

MANAGING PARTNER A-LIST

ROBERT LEVINS

**BRUCE JEFFER****JEFFER, MANGELS, BUTLER
& MARMARO**Age: 67,
Years as Managing Partner: 28,
Practice Area: Business, specializing in
securities, oil and gas, retail and lending

Twenty-eight years ago, Bruce Jeffer started building Jeffer, Mangels, Butler & Marmaro from the ground up. Now, the firm has three offices and 150 attorneys. Jeffer says the firm's success is the result of ignoring the advice of consultants who advocated applying business principles to firm management and concentrating on what lawyers do best: practicing law.

DJ: What is the biggest challenge you've faced in the last year?

JEFFER: We are in the midst of change, and anytime you're in the midst of change is a challenge. Our business model has always been the same, believe it or not, we adjust to the times but we don't change our basic philosophy, so for us the year has not been as traumatic as it has been for others. We never had excessive leverage, in fact, we were often poked fun at for having low leverage, it's one-to-one or so, and clearly it's a conservative way of running your business.

The legal paradigm for providing services is obviously in a ferment, it's changing. How and how much, nobody knows. Clearly the mantra of the consultants over the past 10 years that bigger is better, leverage is good, debt is acceptable, chasing the hot new issue of the day is always your first choice, reducing your exposure to traditional business if it is not as highly paid, is all coming into challenge.

DJ: What is your biggest challenge going forward?

JEFFER: It depends on how long it takes to get through this period and back to a period of real stabilization. My assumption is that we will stay

close to what we've done, unless it's impossible to operate that way, but it's not completely clear to me. The other side of the coin is that for someone who doesn't have excessive leverage and doesn't have excessive debt, this is an interesting period because it presents a lot of opportunity. Most of my competitors are having to retrench, cut their losses on some of the things they hoped to do, conserve their cash, get their bank lines, get their debt paid down, and cut their leverage by firing people. We'll hire.

DJ: How are you guiding your firm through the stormy economy?

JEFFER: We are basically watching expenses carefully. We are sticking with our game plan, which has served us well, and we are looking for opportunities. You have to move people around when certain areas are not hot right now, and your only choices are to let people sit on their hands, which is not acceptable, or to try to re-orient them either into a different area of practice within their specialty or frankly into a whole new specialty. And if people are unwilling or unable to do it, then obviously they're obsolete in this economy. But we're pretty good at that and we're trying very hard to give everybody the opportunity to do it.

DJ: What lessons have you learned from managing your firm through this downturn?

JEFFER: I think in a number of the other downturns, you could basically figure out that at the end of the downturn, you could start back up the same slope you'd been on. This time it's going to be different, because a lot of the American institutions of business and law have disappeared. A lot of our banks and other institutions no longer exist and probably won't exist in the foreseeable future because of the regulatory problems, so we're going to have a different landscape and I don't know exactly what it will look like, but this will be a different paradigm than we have had.

DJ: Have we seen the bottom?

JEFFER: If you asked me to guess, I'd say no and I'd say that there's no real good sign yet that money is becoming available and that opportunities that can be completed with risk capital are in place to start taking us back to where we were before. It could be shortly, optimists say the end of this year or next year we'll get some momentum back, pessimists say it could be three years.

DJ: What is your biggest accomplishment as a managing partner?

JEFFER: We started the firm with a couple of people and the one thing I could promise them is that if people worked hard we'd have a system where they would get paid in the year that they were successful, and we've always done that. We have not had one year in the last 28 in which the net profit was less than the year before and I'm proud of that because it lends consistency to people's careers and lives and lets them protect their families.

DJ: Have you made any mistakes in running your firm?

JEFFER: There are probably times that I wanted to be in an area of law, didn't see the person I wanted, so I gave up on it too quickly. I probably could've spent more time. The problem is there's only so many hours in the day. But there have been opportunities that I've seen that I just didn't have the time to fully flesh out. I was picky. Looking back, I probably should have looked harder at growing in a couple of areas which I still would like to be in, but I just didn't. I would've done a stronger job on white collar crime, because particularly in the counter-cyclical times like now, white-collar issues have become more important than they used to be when I started.