

Your Role

- ❑ You are the Executive Committee of your firm. Your decisions will have a direct impact on the key metric of per partner profits. There will be a new addition to the Executive Committee, Whitney Reid (see bio to follow). Mr. Reid has made it clear to the firm that continued success in increasing per partner profits is a key to keeping him and his successful practice.
 - ❑ Today you will be presented with a series of decisions which will have a direct impact on PPP and on Whitney Reid.
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Your Firm

- ❑ Founded in the mid-west at the turn of the 20th Century, you have moved from a strong regional practice to a recognized national practice now moving into the global network.
 - ❑ Your firm consistently ranks among a handful of firms with the breadth and caliber to serve the complex needs of a discerning client base. It has lawyers in the US and UK. Your clients are public and privately held businesses, financial institutions, governments and state-owned entities, involved in sophisticated transactions and complex dispute resolution proceedings.
 - ❑ You have grown primarily by the addition of individual lateral partners but refrained from bringing in large practice areas.
 - ❑ Your partner compensation is modified lock-step. Your associates are promoted by a traditional lock-step formula.
 - ❑ 120 equity and 80 income partners
 - ❑ 520 associates and 160 paralegals
 - ❑ CY 2010 gross revenue is projected to be \$970,000,000
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The Partner

- Whitney Reid focuses on antitrust litigation, transactional and counseling issues. His arrival in joining your firm 5 years ago was considered a coup in the legal marketplace. He has successfully integrated his practice while continuing to build a global reputation representing a wide variety of companies in high profile antitrust litigation as well as before government regulatory authorities.
 - Reid believes in a free-market economy. He has practiced as a partner in 2 other well-regarded firms prior to joining yours and makes no apologies that he goes to firms that meet and exceed his compensation demands. You brought him in to produce more business and he has not disappointed you.
 - Reid continues to impress your clients. From 2007 to 2009 he was named a leading practitioner by The Legal 500, "2005 Global Competition Lawyer of the Year" by The International Who's Who of Business Lawyers in its inaugural presentation of the award and is ranked in Tier 1 of Chambers.
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Your Firm Statement of Income

Revenue

Professional Fees	970,000,000
Other Services	64,000,000
Interest Income	3,500,000
	1,037,500,000

Expenses

Equity member compensation	120,000,000
Non-equity member compensation	60,000,000
Employee compensation	449,400,000
Employee benefits	112,350,000
Occupancy costs	127,000,000
Office operating expenses	16,190,000
Professional services	35,500,000
General business expenses	91,000,000
	1,011,440,000

Income before taxes	26,060,000
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Profits per Equity Member	1,217,167
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Financial Impact of Your Decisions

Whitney Reid 2009 Compensation	\$1,217,167
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Scenario 1	\$
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Scenario 2	\$
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Random event 1	\$
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Random event 2	\$
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Random event 3	\$
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Random event 4	\$
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Random event 5	\$
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Random event 6	\$
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Random event 7	\$
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Random event 8	\$
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Random event 9	\$
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Random event 10	\$
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Whitney Reid 2010 Compensation	\$
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