is booming right now.

"The amount of activity has actually increased, due to the stock market volatility and the stock market drop," Harvey said. "The stock market took a very steep decline beginning in February. Whenever that happens, that generates losses in investors' accounts and that just generates a lot more potential cases and calls to lawyers who represent investors."

## Long-term adjustments

The survey suggests that attorneys are bracing for less income over the long-term.

Among 292 respondents, 64% were expecting decreased income in the future, while 11% said they thought their income would stay the same. There were 10% of respondents expecting an increase in future income.

One of these optimistic attorneys is New York business litigator Peter Glennon, who is expecting more business owners to need attorneys soon.

"We're nine weeks into this, and I do think there is litigation and I do anticipate once the courts are fully open and the economy is fully open, there will be more breach of contract disputes," said Glennon, the president and litigation attorney of Glennon Law Firm in Rochester, New York.

## Size matters

It's clear from the survey that the size of an attorney's law firm plays a role in how the pandemic has impacted his or her income. Solo practitioners and small-firm attorneys are hurting more than peers in larger-sized firms.

Among 69 solo practitioners who took the survey, 81% reported a decrease in income, while only 57% of 130 small-firm attorneys reported a drop. This compares with 49% of the 33 big law attorneys who reported income decreases, and 46% of the 56 mid-size firm lawyers whose income dropped.

"It is certainly mentally stressful," said Georgia solo practitioner Jackie Patterson, whose criminal caseload dropped by 70% since March. "Every day, I'm thinking about how much more am I going to suffer financially? ... I'm holding on. That's all you can do."

While he hasn't laid off staff, the slowdown has threatened Patterson's law business to the point he had to cut their salaries.

The majority of the 36 solo practitioners who took reported income declines quantified the amount as 50% or more of their earnings. Compare this with big-firm lawyers: three-quarters of the big law attorneys who had already lost money said it was just 20% or less of their earnings.

"The reason why is larger firms are more diverse. They have different practice groups," explained Bill Mateja, partner in Sheppard Mullin in Dallas. "There are different parts of the law firm that are busy, and some parts of the firm–like the corporate side–are not as busy."

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