

BUYING LEGAL COUNCIL
Americas Legal Procurement
Conference

New York

September 5, 2019

MADHAV SRINIVASAN

Getting Behind the Headlines....



Law Firm Profitability

Do you know how profitable your law firm truly is?

Law Firm Profitability: The Art and Science

Law firm's annual profits are up 6% to £37 million

Law Firm Profit Margin – Don't Kid Yourself

A Banner Year For Law Firms? A Different Take On The 2019 Citi Report

Revenue is Sexy, but Profit Pays the Bills: The Law Firm Profit Margin Formula

Inside Law Firms' Best Results in a Decade

**UK law firms find margins
squeezed**

Putting Profit First in Your Law Firm, and For Your Clients

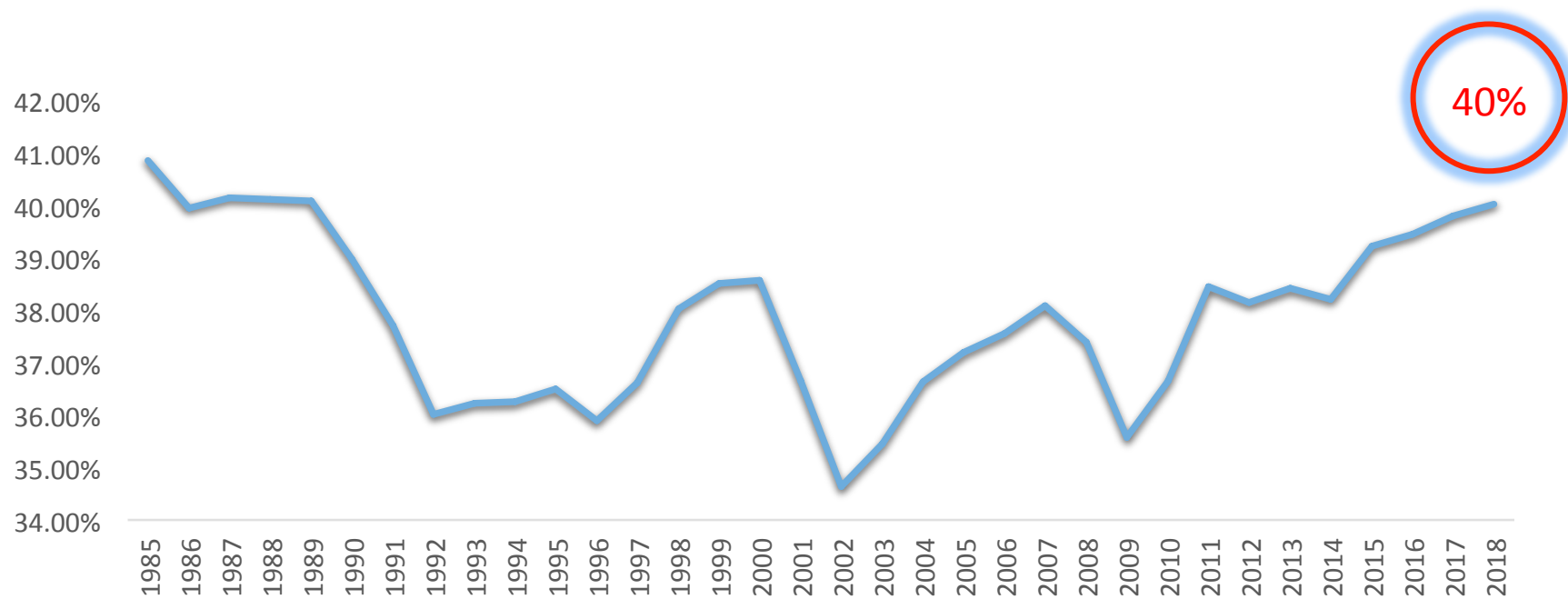
Law Firms Are More Profitable Than Ever. How are They Doing It?

[Good News For The Am Law 100 — Profits Per Partner Were Up In 20](#)

LAW FIRM'S PROFIT PASSES £100M FOR THE FIRST TIME

**[This Biglaw Firm's Profits Per Partner Is
Definitely Heading In The Right Direction](#)**

AmLaw 100 Operating Profit As % of Revenue



Is 40% Margin...



Some Adjustments

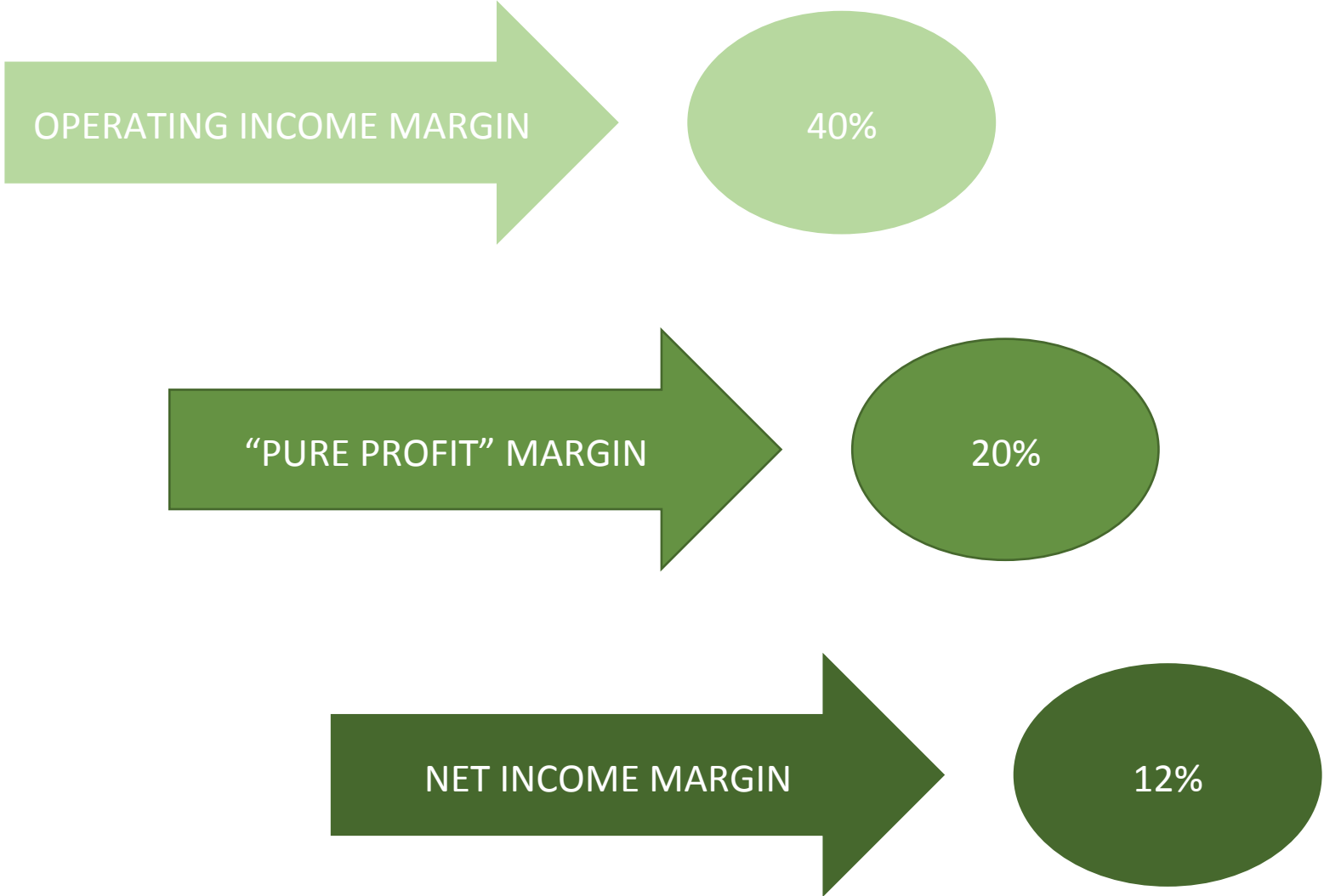
COMPENSATION

- Equity Partners are Managers and Owners

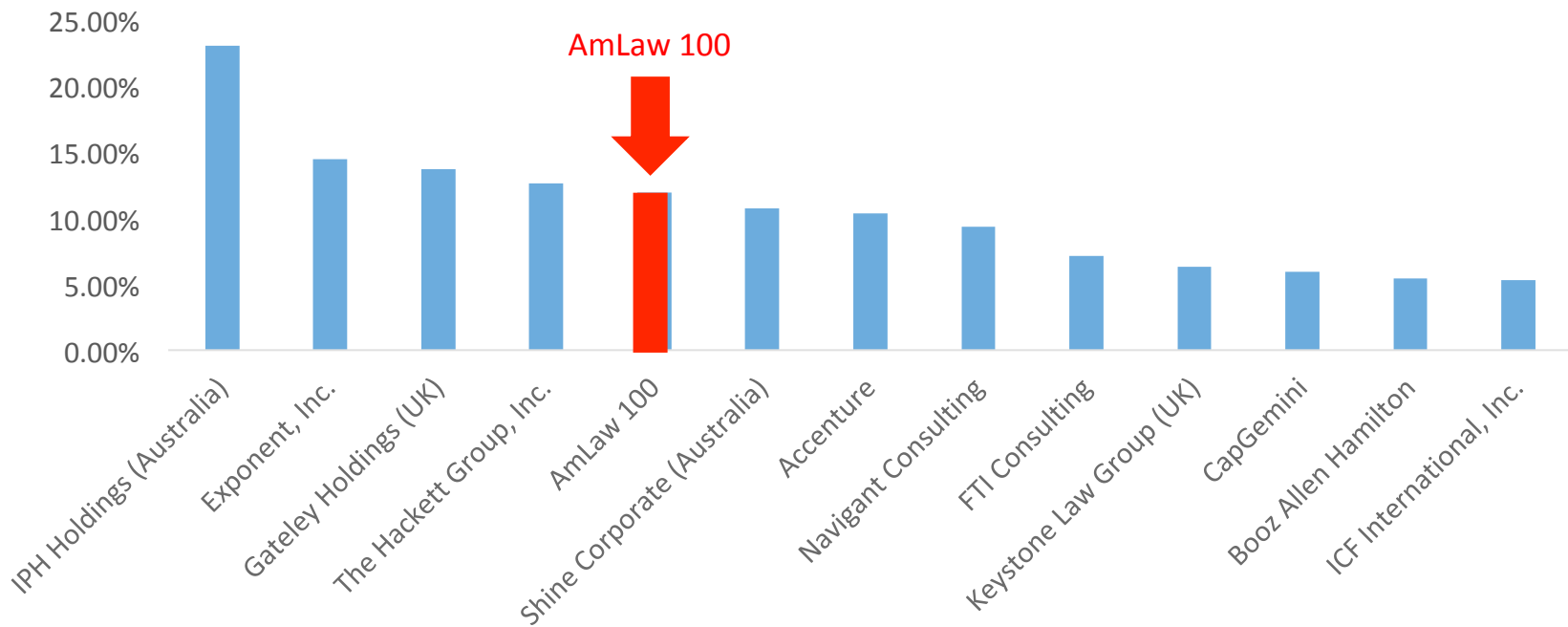
INCOME TAXES

- Equity Partners pay Individual Income Taxes

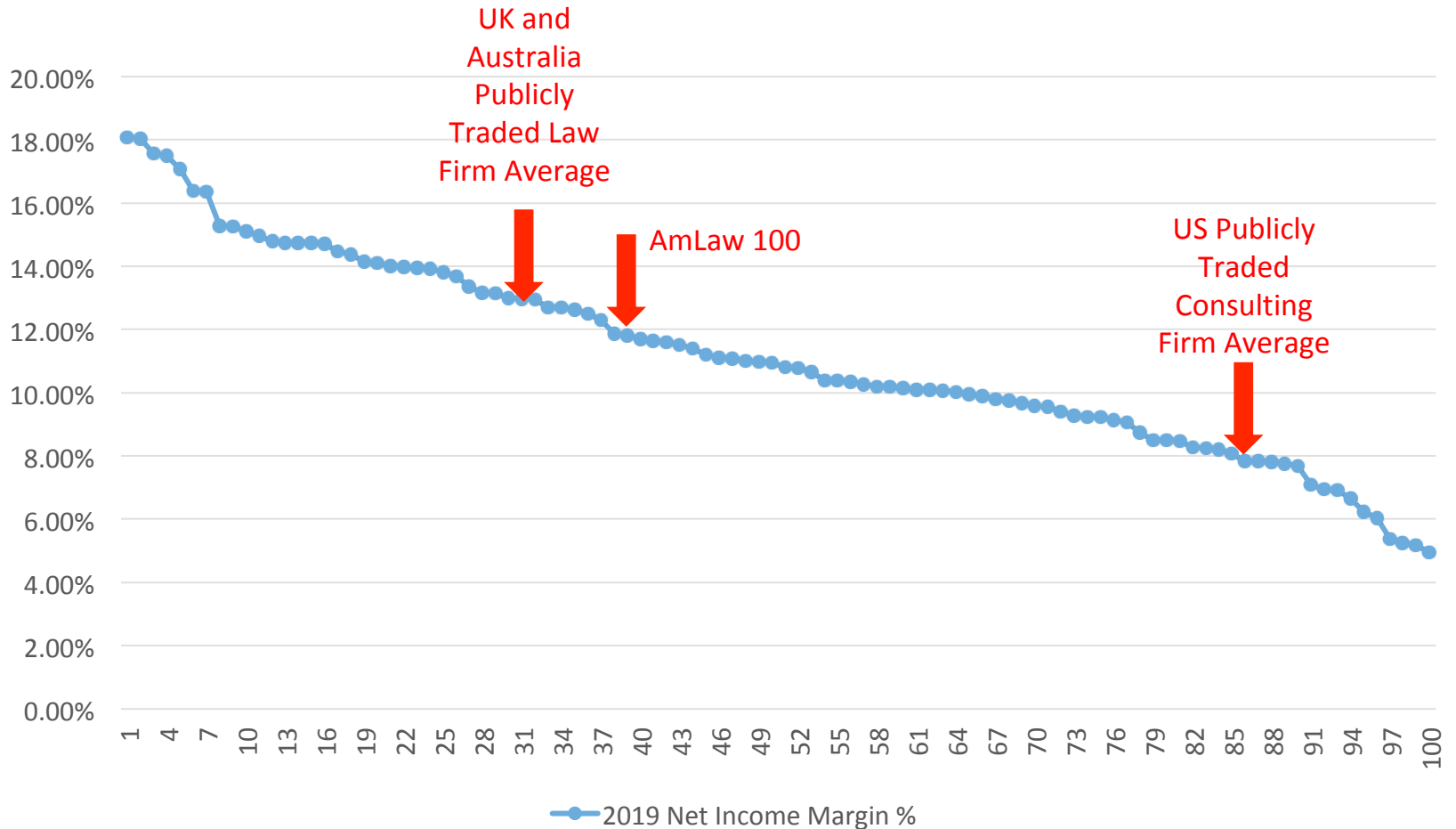
Operating to Net Income



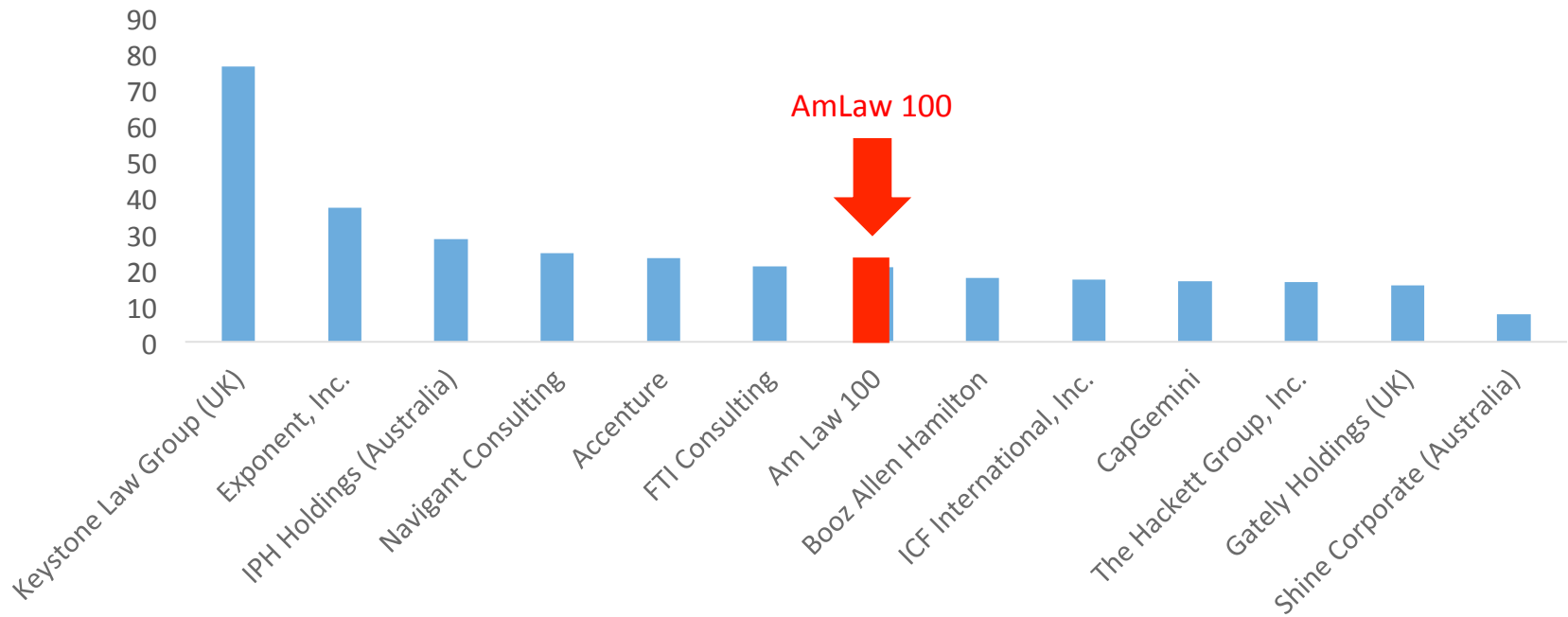
Net Income Margin %



2019 AmLaw 100 Net Income Margin %



Price to Earnings Ratio





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BUSTED