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Big Law Has Eased Its Sprint Into Florida. But For Midsize Firms, the Phone Keeps Ringing

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Over the past four years, Florida has experienced a huge migration of business and wealth, with law firms predictably following.

The Big Law firms that had a desire to move in have already established themselves, with mergers and new office announcements slowing down since the peak of the frenzy. But even with a slowdown, there's still a trickle of firms moving in, especially in the midsize range.

The latest example is Atlanta-based Freeman Mathis & Gary, which opened two offices in South Florida within months of each other. Other firms that have opened up shop in Florida this year include Connecticut's Wiggin and Dana; Atlanta's Smith, Gambrell & Russell and New England's Hinckley, Allen & Snyder.

In addition to the four new entrants this year, some firm leaders whose firms don't have a Florida presence are still expressing interest in breaking into the market.

"We don't have a physical presence in Florida today. We will at some point," Robert Hicks, managing partner of Cincinnati-founded Am Law 100 firm Taft Stettinius & Hollister, said.

Another sign of continued interest is seen in the steady stream of merger inquiries local firms are still receiving.

Miami-based boutique Meland Budwick has been getting a consistent flow of acquisition inquiries from large firms, according to managing partner Eric Ostroff.

West Palm Beach-based Jones Foster has also experienced a similar amount of offers, with some offers also coming from large firms, according to chairman Scott Hawkins.

“I haven’t seen a decline in inquiries. We get inquiries from both the law firms directly, and people in the business who are trying to create partnerships between offices and firms,” Hawkins said.

Meanwhile, Miami-based litigation boutique Perlman, Bajandas, Yevoli & Albright was being approached about merging often during the post-pandemic rush of firms looking to step into the Florida market. But the firm hasn’t received a serious inquiry in about a year, according to firm partner Paul Turner.

All three firms have not considered offers, according to each respective firm leader.

But conversations surrounding mergers are taking place at an elevated pace around the nation, according to a recent report from consultancy Fairfax & Associates, which emphasized the data about completed mergers in the first half of 2024 does not fully capture the current activity around combinations.

Real Estate Trends

South Florida’s commercial real estate market has stayed robust as businesses in general keep occupying office space in the region at a strong pace. The same cannot be said for other markets across the U.S., as many turn to office conversions as a way to offset housing affordability issues and high office vacancy with the same solution.

Law firm office leasing activity in Miami tells a similar story, as office rents continue rising and vacancy rates remain stable for law firm offices, according to a May report from real estate company JLL.

Although markets like New York and Washington remain at the top of leasing activity, they have been seeing less volume as markets like Miami grow, according to the report.

Despite all the movement into Miami, the city only has 37 Am Law 100 offices within its borders. Atlanta boasts 34 while Chicago hosts 40 Am Law 100 offices, according to data from the report.

Some cities across California, Texas and the Northeast boast well over 50 Am Law 100 firms, showing that Florida still has room to run in that arena.

However, the last Am Law 100 firm to open a new office in Florida was Faegre Drinker Biddle & Reath just over a year ago. The firm opened an office in Fort Myers with an eye toward litigation work across the state.

In fact, the latest activity in the world of Florida Am Law 100 firms came from Morrison & Foerster, which announced the closing of its Miami office later this year after it opened in 2019.

Many longtime Florida-based lawyers have cited past waves of law firms coming into Miami and failing to stay. But Morrison & Foerster is claiming that the closure of its physical office is simply a change to accommodate for a more remote work model in the city.

With Morrison & Foerster being the only example of a recent entrant closing up shop, many longtime Florida lawyers are predicting that the recent wave of entrants may be here to stay for the most part.

Already-Stationed Firms Expanding

Florida's 100 biggest law firms by head count averaged about 8% growth in total lawyers across all firms last year, according to a data analysis conducted by the Daily Business Review.

The 8% expansion marks a significant increase in attorney hiring across the state. Recent Am Law 100 entrants Sidley Austin and Winston & Strawn were two of the largest growing firms in the whole state.

For Sidley specifically, its strategy in Miami has been to bring in a base of attorneys with an eye to expand once that base is settled into the city, Sidley management committee chair Yvette Ostolaza said in March.

The firm is set to hit its official two-year mark in Miami this month, and Ostolaza said that's when the firm will really ramp up its expansion efforts.

Kirkland & Ellis, another recent entrant, expanded its summer associate class significantly this year, also showing signs of an appetite to grow.

Going beyond law firms, businesses in general are looking to expand within Florida, according to Pedro Torres-Díaz, managing partner of Jackson Lewis's Miami office.

"I do get steady calls about what it takes to hire an employee in Florida, especially to make sure they're complying with the applicable laws," Torres-Díaz, a labor and employment lawyer, said.

With expansion expected to continue for both law firms and their local clients, growth is expected to continue even if the rate of new offices has slowed.

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