

LAW FIRM PRO BONO PROJECT



Report on the Law Firm Pro Bono Challenge®



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The Pro Bono Institute, established in 1996, provides research, consultative services, analysis and assessment, publications, and training to a broad range of legal audiences.

Mission

The Pro Bono Institute is mandated to explore and identify new approaches to and resources for the provision of legal services to the poor, disadvantaged, and other individuals or groups unable to secure legal assistance to address critical problems. We do so by supporting, enhancing, and transforming the pro bono efforts of major law firms, in-house legal departments, and public interest organizations in the U.S. and around the world.

Law Firm Pro Bono Project

PBI's Law Firm Pro Bono Project is the only global effort designed to support and enhance the pro bono culture and performance of major law firms in the U.S. and around the world. The Project's goal is to fully integrate pro bono into the practice, philosophy, and culture of firms so that large law firms provide the institutional support, infrastructure, and encouragement essential to fostering a climate supportive of pro bono service and promoting attorney participation at all levels.

Law Firm Pro Bono Challenge®

PBI's Law Firm Pro Bono Challenge[®], launched in 1993 and implemented in 1995, is a unique, aspirational pro bono standard. Developed by law firm leaders and corporate general counsel, the Challenge articulates a voluntary, single standard for one key segment of the legal profession – major law firms. (A copy of the Challenge is attached.) Challenge Signatories publicly acknowledge their institutional, firm-wide commitment to provide pro bono legal services to low-income individuals and nonprofit groups that serve them. The Challenge includes a narrow, but thoughtful definition of pro bono that has become the industry standard for large law firms and others, as well as an accountability mechanism and measurement tool through its performance benchmarks and annual reporting requirement.

Download additional copies of this Report at www.probonoinst.org.

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EXECUTIVE SUMMARY

The Report on the 2014 Pro Bono Institute Law Firm Pro Bono Challenge[®] statistics examines the pro bono performance of Signatories to the Law Firm Pro Bono Challenge[®] during the 2014 calendar year. Challenge Signatories have committed to contribute 3 or 5% (or at a few firms, 60 or 100 hours per attorney) of their annual total paying client billable hours to pro bono activities as defined by the Challenge and report their performance to PBI's Law Firm Pro Bono Project each year.

In 2014, Challenge Signatories maintained their pro bono commitment, culture, and infrastructure, while experiencing an increase in client demand and without a significant increase in headcount.

Overall Performance

Total pro bono hours remained steady in 2014. One hundred thirty-three firms reported performing an aggregated total of 4,207,551 hours of pro bono work in 2014, a slight decrease in total pro bono hours from 2013.

Participation

The percentage of attorneys engaged in pro bono remained steady in 2014. The percentage of partners participating in pro bono increased to 65.0% from 63.3% in 2013, while the percentage of associates participating in pro bono decreased slightly to 81.1% from 81.4% in 2013. The cumulative participation rate increased, with 73.0% of attorneys participating in pro bono in 2014, compared to 72.2% in 2013.

Pro Bono for Those of Limited Means

In 2014, 121 firms reported on pro bono hours to those of limited means and the organizations serving them, up significantly from 80 firms in 2013. The total number of these hours increased from 2.0 million hours in 2013 to 2.9 million hours in 2014. Sixty-nine percent of all pro bono time was devoted to those of limited means and the organizations serving them in 2014.

Meeting Their Challenge Goal

Fifty-three percent of the Challenge Signatories that articulate a 3%/60 hours/attorney goal met or exceeded that Challenge goal in 2014, down from 59% in 2013. The percentage of Challenge Signatories that articulate a 5%/100 hours/attorney goal and met or exceeded that goal increased slightly from 45% in 2013 to 47% in 2014.



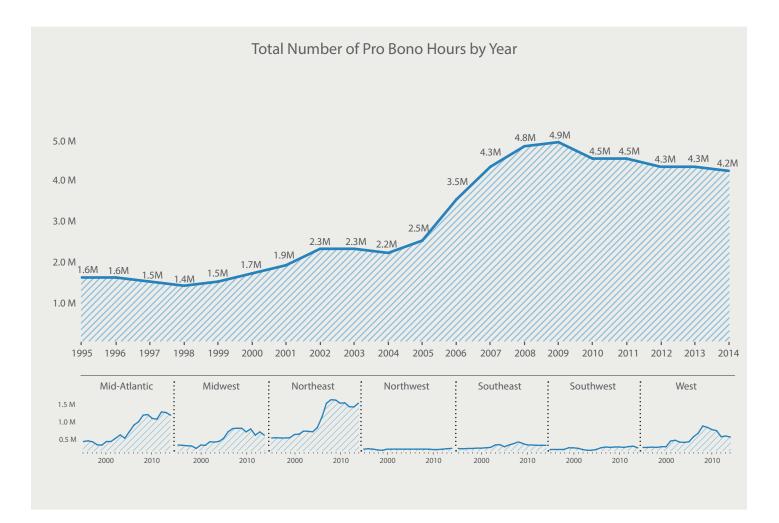
INTRODUCTION

In 2014, Signatories to the Law Firm Pro Bono Challenge[®] contributed more than 4.2 million hours of pro bono service. Although the difference is statistically insignificant, there was a small decrease (2.95%) in total pro bono hours from 2013.

2014 CHALLENGE PERFORMANCE DATA

Highlights of Overall Pro Bono Performance

One hundred thirty-three firms reported in 2014, performing an aggregated total of 4,207,551 hours of pro bono work, approximately 127,900 hours less than in 2013, when 128 participating firms reported an aggregated total of 4,335,429 hours of pro bono work.¹



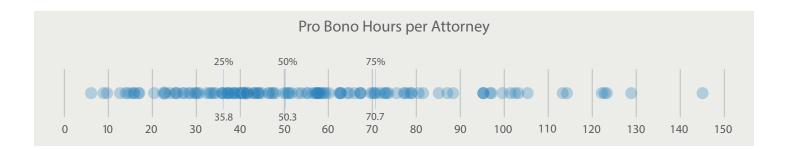
^{1.} See Appendices B and C for lists of firms that reported and those that did not.

From a regional perspective, the Northeast, with 43 firms reporting, had the highest number of hours of pro bono at 1,473,480 total hours, followed by the Mid-Atlantic region with 30 firms reporting an aggregate of 1,236,053 total pro bono hours, the Midwest (23 firms), the West (16 firms), the Southeast (10 firms), the Northwest (5 firms), and the Southwest (6 firms) regions.²

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Region	2014 # of Firms Reporting	2014 Pro Bono Hours	2013 # of Firms Reporting	2013 Pro Bono Hours	% Increase/ Decrease	
Mid-Atlantic	30	1,236,053	27	1,277,743	-3.26%	
Midwest	23	609,640	23	654,664	-6.88%	
Northeast	43	1,473,480	42	1,402,955	5.03%	
Northwest	5	137,771	5	125,214	10.03%	
Southeast	10	210,703	10	202,566	4.02%	
Southwest ³	6	71,863	5	159,941	-55.07%	
West	16	468,041	16	512,346	-8.65%	
Totals	133	4,207,551	128	4,335,429	-2.95%	

Total Pro Bono Hours by Region

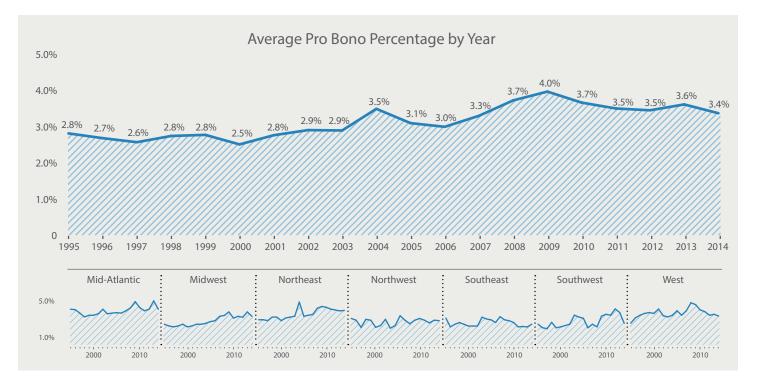
The graph below shows the distribution of pro bono hours per attorney in 2014 for each Challenge Signatory. The bottom 25% of reporting firms contributed between 6.0 and 35.8 hours per attorney. At the upper end of the scale, the top 25% of firms contributed between 70.7 and 145.1 hours per attorney. The median number of hours contributed per attorney in 2014 was 50.3 and the average was 60.1.



2. The states included in each region are delineated in the Methodology section at Appendix A.

3. The pro bono performance of the Southwest region was disproportionately affected by incomplete reporting for 2014.

Pro Bono Percentages by Year



Viewed as a percentage of total paying client billable hours, pro bono hours showed a slight decrease in 2014, with an average of 3.39%.

Regionally, the Mid-Atlantic, with 29 firms reporting, was the leader in average pro bono percentage at 3.88%, followed by the Northeast (43 firms) at 3.72% and the Midwest (23 firms) at 3.23%. The West (15 firms) reported an average of 3.08%, while the Northwest (5 firms) reported an average of 2.75%. The Southeast (9 firms) and the Southwest (6 firms) reported that an average of 2.28% and 2.22%, respectively, of their total paying client billable hours was spent on pro bono. As compared with 2013, the Southeast firms experienced the greatest increase in percentage of total paying client billable hours spent on pro bono, while the Southwest experienced the greatest decline.

Average	Pro	Bono	Percentage
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Region	2014 # of Firms Reporting	2014 Average Pro Bono Percentage	2013 # of Firms Reporting	2013 Average Pro Bono Percentage	% Increase/ Decrease	
Mid-Atlantic	29	3.88%	26	4.65%	-16.56%	
Midwest	23	3.23%	23	3.48%	-7.18%	
Northeast	43	3.72%	41	3.68%	1.09%	
Northwest	5	2.75%	5	2.76%	-0.36%	
Southeast	9	2.28%	10	2.05%	11.22%	
Southwest	6	2.22%	5	3.60%	-38.33%	
West	15	3.08%	15	3.28%	-6.10%	
Totals	130 ⁴	3.39%	125	3.63%	-6.61%	

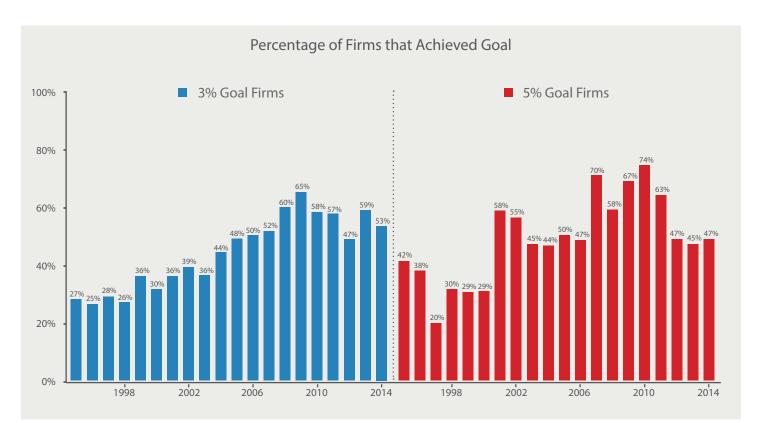
4. The total number of firms reporting in 2014 and 2013 differs from the the previous chart due to incomplete reporting by three firms each year.

The following graph illustrates the distribution of pro bono percentages for all reporting firms in 2014. Percentages range from less than 1% to more than 8% of total paying client billable hours. The median is 3.13% and the average is 3.39%. The top 25% of firms contributed at least 4.39% of their time to pro bono work.



Reaching the Challenge Goal

Sixty-eight firms met or exceeded their stated Challenge goal in 2014, a decrease of 10.5% from the 76 firms that met or exceeded their Challenge goal in 2013. As seen below, 53% of Challenge Signatories that articulate a 3%/60 hour/ attorney goal met or exceeded that Challenge goal in 2014, while 47% of the Challenge Signatories that articulate a 5%/100 hour/attorney goal met or exceeded that goal in 2014.

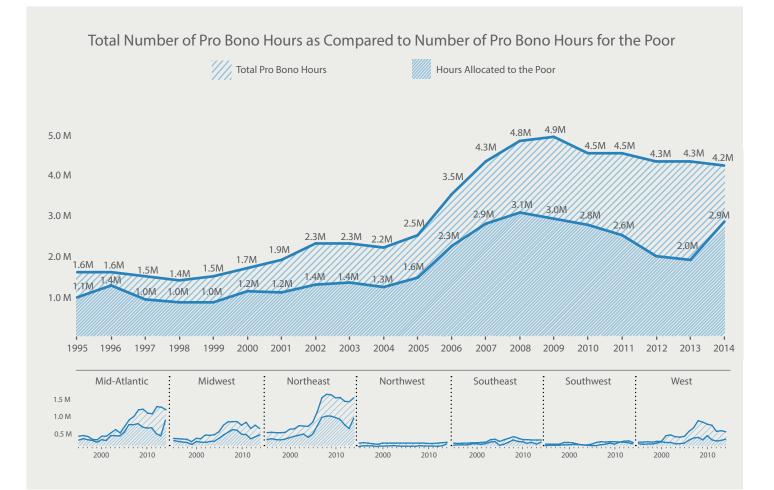


Service to Persons of Limited Means

In addition to establishing ambitious, progressive benchmarks – 3 or 5% of total paying client billable hours – for overall pro bono participation, the Challenge (Principle 3) asks firms to devote a majority of their pro bono time "to persons of limited means or to charitable, religious, civic, community, governmental, and educational organizations in matters which are designed primarily to address the needs of persons of limited means." This element of the Challenge remains particularly critical at this time, when poverty in the U.S. remains high and resources and staffing for legal aid have been severely diminished.

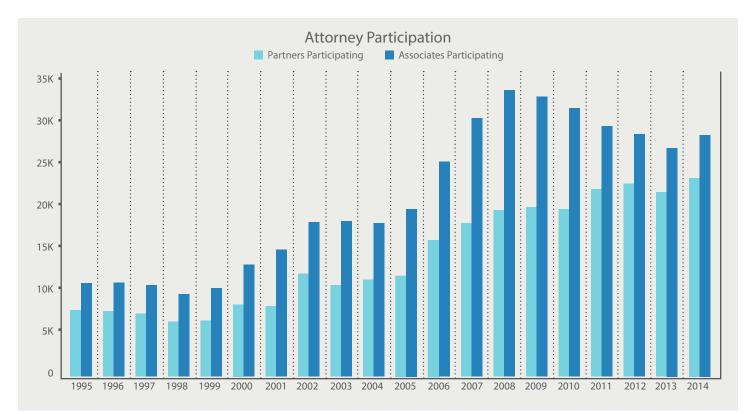
For several years, the failure of a large number of Challenge Signatories to report reliable data on the hours and percentage of total pro bono time committed to persons of limited means and the organizations that serve them meant that PBI, in turn, could not provide reliable aggregated statistics. PBI made a concerted effort in 2014 to encourage and work with Challenge Signatories to report these hours.

In 2014, 121 Challenge Signatories reported 2,915,044 actual or estimated hours of service to persons of limited means and the organizations that serve them, an increase of 41 additional reporting firms and an increase of 919,272 hours of service to persons of limited means and the organizations that serve them. Sixty-nine percent of all pro bono time was devoted to those of limited means and the organizations serving them in 2014. Collectively, Signatories are meeting their Challenge commitment to devote a "majority" of their pro bono time to people of limited means.

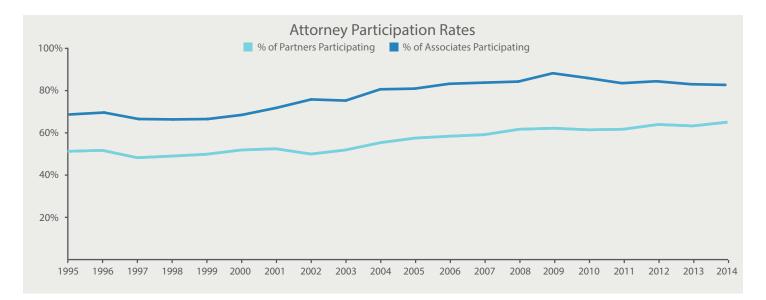


Participation

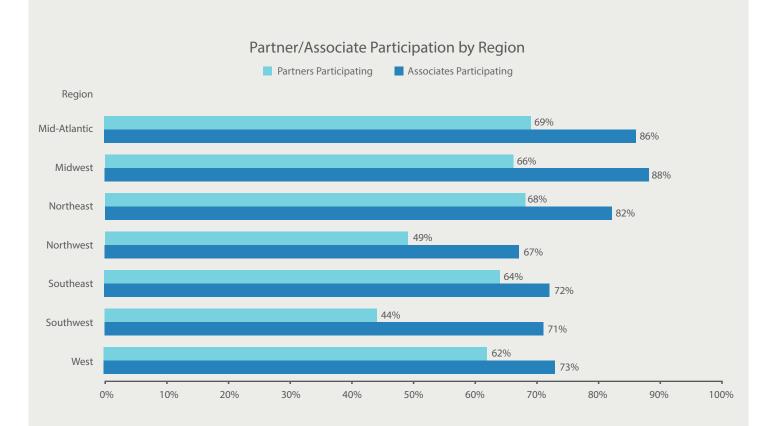
Challenge Signatories reported total firm headcounts in 2014 of 69,961, an increase from 66,695 total attorneys in 2013. In 2014, a total of 51,079 attorneys participated in pro bono compared to a total of 48,151 attorneys who participated in 2013. These numbers include 18,825 partners; 26,263 associates; 3,997 counsel; and 1,995 staff and other attorneys who participated in 2014 as compared to 17,883 partners; 25,332 associates; 3,530 counsel; and 1,406 staff and other attorneys who participated in 2013.



Participation rates in 2014 increased for partners and remained steady for associates, decreasing only slightly from 2013. As seen below, 65.0% of partners and 81.1% of associates participated in pro bono in 2014, compared to 63.3% and 81.4%, respectively, in 2013. Collectively, 73.0% of attorneys participated in pro bono in 2014, up from 72.2% in 2013.



The graph below shows a regional breakdown of partner/associate participation in pro bono. Regionally, associate participation is greatest in the Midwest, Mid-Atlantic, and Northeast regions, where associate participation was 88.0%, 85.6%, and 81.7%, respectively. The West, Southeast, and Southwest regions were in a virtual three-way tie in the level of associate participation in 2014 at 72.5%, 71.7%, and 70.6%, respectively. The Northwest region reported 67.0% associate participation. The Mid-Atlantic at 68.5%, the Northeast at 67.8%, the Southeast at 62.9%, and the Midwest at 65.6% led the way in partner participation.



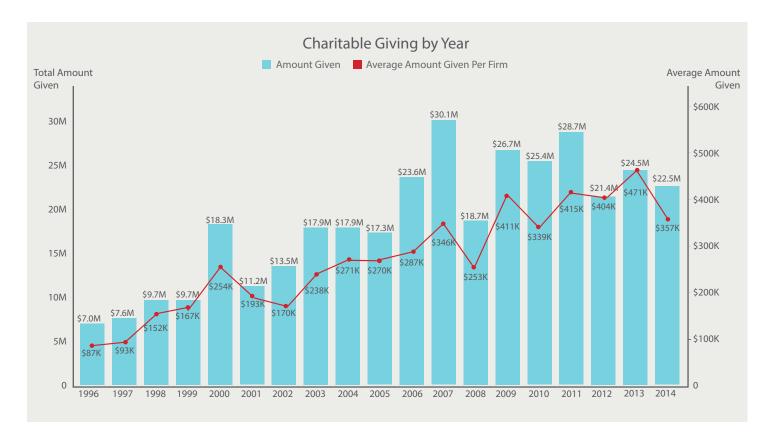
2014 Participation Rates

Region	2014 # of Firms Reporting	2014 Partner Participation Rate	2014 Associate Participation Rate	2014 Firm Participation Rate	2013 # of Firms Reporting	2013 Partner Participation Rate	2013 Associate Participation Rate	2013 Firm Participation Rate
Mid-Atlantic	30	68.5%	85.6%	76.9%	27	70.7%	86.4%	78.6%
Midwest	23	65.6%	88.0%	74.7%	23	62.0%	87.2%	72.3%
Northeast	43	67.8%	81.7%	75.7%	42	64.6%	78.9%	72.4%
Northwest	5	49.2%	67.0%	56.6%	5	50.4%	70.0%	58.5%
Southeast	10	64.4%	71.7%	67.5%	10	62.9%	81.0%	70.6%
Southwest	б	44.4%	70.6%	57.9%	5	48.3%	68.3%	59.0%
West	15	61.6%	72.5%	67.4%	14	56.5%	80.2%	68.9%
Totals	132 ⁵	65.0%	81.1%	73.0%	126	63.3%	81.4%	72.2%

^{5.} The total number of firms reporting in 2014 and 2013 differs from the total numbers of firms reporting overall due to incomplete reporting by one firm in 2014 and two firms in 2013.

Charitable Donations

In addition to asking Challenge Signatories to provide statistical information as required by the Challenge, PBI asks firms to respond to several optional questions, including providing supplemental information on charitable donations to legal services organizations. In 1996 (the first year for which this information is available), 81 firms reported that they had donated \$6,800,902 to legal services organizations. In 2014, 63 firms reported that they had donated \$22,459,684 to legal services organizations. This total is down from 2013 when 52 firms reported they had donated \$24,500,422 to legal services organizations.⁶ In 2014, the average firm donation was \$356,503, down from from 2013, when the average firm donation was \$471,162. See the graph below for a comparison of firm donations since 1996.



The graph below shows the distribution of charitable amounts reported in 2014. The figures range from a low of \$7,500 to a high of \$4.2 million. The median amount given is \$155,000 and the average amount given is \$356,503.



6. The decline in raw giving numbers may be misleading and requires additional context to be accurately interpreted. Real world factors such as firms prepaying commitments and making advance or multiple payments in any calendar or fiscal year account for a portion of the year-to-year fluctuation in charitable donations, but stability in the overall amounts being donated.

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TAKEAWAYS AND ACTION ITEMS

Law firm pro bono in 2014 can best be described as "stable," which, for the most part, is good news. Although the slim decrease in aggregate hours may, at first blush, appear to be cause for concern and other outlets may characterize 2014 as a "down year" for pro bono, in-depth analysis of the data offers a basis for cautious optimism and underscores the need for vigilance and long-term, strategic thinking.

Pro Bono is a Core Value

- The Law Firm Pro Bono Project's longitudinal data indicate that law firm pro bono does not follow an unswerving, upward trajectory. While total hours (with five additional firms reporting) declined slightly, other aspects of pro bono performance in 2014 improved over the prior year. Pro bono appears healthy and steady, with numerous firms showing significant expansion (in excess of 20% over 2013), demonstrating that growth is feasible.
- A majority of Challenge Signatories reported level or improved pro bono performance over 2013, which is a clear
 indication that pro bono is being re-imagined and restructured to take into account changes in law firm practice.
 This metric is a positive sign for the future. When coupled with the increase in partner-level and total attorney
 participation rates, these data points indicate that the institutionalization of pro bono within law firms as a critical
 element of their culture, identity, and work generally continues unabated. Pro bono is integral to how these firms
 are doing business and operate.
- Pro bono performance varies greatly by geographic region, which demonstrates the need to address persistent differences in culture, leadership, infrastructure, and the availability of pro bono opportunities.
- As we celebrate the 20th anniversary of the implementation of the Challenge, a look back provides some needed perspective and context: the first data collection from 1995 yielded information from 135 Challenge Signatories, who reported 1.6 million pro bono hours and an average of 53.3 pro bono hours per attorney. In 2014, 133 Challenge Signatories reported 4.2 million pro bono hours and an average of 60 pro bono hours per attorney.
- Law firm pro bono efforts are having an impact on local, national, and global scales. Lives are being improved, rights are being protected, and access to justice is being advanced every day. Inspiring and creative innovations are being developed, assessed, and replicated; collaborations and partnerships, with both familiar and unconventional stakeholders, are being formed; and delivery systems are being tested and tweaked. This period of experimentation is exhilarating and motivating and should be acknowledged and celebrated. In short, the impact of pro bono goes beyond the numbers.

Resilience in Light of Continued Economic Challenges

Albeit modestly better than 2013, 2014 continued to be a challenging one for major law firms, marked by lackluster financial performance. By most indicators, the year was characterized by, at best, modest growth in the demand for legal services, persistent softness in the market for litigation services, the decision by many corporate clients to shift more legal work in-house, the growing willingness of clients to disaggregate services among many different providers, the growth in market share of non-traditional competitors, and a continuing struggle to maintain discipline on expenses. Against this backdrop, it is significant that pro bono performance emerged relatively strong. Although we all would have wished for growth in aggregate pro bono hours, the more than 4.2 million hours of pro bono reported in 2014, combined with increased lawyer participation rates, is a notable accomplishment in this unrelentingly difficult business climate. (Total pro bono hours in 2013 included hours reported by Bingham McCutchen. The dislocation of that firm's lawyers resulted in fewer reported pro bono hours in 2014, an anomaly that does not necessarily reflect overall law firm pro bono performance.)

- Challenge Signatories reported an increase in client demand, as reflected in two million additional billable hours, with only a small uptick in lawyer "headcount." With law firm lawyers working at full capacity, it is remarkable that pro bono performance remained steady in 2014.
- The increase in partner participation in pro bono is also encouraging. Despite acute business pressures, the participation rate for partners rose from 63% to 65% in 2014 (associate participation held steady at 81%, and combined participation rose slightly to 73%). Partners, however, typically devote fewer hours to pro bono matters and are often attracted to more sophisticated pro bono engagements. While law firm lawyers at all levels of seniority are engaged in pro bono, firms should continue to revisit and assess their pro bono policies, practices, and offerings to ensure that they accommodate current reality and demographics. Firms that have not revisited the scope, sources, or flow of pro bono work recently would be well served to ensure that all firm lawyers are addressed and accommodated by an updated menu of pro bono opportunities.
- Law firm operations (i.e., client relationships, business development, geographic footprint, compensation, professional development, talent management, recruiting and retention, diversity, marketing, pricing, project management, advancement to partnership, career trajectories, etc.) are in flux. The pro bono program should reflect and be aligned with any changed practices and new environment.
- Firms must address whether and how all aspects of the pro bono program, including administration and oversight, need to adapt to accommodate new firm realities and emerging priorities. To ensure that pro bono efforts remain vital and relevant, leaders must think strategically about using pro bono to not only service their communities and enhance access to justice, but also to strengthen and inform critical firm priorities, such as talent management and client relationships. To that end, firm leadership (at all levels and in all offices and practice groups) must continue to send authentic, strong, frequent, and consistent messages about the importance of pro bono as a core firm value.
- As the numbers demonstrate, declines in pro bono performance are not inevitable. Conduct a self-assessment and go data-mining. Firms need to continue to carefully evaluate the efficacy of their efforts to ensure that they are making the highest and best use of their finite pro bono resources. Now is the time to evaluate the impact of your pro bono work and make informed, educated, and possibly difficult decisions. What is working well and what is not? Which segments of the firm are improving their pro bono performance and which are lagging? What are you doing to re-engage lawyers who have not been actively involved in pro bono recently? How are you acclimating laterals? How are you addressing emerging legal issues in your community? If your program is static, your pro bono performance will lag. The status quo is not inevitable. As many Challenge Signatories are demonstrating every day, law firm pro bono can flourish and grow.

Enhancing Access to Justice through Service and Charitable Giving

- The Challenge asks firms to devote a "majority" of their pro bono hours to persons of limited means or to organizations which serve them. This element of the Challenge is particularly critical at this time, when poverty levels remain high and resources for legal aid are inadequate.
- After a hiatus during which we could not include reliable information on this metric due to insufficient and inaccurate reporting, the information provided in 2013 indicated that this critical segment of pro bono work was fragile. Last year on a cumulative basis, Challenge Signatories fell short of contributing a majority of their pro bono work to persons of limited means. In 2014, it appears, based on the actual and estimated figures reported, that poverty law work rebounded to approximately 69% of overall pro bono work. This is an encouraging sign, based on an increasingly robust and reliable data set.

- Firms should continue to ensure that the information and data they are compiling about their pro bono performance
 is accurate and reliable. In particular, information on pro bono work for people of limited means is critical to efforts
 to advocate for increased funding for legal services organizations. The access to justice community must be able
 to convincingly demonstrate that: (1) the legal profession supports legal services for low-income Americans; (2) we
 are maximizing pro bono assistance for low-income individuals; and (3) funding dollars are being leveraged with
 significant in-kind private contributions. Conversely, an inability to collect and report comprehensive information
 from Challenge Signatories about their pro bono work for people of limited means contributes to a perception that
 large firms are not adequately supporting legal aid programs, and that they should do more before other funding
 streams, especially public ones, are made available.
- The financial support provided by law firms to nonprofit legal groups whose expertise and assistance make law firm pro bono possible requires monitoring. The average amount contributed per law firm in 2014 decreased to approximately \$356,500. Reporting of financial contributions is optional for Challenge Signatories and does not, for the most part, consider in-kind donations, making it difficult to draw definitive conclusions. For example, the spike in 2013 may have simply reflected a bump in the litigation cycle, with the donation of one-time attorneys' fee awards collected in pro bono matters during the course of that year. Additionally, as part of our due diligence and vetting of the data, we discovered that one firm's charitable donations were down this year due to advance payments made in the previous year. The timing of charitable donations from year to year may fluctuate, leading to reasonable variances in the data, but stability in the amounts of funds actually donated.
- Firm contributions are critical to maintaining an effective pipeline and support network for legal services, and, in
 return for law firm pro bono efforts. Legal aid and public interest organizations are essential parts of the pro bono
 infrastructure, and any loss of capacity on their end directly and negatively impacts the pro bono efforts of major
 law firms. Even at a time when all expenses are being carefully scrutinized, we encourage firms to evaluate their
 financial and in-kind support for legal services organizations and consider creative and stretch increases when
 possible to maintain the quality and integrity of their own pro bono efforts.
- Until we achieve full funding for legal services, firms should continue to explore how they can best deploy their
 resources financial and in-kind and their human capital to lessen the time and cost of pro bono administration
 and infrastructure demands on legal services and public interest organizations. Firms should provide not only
 outstanding pro bono service to clients, but more efficient pro bono administration and infrastructure, so that
 more matters can be placed more easily.

The Year Ahead

- 2015 marks the 20th year since the implementation of the Law Firm Pro Bono Challenge[®]. We look forward to exploring this milestone through both historic, longitudinal scholarship and forward-looking, agenda-setting advocacy, and welcoming even more firms as Challenge Signatories.
- As noted above and contrary to our assessment, we anticipate that other outlets will characterize 2014 as a "down" year for pro bono. Overall, we are heartened that Challenge Signatories are generally more successful than their peers who have not yet enrolled in the Challenge. While we do not claim causality, the correlation is notable. As Signatories often confirm, making a public commitment to the Challenge heightens awareness of pro bono internally, increases attorney participation, engages firm leadership, and sets a clear and shared goal for success. All of these elements combine to make it more likely that a firm's pro bono program will grow and succeed. For firms that have not yet joined because of a concern that you cannot meet the Challenge goals, we encourage you to sign on and use this tool to advance pro bono at your firm. There is no downside to enrolling, as we do not publish disaggregated statistics, nor do we in any way identify individual firms as having met or not met their Challenge goals.

- The Law Firm Pro Bono Project will continue to serve as a counselor, resource, strategic advisor, trainer, and catalyst
 and offer expert guidance on law firm pro bono in the short and long-terms. We will also serve as a convener of
 leaders and key stakeholders to promote experimentation, dialogue, and collaboration on how, working together,
 we can build on the strength, dedication, creativity, and maturation of law firm pro bono to strengthen access to
 justice.
- As we have written elsewhere, rather than exclusively trying to build "bigger" law firm pro bono programs, we
 advocate a focus on building "better" pro bono programs. This process requires being open to experimentation and
 evaluation and resisting the pull of the status quo and the power of the fear of failure to try new ideas to provide
 improved services to our pro bono clients. We cannot enable "entrenched success" to make law firm pro bono
 vulnerable or be blinded by past success. In other words, law firm pro bono programs cannot rest on their laurels.
- Hours, hours, hours. Metrics create incentives and shape behaviors. To the extent they capture and measure incomplete or wrong inputs, they can lock in inefficient ways of working and thinking and produce resistance to change. Should we regard a firm as providing higher value because its lawyers clock more pro bono hours? Should a year be looked at more favorably simply because Challenge Signatories reported more aggregated total pro bono hours? The Challenge looks at several nuanced metrics to evaluate pro bono performance, but it is (past) time to assess the metrics themselves. Let's carefully evaluate not only the amount of pro bono work being undertaken, but also the outcomes and impact of that work to ensure that we are making the highest and best use of our pro bono performance and service to clients: Quality and consistency of work? Timeliness and helpfulness of services provided? Efficiency with which services are performed? The skill with which projects are managed? The worth to the client or results obtained? The "social good"? The quality of the volunteer experience, engagement, and impact on the firm? PBI will continue our ongoing effort to address these complicated and compelling questions.
- Although the Challenge data is not perfect, it provides the reliability and rigor that are essential to tracking performance; identifying trends, obstacles, and opportunities; and enabling us to use that information to enhance pro bono and better serve our pro bono clients. We will continue to recruit additional Signatories, work with firms to collect accurate and comprehensive data, to streamline and simplify our collection and reporting tools, and to use this information to assess and make informed recommendations about pro bono service.

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METHODOLOGY

Once again, the survey was distributed in an electronic format, which allows for greater efficiency in the data-gathering process and improved accuracy of the data, which is carefully vetted prior to analysis. Additionally, the survey was more streamlined this year, with fewer questions.

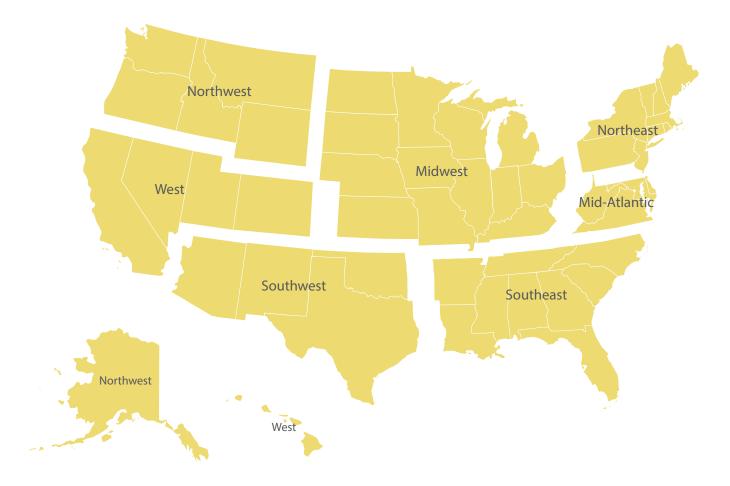
Some firms report attorney participation rates higher than 100%. For example, this occurs if the firm's headcount at the end of the year is smaller than the total number of attorneys who participated in pro bono throughout the year. For the purposes of data analysis in the Report, however, attorney participation was capped at 100%.

In 2014, aggregated data collected on pro bono hours devoted to those of limited means included both tracked and estimated data. The Project will continue to work with firms to develop comprehensive and accurate tracking systems.

Firms have historically been asked to report metrics for Partners and Associates. Since 2011, firms have been asked to separately report Counsel and Staff/Other Attorneys as well. For purposes of analysis, attorneys designated as Counsel have been included with Partners and Staff/Other Attorneys with Associates.

While maintaining complete confidentiality as promised to Challenge Signatories, the Project continues a multi-year longitudinal analysis of Challenge data with the pro bono assistance of advisors from Deloitte Financial Advisory Services LLP and is grateful for their support.

The regional breakdown included in this analysis classifies firms by their historical headquarters, although it is now rare for a firm to claim a particular city as its headquarters. With the globalization of the practice of law, categorizing firms in this manner may cause inaccuracies, but still provides a snapshot of pro bono in different regions of the U.S.



2014 REPORTING CHALLENGE SIGNATORIES

We thank and congratulate the 133 Challenge Signatories whose commitment to pro bono is positively reflected in this Report, and we look forward to a renewed and expanded level of commitment in 2015.

*Akin Gump Strauss Hauer & Feld Alston & Bird *Arent Fox Armstrong Teasdale Arnall Golden Gregory *Arnold & Porter Baker & McKenzie Baker Botts Ballard Spahr Barnes & Thornburg Beveridge & Diamond Blank Rome **Bradley Arant Boult Cummings Briggs and Morgan Brown Rudnick** Brownstein Hyatt Farber Schreck *Bryan Cave Buchanan Ingersoll & Rooney *Carlton Fields Jorden Burt Carrington, Coleman, Sloman & Blumenthal Chadbourne & Parke *Cleary Gottlieb Steen & Hamilton **Coblentz Patch Duffy & Bass** Cohen Milstein Sellers & Toll Cooley *Covington & Burling Cozen O'Connor Crowell & Morina Davis Wright Tremaine Day Pitney *Debevoise & Plimpton Dechert * Dentons US Dickstein Shapiro *DLA Piper (US) *Dorsey & Whitney *Drinker Biddle & Reath Dykema Gossett Epstein Becker & Green Washington, D.C. Office Only Faegre Baker Daniels Farella Braun + Martel Fenwick & West Finnegan, Henderson, Farabow, Garrett & Dunner Foley & Lardner Foley Hoag *Fredrikson & Byron

Fried, Frank, Harris, Shriver & Jacobson *Garvev Schubert Barer *Gibbons Gibson, Dunn & Crutcher **Goodwin Procter** Goulston & Storrs Graves, Dougherty, Hearon & Moody *Hogan Lovells *Holland & Hart *Holland & Knight Hollingsworth Hughes Hubbard & Reed *Hunton & Williams Husch Blackwell Irell & Manella *Jenner & Block K&L Gates **Kaye Scholer** Kilpatrick Townsend & Stockton King & Spalding Washington, D.C. Office Only Kirkland & Ellis Kramer Levin Naftalis & Frankel Latham & Watkins Lindquist & Vennum Linklaters New York Office Only Loeb & Loeb Lowenstein Sandler Manatt, Phelps & Phillips Maslon Mayer Brown McCarter & English McDermott Will & Emery **McGuireWoods** *McKenna Long & Aldridge Michael Best & Friedrich Milbank, Tweed, Hadley & McCloy Miller & Chevalier Miller Nash Graham & Dunn Mintz, Levin, Cohn, Ferris, Glovsky and Popeo Morgan Lewis & Bockius *Morrison & Foerster *Munger, Tolles & Olson *Nelson Mullins Riley & Scarborough

Nixon Peabody Nutter McClennen & Fish O'Melvenv & Mvers **Oppenheimer Wolff & Donnelly** *Orrick, Herrington & Sutcliffe Patterson Belknap Webb & Tyler Paul Hastings *Paul, Weiss, Rifkind, Wharton & Garrison Pepper Hamilton Perkins Coie Pillsbury Winthrop Shaw Pittman *Proskauer Rose Quarles & Brady *Reed Smith **Robins Kaplan Robinson & Cole** Saul Ewing Schnader Harrison Segal & Lewis Seyfarth Shaw *Shearman & Sterling *Shipman & Goodwin Sidley Austin Simpson Thacher & Bartlett *Skadden, Arps, Slate, Meagher & Flom Snell & Wilmer Squire Patton Boggs *Steptoe & Johnson LLP Stinson Leonard Street Strasburger & Price Sutherland Asbill & Brennan Thompson Coburn **Troutman Sanders** Van Cott, Bagley, Cornwall & McCarthy *Venable Vinson & Elkins Weil, Gotshal & Manges White & Case Wiley Rein Williams & Connolly *Wilmer Cutler Pickering Hale and Dorr Wilson Sonsini Goodrich & Rosati *Winston & Strawn Womble Carlyle Sandridge & Rice Zuckerman Spaeder

* denotes Charter Signatories to the Challenge

2014 NON-REPORTING CHALLENGE SIGNATORIES

These new Signatories enjoyed a reporting grace period in 2014:

Baker, Donelson, Bearman, Caldwell & Berkowitz Foley & Mansfield

These firms did not report in 2014:

*Miller, Canfield, Paddock and Stone Norton Rose Fulbright Rodey, Dickason, Sloan, Akin, & Robb Schiff Hardin Vorys, Sater, Seymour and Pease

Dissolved Firm

*Bingham McCutchen

Merged Firm

Edwards Wildman Palmer

* denotes Charter Signatories to the Challenge

ABOUT THE LAW FIRM PRO BONO CHALLENGE®

The Law Firm Pro Bono Challenge[®], developed by law firm leaders and corporate general counsel, articulates a single standard for one critical segment of the legal profession – firms with 50 or more lawyers. The Challenge has become the definitive aspirational pro bono standard for large law firms throughout the world. It is unique for several reasons:

- It uses a progressive standard i.e., a target of either 3 or 5% of a firm's total paying client billable hours (equivalent to 60 or 100 hours per attorney) which ties pro bono performance to firm productivity and profitability.
- It calls for an institutional commitment, rather than an individual lawyer goal, in recognition of the reality that the policies and practices of law firms are keys to the ability and willingness of firm lawyers to undertake pro bono work.
- It creates goals not only with respect to the amount of pro bono work to be undertaken, but also with regard to the structural and policy elements that are essential for the creation and maintenance of a pro bono-friendly firm culture.
- It links Challenge Signatories to the extensive consultative services and resources available from PBI's Law Firm Pro Bono Project.
- It includes an accountability mechanism and an outcome measurement through its annual reporting requirement.

While statistics are an important measurement tool, the Challenge is not limited to quantifiable goals. Rather, it provides a framework, a set of expectations, and operational and policy elements that are the keys to major law firms' ability to institutionalize and strengthen the culture and operations of their pro bono programs. Since the inception of the Challenge, PBI has worked with law firms to promulgate pro bono policies; enhance their relationships with public interest, legal services, pro bono programs and other groups, including the courts; improve the oversight and staffing of firms' pro bono work; design and implement pro bono partnerships with corporate legal departments; improve processes for planning and evaluating pro bono efforts; create more accurate time-keeping mechanisms; incorporate a number of innovative pro bono models – including signature projects, rotation/externship programs, global efforts, integration with other firm goals including professional development, talent management, diversity, and associate satisfaction, and more; and successfully encourage many firms to expand the breadth and depth of their pro bono docket. Indeed, the Challenge's success in enhancing pro bono culture and performance led Corporate Pro Bono, the global partnership project of PBI and the Association of Corporate Counsel, to launch the Corporate Pro Bono Challenge[®] in 2005.

With only minimal changes made in the language and principles of the Challenge since its creation, the Law Firm Pro Bono Challenge[®] has become the industry standard by which firms define, measure, and assess their pro bono achievements. It has also become a rallying point and a catalyst that enables firms, despite economic cycles and other pressures, to contribute meaningfully to their local communities, to the national justice system, and to communities around the world.

Law Firm Pro Bono Challenge®

Recognizing the growing severity of the unmet legal needs of the poor and disadvantaged in the communities we serve, and mindful that major law firms must – in the finest traditions of our profession – play a leading role in addressing these unmet needs, our firm is pleased to join with other firms across the country in subscribing to the following statement of principles and in pledging our best efforts to achieve the voluntary goals described below.

- 1. Our firm recognizes its institutional obligation to encourage and support the participation by all of its attorneys in pro bono publico activities. We agree to promulgate and maintain a clearly articulated and commonly understood firm policy which unequivocally states the firm's commitment to pro bono work.
- 2. To underscore our institutional commitment to pro bono activities, we agree to use our best efforts to ensure that, by no later than the close of the calendar year, our firm will either:
 - (1) annually contribute, at a minimum, an amount of time equal to 5% of the firm's total billable hours or 100 hours per attorney to pro bono work; or
 - (2) annually contribute, at a minimum, an amount of time equal to 3% of the firm's total billable hours or 60 hours per attorney to pro bono work.
- 3. In recognition of the special needs of the poor for legal services, we believe that our firm's pro bono activities should be particularly focused on providing access to the justice system for persons otherwise unable to afford it. Accordingly, in meeting the voluntary goals described above, we agree that a majority of the minimum pro bono time contributed by our firm should consist of the delivery of legal services on a pro bono basis to persons of limited means or to charitable, religious, civic, community, governmental, and educational organizations in matters which are designed primarily to address the needs of persons of limited means.
- 4. Recognizing that broad-based participation in pro bono activities is desirable, our firm agrees that, in meeting the minimum goals described above, we will use our best efforts to ensure that a majority of both partners and associates in the firm participate annually in pro bono activities.
- 5. In furtherance of these principles, our firm also agrees:
 - a. To provide a broad range of pro bono opportunities, training, and supervision to attorneys in the firm, to ensure that all of our attorneys can avail themselves of the opportunity to do pro bono work;
 - b. To ensure that the firm's policies with respect to evaluation, advancement, productivity, and compensation of its attorneys are compatible with the firm's strong commitment to encourage and support substantial pro bono participation by all attorneys; and
 - c. To monitor the firm's progress toward the goals established in this statement and to report its progress annually to the members of the firm and to the Law Firm Pro Bono Project.

- 6. This firm also recognizes the obligation of major law firms to contribute financial support to organizations that provide legal services free of charge to persons of limited means.
- 7. As used in this statement, the term "pro bono" refers to activities of the firm undertaken normally without expectation of fee and not in the course of ordinary commercial practice and consisting of (i) the delivery of legal services to persons of limited means or to charitable, religious, civic, community, governmental, and educational organizations in matters which are designed primarily to address the needs of persons of limited means; (ii) the provision of legal assistance to individuals, groups, or organizations seeking to secure or protect civil rights, civil liberties, or public rights; and (iii) the provision of legal assistance to charitable, religious, civic, community, governmental, or educational organizations in matters in furtherance of their organizational purposes, where the payment of standard legal fees would significantly deplete the organization's economic resources or would be otherwise inappropriate.

FIRM
PARTNER EXECUTING ON BEHALF OF FIRM
ADDRESS
ADDRESS (CONT.)
CITY / STATE / ZIP
PHONE / EMAIL
DATE

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