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Attorneys, from left, Jaime W. Marquart, Ryan G. Baker and Daryl M. Crone have opened a litigation firm in Century City. "We're willing to work for a discount for those clients who we believe will succeed and grow," Baker said.

Senior Associates Decamp to Start 'Mini Quinn'

By Robert Iafolla
Daily Journal Staff Writer

LOS ANGELES—When Ryan G. Baker walked into John Quinn's 10th-story office to explain that he would be leaving Quinn Emanuel Urquhart Oliver & Hedges, he wasn't sure what to expect.

The name partner listened to Baker say that he wanted to do what Quinn had done: strike out on his own and build a litigation firm.

When Baker was finished, Quinn offered more than just best wishes. He promised to send clients Baker's way. Moreover, he also made sure Baker still would be joining him on the backpacking trip to Montana with the firm's summer associates in August.

"After all, this firm started with four lawyers on Jan. 1, 1986, so I can identify with that interest in a young lawyer," Quinn said. "It's been a great adventure, and I'm sure it will be for them, as well."

Baker joined with two other Quinn Emanuel associates, Jaime W. Marquart and Daryl M. Crone, to form Baker Marquart & Crone. The trio opened its Century City office at the beginning of June, and thanks to referrals from Quinn Emanuel, has been working from Day One.

"We never could have predicted we'd have as much work as we have now," said Baker, who estimated that Quinn Emanuel referrals compose half of their business.

Bernie Rolston, an attorney who helps organize law partnerships, called the arrangement between Quinn Emanuel and Baker Marquart "unusual but not unheard of."

"It fills a void for Quinn Emanuel to be able to send the types of cases that are too small to somebody they trust," Rolston said. "So there's advantages on both sides. If it only benefited one side, it would end all of a sudden."

Christopher Tayback, who referred business with a Fortune 500 company to Baker Marquart, said

he was one of a number of Quinn Emanuel partners to send clients their way because "they are terrific lawyers."

To USC Law professor Gregory Keating, the arrangement reminds him of the "Cravath model," named after the New York firm Cravath, Swaine & Moore. Although it's a notoriously difficult firm to make partner with, it places its associates as in-house counsel at high-profile companies and feeds business to smaller satellite firms staffed by former associates.

"This was common with elite firms in another era," Keating said. "The motto then was 'nobody starves,' which is different from the 'eat-what-you-kill' world of today."

The influx of business thanks to Quinn Emanuel addresses one of the two common hurdles of new firms, drumming up business, according to Rolston.

He also noted that Baker Marquart took a major step toward addressing the second obstacle, not having enough capital, with a retainer agreement that the firm signed with a client.

Under the agreement, the firm will provide a set number of hours for general legal counseling and, in return, will receive a large enough fee to cover operating expenses, Baker said.

"We've been lucky to hit the market running," Marquart said, "but we're a long way from hitting pay dirt."

The trio had been at Quinn Emanuel for several years — Baker since 2002, Marquart since 1998 and Crone since 2000 — and the partnership process was looming.

"They didn't get to the review period, but I'd be surprised if they weren't serious contenders to make partner, Quinn said.

Instead, they broke from Quinn Emanuel. All three cited an "entrepreneurial itch."

"At the end of the day, I wanted to

do something more entrepreneurial, to be at my own firm, and be with two really good friends," Crone said. "Part of it was wanting to be my own boss."

Baker echoed the desire for autonomy, saying it was a strong motivating factor prompting the move.

"There was autonomy at Quinn, but you had to have a spine to assert it and not worry that some partner would blackball you five years down the line," Baker said. "Plus, now it's me, it's my name on the door. I don't think there's a single firm out there that can give you that feeling."

The firm's only employee is office manager Renee Traylor, formerly Quinn Emanuel's marketing director, who said she joined for the chance to work with friends.

Baker Marquart focuses on complex business litigation cases, where the "sweet spot is between \$1 and \$5 million per case," Baker said. "Basically, the type of work Quinn would do, but for the size."

At this early stage, however, the firm is not drawing any bright lines. It is engaged in corporate and employment work, in addition to general client counseling.

The rates, at about \$300 per hour, are 30 percent to 40 percent lower than those at Quinn Emanuel.

"In a sense, I feel like we're venture capitalists," Baker said. "We've all got great résumés, but we're willing to work for a discount for those clients who we believe will succeed and grow."

Provided they can build long-term relationships with clients that will mature with the firm, Baker sees staffing up to eight-to-10 lawyers in two years and 40 or 50 down the road.

Although he doesn't foresee growing to the size of Quinn Emanuel, there are other things he'd like to re-create about his former firm, like its work-hard-play-hard reputation.

Baker said, "When somebody asks, 'Are you going to be a mini Quinn?' I answer, 'I hope so.'"