

Colorado Bar Association 2008 Economic Survey



Survey Conducted by Dr. Lawrence Stiffman and The Applied Statistics Laboratory.



The Colorado Bar Association 2008 Economics of Law Practice Survey

Final Report
October 2008

Survey Conducted by:

Lawrence H. Stiffman, Ph.D.
The Applied Statistics Laboratory
Ann Arbor, Michigan
aslinfo@aol.com

Survey Supervised and Compiled by:

Reba J. Nance
Director, Law Practice Management and Risk Management
Colorado Bar Association
reban@cobar.org

LIST OF EXHIBITS

Descriptions of Survey Respondents and Summary of Findings

Exhibit 1	How to Read a <i>Box and Whisker</i> Chart	3
Exhibit 2	Comparison of Survey Respondents to Universe of Colorado Attorneys	4
Exhibit 3	Distribution of Survey Respondents by Practice Classification	6
Exhibit 4	Percent Distribution of Survey Respondents by Practice Classification	7
Exhibit 5	Distribution of Survey Respondents by Practice Classification and Gender	7
Exhibit 6	Distribution of Survey Respondents by Gender and Work Status	8
Exhibit 7	Proportion of Survey Respondents by Gender and Work Status within Practice Classification	8
Exhibit 8	Distribution of Survey Respondents by Practice Classification and Office Location	9
Exhibit 9	Distribution of Three Categories of Per Attorney Overhead Expenses	10
Exhibit 10	Selected Benchmarks on the Economics of Law Practice in Colorado, 1999/2000 to 2007/2008	11

Attorney Income

Exhibit 11	2007 Attorney Net Income by Practice Classification (All Attorneys)	13
Exhibit 12	2007 Attorney Net Income by Practice Classification (Full-time Attorneys Only)	14
Exhibit 13	Percent Distribution of 2007 Attorney Net Income by Practice Classification (Private Practitioners Only)	15
Exhibit 14	Percent Distribution of 2007 Attorney Net Income by Practice Classification (Non Private Practitioners Only)	16
Exhibit 15	2007 Median Attorney Net Income by Years in Practice and Practice Classification	17
Exhibit 16	2007 Attorney Net Income by Legal Specialization (All Attorneys)	18
Exhibit 17	2007 Attorney Net Income by Legal Specialization (Private Practitioners Only)	19
Exhibit 18	2007 Attorney Net Income by Legal Specialization (Full-time Private Practitioners Only)	20
Exhibit 19	2007 Attorney Net Income by Years in Practice	21
Exhibit 20	2007 Attorney Net Income by Size of Firm or Organization	22
Exhibit 21	2007 Attorney Net Income by Office Location	23

Exhibit 22	2007 Median Attorney Net Income by Practice Classification and Gender	24
Exhibit 23	2007 Median Attorney Net Income by Gender and Years in Practice	25
Exhibit 24	2007 Median Attorney Net Income by Gender, Work Status and Years in Practice	26
Exhibit 25	2007 Median Attorney Net Income by Gender, Work Status and Years in Practice (Private Practitioners Only)	26

Billing Rates and Practices

Exhibit 26	2008 Attorney Hourly Billing Rates by Firm Size, Years in Practice and Office Location	27
Exhibit 27	2008 Attorney Hourly Billing Rates by Primary Field of Law and Practice Classification	28
Exhibit 28	2008 Hourly Billing Rates for Associates and Paralegals by Years of Experience	29
Exhibit 29	2008 Associate Billing Rates by Firm Size	29
Exhibit 30	2008 Associate Billing Rates by Office Location	30
Exhibit 31	2008 Paralegal Billing Rates by Office Location	31
Exhibit 32	2008 Paralegal Billing Rates by Firm Size	31
Exhibit 33	Distribution of Unit Charges Used for Billing Clients	32
Exhibit 34	Distribution of Unit Charges Billed to Clients by Firm Size	32
Exhibit 35	Distribution of Client Billing Methods Used for Paralegal Services by Firm Size	33
Exhibit 36	Use of Credit Cards by Firm Size	34
Exhibit 37	Profile of 2008 Work Week Components in Hours (All Attorneys)	35

Other Aspects of Law Office Economics

Exhibit 38	2007 Operating Expenses and Gross Receipts per Attorney by Office Location	36
Exhibit 39	2007 Operating Expenses and Gross Receipts per Attorneys by Firm Size	36
Exhibit 40	Ratio of Paralegals to Attorneys by Firm Size	37
Exhibit 41	Ratio of Secretaries to Attorneys by Firm Size	37
Exhibit 42	Revenues/Attorney by Firm Size and Presence of Administrators	37
Exhibit 43	2008 Annual Compensation of Associates, Paralegals and Secretaries by Years of Experience	38
Exhibit 44	2008 Associate Compensation by Firm Size	38
Exhibit 45	2008 Paralegal Compensation by Firm Size	39
Exhibit 46	2008 Secretary Compensation by Firm Size	39

Exhibit 47	2008 Paralegal Compensation by Office Location	40
Exhibit 48	2008 Secretary Compensation by Office Location	40
Exhibit 49	2008 Associate Compensation by Office Location	41
Exhibit 50	2008 Ranked Percent Preferences for Marketing Vehicles, All Practices and Firms	42
Exhibit 51	2008 Ranked Percent Preferences for Marketing Vehicles, Solo Practitioners	43
Exhibit 52	2008 Ranked Percent Preferences for Marketing Vehicles, Firms with 2-5 Attorneys	44
Exhibit 53	2008 Ranked Percent Preferences for Marketing Vehicles, Firms with 6-14 Attorneys	45
Exhibit 54	2008 Ranked Percent Preferences for Marketing Vehicles, Firms with 15 or More Attorneys	46

The 2008 Desktop Reference on The Economics of Law Practice in Colorado

Based on results from the *2008 CBA Economic Survey*

INTRODUCTION

During the summer of 2008, the Colorado Bar Association (“CBA”) surveyed the legal community on the economics of law practice to determine the following:

- Current demographics of practicing attorneys
- Attorney personal income from law practice for 2007 by practice classification/ pattern, gender, field of law, office location, work status, years in practice and firm size (number of attorneys)
- Associate, paralegal, and secretary 2008 compensation by years of experience and office location
- Prevailing average 2008 hourly billing rates for attorneys by a variety of indicators, and paralegals by years of experience, firm size and office location
- Attorney time in 2008 allocated to billable and non-billable professional activities
- 2007 overhead expenses associated with maintaining a private practice by office location and firm size, and
- Other law office management practices

This information has been consolidated into this reference guide – ***The 2008 Desktop Reference on the Economics of Law Practice in Colorado*** – to help guide all attorneys and administrators as they plan and manage their professional lives. Attorneys can compare themselves and their firms against “norms” established by the aggregation of survey data. Norms include office location, firm size, and years of practice. Moreover, attention is given to analysis of gender-specific factors regarding attorney income.

Methods Used to Conduct the Survey

Survey results are based on a 44-question confidential survey instrument (“questionnaire”) that was e-mailed in the summer of 2008 to all CBA members and to Mile High Chapter of the Association of Legal Administrators (ALA) members with known e-mail addresses. The survey was also available to non-CBA members via a link on the front page of the CBA website. In addition, a shortened version was also sent to law firm administrators (Mile High Chapter members) covering law office management programs and practices.

The data obtained from approximately 2,500 usable returned questionnaires were tabulated and analyzed by the Applied Statistics Laboratory of Ann Arbor, Michigan. These returns represent a response rate of 16%, based on 16,070 questionnaires e-mailed.

To help practitioners interpret the information provided in the exhibits below, here is a brief discussion of measures of central tendency (median and mean) and dispersion (spread).

Measures of Central Tendency

The **mean** (also called the average or arithmetic average) is calculated by adding the values of all responses, then dividing by the number of responses.

Example: Three responses – 1, 2 and 3 – are reported. The average is calculated by adding their values ($1 + 2 + 3 = 6$), then dividing by the number of responses (3). Thus, the average is $6 \div 3 = 2$.

The **median** is the middle value of a series (distribution) of values, which is initially rank-ordered (from low to high or *vice versa*). By definition, half the numbers are greater and half are less than the median. Median values are used throughout this survey report to denote the measure of central tendency. Use of the median as a statistic for central tendency reduces the effect of “outliers” (extremely high or low values, such as 30), while the average does not.

Example: Three responses – 1, 2 and 30 – are reported. The *median* is the middle number of the order of distribution (1, 2, and 30) or **2**. The *average* of this same distribution is 33 divided by 3 or **11**.

Measures of Dispersion (Spread)

The dispersion of data around the median generally is based on 3 values:

- 25th percentile (lower quartile). One-fourth of the values are less and three-fourths are more than this value.
- 75th percentile (upper quartile). Three-fourths of the values are less and one-fourth are more than this value.
- 95th percentile. Ninety-five percent of the values are less and five percent are more than this value.

Geographic Areas Defined

The survey divided Colorado into 11 geographic areas by county for aggregation and reporting key statistics generated from the data. These areas include the following:

- Downtown Denver (zip codes 80202 & 80203)
- Denver, Not Downtown
- Adams, Arapahoe, Douglas, Elbert and Jefferson (Greater Denver Metro Area)
- Boulder and Broomfield
- El Paso
- Eagle and Pitkin
- Mesa
- Pueblo
- Larimer and Weld
- All Others East of the Continental Divide*
- All Others West of the Continental Divide**

*All Others East of the Continental Divide – Alamosa; Baca; Bent; Chaffee; Cheyenne; Clear Creek; Conejos; Costilla; Crowley; Custer; Fremont; Gilpin; Huerfano; Jackson; Kiowa; Kit Carson; Lake; Las Animas; Lincoln; Logan; Mineral; Morgan; Otero; Park; Phillips; Prowers; Rio Grande; Saguache; Sedgwick; Teller; Washington; Yuma

** All Others West of the Continental Divide – Archuleta; Delta; Dolores; Garfield; Grand; Gunnison; Hinsdale; La Plata; Moffat

Some exhibits display these areas in a condensed format to assure adequate statistical representation of the findings. For example, Eagle, Pitkin, El Paso, Mesa,

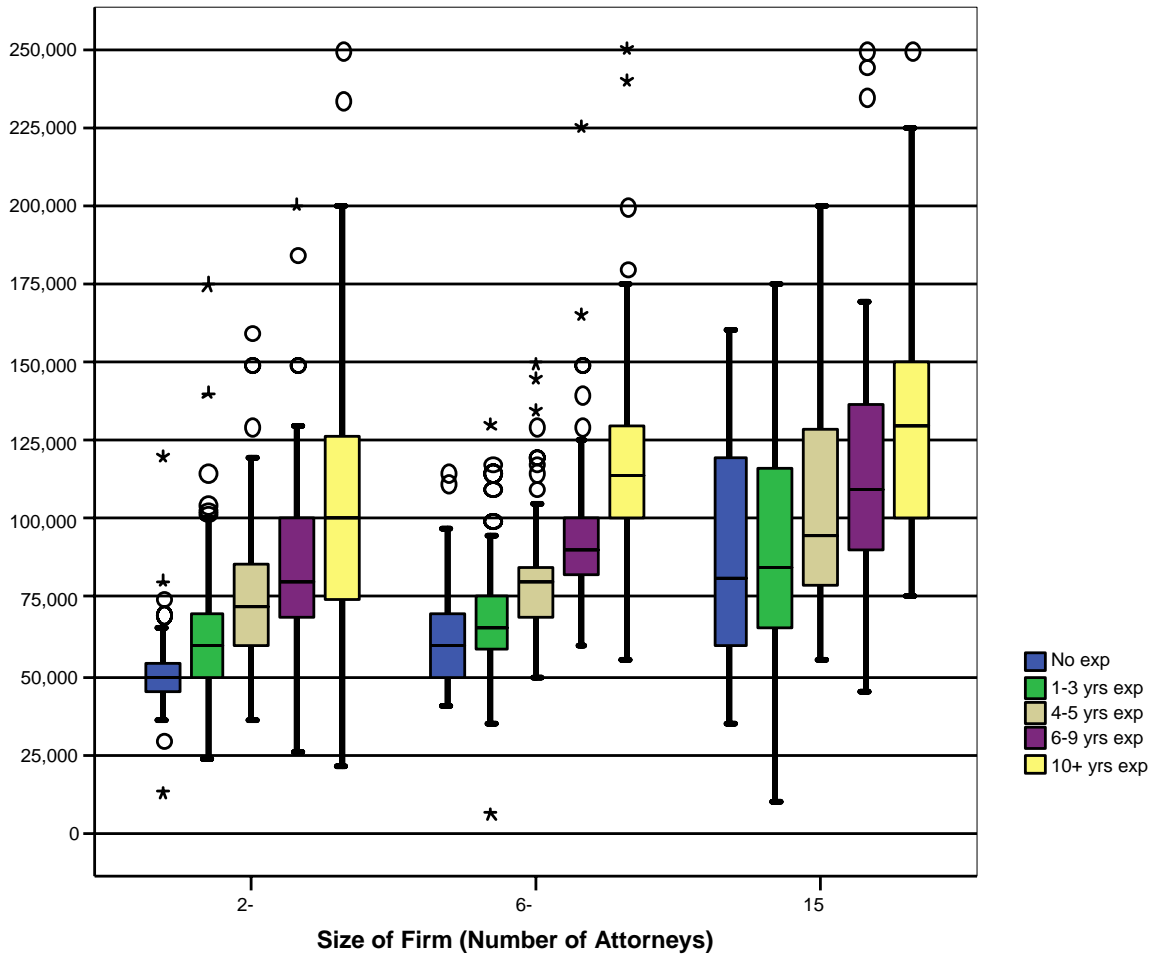
Pueblo, Larimer and Weld Counties are grouped into a category entitled “Outstate Metro Areas” to differentiate them from Metro Denver, as well as rural areas.

Descriptions of Survey Respondents and Summary of Findings

Box and whisker graphs depict dispersion of a variable as shown in the sample exhibit of associate salaries below. To illustrate, one vertical bar (the last bar on **Exhibit 1**), associate income for those with **10 years experience in firms with 15+ attorneys** is shown at the **5th** through the **95th** percentile. The **whisker outliers**, at the top and bottom of the line, range from the **5th** percentile of **\$75,000** to the **95th** percentile of **\$225,000**, while the median value is shown as the **dark horizontal line** in the box (**\$130,000**). Fifty percent of values are found within the box (**\$100,000-\$150,000**), representing the 25th through 75th percentiles. Thus, a range of values is shown on each vertical bar, representing 15 categories of associates by firm size and experience. The **stars and circles** are extreme outliers (**99th** and **100th** percentiles.)

Exhibit 1 How to Read a *Box and Whisker Chart*

Sample Exhibit
2008 Associate Compensation by Firm Size



The sample of returns is highly correlated with the office location while females are slightly overrepresented compared with the overall lawyer population. Therefore, male vs. female statistics are offered throughout this Report to enable direct comparisons among genders. **Exhibit 2** compares the survey sample with the universe of attorneys.

Exhibit 2
Comparison of Survey Respondents to Universe of Colorado Attorneys

<i>Office Location (Cities & Counties)</i>	<i>Universe of Attorneys</i>	<i>Percent of Total</i>	<i>2008 Survey Respondents</i>	<i>Percent of Total</i>
Denver	8,090	42.7%	1,222	48.3%
Adams, Arapahoe, Douglas, Elbert and Jefferson (Greater Metro Area)	4,846	25.6	533	21.9
Boulder and Broomfield	1,773	9.4	248	9.8
Eagle and Pitkin	293	1.5	31	1.2
El Paso	1,208	6.4	127	5.0
Mesa	306	1.6	36	1.4
Pueblo	203	1.1	21	0.8
Larimer and Weld	883	4.7	127	5.0
All Others East of the Divide	414	2.2	58	2.3
All Others West of the Divide	938	4.8	106	4.2
Total	18,954*	100	2,529	100%
Gender				
Male	12,579	65.7	1413	57%
Female	6,563	34.3	1065	43
Total	19,142	100%	2478	100%

*Does not equal 19,142 because 188 attorneys did not indicate their office location.

Because the survey was conducted in the summer of 2008, attorney net income, gross revenue and practice and firm overhead expenses represent 2007 values. All other data represent mid-year 2008 values. Net income represents personal income (after expenses) or salaries from the practice of law, before taxes, for 2007. Bonus information was not addressed as a separate question and may or may not have been included.

To denote gaps such as the “gender gap” of reporting incomes, the term “proportion” is used on selected exhibits. “Proportion” denotes the median value - of one group divided by another. Hypothetically, a reported income of \$75,000 for female attorneys divided by \$100,000 for male attorneys yields the proportion .75. This would mean that females earn “75 cents on the dollar” compared with their male counterparts.

Despite the use of the median to reduce the effect of extremely high or low values (“outliers”), as noted above, readers should use particular caution in interpreting data when only a small number of responses are available. In such cases, readers are advised to “group up” to a larger geographic area or job classification, where appropriate, in order not to distort reality. No value is represented if fewer than 5 responses were reported. Totals do not always reflect the sum of subgroups as respondents often omit responding to a subgroup (i.e., *Occupancy* expenses is a subgroup of *Total Expenses*).

Personnel planning and decision-making include many factors not covered in surveys of this scope or nature. However, this report provides ranges of values that can help in developing sound and equitable hiring and compensation policies.

Unless stated otherwise, all exhibits include both full-time and part-time attorneys.

Margins of error are provided for 3 key measures: attorney 2007 net income (plus or minus 2% of the mean value), attorney 2008 hourly billing rates (plus or minus 2.4%), and total hours worked (accounted for) in the average 2008 workweek (plus or minus 2%).

SUMMARY PROFILE OF THE TYPICAL COLORADO ATTORNEY AND FIRM

This section summarizes key statistics derived from the survey. Emphasis here is on the concerns of the “average” attorney and the “average” firm with respect to net income, hourly billing rates and office expenses and revenues. The following topics are covered:

- Respondent demographics
- 2008 hourly billing rates and work volume
- 2007 office expenses and revenues
- Trends in key metrics (measures) since the *2000 CBA Economic Survey*

Respondent Demographics

The typical respondent is 45 years of age and has been in practice for 16 years. The average male attorney is 48 years of age and has been in practice 19 years. The average female attorney is 41 and has been in practice for 12 years. Females represent 43% of respondents up from 31% in 2000.

Approximately 70% of respondents are private practitioners. Of the remainder, 13% work in government agencies, 11% are in-house counsel and the remaining 11% are professors, work in legal services organizations, are law clerks, are unemployed, work in non-legal settings or are retired (“all others”) (**Exhibit 3**)

Exhibit 3

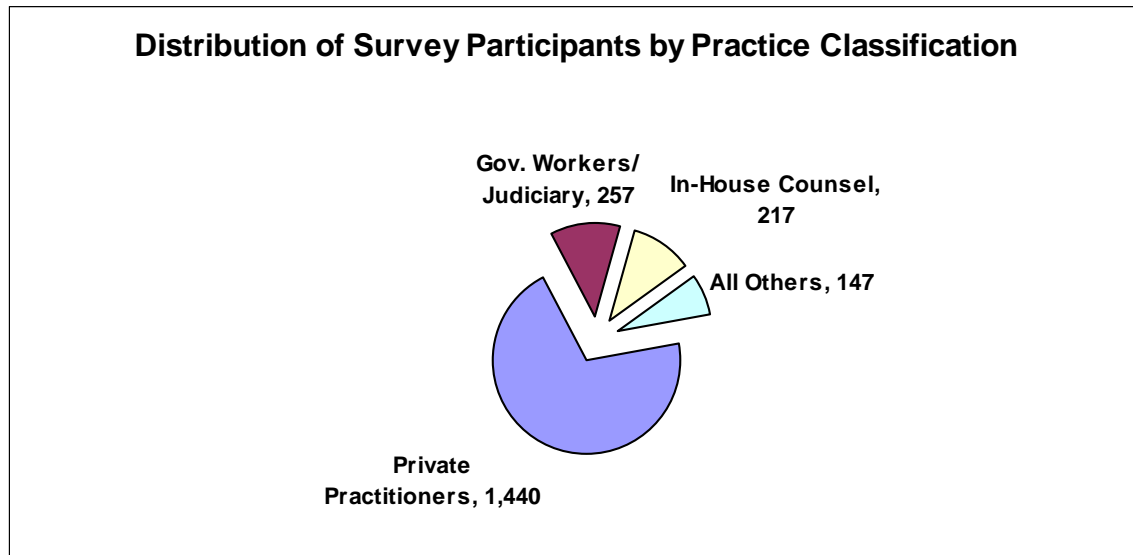
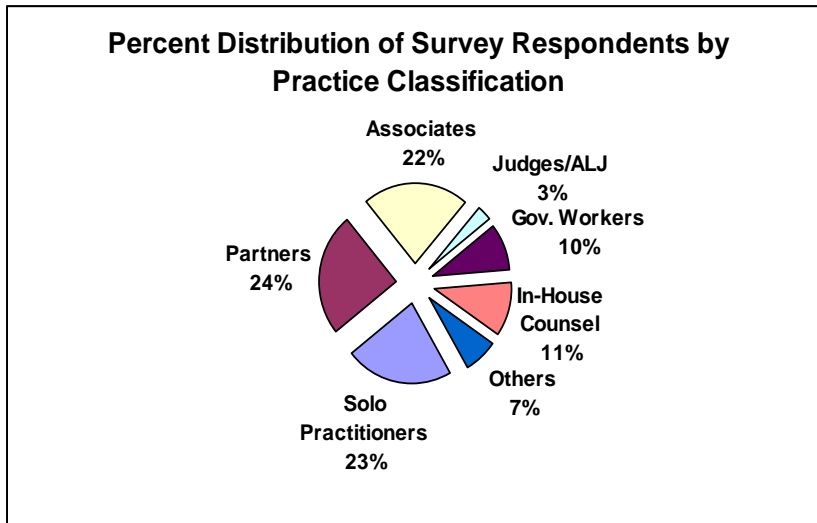


Exhibit 4 displays the proportion of survey respondents into 7 categories.

Exhibit 4



The bar chart shown as **Exhibit 5** distributes the number of survey respondents by both practice classification and gender. Within these groupings, 52% of associates are female, while 56% of government attorneys, 44 % of in-house counsel and 70% of “others” are female.

Exhibit 5

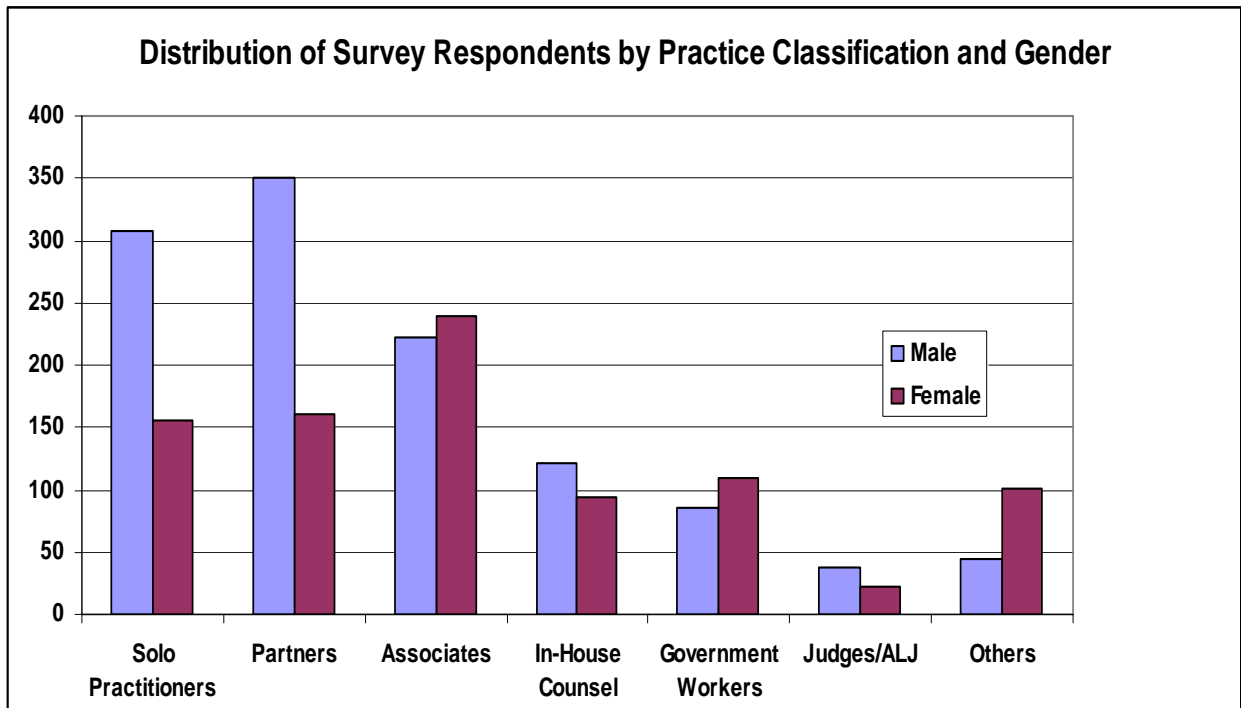
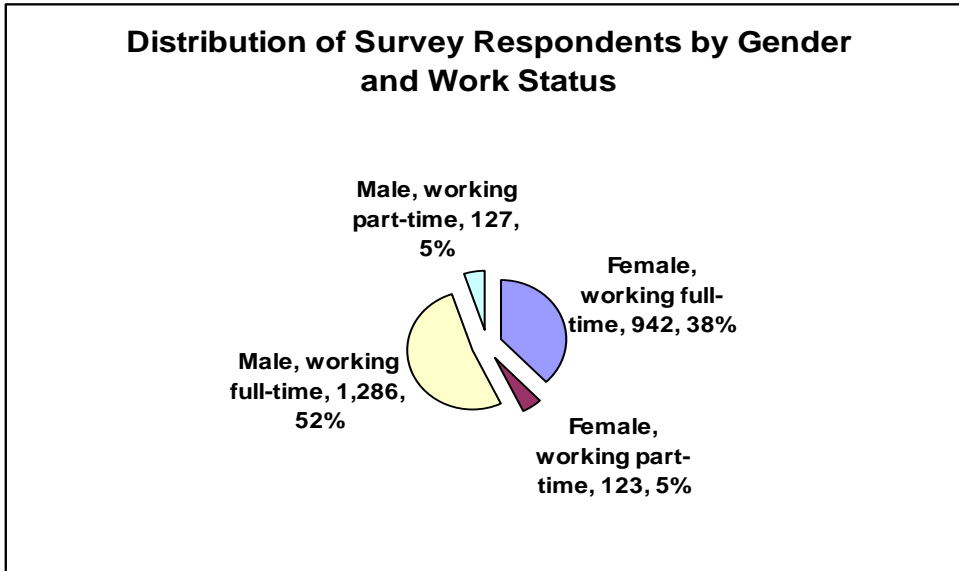


Exhibit 6 distributes survey respondents by gender and work status.

Exhibit 6



Approximately 10% of all attorneys and 11% of private practitioners report that they practice law on a part-time basis. While 9% of male private practitioners work part time, 12% of female private practitioners report that they work part time. Most attorneys who report that they practice part time (about 22%) are solo practitioners with 53% of home-based attorneys working part-time, space sharers, or contract attorneys (54%) and arbitrators/mediators (38%). Full-time is defined as 30 or more hours a week. Part-time is defined as less than 30 hours a week.

Exhibit 7 distributes respondents by their work status within various practice classes. For example, on the bottom row, 55% of all solo practitioners are males working full-time, 23% are females working full-time, and 22% are part-timers.

Exhibit 7

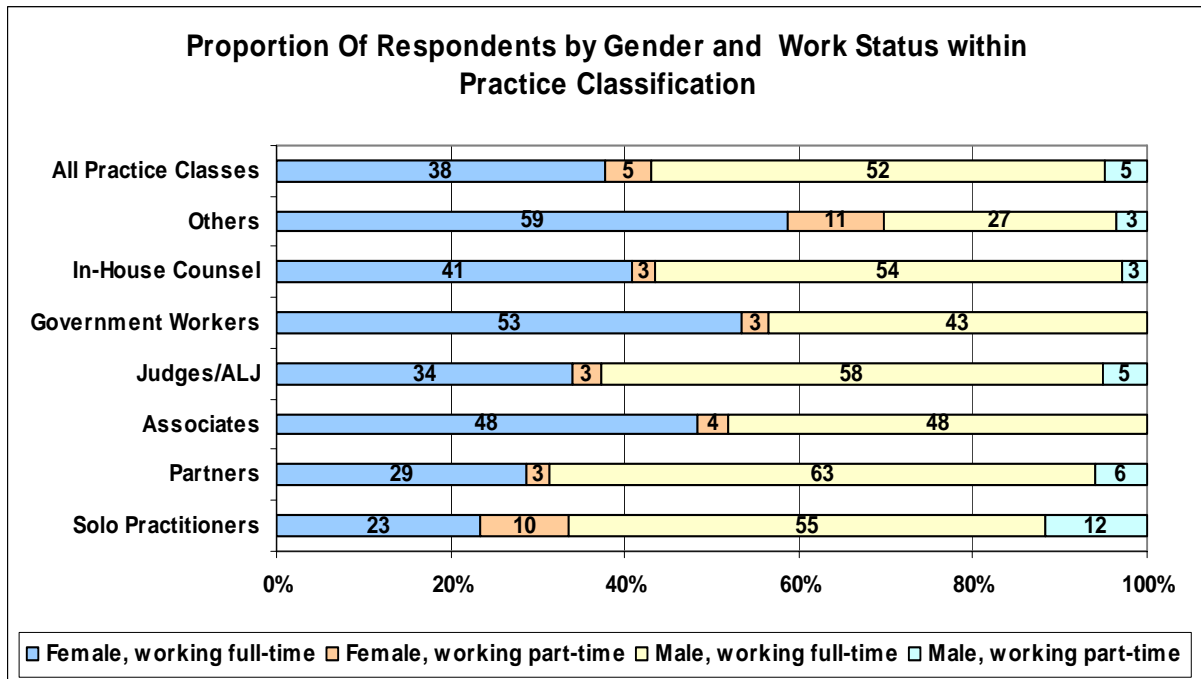
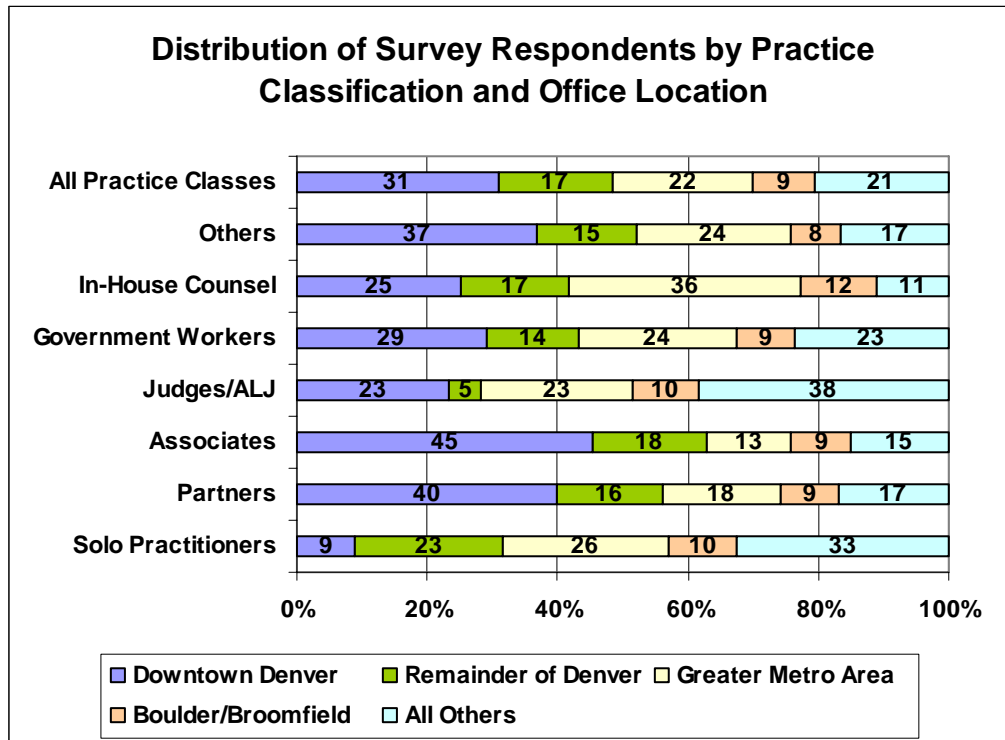


Exhibit 8 distributes survey respondents by their office location for various practice classifications. For example, 45% of all associates work in Downtown Denver, 18% in the remainder of Denver, 13% in the Greater Metro Area (Adams, Arapahoe, Douglas, Elbert and Jefferson Counties), 9% In Boulder and Broomfield Counties, and 15% elsewhere in Colorado.

Exhibit 8



2008 Hourly Billing Rates and Work Volume

Approximately 96% of private practitioners have a standard or usual hourly rate that they apply as a guide, starting point, or basis for fee computation. The 2008 reported median hourly billing rate is \$225, up from \$155 in 2000 or 5.6% per annum since 2000. The average value is \$235 per hour. Median values for compensable work time are 40 hours per week (which is 2,000 hours per year based on a 50 week work year) and 45 hours for total hours worked per week which includes administration, marketing, pro bono and unpaid legal work.

2007 Office Expenditures and Revenues

The median value for 2007 total office expenditures per attorney is \$58,156. The average value is \$83,649. Non-lawyer labor cost represents the major line item expenditure. (The median value is \$33,000 per attorney while the average value is \$45,724).

The relative contribution of each overhead component (median values) is summarized as **Exhibit 9**. Gross 2007 revenue/attorney is \$164,000 (median value) and \$199,940 (average value).

Exhibit 9

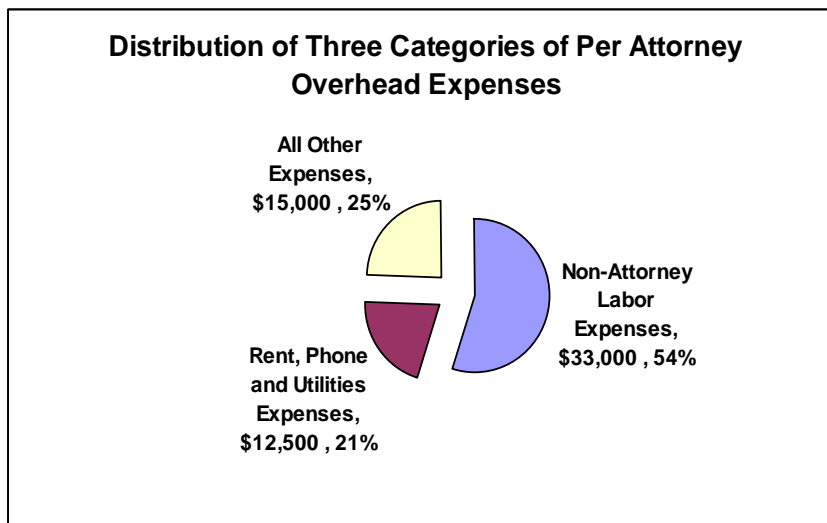


Exhibit 10 summarizes changes in selected measures reported during the two survey periods covering 1999/2000 and 2007/2008 values. Different conventions were used for the two surveys with respect to years of experience for associates, paralegals and secretaries. Resultant head-to-head comparisons are not possible.

All measures are *nominal* (unadjusted for inflation). For example, median attorney net income rose 3.9% per year between 1999 and 2007. If these changes were adjusted for inflation (about 3% per year), *real* income has remained essentially steady throughout this time period. This phenomenon conforms to the near flat-lining of real income growth for many professional services workers throughout the country during this period.

Exhibit 10

**Selected Benchmarks on the Economics of Law Practice
in Colorado, 1999/2000 to 2007/2008**

	Responses		Average	Average	%	% Ann.	Median	Median	%	% Ann.
	2007/8	1999/2000	2007/8	1999/2000	Chng.	Chng.	2007/8	1999/2000	Chng.	Chng.
Demographics										
Age	2,479	1,036	45	45	0.0	0.0	45	46	-2.2	-0.3
Years in Practice	2,466	1,058	16	17	-5.9	-0.7	14	17	-17.6	-2.2
Attorney Net Income	2,317	1,036	\$131,758	\$105,100	25.4	3.2	\$100,000	\$76,000	31.6	3.9
Hours Worked										
Billable Hours/week	2,116	978	38	37	2.7	0.3	40	40	0.0	0.0
Total Hours/week	2,175	1,004	50	47	6.4	0.8	45	46	-2.2	-0.3
CLE Hours/year	1,828	1,018	20	24	-16.7	-2.1	15	20	-25.0	-3.1
Pro Bono Hours/Year	1,170	698	50	56	-10.7	-1.3	30	30	0.0	0.0
Hourly Billing Rate	1,559	705	\$235	\$167	40.7	5.1	\$225	\$155	45.2	5.6
Fixed Expenses & Gross Receipts/Attorney										
Labor	485	252	\$45,724	\$28,611	59.8	7.5	\$33,000	\$24,000	37.5	4.7
Occupancy	614	304	\$15,695	\$11,180	40.4	5.0	\$12,500	\$9,600	30.2	3.8
Other Fixed Costs	601	304	\$28,527	\$19,523	46.1	5.8	\$15,000	\$12,000	25.0	3.1
Total Expenditures	634	353	\$83,649	\$53,370	56.7	7.1	\$58,156	\$40,000	45.4	5.7
Gross Revenues	628	347	\$199,940	\$228,839	-12.6	-1.6	\$164,000	\$210,000	-21.9	-2.7
Overhead Rate	587	347	0.46	0.39	17.9	2.2	0.39	0.33	18.2	2.3
Private Firm Employee Salaries										
Associates, no exp	134	83	\$70,216	\$46,175	52.1	6.5	\$60,000	\$40,000	50.0	6.3
Associates, 1-3 yrs	260	74	\$72,378	\$57,597	25.7	3.2	\$65,000	\$52,000	25.0	3.1
Associates, 4-5 yrs	193	66	\$87,468	\$66,205	32.1	4.0	\$80,000	\$65,000	23.1	2.9
Associates, 6-9 yrs	173	NA	\$102,186				\$95,000			
Associates, 10+ yrs	114	49	\$120,566	\$100,735	19.7	2.5	\$112,000	\$80,000	40.0	5.0
Paralegals, no exp	72	55	\$31,951	\$28,318	12.8	1.6	\$32,000	\$28,000	14.3	1.8
Paralegals, 1-3 yrs	161	52	\$36,217	\$31,370	15.5	1.9	\$36,000	\$30,500	18.0	2.3
Paralegals, 4-5 yrs	131	65	\$45,135	\$33,614	34.3	4.3	\$45,000	\$35,000	28.6	3.6
Paralegals, 6-9 yrs	136	NA	\$48,899				\$49,600			
Paralegals, 10+ yrs	224	90	\$55,036	\$40,382	36.3	4.5	\$52,000	\$40,000	30.0	3.8
Secretaries, no exp	110	83	\$26,935	\$24,361	10.6	1.3	\$25,000	\$25,000	0.0	0.0
Secretaries, 1-3 yrs	175	73	\$30,569	\$27,124	12.7	1.6	\$30,000	\$28,000	7.1	0.9
Secretaries, 4-5 yrs	131	66	\$37,671	\$30,757	22.5	2.8	\$37,000	\$33,250	11.3	1.4
Secretaries, 6-9 yrs	129	NA	\$42,118				\$42,000			
Secretaries, 10+ yrs	195	90	\$45,775	\$32,909	39.1	4.9	\$48,000	\$36,000	33.3	4.2
Associate & PL Billing Rates										
Associates, no exp	119	73	\$155	\$110	40.9	5.1	\$150	\$120	25.0	3.1
Associates, 1-4 yrs	257	57	\$173	\$129	34.1	4.3	\$175	\$125	40.0	5.0
Associates, 5-9 yrs	198	52	\$195	\$159	22.6	2.8	\$190	\$150	26.7	3.3
Associates, 6-9 yrs	170	NA	\$218				\$209			
Associates, 10+ yrs	131	43	\$235	\$165	42.4	5.3	\$225	\$160	40.6	5.1
Paralegals, no exp	81	79	\$75	\$59	27.1	3.4	\$75	\$58	29.3	3.7
Paralegals, 1-4 yrs	189	46	\$86	\$60	43.3	5.4	\$80	\$60	33.3	4.2
Paralegals, 5-9 yrs	156	54	\$94	\$66	42.4	5.3	\$90	\$69	30.4	3.8
Paralegals, 6-9 yrs	140	NA	\$102				\$99			
Paralegals, 10+ yrs	228	71	108	\$70	54.3	6.8	\$100	\$70	42.9	5.4

2007 Annual Income from Law Practice

Introduction

The median net income reported by all responding attorneys for calendar 2007 is \$100,000. Mean (average) 2007 net income is \$130,508. The mean (average) net income for attorneys working full-time is \$135,299. While there are many influences on attorney income levels, clues to explain income variation at a given point in time can be derived from seven factors addressed by questions in the survey and summarized below:

- Practice classification
- Field of law
- Years in practice
- Firm size
- Office location
- Gender
- Work status

Net Income by Practice Classification

Exhibit 11 summarizes 2007 net incomes of attorneys by 25 practice classifications reported by 1,978 respondents (denoted by **N**). By convention, this and subsequent exhibits providing percentile information offer four data points – the **25th, 50th (Median), 75th and 95th percentiles** – on the variable (item) of interest. For example, 25% of all **of-counsel** earn less than \$100,000, half earn less than \$137,500 while, half earn more than \$137,500 and 25% earn more than \$185,000. This “range” of net income is large – from \$24,500 for home-based practitioners at the 25th percentile to \$628,750 for partners in firms of 30+ partners at the 95th percentile level. The 2007 **average (mean)** salary for of-counsel is \$211,638.

Exhibit 11**2007 Attorney Net Income by Practice Classification (All Attorneys)**

Practice Classification	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
Solo, office outside of home	209	\$105,387	\$48,000	\$85,000	\$145,500	\$250,000
Solo, home office	122	75,832	24,500	50,000	100,000	200,000
Solo with 1 or more associates	32	168,719	86,250	130,000	240,000	512,250
Space sharer	76	103,057	58,500	80,000	134,500	240,861
Partner in firm with 2-7 partners	278	169,153	98,750	149,000	200,500	399,050
Partner in firm with 8-29 partners	93	211,821	140,000	180,000	255,000	498,000
Partner in firm with 30+ partners	58	345,586	225,000	329,000	470,000	628,750
Of Counsel	63	211,638	100,000	137,500	185,000	347,600
Associate in firm with 1 partner	69	69,862	48,000	60,000	80,500	150,000
Associate in firm with 2-7 partners	205	77,981	56,500	70,000	90,000	134,250
Associate in firm with 8-29 partners	80	96,632	68,250	85,000	119,250	173,750
Associate in firm with 30+ partners	101	132,671	108,500	126,000	146,500	214,500
Judge/Magistrate/ALJ (Full time)	42	112,525	107,447	114,500	118,133	137,464
Judge/Magistrate/ALJ & Private Practice	8	106,750	52,000	118,500	140,000	185,000
Arbitrator/Mediator	8	76,591	41,500	70,000	112,250	162,700
City/County Government	101	169,658	62,000	76,000	94,750	150,000
State Government	60	83,478	60,000	74,500	109,500	164,600
Federal Government	28	95,396	71,250	105,500	120,000	142,950
In-House Counsel (for-profit org.)	176	166,638	100,000	141,000	200,000	356,000
In-House Counsel (not-for-profit org.)	37	96,376	60,000	95,000	121,500	171,800
Counsel with legal aid/legal services agency	14	60,174	52,939	62,000	67,750	77,600
Contract Attorney	12	67,000	19,250	50,000	107,750	180,000
Law Clerk	38	44,696	36,000	41,000	48,000	96,150
Non-legal profession	31	45,072	0	41,000	58,000	202,000
Other	37	79,851	21,500	85,000	125,000	201,500
All Attorneys	1,978	\$130,508	\$61,150	\$100,000	\$150,000	\$300,000

Exhibit 12 only includes respondents who report working on a full-time basis.

Exhibit 12**2007 Attorney Net Income by Practice Classification (Full-time Attorneys Only)**

Practice Classification	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
Solo, office outside of home	191	\$106,717	\$50,000	\$85,000	\$150,000	\$250,000
Solo, home office	59	96,764	40,000	80,000	110,000	420,000
Solo with 1 or more associates	32	168,719	86,250	130,000	240,000	512,250
Space sharer	66	107,455	60,000	85,000	135,000	233,143
Partner in firm with 2-7 partners	252	173,900	100,750	150,000	208,250	399,350
Partner in firm with 8-29 partners	88	217,548	140,125	180,000	262,813	500,500
Partner in firm with 30+ partners	55	339,255	225,000	323,000	410,000	620,000
Of Counsel	53	231,226	104,500	140,000	192,500	341,600
Associate in firm with 1 partner	67	70,864	49,500	62,000	81,000	150,000
Associate in firm with 2-7 partners	192	78,516	57,500	71,000	90,000	133,375
Associate in firm with 8-29 partners	79	96,906	68,000	85,000	120,000	175,000
Associate in firm with 30+ partners	99	133,348	110,000	126,000	148,000	215,000
Judge/Magistrate/ALJ (Full time)	42	112,525	107,447	114,500	118,133	137,464
Judge/Magistrate/ALJ & Private Practice	6	125,000	100,500	129,500	151,250	185,000
Arbitrator/Mediator	5	92,946	46,500	89,000	141,365	162,700
City/County Government	97	173,685	63,300	76,000	94,750	150,000
State Government	59	83,927	60,000	75,000	110,000	165,000
Federal Government	27	96,337	75,000	110,000	120,000	143,400
In-House Counsel (for-profit org.)	164	165,884	100,875	146,875	200,000	350,000
In-House Counsel (not-for-profit org.)	36	98,217	60,000	95,500	122,750	172,700
Counsel with legal aid/legal services agency	12	62,849	55,189	64,500	69,250	77,600
Contract Attorney	6	73,333	19,750	55,000	128,250	180,000
Law Clerk	36	45,902	36,490	43,125	48,000	96,450
Non-legal profession	27	41,638	0	41,000	57,000	190,400
Other	31	89,371	35,000	88,000	128,000	206,000
All Attorneys Working Full Time	1,781	\$135,299	\$65,000	\$103,000	\$155,000	\$300,000

Exhibits 13 and 14 reveal income clustering among twenty-three practice classifications. Not surprisingly, there is a large spread of income within most categories, reflecting many different forms and styles of practice.

Exhibit 13

Percent Distribution of 2007 Attorney Net Income by Practice Classification (Private Practitioners Only)

Net Income (\$)	N	Column Percents					
		Solo, office outside of home	Solo, home office	Solo with 1 or more associates	Space sharer	Of Counsel	Contract Attorney
<\$40K	119	14.9	34.6	3.0	7.6	4.7	38.5
\$40-54.9K	145	12.2	19.2	6.1	16.5	3.1	15.4
\$55-69.9K	153	11.7	5.4	3.0	11.4	4.7	7.7
\$70-84.9K	162	10.8	9.2	12.1	17.7	7.8	7.7
\$85-99.9K	121	9.5	7.7	9.1	3.8	4.7	7.7
\$100-114.9K	109	8.1	4.6	9.1	13.9	12.5	7.7
\$115-129.9K	109	7.2	3.8	9.1	3.8	7.8	
\$130-144.9K	83	1.8	2.3	3.0	6.3	10.9	7.7
\$145-159.9K	64	5.9	2.3	3.0	2.5	4.7	
\$160-174.9K	63	3.2	2.3	9.1	1.3	10.9	
\$175-189.9K	50	3.2	2.3	3.0	3.8	4.7	7.7
\$190-204.9K	49	3.6	2.3	3.0	3.8	3.1	
\$205-219.9K	140	4.1	3.1	21.2	3.8	9.4	
\$220-234.9K	22				3.8	6.3	
\$235-249.9K	15	0.5					
\$250K or more	34	3.6	0.8	6.1		4.7	
Total	1,438	100%	100%	100%	100%	100%	100%

Net Income (\$)	N	Column Percents						
		Partner in firm with 2-7 partners	Partner in firm with 8-29 partners	Partner in firm with 30+ partners	Associate in firm with 1 partner	Associate in firm with 2-7 partners	Associate in firm with 8-29 partners	Associate in firm with 30+ partners
<\$40K	119	4.2	1.0		9.9	3.8		2.9
\$40-54.9K	145	4.9	2.1		29.6	14.9	9.9	
\$55-69.9K	153	4.2	2.1	4.6	23.9	27.9	17.3	1.0
\$70-84.9K	162	5.9	4.1	6.2	15.5	22.6	21.0	2.9
\$85-99.9K	121	7.7	3.1	3.1	8.5	13.9	14.8	6.9
\$100-114.9K	109	6.6	4.1	1.5	2.8	5.8	11.1	15.7
\$115-129.9K	109	9.4	6.2		4.2	5.3	7.4	23.5
\$130-144.9K	83	7.7	7.2	1.5		1.9	11.1	19.6
\$145-159.9K	64	7.0	5.2	1.5	2.8	1.4	2.5	8.8
\$160-174.9K	63	6.6	12.4	3.1		0.5		7.8
\$175-189.9K	50	5.6	11.3	1.5		1.4	1.2	1.0
\$190-204.9K	49	6.6	4.1	4.6	1.4		1.2	3.9
\$205-219.9K	140	15.4	25.8	55.4	1.4	0.5		3.9
\$220-234.9K	22	2.8	3.1	4.6				1.0
\$235-249.9K	15	3.8	2.1	1.5				
\$250K or more	34	1.4	6.2	10.8			2.5	1.0
Total	1,438	100%	100%	100%	100%	100%	100%	100%

Exhibit 14

Percent Distribution of 2007 Attorney Net Income by Practice Classification (Non-Private Practitioners Only)

Column Percents

Net Income	N	Judge/ Magistrate/ ALJ (Full time)	Arbitrator/ Mediator	City/ County Gov.	State Gov.	Federal Gov.
<\$40K	69		12.5	2.9	4.7	3.4
\$40-54.9K	67		25.0	10.6	18.8	10.3
\$55-69.9K	78		12.5	25.0	20.3	6.9
\$70-84.9K	57	2.3	12.5	20.2	14.1	13.8
\$85-99.9K	75	7.0	12.5		12.5	10.3
\$100-114.9K	61	41.9		6.7	14.1	17.2
\$115-129.9K	62	44.2	12.5	1.0	7.8	24.1
\$130-144.9K	32	2.3		2.9	1.6	10.3
\$145-159.9K	22	2.3		3.8	1.6	3.4
\$160-174.9K	26		12.5	2.9	3.1	
\$175-189.9K	14				1.6	
\$190-204.9K	15					
\$205-219.9K	24			1.0		
\$220-234.9K	7					
\$235-249.9K	4					
\$250K or more	4					
Total	617	100%	100%	100%	100%	100%

Column Percents

Net Income	N	In-House Counsel (for-profit org.)	In-House Counsel (not-for- profit org.)	Counsel with legal aid/ legal services agency	Law Clerk	Non-legal profession
<\$40K	69	3.3	5.4	7.1	46.2	41.0
\$40-54.9K	67	1.1	13.5	21.4	41.0	20.5
\$55-69.9K	78	6.7	13.5	50.0	5.1	12.8
\$70-84.9K	57	5.6	5.4	21.4		7.7
\$85-99.9K	75	8.3	21.6		7.7	10.3
\$100-114.9K	61	7.2	10.8			2.6
\$115-129.9K	62	10.6	8.1			
\$130-144.9K	32	10.0	2.7			
\$145-159.9K	22	6.7	5.4			
\$160-174.9K	26	7.8	10.8			2.6
\$175-189.9K	14	5.0	2.7			
\$190-204.9K	15	7.8				
\$205-219.9K	24	12.2				
\$220-234.9K	7	3.9				
\$235-249.9K	4	2.2				
\$250K or more	4	1.7				2.6
Total	617	100%	100%	100%	100%	100%

Exhibit 15 displays median 2007 attorney net income for twenty-three practice classifications by years in practice of the respondent.

Exhibit 15

2007 Median Attorney Net Income by Years in Practice and Practice Classification

Years in Practice	All Attorneys	Solo, office	Solo, home	Solo with 1	Space	Associate in	Associate	Associate	Associate in
		outside of home	office	or more associates	sharer	firm with 1 partner	in firm with 2-7 partners	in firm with 8-29 partners	in firm with 30+ partners
5 or <	\$62,000	\$37,455	\$36,000	\$52,000	\$48,000	\$54,500	\$63,000	\$76,500	\$120,000
6 to 10	91,750	66,500	50,000	.	71,129	70,000	81,600	98,000	140,000
11 to 15	119,500	85,000	78,500	200,000	140,000	110,000	108,000	105,000	135,000
16 to 25	120,000	97,500	60,000	150,000	80,000	107,500	84,500	92,500	126,000
>25	125,000	102,500	45,307	90,000	100,000	114,500	150,000	200,000	.
All Attorneys	\$100,000	\$85,000	\$50,000	\$130,000	\$80,000	\$60,000	\$70,500	\$85,000	\$126,000

Years in Practice	Partner in	Partner in	Partner in	Of Counsel	In-House	In-House	City/	State	Federal
	firm with 2-7 partners	firm with 8-29 partners	firm with 30+ partners		Counsel (for-profit org.)	Counsel (not for-profit org.)	County Government	Government	Government
5 or <	\$49,500	\$63,500	.	\$107,500	\$79,000	\$55,000	\$56,000	\$52,000	\$53,299
6 to 10	120,000	161,000	\$281,500	100,000	117,000	89,000	67,250	72,000	100,000
11 to 15	162,500	160,000	260,000	125,000	170,000	118,000	77,400	66,000	70,000
16 to 25	150,000	185,000	335,000	139,000	146,500	165,000	90,000	85,000	120,000
>25	150,000	190,000	368,000	190,000	195,000	95,200	107,000	110,000	108,000
All Attorneys	\$149,000	\$180,000	\$329,000	\$137,500	141,000	95,000	\$75,500	\$74,500	\$105,500

Years in Practice	Judge/	Arbitrator/	Counsel	Contract	Law Clerk
	Magistrate/ALJ (Full time)	Mediator	with legal aid/ legal services agency	Attorney	
5 or <	.	.	\$51,000	\$20,000	\$40,000
6 to 10	100,000	.	60,000	111,000	.
11 to 15	103,000	.	68,000	50,000	99,000
16 to 25	115,000	52,000	56,000	.	96,000
>25	115,000	70,000	77,600	98,000	.
All Attorneys	\$114,500	\$70,000	\$62,000	\$50,000	\$41,000

Attorneys were asked to select from a list of various fields of law those that provided their highest sources of income. **Exhibit 16** distributes 2007 net incomes of all respondents by their reported primary source of income. **Exhibits 17** and **18** consider private practitioners only and full-time private practitioners only.

Exhibit 16

2007 Attorney Net Income by Legal Specialization (All Attorneys)

Primary Field of Law	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
Administrative Law	24	\$98,878	\$55,398	\$85,000	\$121,250	\$236,250
Arbitration/Mediation/ADR	13	71,538	38,500	52,000	99,000	180,000
Appellate Practice	20	81,603	48,000	56,000	124,133	169,900
Banking	13	130,135	72,500	125,000	150,000	350,000
Bankruptcy/Receivership	38	112,694	52,750	83,500	171,000	253,750
Business/Corporate Law	165	142,858	67,500	120,000	176,500	350,000
Civil Rights Law	10	75,325	41,813	53,500	121,750	150,000
Construction law	47	137,317	75,000	100,000	150,000	427,600
Collections	20	102,505	60,500	88,300	143,750	213,250
Communications/Technology	17	143,412	88,000	124,000	185,000	280,000
Criminal Defense-public	13	67,513	40,500	50,000	103,500	120,000
Criminal Defense-private	65	95,525	45,000	75,000	130,000	233,600
Criminal Prosecution	37	62,392	48,000	57,000	71,000	123,000
Domestic Relations/Family/Juvenile Law	253	104,378	53,293	80,000	125,000	283,000
Elder Law	12	82,259	48,250	77,500	108,250	180,000
Employment/Labor (defense)	57	132,973	90,000	107,000	146,500	286,500
Employment/Labor (plaintiff)	22	509,050	52,250	100,000	146,250	7,710,000
Entertainment/Sports/Gaming Law	2	97,500	35,000	97,500	160,000	160,000
Environmental Law	35	116,686	80,000	120,000	135,000	220,000
Estate Planning/Estate Administration	129	103,663	56,450	82,000	143,200	250,000
General Practice	47	103,009	59,722	82,500	130,000	276,000
Health and Hospital law	27	150,122	75,000	120,000	188,000	497,800
Immigration and Naturalization	19	107,917	40,000	68,000	200,000	300,000
Indian Law	4	46,050	19,800	46,600	71,750	75,000
Insurance Law (not torts)	22	109,628	70,750	97,000	138,750	218,500
Intellectual Property	73	175,662	98,000	145,000	225,000	404,200
Litigation (civil/commercial)	310	159,106	78,563	115,000	166,000	432,250
Municipal/Public Entity	91	149,160	74,000	92,000	143,000	347,400
Natural Resources (oil & gas/mining)	46	191,095	108,823	167,500	231,250	406,500
Pensions/Profit Sharing/ERISA	6	277,500	88,000	300,000	409,750	535,000
Personal Injury/Malpractice (defense)	39	114,321	75,000	92,000	135,000	250,000
Personal Injury/Malpractice (plaintiff)	60	150,702	68,500	131,621	200,000	348,750
Public Utilities/Regulated Industries	6	145,032	72,923	132,500	251,990	257,960
Public Benefits (Soc. Sec./Medicare/Medicaid)	6	119,738	48,820	92,500	189,750	300,000
Real Property	190	134,338	65,000	112,500	166,000	344,500
Securities	24	174,208	70,000	122,500	195,000	542,500
Taxation (corporate)	14	115,500	68,000	92,500	138,500	270,000
Taxation (individuals/small businesses)	14	68,571	39,500	60,000	76,500	255,000
Water	42	114,185	68,750	89,000	142,500	279,250
Workers' Compensation	44	134,304	70,000	100,000	157,500	267,500
Other	117	104,028	58,000	96,216	119,486	222,000
All Attorneys	2,193	\$131,947	\$65,000	\$100,000	\$150,000	\$301,500

Please note: the value of \$7,710,000 (95th percentile for Employment/Labor (plaintiff) may or may not be a data entry error on the part of the relevant respondent. We cannot verify the accuracy of the entry.

Exhibit 17

2007 Attorney Net Income by Legal Specialization (Private Practitioners Only)

Primary Field of Law	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
Administrative Law	7	\$127,314	\$85,000	\$125,000	\$200,000	212,000
Arbitration/Mediation/ADR	4	101,250	33,750	97,500	172,500	180,000
Appellate Practice	6	130,833	88,000	147,500	168,500	170,000
Banking	8	125,720	108,750	129,000	150,000	153,700
Bankruptcy/Receivership	28	109,335	49,000	66,500	173,000	291,250
Business/Corporate Law	97	132,676	65,000	118,000	172,500	296,000
Civil Rights Law	4	84,250	17,250	90,500	145,000	150,000
Construction law	30	132,130	70,000	110,000	150,000	394,450
Collections	14	101,864	58,750	80,800	154,500	215,000
Communications/Technology	3	203,333	80,000	250,000	280,000	280,000
Criminal Defense-public	4	73,750	38,750	70,000	112,500	120,000
Criminal Defense-private	53	94,757	45,000	80,000	130,000	206,600
Criminal Prosecution	4	59,125	47,375	60,000	70,000	70,000
Domestic Relations/Family/Juvenile Law	183	110,489	52,000	85,000	135,000	288,000
Elder Law	9	81,122	38,000	60,000	140,000	180,000
Employment/Labor (defense)	28	155,288	103,500	123,750	190,000	410,000
Employment/Labor (plaintiff)	13	115,000	54,000	100,000	132,500	400,000
Entertainment/Sports/Gaming Law	1	35,000	35,000	35,000	35,000	35,000
Environmental Law	11	121,636	81,000	133,000	150,000	180,000
Estate Planning/Estate Administration	109	110,734	56,950	90,000	150,000	262,500
General Practice	20	101,656	56,181	72,500	112,500	343,700
Health and Hospital law	12	143,942	60,750	120,000	238,750	325,000
Immigration and Naturalization	15	117,828	20,000	68,000	234,836	300,000
Indian Law	4	46,050	19,800	46,600	71,750	75,000
Insurance Law (not torts)	13	107,500	66,500	85,000	135,000	220,000
Intellectual Property	42	171,223	86,250	137,500	250,000	411,900
Litigation (civil/commercial)	235	171,029	80,000	120,000	180,000	488,000
Municipal/Public Entity	30	168,967	76,500	130,000	242,500	474,300
Natural Resources (oil & gas/mining)	24	180,640	105,073	162,500	251,500	388,750
Pensions/Profit Sharing/ERISA	4	375,750	275,000	359,000	493,250	535,000
Personal Injury/Malpractice (defense)	27	114,759	76,000	97,000	135,000	238,000
Personal Injury/Malpractice (plaintiff)	48	150,242	68,500	134,121	192,500	376,950
Public Utilities/Regulated Industries	3	118,397	0	97,231	257,960	257,960
Public Benefits (Soc. Sec./Medicare/Medicaid)	4	140,250	38,500	119,000	263,250	300,000
Real Property	138	143,945	64,750	120,000	180,000	400,000
Securities	11	173,591	70,000	125,000	200,000	520,000
Taxation (corporate)	3	143,000	84,000	85,000	260,000	260,000
Taxation (individuals/small businesses)	11	72,727	40,000	60,000	72,000	255,000
Water	27	128,696	65,000	98,000	165,000	316,000
Workers' Compensation	30	150,567	65,000	100,000	175,000	576,000
Other	22	168,091	71,500	105,000	205,750	669,250
All Private Practitioners	1,339	\$136,268	\$65,000	\$105,000	\$165,000	\$346,000

Exhibit 18

2007 Attorney Net Income by Legal Specialization (Full-time Private Practitioners Only)

Primary Field of Law	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
Administrative Law	5	\$130,000	\$92,500	\$125,000	\$170,000	\$200,000
Arbitration/Mediation/ADR	3	120,000	30,000	150,000	180,000	180,000
Appellate Practice	4	129,250	71,500	147,500	168,750	170,000
Banking	7	121,714	105,000	128,000	150,000	150,000
Bankruptcy/Receivership	24	115,724	52,250	66,500	182,250	306,250
Business/Corporate Law	80	143,394	88,500	127,000	193,250	289,250
Civil Rights Law	4	84,250	17,250	90,500	145,000	150,000
Construction law	29	133,272	65,000	110,000	150,000	405,500
Collections	9	104,289	62,000	81,600	144,000	215,000
Communications/Technology	3	203,333	80,000	250,000	280,000	280,000
Criminal Defense-public	2	42,500	35,000	42,500	50,000	50,000
Criminal Defense-private	52	95,887	45,000	82,000	132,500	209,700
Criminal Prosecution	2	58,250	46,500	58,250	70,000	70,000
Domestic Relations/Family/Juvenile Law	164	115,457	58,500	90,000	140,000	297,500
Elder Law	9	81,122	38,000	60,000	140,000	180,000
Employment/Labor (defense)	26	142,425	98,250	118,500	170,000	294,750
Employment/Labor (plaintiff)	13	115,000	54,000	100,000	132,500	400,000
Entertainment/Sports/Gaming Law	1	35,000	35,000	35,000	35,000	35,000
Environmental Law	11	121,636	81,000	133,000	150,000	180,000
Estate Planning/Estate Administration	94	116,348	60,000	90,000	155,453	256,250
General Practice	14	97,659	59,931	72,500	93,750	300,000
Health and Hospital law	9	170,556	91,500	150,000	275,000	325,000
Immigration and Naturalization	12	141,786	43,250	89,795	283,709	300,000
Indian Law	4	46,050	19,800	46,600	71,750	75,000
Insurance Law (not torts)	12	110,208	64,750	90,500	142,500	220,000
Intellectual Property	38	185,667	95,550	145,000	252,500	420,800
Litigation (civil/commercial)	227	172,343	80,000	120,000	180,000	475,000
Municipal/Public Entity	28	146,179	75,500	125,000	207,500	342,750
Natural Resources (oil & gas/mining)	22	183,547	105,218	162,500	253,438	397,250
Pensions/Profit Sharing/ERISA	4	375,750	275,000	359,000	493,250	535,000
Personal Injury/Malpractice (defense)	25	117,940	82,250	98,000	137,750	241,000
Personal Injury/Malpractice (plaintiff)	44	153,668	68,500	127,500	200,000	386,750
Public Utilities/Regulated Industries	2	177,596	97,231	177,596	257,960	257,960
Public Benefits (Soc. Sec./Medicare/Medicaid)	4	140,250	38,500	119,000	263,250	300,000
Real Property	118	156,898	79,750	123,000	190,000	405,000
Securities	9	183,278	83,750	125,000	278,000	520,000
Taxation (corporate)	3	143,000	84,000	85,000	260,000	260,000
Taxation (individuals/small businesses)	8	81,500	46,250	62,500	70,250	255,000
Water	26	131,799	68,750	99,500	168,750	319,000
Workers' Compensation	27	150,815	65,000	100,000	175,000	678,000
Other	19	185,105	72,000	126,000	220,000	700,000
All Full-time Private Practitioners	1,197	\$141,643	\$70,000	\$110,000	\$170,000	\$350,000

Attorney income increases with tenure as displayed in **Exhibit 19**.

Exhibit 19

2007 Attorney Net Income by Years in Practice

All Attorneys

Years in Practice	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
5 or <	564	\$70,583	\$48,000	\$62,000	\$83,425	\$140,000
6 to 10	358	105,444	68,000	91,750	126,375	205,000
11 to 15	308	139,310	80,000	119,500	175,000	300,000
16 to 25	488	150,058	80,000	120,000	180,000	400,000
>25	584	173,696	80,000	125,000	195,750	389,000
All Attorneys	2,302	\$128,206	\$62,500	\$100,000	\$150,000	\$300,000

Full-Time Attorneys

Years in Practice	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
5 or <	527	\$72,950	\$50,000	\$65,000	\$85,000	\$140,000
6 to 10	324	109,538	71,347	96,500	130,000	208,750
11 to 15	289	142,589	85,000	120,000	178,000	300,000
16 to 25	439	158,155	86,000	125,000	183,000	400,000
>25	500	183,316	90,000	129,500	200,000	397,600
All Full-time Attorneys	2,079	\$132,867	\$65,520	\$101,000	\$150,000	\$300,000

Private Practitioners

Years in Practice	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
5 or <	318	\$76,241	\$52,000	\$65,000	\$98,500	\$145,250
6 to 10	217	108,124	69,000	92,000	133,000	226,500
11 to 15	163	141,497	85,000	124,000	185,000	297,000
16 to 25	286	164,872	79,706	130,000	200,000	465,750
>25	397	171,726	75,000	135,000	204,399	403,500
All Private Practitioners	1,381	\$134,758	\$62,890	\$104,000	\$164,500	\$340,000

Full-Time Private Practitioners

Years in Practice	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
5 or <	294	\$78,903	\$54,000	\$68,000	\$100,000	\$145,000
6 to 10	194	112,945	71,097	97,000	135,000	245,000
11 to 15	150	148,532	91,750	127,000	200,000	300,000
16 to 25	254	175,309	89,575	143,250	200,500	488,750
>25	337	180,525	84,500	140,000	212,500	437,500
All Full-time Private Practitioners	1,229	\$140,565	\$68,000	\$109,159	\$168,500	\$347,500

Attorney Income by Size of Firm or Organization

Exhibit 20 displays 2007 attorney net income by firm or organization size (measured by the total number of attorneys in the firm or organization). Within the larger firm size categories, lower percentile values generally represent associates, while higher percentile values generally represent partners. Median levels, in this exhibit, represent a “mix” of both categories.

Exhibit 20 2007 Attorney Net Income by Size of Firm or Organization

Size of Organization (# of Attorneys)	N	Mean (Ave.)	All Attorneys			
			Value by Percentile			
			25th.	Median	75th.	95th.
1	601	\$94,901	\$45,000	\$75,000	\$121,144	\$247,200
2	218	116,942	56,000	93,000	150,000	300,000
3-6	466	127,866	65,000	97,250	150,000	313,000
7-10	227	149,200	70,000	96,000	160,000	300,000
11-20	269	134,722	73,500	105,000	153,500	285,000
21-50	289	196,822	80,000	120,000	170,000	477,500
>50	154	164,468	100,750	124,500	190,000	432,500
All Attorneys	2,224	\$132,389	\$63,000	\$100,000	\$150,000	\$300,000

Size of Organization (# of Attorneys)	N	Mean (Ave.)	Full-Time Private Practitioners			
			Value by Percentile			
			25th.	Median	75th.	95th.
1	301	\$100,559	\$50,000	\$80,000	\$129,500	\$250,000
2	114	103,803	52,250	84,075	135,000	255,000
3-6	259	131,714	67,000	100,000	160,000	340,000
7-10	130	140,562	68,000	98,750	180,000	335,250
11-20	150	145,243	85,000	120,000	185,000	315,750
21-50	174	203,444	99,750	140,000	200,000	501,250
>50	79	202,969	120,000	145,000	260,000	560,000
All Full-time Private Practitioners	1,207	\$138,947	\$68,000	\$107,000	\$165,000	\$340,000

Attorney Income by Office Location

Exhibit 21 displays the 2007 net income of Colorado attorneys within each of eleven geographic locations by various work status combinations.

Exhibit 21

2007 Attorney Net Income by Office Location

All Attorneys

Geographic Area (By County)	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
Downtown Denver (80202 and 80203)	694	\$153,525	\$75,000	\$115,000	\$169,250	\$400,000
Denver, Not Downtown	391	155,914	60,000	100,000	150,000	300,000
Adams, Arapahoe, Douglas, Elbert & Jefferson	518	117,525	57,750	90,000	138,250	300,000
Boulder and Broomfield	226	122,740	62,000	99,000	154,750	275,000
Eagle and Pitkin	28	116,814	50,000	63,500	135,000	469,250
El Paso	123	104,910	57,000	80,000	140,000	258,000
Mesa	35	107,452	52,500	110,000	150,000	209,400
Pueblo	19	107,825	52,000	95,000	143,000	300,000
Larimer and Weld	123	105,501	50,000	82,500	135,000	304,000
All Others East of the Divide	52	72,518	45,000	71,000	100,000	150,000
All Others West of the Divide	97	96,331	55,000	81,500	120,000	211,500
All Attorneys	2,306	\$131,918	\$62,500	\$100,000	\$150,000	\$300,000

Full-time Attorneys

Geographic Area (By County)	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
Downtown Denver (80202 and 80203)	659	\$155,173	\$79,000	\$119,000	\$170,000	\$400,000
Denver, Not Downtown	346	166,380	65,000	104,500	160,000	300,000
Adams, Arapahoe, Douglas, Elbert & Jefferson	449	123,603	64,875	95,000	150,000	300,000
Boulder and Broomfield	204	127,317	65,000	100,000	163,750	275,000
Eagle and Pitkin	23	127,121	50,000	95,000	175,000	478,000
El Paso	113	110,158	60,000	88,000	145,000	267,024
Mesa	32	105,663	54,375	105,000	147,500	216,450
Pueblo	17	114,275	52,500	103,000	146,500	300,000
Larimer and Weld	110	103,767	53,250	81,250	130,375	285,750
All Others East of the Divide	45	78,352	49,000	75,000	115,000	150,000
All Others West of the Divide	87	97,921	60,000	85,000	120,000	210,000
All Attorneys Working Full-Time	2,085	\$136,907	\$65,260	\$100,000	\$150,000	\$300,000

Private Practitioners

Geographic Area (By County)	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
Downtown Denver (80202 and 80203)	434	\$173,857	\$85,000	\$126,500	\$195,500	\$441,250
Remainder of Denver	257	120,892	60,000	100,000	156,969	300,000
Adams, Arapahoe, Douglas, Elbert & Jefferson	263	118,266	53,380	85,000	150,000	337,000
Boulder and Broomfield	132	131,087	62,195	103,304	167,250	276,750
Eagle, Pitkin	15	128,586	50,000	60,000	130,000	485,000
El Paso	77	113,574	55,000	84,000	157,500	290,000
Mesa	29	115,304	56,250	125,000	155,000	223,500
Pueblo	13	118,077	52,500	95,000	159,000	300,000
Larimer and Weld	71	104,490	45,000	90,000	140,000	304,000
All Others East of the Divide	25	64,237	37,500	50,500	88,000	165,500
All Others West of the Divide	65	100,178	55,500	80,000	125,000	231,000
All Private Practitioners	1,381	\$134,699	\$62,890	\$103,000	\$163,000	\$340,000

Full-time Private Practitioners

Geographic Area (By County)	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
Downtown Denver (80202 and 80203)	413	\$175,546	\$85,000	\$130,000	\$200,000	\$420,300
Remainder of Denver	223	127,606	65,000	102,000	160,000	300,000
Adams, Arapahoe, Douglas, Elbert & Jefferson	220	127,524	60,500	95,000	160,000	344,750
Boulder and Broomfield	113	139,466	70,000	120,000	174,000	286,000
Eagle, Pitkin	12	148,232	51,000	98,750	163,750	485,000
El Paso	71	119,891	60,000	94,200	170,000	305,000
Mesa	26	114,008	58,125	119,358	150,000	230,550
Pueblo	12	120,000	52,250	97,500	167,000	300,000
Larimer and Weld	61	100,565	47,929	90,000	137,000	266,600
All Others East of the Divide	20	68,541	36,750	55,000	94,000	181,750
All Others West of the Divide	58	100,251	59,000	84,500	125,000	211,500
All Full-Time Private Practitioners	1,229	\$140,591	\$68,500	\$109,159	\$168,500	\$347,500

Gender Variations in Attorney Income

Median income for male attorneys exceeds female attorneys for almost all practice classifications. (Exhibit 22). The exhibits in this section provide clues as to the nature of these variations.

Exhibit 22

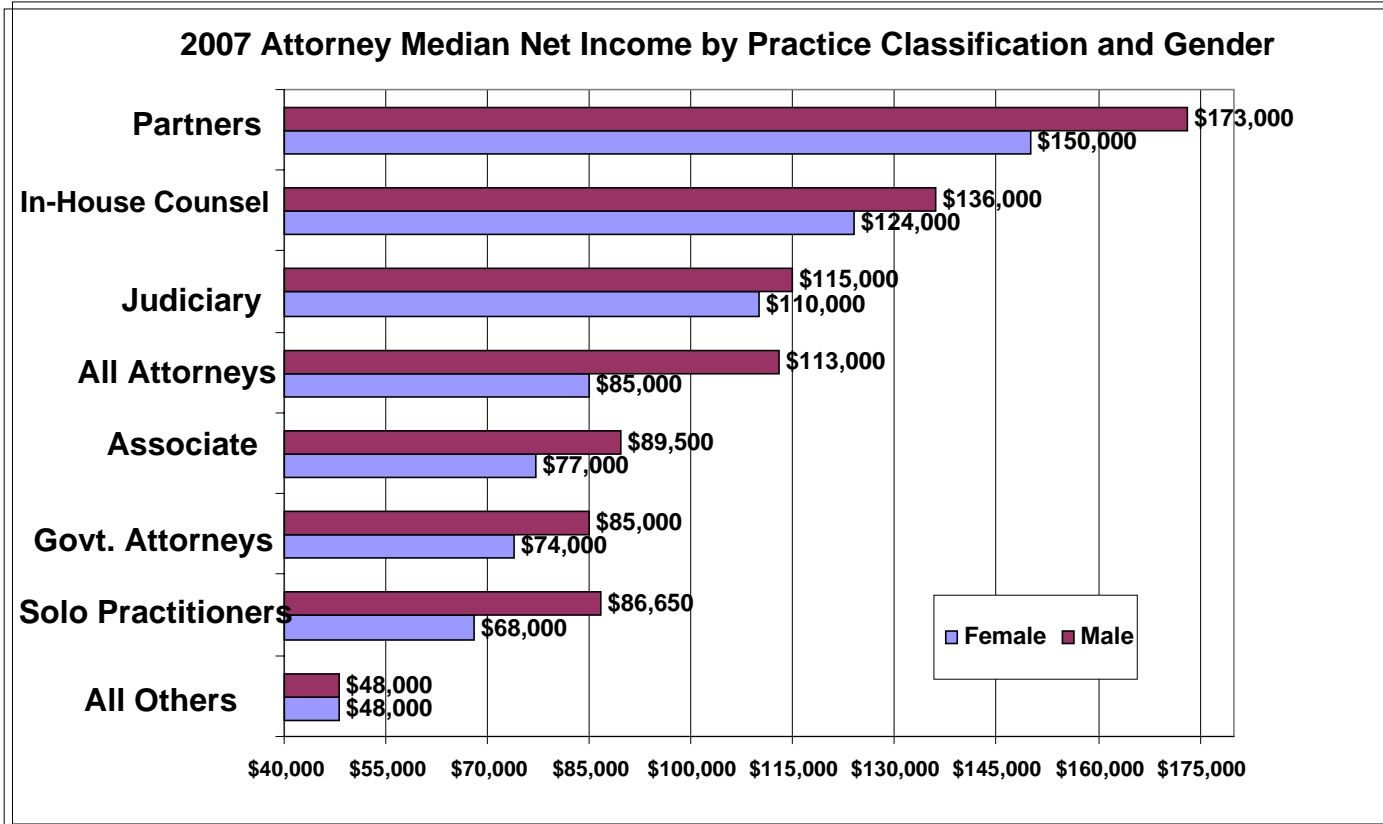


Exhibit 23 tracks gender-specific income levels by respondents' years in practice. The proportion of median income earned by female compared with male attorneys is denoted by "Gap". There is a very small gap among young attorneys, while a larger gap appears among older practitioners in the 16-25 years *in practice* category.

Exhibit 23 2007 Median Attorney Net Income by Gender and Years in Practice

Years in Practice	All Attorneys				Private Practitioners Only			
	All	Males Only	Females Only	Gender Gap	All	Males Only	Females Only	Gender Gap
<6	\$65,000	\$65,000	\$59,500	91.5	\$65,000	\$66,500	\$65,000	97.7
Number of Respondents	563	249	314		318	152	166	
6-10	100,000	100,000	88,000	88.0	92,000	103,000	87,250	84.7
	358	158	200		217	103	114	
11 to 15	125,000	125,000	108,000	86.4	124,000	123,369	124,000	100.5
	308	163	145		163	94	69	
16-25	130,000	130,000	101,000	77.7	130,000	150,000	109,000	72.7
	488	282	206		286	166	120	
more than 25	127,500	127,500	118,000	92.5	136,500	140,000	122,500	87.5
	583	470	113		396	332	64	
All Respondents	\$110,000	\$110,000	\$85,000	77.3	\$103,500	\$120,000	\$89,000	74.2
Number of Respondents	2,300	1,322	978		1,380	847	533	

Attorneys working on a part-time vs. full-time basis are also influenced by gender as shown in **Exhibits 24** and **25**. Overall, there is slightly larger gap among part-time attorneys (72.3) vs. full-time attorneys (76.5). Caution is warranted interpreting these statistics on a *years in practice* basis because of the small number of part-time attorneys in the sample.

Exhibit 24

2007 Median Attorney Net Income by Gender, Work Status and Years in Practice

Years in Practice	All Full-time Attorneys			All Part-time Attorneys		
	Males, working full-time	Females, working full-time	Gender Gap	Males, working part-time	Females, working part-time	Gender Gap
<6	\$66,750	\$60,000	89.9	\$6,000	\$32,604	543.4
Number of Respondents	236	291		13	23	
6-10	104,000	90,000	86.5	60,000	73,650	122.8
	146	178		12	22	
11 to 15	125,000	118,000	94.4	90,000	50,000	55.6
	156	133		7	12	
16-25	135,000	116,000	85.9	49,000	45,000	91.8
	266	173		16	33	
more than 25	135,000	120,000	88.9	90,000	60,000	66.7
	403	97		67	16	
All Respondents	\$115,000	\$88,000	76.5	\$64,000	\$46,250	72.3
Number of Respondents	1,207	872		115	106	

The smallest gender gap is found among full-time private practitioners. (Exhibit 25)

Exhibit 25

2007 Median Attorney Net Income by Gender, Work Status and Years in Practice (Private Practitioners Only)

Years in Practice	Full-time Private Practitioners			Part-time Private Practitioners		
	Males, working full-time	Females, working full-time	Gender Gap	Males, working part-time	Females, working part-time	Gender Gap
<6	\$69,000	\$65,000	94.2	\$0	\$37,000	NA
Number of Respondents	144	150		8	16	
6-10	105,000	90,000	85.7	60,000	75,000	125.0
	95	99		8	15	
11 to 15	125,000	130,000	104.0	90,000	47,250	52.5
	89	61		5	8	
16-25	150,000	125,000	83.3	40,000	45,000	112.5
	155	99		11	21	
more than 25	140,000	140,000	100.0	105,000	40,000	38.1
	285	52		47	12	
All Respondents	\$120,000	\$95,000	79.2	\$70,000	\$45,000	64.3
Number of Respondents	768	461		79	72	

Law Firm Billing Rates and Billing Practices

Attorney Hourly Billing Rates

The reported 2008 median hourly billing rate is \$225. The average is \$235. While several interacting factors affect the setting and application of hourly billing rates, **Exhibit 26** includes three discrete factors: respondents' size of firm, years in practice and office location, while **Exhibit 27** identifies respondents' primary source of income, and practice classification or legal occupation.

Exhibit 26 **2008 Attorney Hourly Billing Rates By Firm Size, Years in Practice and Office Location**

Size of Firm (# of Attorneys)	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
1	463	210	175	200	250	300
2	147	225	175	225	250	339
3 to 6	317	234	185	225	250	350
7 to 10	149	213	160	200	250	330
11 to 20	177	238	175	225	300	400
21 to 50	186	283	200	265	325	493
50+	86	313	225	295	396	508
Years in Practice						
5 or less	317	\$192	\$150	\$180	\$205	\$286
6 to 10	250	217	175	200	250	347
11 to 15	192	242	200	225	275	390
16 to 25	350	249	194	235	295	420
25+	446	262	200	250	300	425
Office Location						
Downtown Denver (80202 and 80203)	475	268	200	250	325	451
Denver, Not Downtown	284	236	175	225	275	371
Adams, Arapahoe, Douglas, Elbert & Jefferson	310	222	175	215	250	350
Boulder and Broomfield	151	226	190	225	250	338
Eagle and Pitkin	23	223	175	235	250	393
El Paso	87	233	200	225	275	350
Mesa	31	186	160	185	210	254
Pueblo	12	182	146	180	209	250
Larimer and Weld	75	190	160	185	225	280
All Others East of the Divide	35	155	125	150	190	250
All Others West of the Divide	71	203	175	200	225	285
All Attorneys	1,554	\$235	\$175	\$225	\$275	\$396

Exhibit 27

2008 Attorney Hourly Billing Rates By Primary Field of Law and Practice Classification

Primary Field of Law	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
Administrative Law	9	\$246	\$168	\$220	\$325	\$430
Arbitration/Mediation/ADR	12	248	210	250	286	320
Appellate Practice	7	225	175	250	275	325
Banking	7	260	235	250	275	325
Bankruptcy/Receivership	30	242	175	250	275	395
Business/Corporate Law	118	246	184	225	285	436
Civil Rights Law	5	259	175	225	360	360
Construction law	36	210	154	198	239	377
Collections	17	209	178	200	245	275
Communications/Technology	8	278	211	250	310	510
Criminal Defense-public	4	181	131	175	238	250
Criminal Defense-private	62	242	190	223	250	393
Domestic Relations/Family/Juvenile Law	213	221	175	225	250	350
Elder Law	11	224	200	225	250	300
Employment/Labor (defense)	32	250	200	243	299	385
Employment/Labor (plaintiff)	19	236	180	250	270	350
Environmental Law	15	262	200	265	325	435
Estate Planning/Estate Administration	120	225	185	220	258	330
General Practice	31	211	175	200	225	350
Health and Hospital law	12	230	190	228	269	345
Immigration and Naturalization	15	193	150	180	250	300
Indian Law	3	172	150	165	200	200
Insurance Law (not torts)	14	196	150	190	278	300
Intellectual Property	53	306	218	300	398	510
Litigation (civil/commercial)	260	242	180	225	280	425
Municipal/Public Entity	43	220	175	200	250	379
Natural Resources (oil & gas/mining)	27	269	210	250	325	484
Pensions/Profit Sharing/ERISA	3	500	460	515	525	525
Personal Injury/Malpractice (defense)	34	166	150	165	181	214
Personal Injury/Malpractice (plaintiff)	52	235	200	225	250	350
Public Utilities/Regulated Industries	4	243	151	258	319	325
Public Benefits (Soc. Sec./Medicare/Medicaid)	3	165	140	170	185	185
Real Property	147	246	195	240	275	391
Securities	11	329	250	265	375	750
Taxation (corporate)	8	296	186	280	400	495
Taxation (individuals/small businesses)	11	220	195	225	250	300
Water	35	188	150	180	215	293
Workers' Compensation	29	187	138	150	200	525
Other	29	253	188	250	300	455
All Fields	1,549	\$235	\$180	\$225	\$275	\$397
Time-Keepers						
Solo, office outside of home	207	\$216	\$175	\$200	\$250	\$300
Solo, home office	109	187	150	195	225	300
Solo with 1 or more associates	33	253	225	250	283	312
Space sharer	75	224	200	225	250	300
Partner in firm with 2-7 partners	268	247	200	250	275	356
Partner in firm with 8-29 partners	89	282	225	295	328	415
Partner in firm with 30+ partners	57	391	333	400	450	541
Of Counsel	59	299	220	280	350	595
Associate in firm with 1 partner	53	227	150	200	245	325
Associate in firm with 2-7 partners	171	189	150	180	210	272
Associate in firm with 8-29 partners	68	206	160	195	240	300
Associate in firm with 30+ partners	77	266	210	250	318	420
Judge/Magistrate/ALJ & Private Practice	4	285	213	275	368	390
Arbitrator/Mediator	6	263	230	250	320	320
In-House Counsel (for-profit org.)	12	219	146	175	215	750
Contract Attorney	4	129	103	125	178	190
All Time Keepers	1,292	\$237	\$180	\$225	\$275	\$395

Hourly Billing Rates for Associates and Paralegals

The distribution of hourly billing rates for associates and paralegals are summarized by years of experience in **Exhibit 28**.

Exhibit 28

2008 Hourly Billing Rates for Associates and Paralegals by Years of Experience

	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
Associates						
Assoc. w/o exp	119	\$155	\$135	\$150	\$175	\$210
Assoc. wi 1-3 yrs exp	257	173	150	175	197	232
Assoc. wi 4-5 yrs exp	198	195	169	190	221	263
Assoc. wi 6-9 yrs exp	170	218	175	209	250	327
Assoc. wi 10+ yrs exp	131	\$235	\$180	\$225	\$275	\$364
Paralegals						
Paralegals w/o exp	81	\$74	\$60	\$75	\$87	\$138
Paralegals wi 1-3 yrs exp	189	86	70	80	100	138
Paralegals wi 4-5 yrs exp	156	94	75	90	110	150
Paralegals wi 6-9 yrs exp	140	102	80	99	125	165
Paralegals wi 10+ yrs exp	228	\$107	\$85	\$100	\$125	\$173

Firm size and office location are associated with variations in associate billing rates, with tenure dominating that influence. (**Exhibits 29 and 30**)

Exhibit 29

2008 Associate Billing Rates by Firm Size

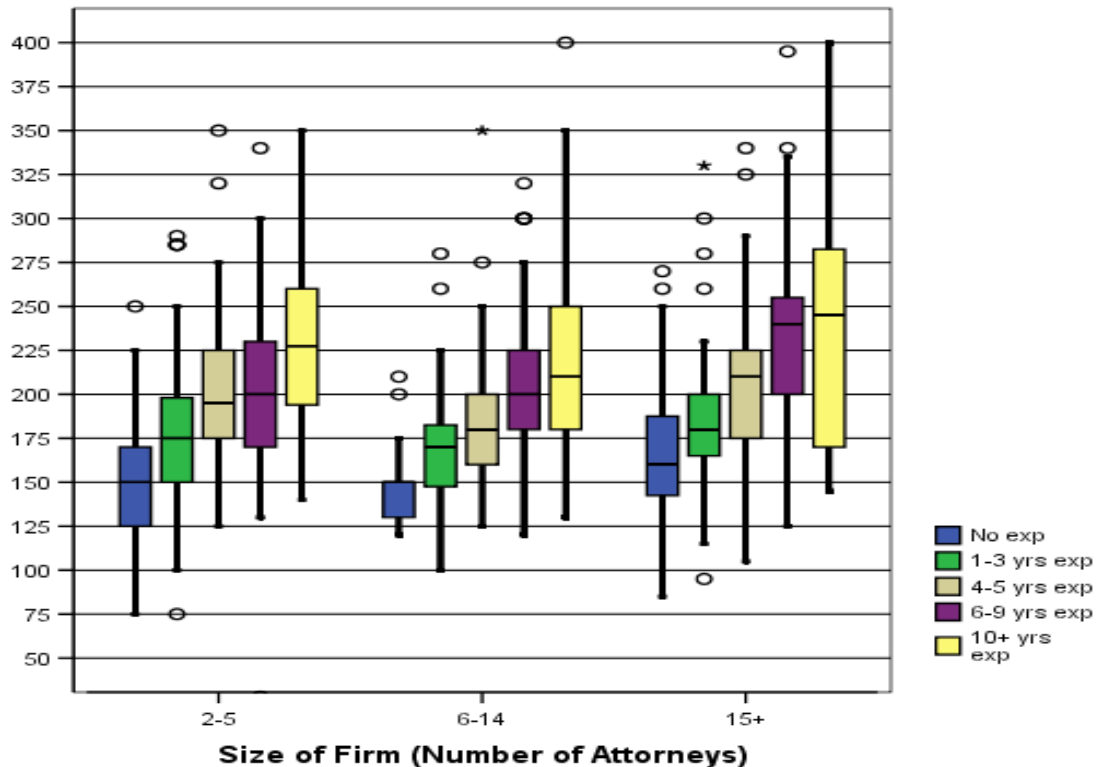
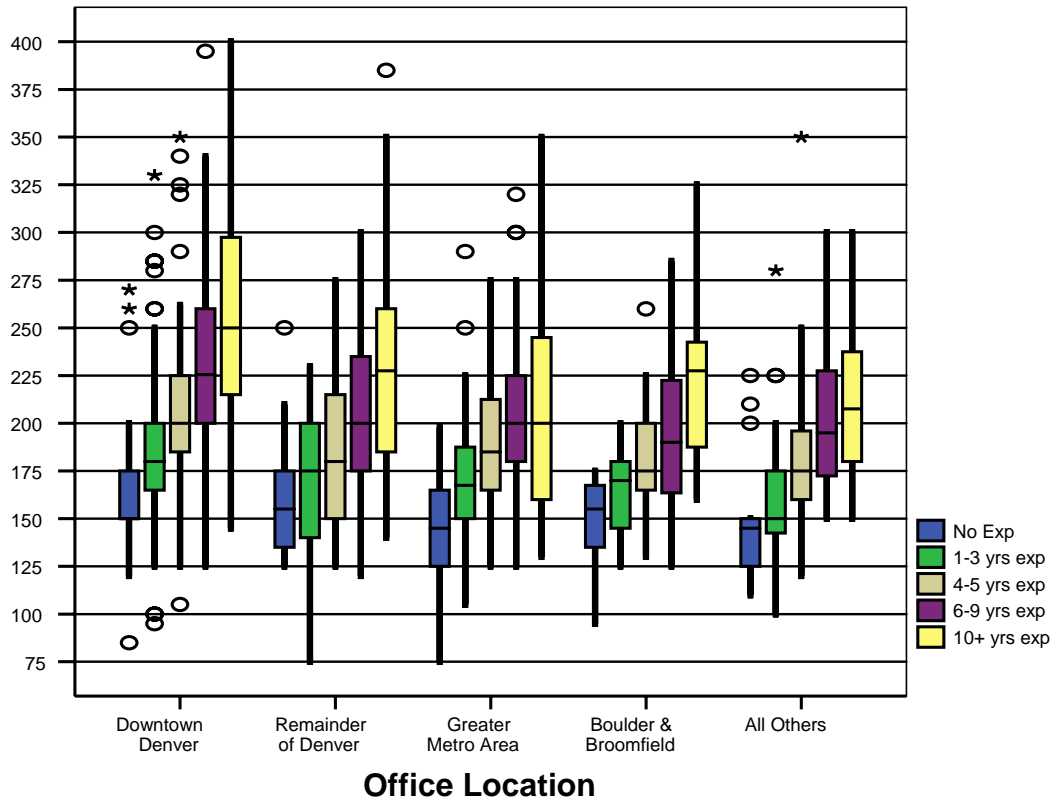


Exhibit 30

2008 Associate Billing Rates by Office Location



Similarly, firm size and office location are associated with variations in paralegal hourly billing rates, with tenure dominating that influence. (Exhibits 31 and 32)

Exhibit 31

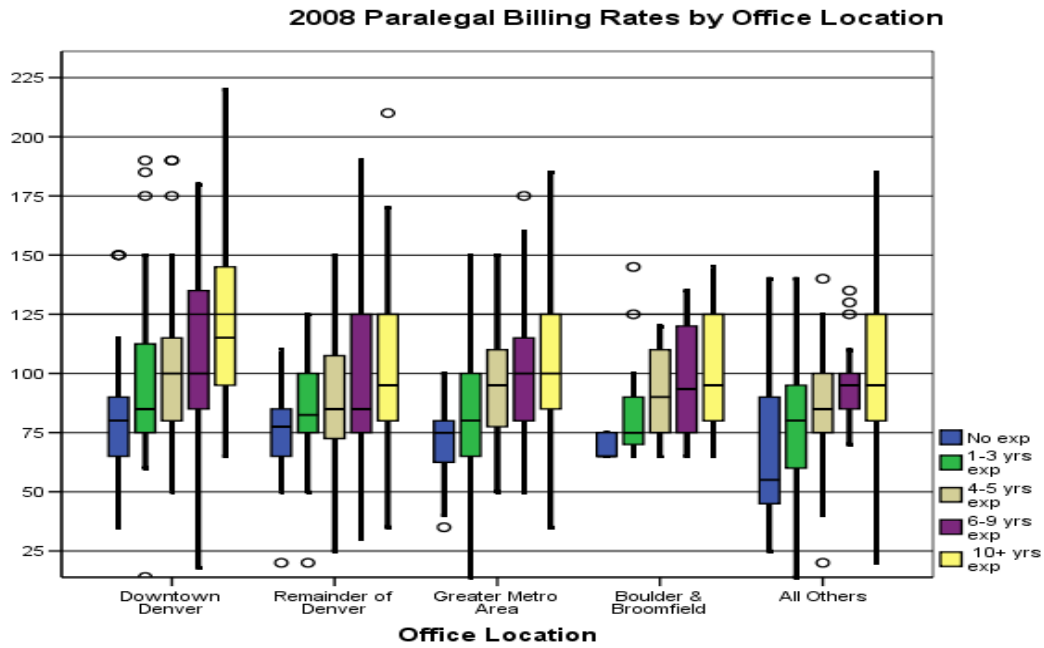
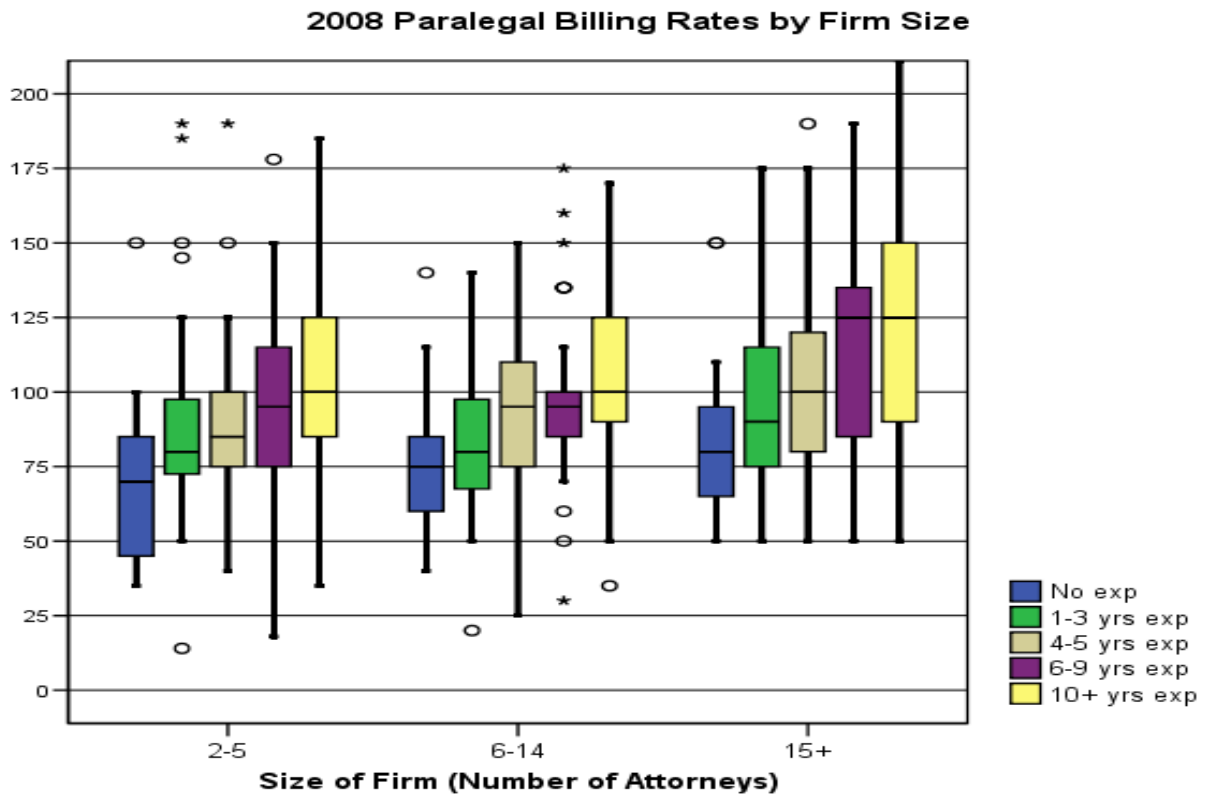


Exhibit 32



Unit Costs for Mileage, Photocopying and Legal Research

Firms vary as to the methods they bill clients for commodities as reflected by distributions of client billing method and unit charges to clients (**Exhibits 33 and 34**).

Exhibit 33**Distribution of Unit Charges Used for Billing Clients**

—————Percent of Responses—————

Item	Included in hourly rate	Set as	Itemized	Not charged	Total
		percent of monthly bill			
Mileage	21.2	0.6	45.5	32.4	100%
Photocopies	13.0	2.2	59.0	25.8	100%
Computerized research	17.7	1.4	49.9	31.0	100%
Phone, long distance, fax	18.9	2.1	38.7	40.3	100%
Postage	15.7	1.9	49.1	33.3	100%

When charges are set as percent of monthly bill, the range is between 2 and 5%.

Exhibit 34**Distribution of Unit Charges Billed to Clients by Firm Size**

Size of Firm	Unit Charges	N	—————Value by Percentile—————		
			25th.	Median	75th.
1	Mileage	152	\$0.40	\$0.45	\$0.49
	Photocopies	233	\$0.10	\$0.10	\$0.20
	Computerized legal research	49	\$50.00	\$75.00	\$150.00
2-5	Mileage	146	\$0.40	\$0.48	\$0.51
	Photocopies	217	\$0.10	\$0.15	\$0.20
	Computerized legal research	152	\$72.50	\$75.00	\$131.25
6-14	Mileage	132	\$0.40	\$0.49	\$0.51
	Photocopies	143	\$0.10	\$0.10	\$0.20
	Computerized legal research	\$19	\$15.00	\$50.00	\$75.00
15+	Mileage	114	\$0.40	\$0.48	\$0.51
	Photocopies	122	\$0.10	\$0.15	\$0.20
	Computerized legal research	16	\$75.00	\$75.00	\$80.00
All	Mileage	544	\$0.40	\$0.48	\$0.51
	Photocopies	715	\$0.10	\$0.15	\$0.20
	Computerized legal research	114	\$50.00	\$75.00	\$101.25

Billing Patterns

For firms using paralegals, the following client billing patterns were reported:

Billing Pattern for Paralegals	N	% of Responses
Included in attorney's rate	85	10%
Time basis	664	81
Self-developed fee schedule	28	4
Other system	40	5

Exhibit 35 displays the impact of firm size on methods chosen for client billing.

Exhibit 35 **Distribution of Client Billing Methods Used For
Paralegal Services by Firm Size**

Size of Firm	Percent of Responses				Total
	Incl. in Attorney Fee	Time Basis	Fee Schedule	Other System	
1	17.4%	73.3	4.3	5.0	100%
2-5	14.3%	77.7	3.3	4.8	100%
6-14	6.3%	82.7	4.7	6.3	100%
15+	2.8%	92.3	1.1	3.9	100%
All	10.4%	81.3	3.3	5.0	100%

Billing Practices and Uncollectables

The time since respondents last changed their hourly rate is as follows:

Months Since Hourly Rate Was Changed	N	% of Responses
6 or Less	601	41%
7-11	237	16
12-24	360	25
25+	200	14
Never	66	04
Total	1,464	100%

Fifty-seven percent of the respondents had not changed their rates in one year or more.

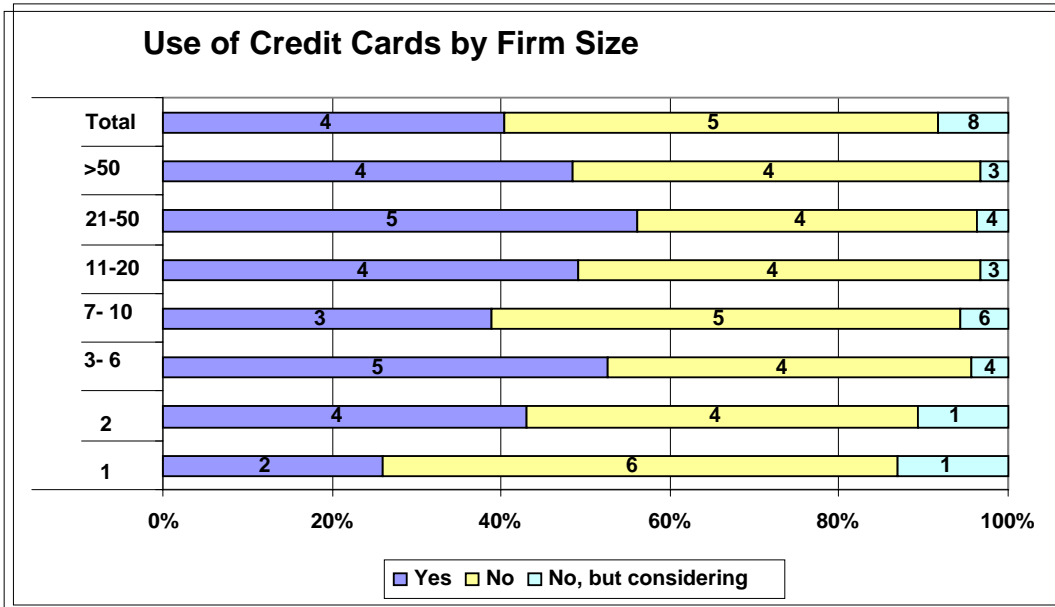
The percent increase in the level of hourly rates since the last change was:

Amount of Increase	N	% of Responses
5% or less	375	28%
6-10%	604	45
11-19 %	213	16
20% or more	142	11
Total	1,334	100%

Use of Credit Cards

Overall, 40% of private practitioners accept credit cards from clients for payment. Future growth in usage is among solo practitioners and 2 attorney firms as shown in **Exhibit 36**.

Exhibit 36



Addition of a Service Charge

Freq. of Adding Service Charge	N	% of Responses
Always	121	10%
Usually	155	13
Sometimes	313	27
Never	597	50
Total	1,186	100%

Monthly Interest Charged On Unpaid Balances	N	% of Responses (of those adding a charge)
Less than 1%	50	8%
1-2%	520	82
Over 2%	66	10
Total	636	100%

Uncollectables are a serious problem in many firms, as shown:

Percent of Fees Billed Which Are Uncollectable	N	% of Responses
2% or less	530	41%
3-8%	391	30
9-12%	199	15
13% or more	169	13
Total	1,289	100%

Average Work Week and Time-Keeping Practices

Attorneys report a varied work week as to billable hours and other activities comprising their professional time. **Exhibit 37** shows the range of time spent on a variety of activities.

Exhibit 37 Profile of 2008 Work Week Components in Hours (All Attorneys)

Work Week Component	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
Compensable Legal Work (total)	2,116	38	15	40	45	60
Based on Hourly Rate	1,597	29	5	30	40	50
Based on Flat Rate	974	27	2	28	40	60
Based on Contingency Work	383	18	1	10	30	59
Office Administration	1,562	8	1	5	10	20
Marketing Activities	1,140	5	1	3	5	12
Unbilled Community/Public Service	1,102	7	1	3	5	15
Nonlegal Employment	203	16	1	10	20	45
Total Hours in Work Week	2,175	50	23	45	55	90
Continuing Legal Education (Hrs./Year)	1,828	21	8	15	20	45
Unbilled (<i>pro bono</i>) Legal Work (Hrs./Year)	1,170	50	5	30	50	150

Other Aspects of Law Office Economics of Colorado Attorneys

Introduction

This section summarizes various economic aspects of the private practice of law in Colorado. The following topics are discussed:

- Law office overhead expenses and gross receipts
- Staffing patterns for secretaries and paralegals
- Salary levels for associates, paralegals and secretaries
- Legal services marketing and advertising practices

2007 Overhead Expenses and Gross Receipts per Attorney

About 640 respondents, representing solo practitioners and firms, provided financial information on 2007 operating expenses and gross revenues per attorney. **Exhibits 38 and 39** summarize three categories of overhead expenses against gross receipts by firm size and office location. Overhead components are differentially reported (that is, some report components, while others don't); thus, "total expenses" is not the exact sum of components. Only those respondents reporting all components or a summary value are used to derive overhead rates.

Personnel expenses generally correlate directly with firm size, while total expenses are most sensitive to the "all other cost" category, which includes taxes and insurance. The range of overhead ratios is wider when comparing firms by office location as opposed to firm size. Reporting of overhead data is skewed toward smaller firms and solo practitioners.

Exhibit 38 **2007 Operating Expenses and Gross Receipts per Attorney by Office Location**

	————— Median Values for Offices by Geographic Location —————						
	Downtown Denver	Denver Not Downtown	Greater Metro Area	Boulder Broomfield	Outstate Metro Area	East of Divide	West of Divide
Expenditures per Attorney							
Non-lawyer personnel	\$38,964	\$31,047	\$36,500	\$31,000	\$31,322	\$15,333	\$30,000
Rent/phone/utilities	17,391	12,000	12,250	12,500	12,000	7,200	12,738
All other expenses	21,250	15,000	12,000	15,000	13,000	5,500	10,000
Total expenses	88,760	64,000	47,822	52,306	54,000	25,350	41,500
Gross receipts per attorney	\$227,922	\$165,000	\$137,500	\$150,000	\$165,333	\$91,200	\$132,500
Ratio of expenditures to receipts	42%	39%	40%	42%	38%	33%	36%
Number of responses	95	129	160	67	124	27	38

Exhibit 39 **2007 Operating Expenses and Gross Receipts per Attorney by Firm Size**

	————— Median Values by Size of Firm —————					
	1	2	3-6	7-10	11+	All Firms
Expenditures per Attorney						
Non-lawyer personnel	\$32,000	\$31,750	\$30,000	\$35,714	\$40,064	\$33,000
Rent/phone/utilities	10,005	13,500	12,500	14,625	19,662	12,500
All other expenses	10000	15463	19113	35029	28488	15,000
Total expenses	\$39,000	\$70,500	\$82,427	\$100,000	\$109,700	\$58,156
Gross receipts per attorney	\$125,000	\$160,383	\$195,833	\$244,490	\$298,818	\$164,000
Ratio of expenditures to receipts	35%	45%	44%	38%	42%	39%
Number of responses	330	100	129	35	41	635

Support Staff Staffing Patterns

The ratio of secretaries to attorneys and paralegals to attorneys varies by firm size as shown in **Exhibits 40 and 41**. For example, 21% of responding firms with 1 to 10 attorneys have 1 paralegal for 2 attorneys (ratio equals .5), while 77% of large firms (those with more than 25 attorneys) report a ratio of 1 paralegal for 4 or more attorneys (ratio equals < .25).

Exhibit 40 Ratio of Paralegals to Attorneys by Firm Size

Ratio of Staffer to Attorney	Percent Distribution by Size of Firm				
	All	N	1-10	11-25	>25
< .25	35%	453	16%	53%	77%
.25-.49	29	373	29	32	22
.5	13	164	21	2	1
.51-.99	10	136	13	10	
1	9	118	15	0	
>1	4	52	6	3	
Total	100%	1,296	100%	100%	100%

Exhibit 41 Ratio of Secretaries to Attorneys by Firm Size

Ratio of Staffer to Attorney	Percent Distribution by Size of Firm				
	All	N	1-10	11-25	>25
< .5	61%	866	50%	79%	81%
.5	17	236	23	6	6
.5-.99	11	158	10	13	12
1	9	123	14	1	
>1	3	37	3	1	1
Total	100%	1,420	100%	100%	100%

Exhibit 42 compares the effects of the presence of administrators on median gross revenues per attorneys within 3 firm-size groupings.

Exhibit 42 Revenues/Attorney by Firm Size & Presence of Administrators

Number of Administrators	Size of Firm							
	1 to 10		11 to 25		>25		All Firms	
	N	Median	N	Median	N	Median	N	Median
None	165	\$136,667	3	\$382,353	0		168	\$140,000
1	43	\$246,667	28	\$292,297	3	\$412,298	74	\$274,076
1.1-5	11	\$216,667	2	\$432,806	2	\$348,884	15	\$287,303
5+	3	\$350,000	0		0		3	\$350,000

Starting and Current Salary Levels for Associates, Paralegals and Secretaries

Exhibit 43 distributes 2008 salary levels for 5 categories of associates, paralegals and secretaries.

Exhibit 43

2008 Annual Compensation of Associates, Paralegals and Secretaries by Years of Experience

Level of Service	N	Mean (Ave.)	Value by Percentile			
			25th.	Median	75th.	95th.
Associates						
Assoc. w/o exp	134	\$70,216	\$50,000	\$60,000	\$85,000	\$120,000
Assoc. wi 1-3 yrs exp	260	72,378	55,000	65,000	85,000	125,000
Assoc. wi 4-5 yrs exp	193	87,468	67,000	80,000	100,000	150,000
Assoc. wi 6-9 yrs exp	173	102,186	80,000	95,000	117,500	170,000
Assoc. wi 10+ yrs exp	114	120,566	90,000	112,000	146,250	227,250
Paralegals						
Paralegal w/o exp	72	\$31,951	\$28,000	\$32,000	\$35,000	\$43,050
Paralegal wi 1-3 yrs exp	161	36,218	30,000	36,000	42,000	50,000
Paralegal wi 4-5 yrs exp	131	45,195	40,000	45,000	50,000	65,000
Paralegal wi 6-9 yrs exp	136	48,899	42,000	49,589	55,000	75,750
Paralegal wi 10+ yrs exp	224	55,035	45,000	52,000	64,000	83,750
Secretaries						
Sec. w/o exp	110	\$26,935	\$21,950	\$25,000	\$32,000	\$40,000
Sec. wi 1-3 yrs exp	175	30,569	25,000	30,000	37,000	45,000
Sec. wi 4-5 yrs exp	131	37,671	30,000	37,000	45,000	53,200
Sec. wi 6-9 yrs exp	129	42,118	35,000	42,000	50,000	59,000
Sec. wi 10+ yrs exp	195	45,775	40,000	48,000	53,000	65,000

Salaries by Firm Size and Office Location

Exhibits 44 to 49 summarize the impact of 2008 associate, paralegal and secretary compensation levels based on firm size and office location.

Exhibit 44

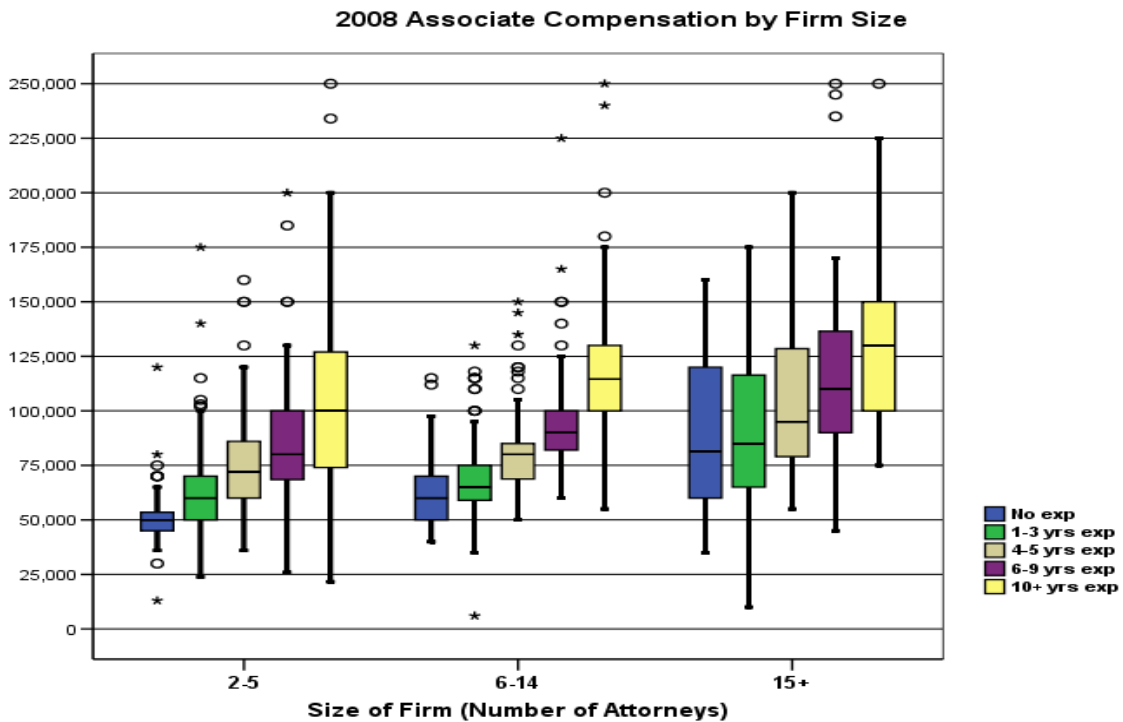


Exhibit 45

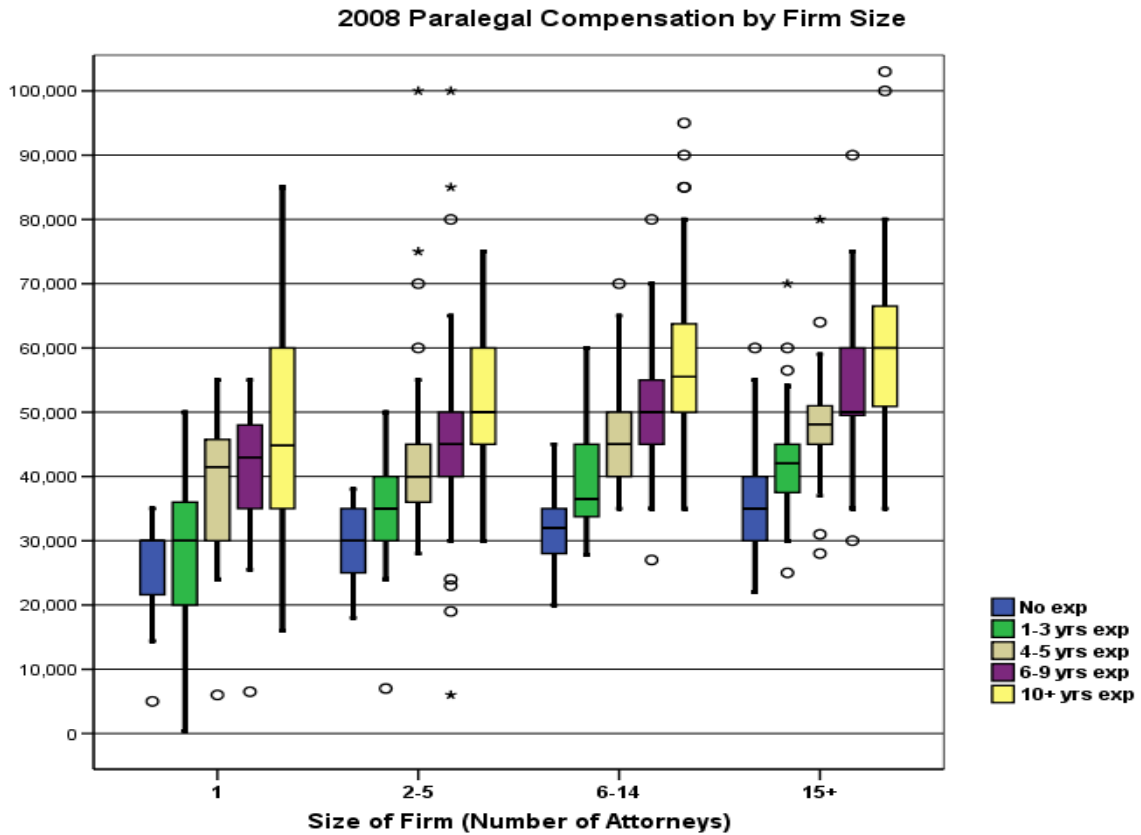


Exhibit 46

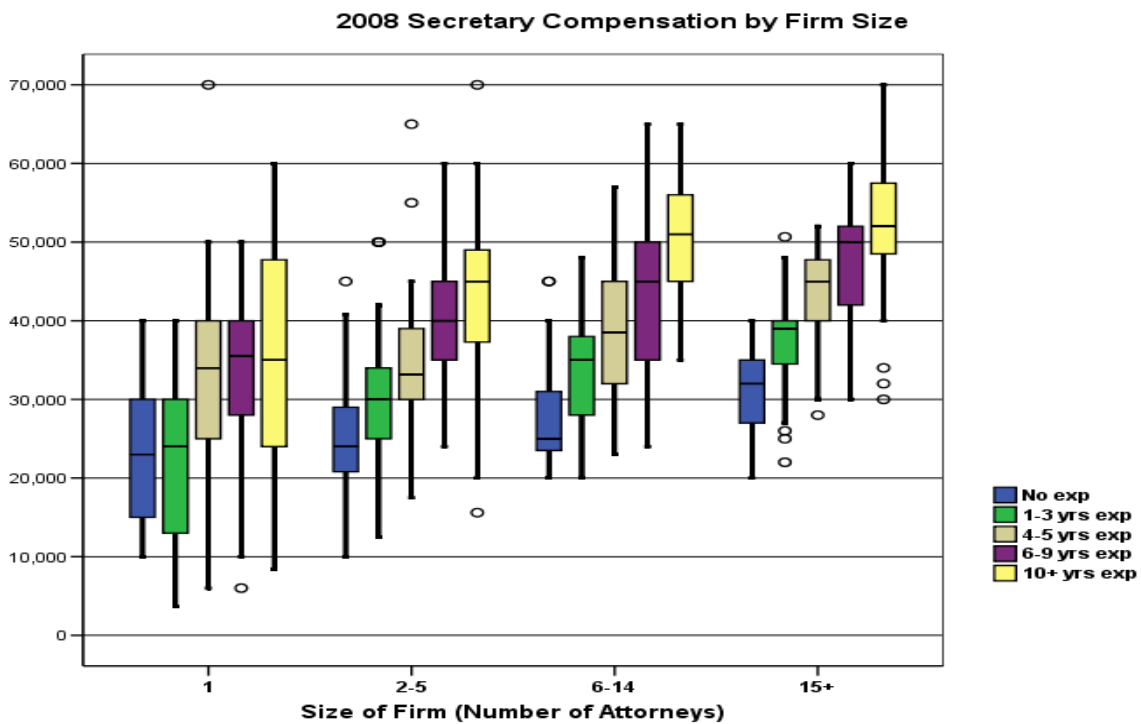


Exhibit 47

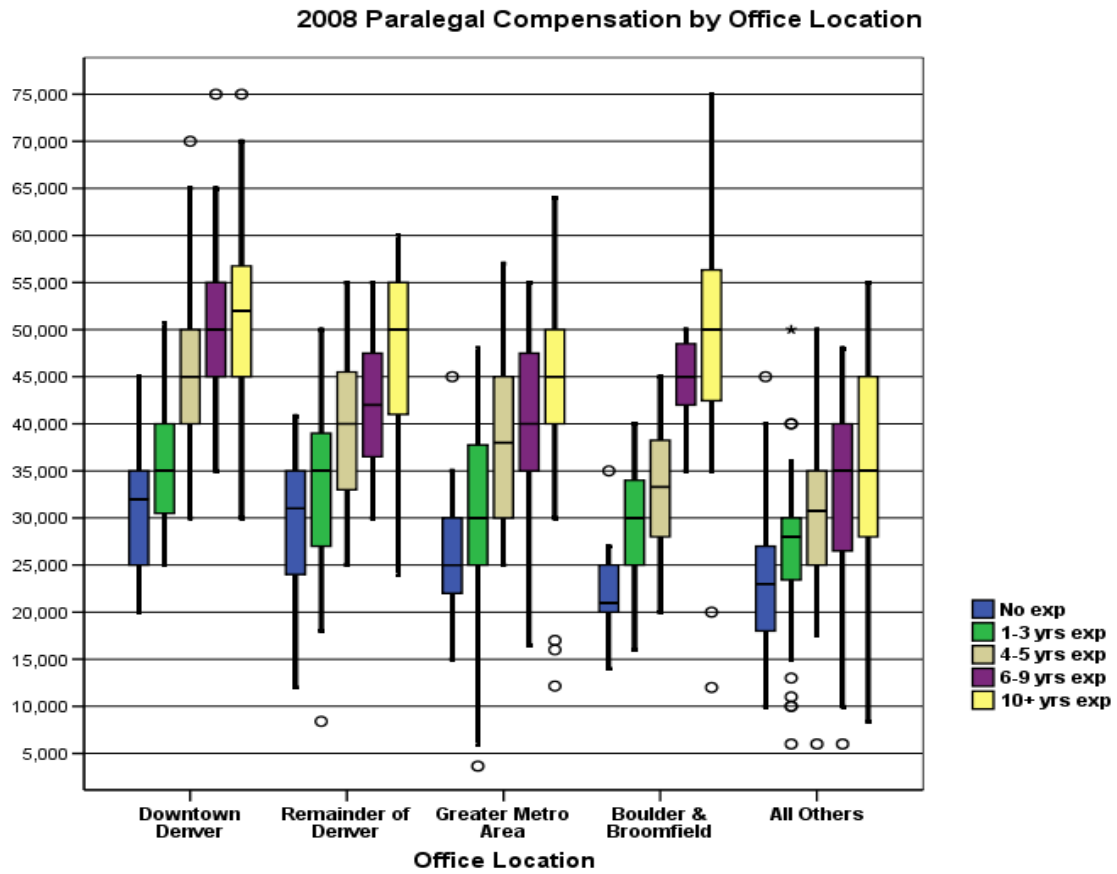


Exhibit 48

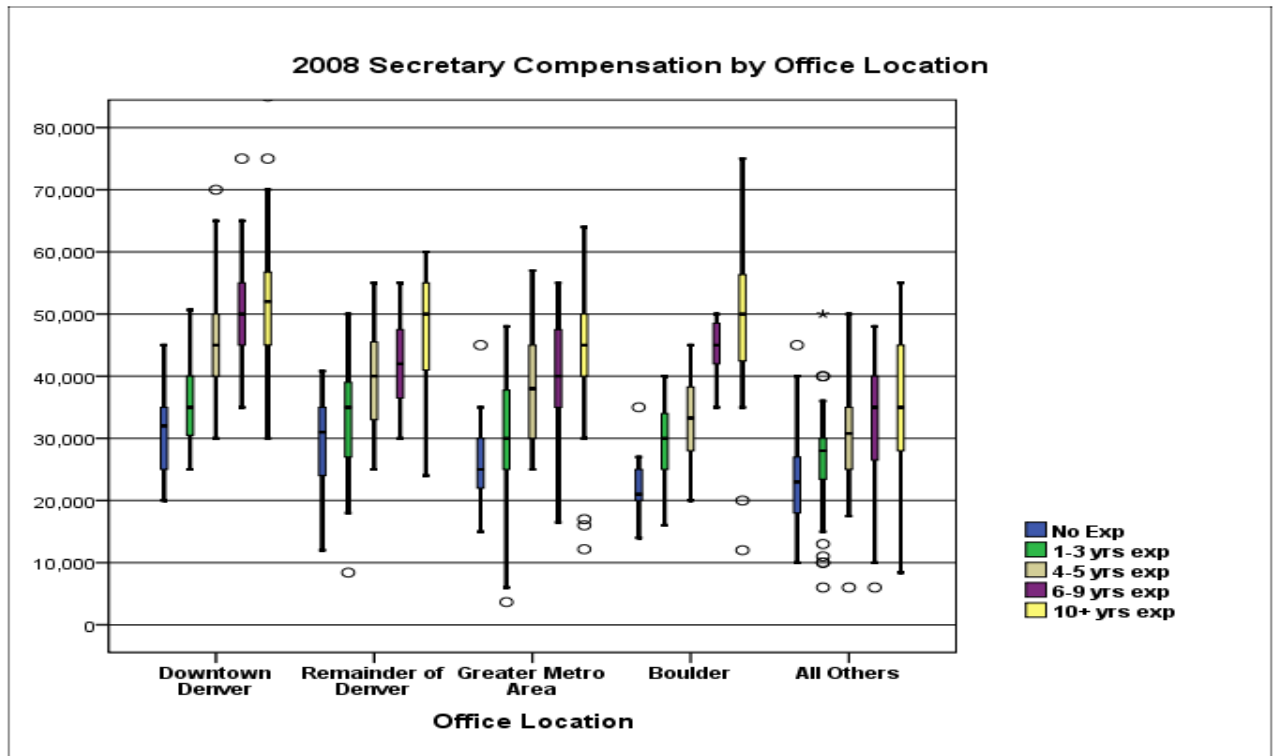
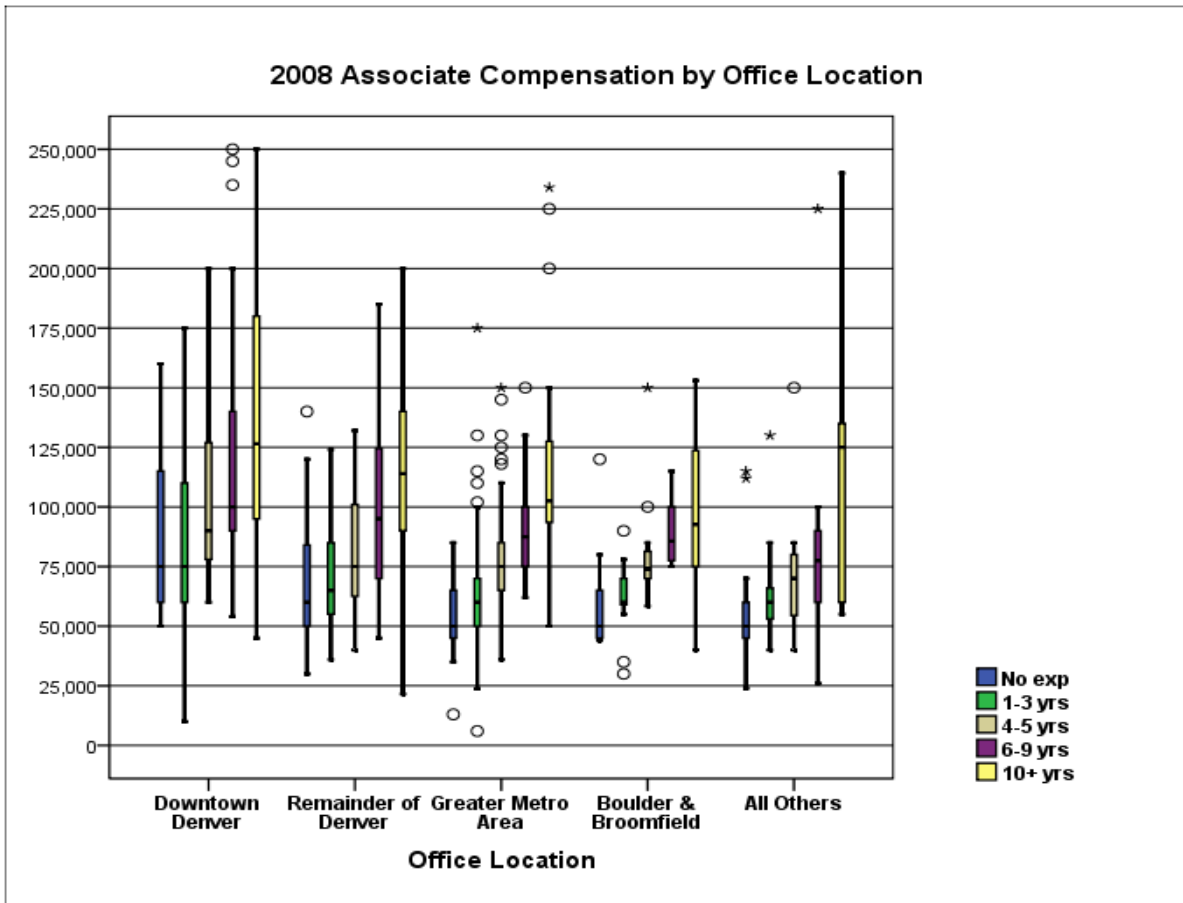


Exhibit 49



Legal Services Marketing

Approximately 69% of respondents market their services through a variety of mechanisms (marketing vehicles). **Exhibit 50** ranks the relative percent usage of each marketing vehicle considering responses from all firms. For example, 53% of respondents utilize online professional directories, 11% are *considering* using these directories, 22% view the directories as *not important now* and 14% denote they *don't ever need* to use online directories.

Exhibits 51-54 rank respondent preferences within various firm-size groups with the highest level of usage ranked first for each group.

Exhibit 50

2008 Ranked Percent Preferences for Marketing Vehicles, All Practices and Firms

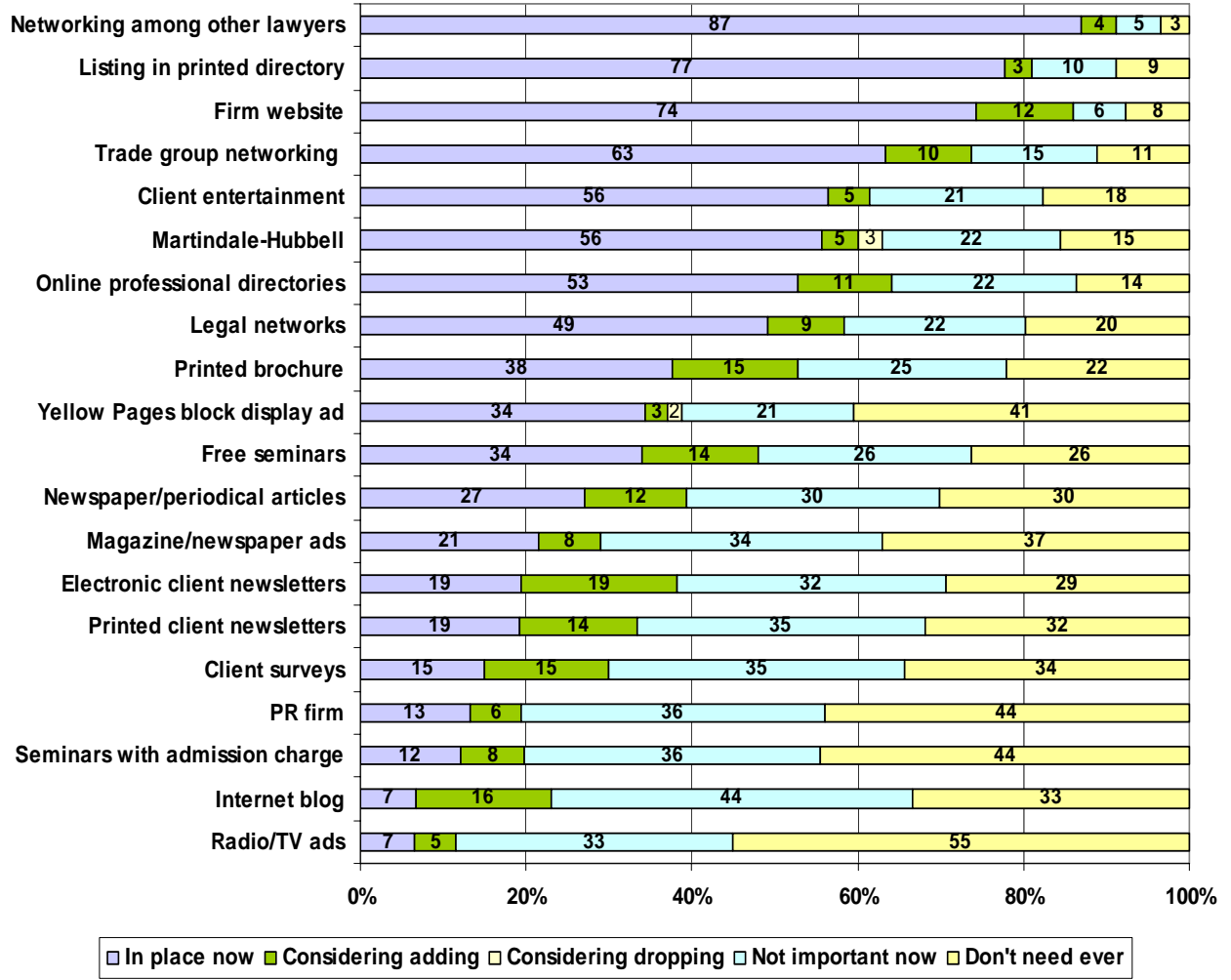


Exhibit 51

2008 Ranked Percent Preferences for Marketing Vehicles, Solo Practitioners

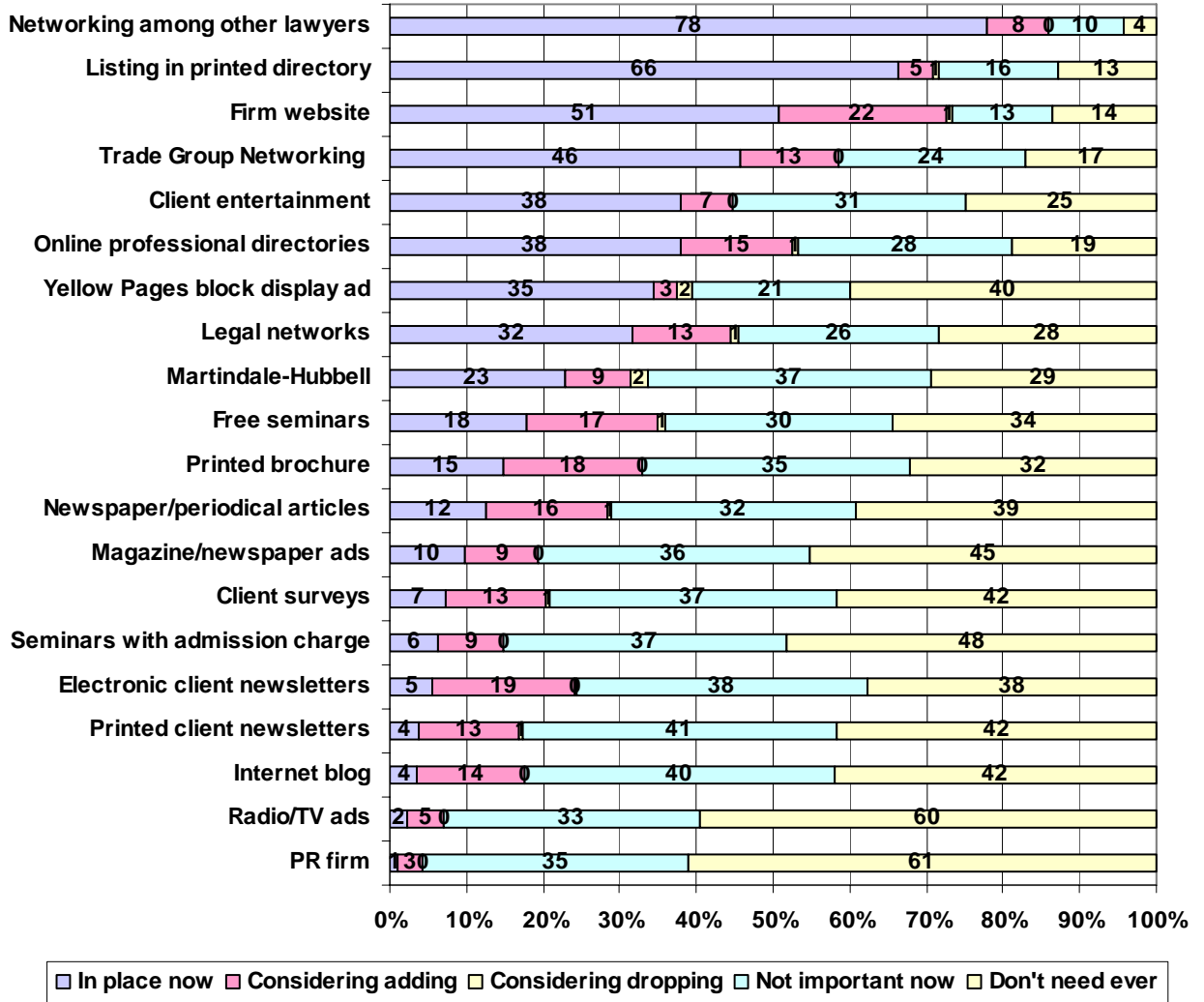


Exhibit 52

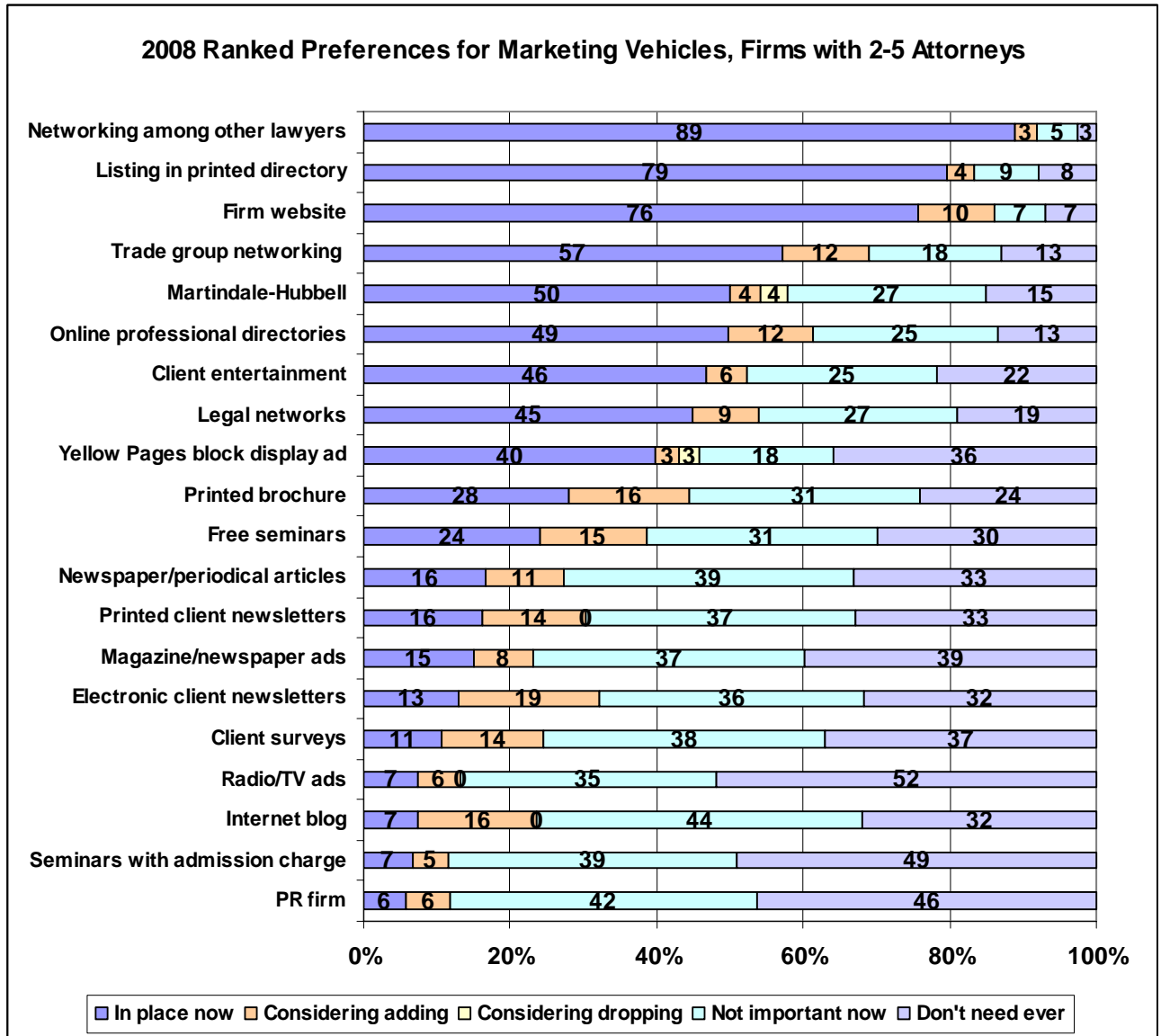


Exhibit 53

2008 Ranked Preferences for Marketing Vehicles, Firms with 6-14 Attorneys

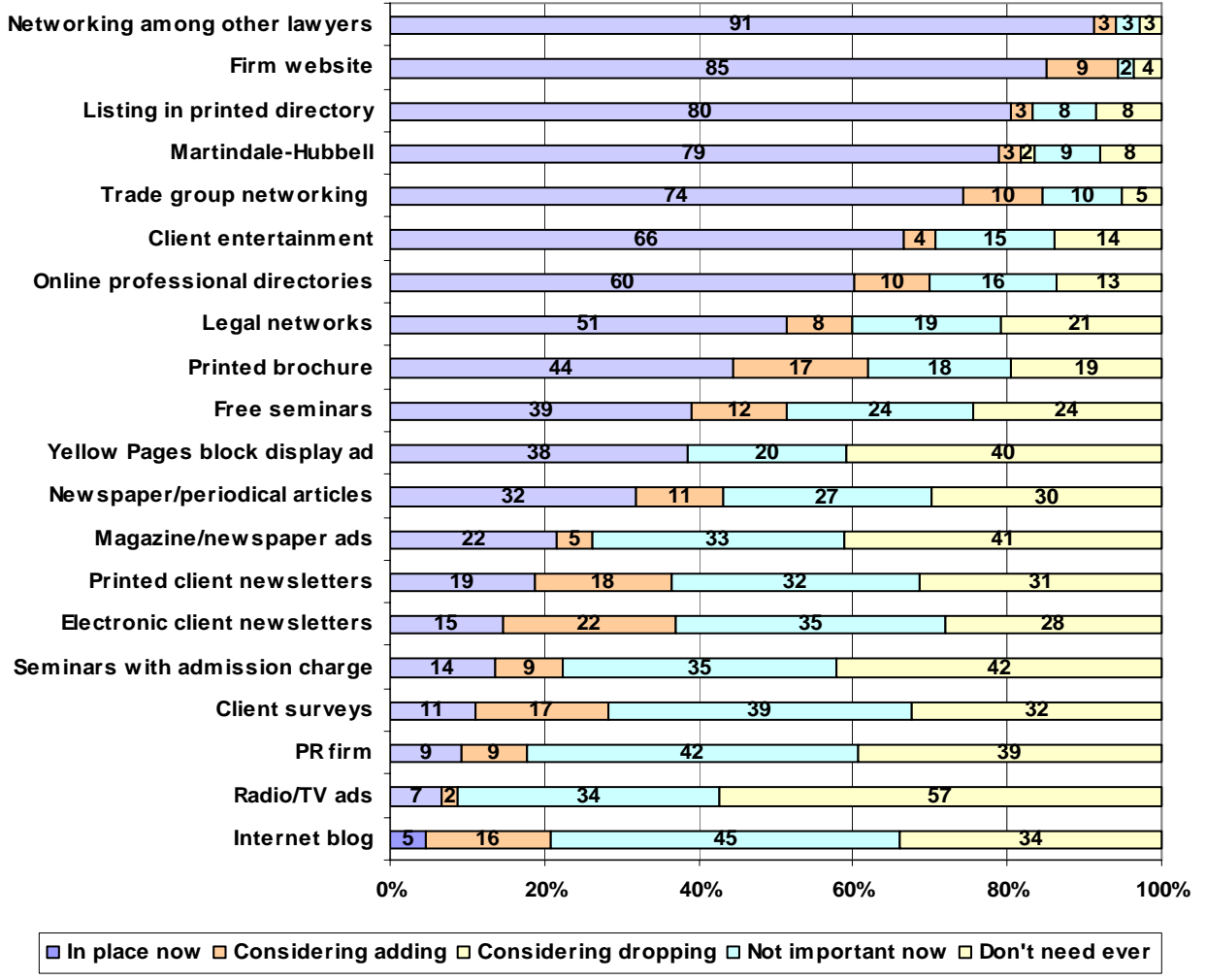


Exhibit 54

