

## Business

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# Corner Offices Are Out; Collaboration Is In. Say Hello to the New Law Firm.

The resiliency of remote work has prompted large law firms to rethink their real estate footprint, shedding space even as they bulk up their head count.

By ELLEN ROSEN

In January, the law firm Crowell & Moring traded its New York offices in an early 1980s building in Midtown Manhattan for a newly built space on the West Side, with sweeping views of the Hudson River and New York Harbor.

But the move was not just about gaining a better view. The law firm's previous office layout was "essentially wasted space," said Philip T. Inglima, the firm's chairman. Crowell & Moring makes better use of the square footage in its new location, which includes features like sit-to-stand desks, video technology for hybrid meetings and double-pane glass for soundproofing, Mr. Inglima said.

Larger law firms nationwide have been shedding space even as they have added lawyers. The unexpected staying power of remote work has hastened the goal of many to downsize their real estate.

"We don't have everybody in the office all the time, and that's why we don't necessarily need that larger footprint," said Sharis A. Pozen, the law firm Clifford Chance's regional managing partner for the Americas.

The rule of thumb used to be 1,000 square feet per lawyer, but the new benchmark is closer to 600 square feet, said Thomas Fulcher, a vice chairman at Savills, the real estate services firm.

As a result, law firms are doing more with less.

Capacious corner offices, epitomized by shows like "Suits" and the 1980s hit "L.A. Law," are rare, replaced with collaborative spaces and multimedia-



PHOTOGRAPH BY MAANSI SRIVASTAVA

The newly renovated law offices of Crowell & Moring in New York City feature sit-to-stand desks, video technology for hybrid meetings and double-pane glass for soundproofing.

equipped conference rooms. Lawyers of all seniority, including the so-called rainmakers, now sit in offices of similar size with uniform furniture.

Consistency also means flexibility — rooms can easily be transformed for different uses, and with lateral movement between firms a constant in the industry, it's easier to transfer a neutrally designed office to a new partner.

Physical libraries, long a hallmark of

law firms, have gone the way of the landline and the Dictaphone. Court rulings are now released digitally; as a result, physical casebooks have become relics, often relegated to use as television props.

And most important, walls of filing cabinets — and so-called war rooms, replete with towering stacks of paper — are becoming unnecessary as more documents are digitized.



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Larger law firms nationwide have been shedding space even as they have added lawyers. That means lawyers may have to cull documents as firms lease less space.

That can mean some hard decisions for lawyers who may have to cull their documents before a move to a new office (although it helps that firms often lease off-site storage space). “We weren’t merciless, but we were pretty aggressive” about what to take and what to toss, said Glen G. McGorty, the managing partner of Crowell’s New York office.

That’s a deal firms are willing to make. The Washington-based law firm Venable relocated its New York office to a space in Times Square with more light and new technology for video calls, said Stuart P. Ingis, the firm’s chairman.

Leasing less office space often does not always translate to savings. Newer, top-of-the-market offices often have a higher price tag per square foot. Ultimately, firms “may wind up paying the same amount” or even more,

Mr. Fulcher said.

But the new digs come with a higher rent. “If we had stayed, we would have saved money, which would have meant more distributable income to the partners at the end of the year,” he said.

Not all firms are shrinking in physical size. Paul Weiss, for example, said last

year that it was relocating its New York office to a larger one, in what was marketed as the largest commercial lease of 2023. Last summer, Davis Polk renewed its lease in Midtown Manhattan, expanding its footprint 4.4 percent, to 700,000 square feet.

Law firms have been a bright spot in the otherwise challenged commercial market, leasing 7.8 million square feet in 2023, up 45.1 percent from 2022 and the highest since 2019, according to Savills.

Conference rooms are being built to accommodate the newest audio and video technology, and new designs incorporate small but important changes like electrical outlets at individual seats so lawyers no longer have to jockey for them. Larger firms are including rooms for virtual hearings after many judges moved to remote proceedings at the onset of the pandemic, said Catherine Heath, the chief executive of HYL Architecture in Washington.

Clifford Chance, with about 3,700 lawyers globally, is planning a move to the West Side in Manhattan from its Midtown offices. The new office is 144,000 square feet over four floors, roughly 25 percent smaller than its current space. That reduction is happening when the firm’s New York office has grown to 275 lawyers.

The new configuration “is very different from a traditional one,” Ms. Pozen said, with collaboration space to accommodate a “work policy that asks people to come in at least three days a week.” Wooden office doors have been replaced with clear glass. “There are places if you need privacy, including nursing rooms for new mothers,” she said.

The move to smaller offices is occurring nationwide, not just in expensive markets like New York or Los Angeles. In Chicago, for example, Chapman and Cutler had for years expanded in the same building where the firm was established in 1913. (It had added some space in nearby buildings as well.) But sentimentality wasn’t a factor when the firm’s management was considering its



Capacious corner offices are now rare, replaced with multimedia-equipped conference rooms and collaborative spaces, like this one at Crowell & Moring.



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The cafeteria at Crowell & Moring. The firm’s new office overlooking sweeping views of the Hudson River and New York Harbor.





PHOTOGRAPHS BY MAANSI SRIVASTAVA

The waiting area in Crowell & Moring's renovated law offices. The firm's move was not just about gaining a better view; its previous office layout was "essentially wasted space," said Philip T. Inglima, the firm's chairman.

real estate needs because the building had become too outdated.

There was "a lot of interior space and very little access to natural light," said Kelley M. Bender, the firm's chief operating partner. And retrofitting the old offices for current technology, including that needed for hybrid meetings, would be difficult.

The firm also acknowledged that the work force had changed, requiring less space. Lawyers who commit to returning to work three days of week are assigned their own offices; those who don't still have office space, "but not necessarily one with their name on the door," Ms. Bender said.

Chapman's decision was in keeping with others in the Chicago market, said Daniel Arends, the chairman of the law firm services group at Colliers, a real estate services firm. He added that in the past nine years, 33 law firms had downsized by an average of 33.53 percent.

Since the pandemic, firms are focusing more on features like air filtration and acoustics, which have become particularly important with the increase in hybrid meetings. And in addition to the emphasis on expansive windows, there's more interest in improved artificial lighting; architects and designers are more likely to incorporate direct, ambient and task layers, said Sherry



A smaller, intimate conference room in Crowell & Moring's new office. Spaces designed for current technology and employees' needs as well as have ample light could entice more people to return to the office.

Banaei, an architect and creative director at Studio Alliance, a design firm in Washington.

Benches are uncommon — lawyers, after all, must retain confidences, and privacy is harder to control in open spaces. But other office design elements, like wellness areas, have become popular. And recreation has come to the fore: Few will own up to adding a foosball table, but Venable does have a regulation bocce ball court in its Washington office.

There's an impressionistic view that new offices with ample light will entice employees to return to the office more frequently without rigid enforcement of a back-to-work policy. At Venable's new offices in New York, the theory holds up, Mr. Ingis said.

Before the move, lawyers were in the office only one day a week despite a three-day-a-week policy. Now, they are coming in more often.

"Our occupancy now matches our firm policy — if not better — because people love going into work because of the quality of our offices," Mr. Ingis said. "We got that part right."