

THE
AMERICAN LAWYER

Holland & Knight Surpasses \$2 Billion in Revenue in First Year of New Leadership Team

By Alexander Lugo

March 25, 2025

What You Need to Know

- Holland & Knight is reporting a 10.5% increase in revenue, surpassing \$2 billion for the first time.
- The firm also grew head count by 4.7% while profits per equity partner rose by a similar interval.
- Meanwhile, costs have continued to swell as the firm continues hiring and expanding.

Holland & Knight grew revenue by 10.5% last year, leading to a record-setting \$2 billion on the top line, while profits per equity partner rose to \$2.29 million.

Firm leaders pin some of the success on the firm's practice group diversity, which allowed the firm to offset any negative outside factors with strong demand in other areas. In addition to expanding revenue, the firm also boosted its head count, profits and income. The gains came after former Holland & Knight leader Steven Sonberg stepped down and handed the reins over to a management team led by current firm CEO and chair Robert Grammig.

"Last year was kind of an odd year in a lot of ways. We had all kinds of shifts in the political and macro economic world and I think that bal-

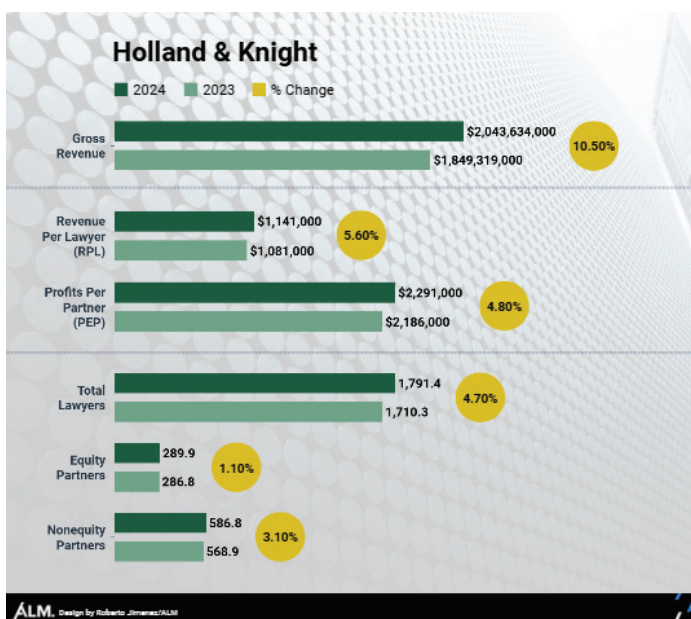


Courtesy photos

Robert J. Grammig, left, CEO and David C. Whitestone, managing partner, right, of Holland & Knight.

ance really came through for us in a significant way," Grammig said in an interview. "We got a lot of controversy work, but also a great amount of transactional work and we got a regulatory practice that's clicking along very nicely, which compliments everything. We purposely have built the ship the way we did, and it's performed."

The practices that helped achieve that balance were corporate M&A, regulatory, financial services, real estate and litigation, according to Grammig.



The corporate M&A group in particular found plenty of success last year as middle-market deals kept the practice busy even as large-cap M&A sagged during some of last year. That group alone is reporting a 13% year-over-year bump in work.

“In the industry, as a whole, there’s been a drop off, especially with the big mergers. But if you go down into the middle market, I think [deals are] still happening,” Grammig said. “We do a lot of private equity work. We do a lot of middle-market work for strategic companies that are looking for good-value, smaller companies that are out there and that’s holding up pretty well.”

Real estate was also a tricky field to navigate last year for many firms as interest rates added to mounting challenges in getting projects across the finish line. Despite any headwinds, that practice was up 17% year over year in revenue.

Earlier this year, the firm debuted its defense industry practice group, which Grammig says the firm is focused on growing with the expectation that spending will rise. That push does rely on personnel with security clearances, a question that is becoming increasingly fraught as President Donald Trump launches assaults against leading firms over their diversity, equity and inclusion policies.

But Grammig and Holland & Knight managing partner David Whitestone both refused to comment on the matter.

Head Count and Costs

The firm’s head count grew last year by over 80 lawyers, amounting to a 10.5% increase.

Meanwhile, nonequity compensation shot up by 14.8% last year. The firm also matched the Milbank associate bonus compensation scale to kick off the new year.

Additionally, Grammig says he expects costs to keep growing as the firm’s technology investments continue expanding.

Despite the rising number of lawyers at the firm and the swelling compensation that keeps them there, Grammig says the firm has managed overhead well as inflation continues raising costs. Net income for the firm saw a 5.9% increase last year.

Revenue per lawyer also ticked up by 5.6% while profits per partner rose by 4.8% last year.

The firm hasn’t made any significant changes in its compensation structure recently and there are no plans to do so soon. Whitestone says the increases come simply as a result of higher productivity.

“As the general revenues continue to rise, we continue to see additional attorneys join with large practices, which means we have more partners performing at a high level,” Whitestone said. “We see changes in the amounts that people are earning, but not necessarily any changes to the structure.”

The firm added a total of 53 new partners last year and increased its equity tier by just over 1%.

Some increased costs have been offset by the firm’s rising billing rates, which expanded between 7% to 9% last year. Despite years of rising billing rates across the legal industry, Grammig says he hasn’t seen widespread resistance yet.

“Generally, I think the clients have been accepting of the hourly rates. There’s resistance, to some extent, with many clients, from moving out of an hourly rate structure to another structure,” Grammig said. “But just like most of the Am Law 100 that have had similar rate increases, I think the rates generally stick pretty well. The expenses keep going up and the clients appreciate that and some of the investments that we have to make with AI and other kinds of technologies. They understand that because they experience the same thing.”

Geographies and Future Expansion

Looking ahead, the firm is putting a lot of focus on its presence in Mexico, seeing an opportunity to advise clients on trade war issues as Mexico and the U.S. continue their tariff tug of war. The firm has offices in both Mexico City and Monterrey, and with its regulatory and lobbying practice in Mexico coming together with its lobbying and regulatory practice in the U.S., Grammig sees a chance to stand out.

“We have really a unique capacity to help both Mexican and U.S. clients deal with the regulatory issues on both sides of the border,” Grammig said.

But in terms of physical expansion, Grammig says the firm has its sights set on the U.S. West Coast, specifically the Pacific Northwest.

Earlier this year, the firm hired partner Scott MacCormack, who had previously served as managing partner of Seattle-headquartered Davis Wright Tremaine. Upon his arrival at Holland & Knight, MacCormack told *The American Lawyer* that he is interested in taking advantage of his physical location in Washington state to help the firm grow in that region.

For now, the firm is keenly focused on growing in the U.S. and Latin America because of existing strengths in both regions.

“There’s some challenges in Latin America now, but we know Latin America will come back and come back strong. We feel like we have a very strong presence in Latin America, the brand is well-known in Latin America, and we’re confident that in the long run, it’ll work out well for us,” Grammig said. “We’re also very interested in Guyana, for example, and the resource play there. We have made a lot of efforts in that regard. We have a task force that effectively is down in Suriname and Guyana a fair amount, and we see that as an interesting market for us going forward.”

Although the firm has a narrow but strong asset-based finance practice in London, according to *Whitestone*, the firm isn’t currently looking to grow in Europe or Asia at the moment.

“There’s nothing wrong with those markets. But if you’re going to compete in those markets, you have to make a big investment. We have great relations with law firms in all of those countries that we can use whenever we need to. But the reality is, we need to get where we need to be in the U.S. And Latin America is really a specialty for us,” Grammig said.

As Holland & Knight continues seeing the fruits of its two recent mergers with Waller Lansden Dortch & Davis and Thompson & Knight, the two leaders indicated they were open to mergers that would help them advance their growth needs. But they did not indicate the firm was in active merger talks at the moment.

The 2024 financial figures reported in this story are preliminary. ALM will report finalized data for the Am Law 200 on *The American Lawyer* in April and May.