

Women-Owned Hoguet Newman 'Occupying a Unique Space in the Crowded New York Market'

"Our chief competition is everyone! As litigators, we see opposing counsel from The super-major firms as well as smaller and mid-market firms," founding partner Dorothea W. Regal says.

By Lizzy McLellan

Firm: Hoguet Newman Regal & Kenney

Firm Leader: Dorothea W. Regal, Founding Partner

Head Count: 23 attorneys; 9 others

Locations: New York

Practice Areas: Commercial Litigation & Dispute Resolution; Employment Litigation and Counseling; Insurance Recovery Litigation & Counseling; White Collar Defense & Government Investigations

Governance structure and compensation model: We have an executive committee, composed of two appointed senior partners and two members elected by the other partners, which is responsible for the management of the firm and decisions as to partner compensation. In the 25 years the firm has been in existence, we have been fortunate to be able to manage the firm by consensus among the senior partners, and we continue to achieve consensus with our executive committee. Our partners themselves manage the firm's non-

legal tasks, such as marketing, hiring, HR, information technology, insurance, and office management, with help from our non-legal staff.

Do you offer alternative fee arrangements? Yes. Whenever possible we seek to use fee arrangements that maximize our efficiency and fully align our interests with those of our clients.

**The below responses were provided by Regal and edited lightly for style.*

What do you view as the two biggest opportunities for your firm, and what are the two biggest threats?

First, we are a focused, women-owned commercial litigation boutique nationally recognized as occupying a unique space in the crowded New York market, taking on cases spanning several practice areas and servicing them with a more personalized, hands-on approach led by our experienced trial lawyers. I view our biggest opportunities right now to be: (1) The opportunity to capitalize on the new acceptance and efficiency of remote work by



Dorothea W. Regal, founding partner of Hoguet Newman Regal & Kenney in New York.

Courtesy photo

expanding our workforce, in that we can accommodate additional talented attorneys if not everyone needs to be in our physical office space at the same time; (2) The increasing availability of options for litigation funding provides a growth opportunity for our firm because it can make elective litigation more economically attractive to our clients, particularly in our insurance recovery practice, where we recover insurance proceeds for our policyholder clients. There are no threats unique to our firm. The legal practice is changing rapidly and dramatically. Profit margins will continue to be eroded by online legal services, especially using artificial intelligence.

The legal market is so competitive now—what trends do you see, and has anything, including alternative service providers, altered your approach? Is your chief competition other mid-market firms, or is your firm competing against big firms for the same work?

Our chief competition is everyone! As litigators, we see opposing counsel from the super-major firms as well as smaller and mid-market firms. Our approach has remained rock solid: we must provide excellent results at reasonable prices. So far, so good. Litigation is by definition customized, and alternative service providers aren't yet significant in our area.

There is much debate around how law firms can foster the next generation of legal talent. What advantages and disadvantages do midsize firms have in attracting and retaining young lawyers, particularly millennials?

I think that law firms need to adapt to the liberation from brick-and-mortar offices and rigid rules that the "next generation" of legal talent has come to expect. We have to come to grips with the fact that how we older-generation attorneys started out and molded ourselves to our employers' expectations does not have to be repeated by the next generation. There is no reason why they should have to walk five miles in the freezing cold to get to work. I am not sure the size of the firm comes into play in this analysis—it's about flexibility and adaptability. However, it may be that we are better positioned than a larger firm in this regard because our governance structure is minimal, which allows us to be as flexible as we want. We have long

provided flexibility in work hours for our lawyers and assistants, and our experience with remote work since the COVID-19 pandemic struck has extended that flexibility to work locations and workdays as well. I believe that the size of our firm and the confidence we have in our associates is attractive to the "next generation" legal talent because it enables us to put them forward on the front lines in depositions, motions, strategy and client relations sooner than might happen at firms of a larger size. And we have been attracting wonderful associates, many from the large firms looking for a sustainable work-life balance. They like it here because they get great experience and personalized training, and in our firm, everyone is treated as a professional.

Does your firm employ any non-lawyer professionals in high-level positions (e.g. COO, business development officer, chief strategy officer, etc.)? If so, why is it advantageous to have a nonlawyer in that role? If not, have you considered hiring any?

We have an excellent controller, who is responsible for handling the firm's financial affairs, assisted by two assistant controllers.

What would you say is the most innovative thing your firm has done recently, whether it be technology advancements, internal operations, how you work with clients, etc.?

We have recently developed strong relationships with several litigation funders. This has permitted us to expand the range of cases we can take, and litigation funding is attractive to our clients. We now have two active, multimillion-dollar cases being financed, and we expect that funding will be an important part of our future.

Does your firm have a succession plan in place? If so, what challenges do you face in trying to execute that plan? If you don't currently have a plan, is it an issue your firm is thinking about?

Yes. We have been implementing our succession plan gradually over the last four years. Several years ago, we decided to reinvest in the firm's future and entered into a new long-term lease in newly designed, larger office space in Manhattan, taking the entire 48th floor of One Grand Central Place. We established the firm's executive committee to create a formal management structure that would include non-senior partners, moving away from the more informal management by the senior partners that had been in place since the firm was founded in 1996. Since then several of our senior equity partners have become nonequity and have reduced their workload, focusing on business generation efforts for the firm. Senior partners continue to devote substantial attention to smoothing the way for less-senior partners to carry on the firm's relationships with long-term, continuing clients, and also to introduce other partners and associates to networking and other potential business generation opportunities. The challenge has been in not having had a plan in place in advance of the need, which required us to address all at once the myriad issues involved. I think we have met that challenge successfully, and the firm is better prepared for succession issues in the future.

Lizzy McLellan is a senior editor on ALM's business of law desk. Contact her at lmclellan@alm.com. On Twitter: [@LizzyMcLell](https://twitter.com/LizzyMcLell)