

LAW WEEK COLORADO



Left to right, Lawrence (Lonny) Donovan, Jon Tandler, Brian Nazarenus, Jim Sanderson, Andrew Folkerth, Jon Steeler, Barry Permut. Donovan, Tandler, Steeler and Permut recently moved from Isaacson. | LAW WEEK PHOTO JAMIE COTTEN

A Yearlong COURTSHIP

*How Ryley Carlock & Applewhite Landed
12 Attorneys From Isaacson Rosenbaum*

By Matt Masich

Last year's negotiations between law firms

Ryley Carlock & Applewhite and Isaacson Rosenbaum

didn't end with a merger, but it would still be accurate to call the outcome

SUCCESSFUL.

The firms' leaders, hashing out a possible deal over many months, found they simply liked each other — a mutual admiration that paved the way for last week's announcement that a dozen Isaacson attorneys would be joining Ryley after all.

The Phoenix-based Ryley will double its Denver office July 1 from 14 to 26 lawyers, raising its local profile and bolstering its position as a regional firm.

"When you have those kinds of in-depth conversations, you develop relationships with those people," said Jim Sanderson, a Denver shareholder with Ryley. "I had a sense of loss for not being able to make that merger happen, because I really wanted to be partners with those guys."

They stayed friends after negotiations ended. Sanderson had lunch with Isaacson shareholders "because I liked them as people."

Within half a year of the unconsummated merger, the word on 17th Street was that 50-year-old Denver institution Isaacson might be closing.

"When in the spring and early summer it looked as though they were going to have to make some hard decisions, we started talking in earnest again," he said.

But Ryley wasn't the only firm seeking to pick up some of the firm's shareholders, said Lonny Donovan, shareholder and CEO at Isaacson. His firm's top-flight real estate practice, as well as its corporate, tax and intellectual property strength, put its attorneys in high demand as lateral partners.

Donovan wasn't interested in seeing his firm's lawyers cherry-picked and "scattered to the four winds."

"As CEO, my main concern was how to get the greatest number of people involved," he said. "It was important for me to ensure we keep people together who have loved working together for a long time."

Ryley was "very attractive" because it was open to taking in a large group, Donovan said. Joining Ryley as shareholders are litigator F. Brittin Clayton III, real-estate attorneys Donovan, Christine Hayes, Barry Permut and Matthew D. Pluss, and corporate attorneys Stanton Rosenbaum, Howard J. Glicksman, Gary A. Kleiman, Jonathan H. Steeler and Jon R. Tandler. Also joining Ryley: taxation and trust and estates attorney Mark Boscoe, of counsel to the firm, and corporate and securities associate Stephanie A. Hunter.

Billing rates were also a concern, Donovan said. National and international firms courted Isaacson lawyers, but had they joined any of those firms they would have had to increase their billing rates by 10 to 20 percent.

"Ryley is much closer to what we're used to charging," Donovan said.

Finally, the practice areas of the existing Ryley attorneys and the incoming lawyers match up like jigsaw puzzle pieces. The Denver office has a number of practice

areas now, but is best known for its water law and natural resources practices. The addition of lawyers with real estate, business, intellectual property and other practices creates synergy, not conflicts. In fact, the 12 attorneys moving to Ryley had no client conflicts and only one client in common.

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— Brian Nazarenius

"This helps elevate us in the Denver market as a full-service firm with better depth," said Brian Nazarenius, Ryley's Denver managing shareholder.

The Denver office plans more growth, though it's not interested in "growth for growth's sake. We're interested in people who work well with other people in an entrepreneurial spirit," he said. The next practice the Denver office might look to expand is litigation practice.

"Our goal is in the 40- to 45-attorney range, in terms of having a full-service practice here in Denver that complements what we do in Phoenix and other potential offices in the West," Nazarenius said. "We are interested in strengthening our position as a regional firm."

from the ashes of two Denver firms that had recently dissolved, Friedlob Sanderson Paulson & Tourtillot and Gorsuch Kirgis.

The new office's 10 lawyers (five from each firm) weren't treated as "stepchildren," but were soon integrated into the main firm, Sanderson said. The Phoenix and Denver offices have an almost seamless digital connection — he says his Arizona colleagues are "right down the electronic hallway" — and the Coloradans were welcomed into leadership roles.

That integrative culture seems to be happening again with the latest influx of talent. Isaacson attorneys are already slated to join the executive and compensation committees. It helps that Isaacson's leadership team is moving intact to the new firm.

"There exist so many cultural fits, character, values," said Rudy Parga, Ryley's firm-wide managing partner. "This is going to be a very smooth integration. Like us, the IR group has a long, rich history of being involved in the community. We're real pillars in our respective communities." •

— Matt Masich, MMasich@CircuitMedia.com

Ryley Carlock Timeline

1907: Frank Ryley born in Boulder, Colo. (He grew up in the state and started college at the University of Colorado before attending the University of Arizona Law School.)

1922: Read Carlock born in Arizona. (He saw combat in the Army in World War II before attending the University of Arizona Law School.)

1931: Ryley becomes associate at a law firm in Bisbee, Ariz.

1940: Ryley, now in the firm's Phoenix office, makes partner.

1948: Ryley starts his own firm in Phoenix on New Year's Day. Carlock, just out of law school, joins him three weeks later. Clients include Standard Oil Co. of California and Arizona Citrus Growers. Ryley is known as the legislative representative for major oil companies.

1952: Ryley and Carlock form Ryley Carlock & Ralston with shareholder Joe Ralston.

1954: Firm grows to six attorneys, including Stanford law graduate Sam Applewhite, who joins as associate. Firm's water law practice is a particular strength.

Early 1970s: Firm grows to 20 attorneys.

1982: Ryley dies.

1984: Firm becomes Ryley Carlock & Applewhite following Ralston's retirement. Firm has more than 40 attorneys and a new office.

1999: Carlock dies.

2002: Firm moves to current downtown Phoenix location.

2005: Denver office opens, incorporating former attorneys of defunct firms Gorsuch Kirgis and Friedlob Sanderson Paulson & Tourtillot.

2006: Document review center opens in Phoenix.

2010: Scottsdale and Sun City offices open in Phoenix suburbs.

2010: Second document review center opens in Grand Rapids, Mich.

2010: Merger talks with Isaacson Rosenbaum fall through.

2011: Firm adds 12 attorneys from a soon-to-close Isaacson, for more than 130 attorneys total with 26 in Denver.