

## Law Firm Leaders: Sterne Kessler's Michael Ray

By Aebra Coe

*Law360 (September 4, 2019, 6:52 PM EDT)* -- Michael B. Ray has served as managing director of midsize intellectual property law firm Sterne Kessler Goldstein & Fox PLLC for the last 12 years.

In a recent conversation with Law360, Ray discussed his goals for the 40-year-old law firm, steps it is taking to adapt to a changing legal marketplace and the traits he values most in a firm partner. This interview has been edited for length and clarity.

### As the business of law changes, how is your law firm adapting?

The changes are significant. Clients increasingly want more value for their legal spend. So they're asking law firms to employ best practices in terms of efficient processes, how we communicate with our clients, our ability to accurately budget and report on performance compared to budget. Law firms are being pressed to do things they have not done well in the past in terms of running the law firm more like a business.

To adapt, we provide our attorneys with tools that allow them to do their jobs more efficiently, that put information at their fingertips and hopefully automate some of the routine things that need to be done. The more routine things that can't be automated, we work to get them off of attorneys' desks and give them to a professional with expertise in that area, like budgeting or billing. We're also increasingly relying on professionals in different areas — whether it's business development, accounting, project management — employees with MBAs that do analyst-like work for us.

### As the law firm relies more on nonlawyer professionals, how does that change the law firm?

Doing this allows our lawyers to focus on their area of expertise. We are an intellectual property specialty firm. We want all of our lawyers to be highly specialized, even within intellectual property, to have a deep niche that distinguishes them from others and gives them the ability to provide state-of-the-art, cutting-edge legal advice and legal services to our clients.



**Michael Ray**  
Sterne Kessler  
managing director

If we're having our lawyers focus on practice areas within the law, we need other people that can focus on other things. We need to recognize that those other people are professionals and bring an important and necessary skill set to the firm. One small change that we made that I think is representative of the issue is we don't call these professionals "nonlawyers." I think just using that term sets the wrong tone for a successful firm. We try to recognize that each person has an expertise necessary to the success of our firm and they are equally valued and respected in our firm right along with lawyers. I think the accounting firms have been professionally managed that way for a long time. I think law firms are now at a point where they must react.

**Is there a high level of competition in the industry for those business of law-oriented professionals? If so, how do you go about competing for them?**

It's super competitive. Just like our lawyers get phone calls on a regular basis from recruiters, so does our professional staff — starting at the top with our COO and CFO. They all get regular phone calls. So, number one, it's hypercompetitive, and in this market we have to make sure we're paying competitive salaries, that people have career opportunities for progression and growth. They need to be getting the right opportunities and mentoring. They need to like the work environment, just like our lawyers. We focus just as much on the staff side as we do the lawyer side. Right now, we're 140 lawyers, and if you count our patent agents, technical specialists, law students and paralegals, it's around 200. We're roughly 50-50 in terms of our timekeepers and staff.

**What are your goals for the law firm for the next five years?**

Number one, we're going to stay true to who we are in terms of being an intellectual property specialty firm. Number two, within that, we will continue to push all of our lawyers to have some niche expertise within IP that distinguishes them not just from other lawyers, but from other IP lawyers. We want to be known as deep domain experts within IP.

That said, we also want to continue to have a diversity of practices within IP. We're going to continue to grow. We currently have a single office — it's in D.C. — and from there we serve the world. We do explore from time to time the possibility of opening an office outside D.C. It could be within the next few years that we do dip our toes into that expansion in other cities. Other than that, it's just going to be a steady growth.

We strive right now to maintain a 50-50 balance between our inter partes matters and non-inter partes matters, which include patent and trademark preparation and prosecution, counseling, opinions, agreements. And then on the inter partes side, it's district court, litigation before the International Trade Commission and litigation before the Patent Trial and Appeal Board of the U.S. Patent and Trademark Office.

**What one trait is most important for a law firm partner?**

When we evaluate an associate who is a candidate for partnership in the law firm, the first question we ask is, "Are they an excellent lawyer?" That's the number one issue. They must be an excellent lawyer. But there are a lot of excellent lawyers who don't make good law firm partners. I would say number two is to be a team player. Partnerships are complex. We deal with stressful and difficult issues. We have to work together and support one another. Partners are often called to put the greater good, meaning the firm's interests, ahead of their own. I would say for our firm, especially, after excellent lawyer, it's team player.

**What well-known lawyer, alive or dead, would you most like to have lunch with? Why?**

I take inspiration from a lot of lawyers. I'm going to limit my answer to someone I've met, talked to and worked with. I had the opportunity in the mid-90s to work closely with Fred Bartlit of Bartlit Beck. They're a great law firm and we really enjoyed working with them. Fred is a really interesting guy. I think he was close to pioneering when he started his firm in the alternative fee arrangements he would do with clients. Fred Bartlit is a great lawyer. He's inspirational, and in my conversations with him, I learned a lot from him.

--Editing by Jill Coffey and Michael Watanabe.