

## What's Driving Chadbourne's In-House IP Counsel Hires?

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In a time where law firms are getting more press for laying off attorneys, shedding practices, and cutting offices, one firm has been receiving positive press for its recent staff expansion. Chadbourne & Park has been on an aggressive path to recruit high level IP talent, primarily from top notch in-house legal departments. Today, the firm announced in a press release its fourth high-profile in-house intellectual property counsel hire. What's driving Chadbourne's in-house IP counsel hires?

At first glance, Chadbourne's hiring spree seems to be directly related to its attempt to penetrate the Silicon Valley market. The firm recently decided to set up shop in the area. Although known as a challenging market to break into, Silicon Valley has long been considered a prime location for law firm expansion into the West Coast. However, in this tough economic climate few major law firms have attempted the bold move to Silicon Valley, except for Haynes and Boone.

While Silicon Valley represents a challenge, it also provides vast opportunities. For instance the alternative energy and clean tech sectors are considered by many to be very "hot" despite the cool economic climate. Silicon Valley is experiencing a boom in the number of green-tech startups, and with few lawyers yet in the game, there's potential for explosive growth in the field. In a recent article published by IP Law & Business, clean-tech investment there went from \$34 million in the first quarter of 2006 to \$290 million in the third quarter. "People are referring to it as Boom 2.0. This industry has just blossomed in the last two years," commented San Francisco-based Knobbe Martens Olson & Bear patent attorney Dale Hunt in the article.

While the clean-tech sector may be the next "bubble," that's not the only thing driving the IP sector in Silicon Valley. Many Silicon Valley companies have been growing their R&D budgets annually and expect to keep up the spending through the current economic downturn. Undeterred by high wages and lofty compensation packages for engineers and other high-tech professionals in Silicon Valley, many companies have been adding critical personnel to their R&D team as part of a plan to stay ahead of the competition by raising their intellectual property portfolio.

Chadbourne is one more law firm looking to mine IP gold in Silicon Valley. What makes Chadbourne's approach different from its competitors is its choice of hires. The Firm has been focusing on recruiting in-house IP counsels rather than law firm counsels. Recent hires have included "big gun" IP counsels from Goldman Sachs, Time Warner, Credit Suisse, and of course Yahoo. Law firms opening shop in new areas tend to recruit partners with a solid book of business, especially when facing a tough economic market. Chadbourne seems to be betting on something different. It is attempting to make itself attractive to Silicon Valley clients by offering former in-house counsels who understand their needs – from having been there themselves. In other words, these in-house veterans know the industry from the inside, they know how to blend the practice of law with the business, they have been trained to provide practical approaches, and they are sensitive to cost. While law firm partners could arguably be said to provide the same thing, they do not have the advantage of having worked in the in-house "trenches," and that's what could make the difference in the minds of GC's when considering whom to hire as outside counsel.

This may be a winning combination, which is exactly what Chadbourne is betting on.