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Bracewell Expands Dallas Health Care Group With 7-Lawyer Team From Thompson & Knight

The group of seven health care lawyers, led by Thompson & Knight practice chairman Wilson Jones, has joined Bracewell in Dallas and Houston on Monday, one day after the group's former firm merged with Florida-based Am Law 100 firm Holland & Knight.

BY BRENDA SAPINO JEFFREYS

What You Need to Know

- Bracewell's Dallas office head said adding the health care team helps meet strategic goals of growing the practice and the office.
- The lateral group moved one day after Thompson & Knight merged with Florida firm Holland & Knight.
- The combination of Dallas-founded Thompson & Knight and Holland & Knight, founded in Tampa, creates a firm with about 1,600 lawyers in 30 offices. Florid

In the wake of Sunday's merger between Thompson & Knight and Holland & Knight, a group of seven Thompson & Knight health care regulatory and litigation lawyers have moved to Bracewell in Dallas and Houston, citing insurmountable client conflicts at the combined firm.

The team includes health care practice group chairman Wilson Jones, who now chairs Bracewell's health care regulatory and litigation practice in Dallas, as well as partners Patrick Bredehoft and Andrew Cookingham, both of Dallas; counsel Susan Murphy of Houston and Kim McCrea of Dallas; and associates Brett Rector and Anna Wortham, both of Dallas.

They represent hospital systems, pharmaceutical and medical device companies and medical practices and practice management entities, and Jones said some of their clients are involved in litigation with health insurance companies that Holland & Knight represents. Their clients include HCA Healthcare, Community Health Systems, Tenet Healthcare Corp. and Apollo Med-Flight, he said.

The group left Thompson & Knight on Saturday, and Monday



was the first day in the office at Am Law 200 firm Bracewell.

"We just couldn't work through the conflicts," Jones said of the combined firm, which now employs over 1,600 lawyers in 30 offices.

The firm will operate under the Holland & Knight name, led by Holland & Knight managing partner Steven Sonberg. Thompson & Knight managing partner Mark Sloan is now a vice chairman of the practice and operations committee, which is the firm's senior management group.

The deal came together over several months, after the firms first announced merger talks in early April. By the end of June, announced that the deal would close on Aug. 1.

Because of the competitive market in Texas, Sloan said he had some conversations over the last couple of years with some of the firm's partners about the possibility of a merger. He put together a small committee around July 2020 to consider strategic merger opportunities.

"There's a lot more national firms in the Texas market now, and for a long time we have been feeling the need to grow. It's become increasingly difficult to achieve our goals. [The merger] really kind of fast-forwarded everything," he said.

Sloan said the committee started looking at potential merger partners, and Holland & Knight was at the top of the list.

The firm reached out to Holland & Knight in November and discussions began. Progress was slowed because travel was more difficult during the pandemic, Sloan said, and both firms were involved in year-end and compensation seasons. But, he said, talks kicked up again in February.

"We were looking for a firm that was going to be on the rise, a strong performer, a good cultural fit in terms of personality, a fit in terms of how they

manage [and] operate, and a good geographic diversity in key markets," he said.

Another priority for Thompson & Knight was combining with a firm that pays competitive salaries to associates, because "more and more that is getting to be a differentiator in terms of talent," Sloan said.

The Florida firm, which opened its first office in Texas in 2013, has been wanting to expand in Texas, Holland & Knight's Sonberg said, noting that the Texas firm brings strength in several key practice areas, including energy, tax, litigation, corporate mergers and acquisitions, real estate and others, along with lawyers in New York, and two offices in Mexico.

In the months since the merger agreement was announced in April, a number of firms have picked up Thompson & Knight lateral partners, including Baker Botts; Stinson; Akin Gump Strauss Hauer & Feld; Winston & Strawn; Sidley Austin; Baker & Hostetler; McGuire Woods; and Haynes and Boone. O'Melveny & Myers also launched an office in Austin with an energy team from Thompson & Knight.

Most recently, a three-lawyer intellectual property trial team moved to Winstead in Dallas.

Sonberg said they expected departures before the deal closed, "and while we didn't welcome this, they are part of the normal course of things."

He said some departures were tied to conflicts, some to lawyers reassessing their practice, and others because unexpected opportunities came up.

"This year, in particular ... the market has been in some degree of volatility for a whole number of reasons. It probably added to the opportunities being presented to people," he said, adding that Texas has been as active as anywhere in the country.

By combining with Thompson & Knight, Holland & Knight, which was 38th on last year's Am Law 100, may move into the ranks of the Am Law 25.

Prior to the merger, Tampa-founded Holland & Knight and Am Law 200 firm Thompson & Knight had far different financial models. Holland's revenue per lawyer last year, at about \$900,000, is 16% higher than its partner's RPL at \$773,000. Meanwhile, Holland's \$1.7 million in profits per equity partner exceeds Thompson & Knight's at \$906,000.

Jones, the health care partner heading the group that joined Bracewell, said that while client conflicts forced his group to consider other opportunities, the combination with Holland & Knight is a "good deal" for Thompson & Knight, because it gives the firm a "larger footprint."

"I think they will do well," he said. "Now that the decision is made, the morale is high."