Higher Fees Increase Law Firm Revenue by 4.1 Percent

An increase in revenue for law firms in the first half of this year came largely from higher lawyer billing rates rather than greater demand for services, ***The New York Times* reports**, citing Citi Private Bank's quarterly report on the legal industry.

Reporter **Elizabeth Olson** wrote that "the 4.1 percent average revenue increase was surprisingly strong, considering the continuing consolidation among law firms and the sharper scrutiny that corporations are giving the customary high levels of legal billing. It compares with the 3.3 percent growth for the first half of 2015, according to the report by Dan DiPietro, the chairman of Citi Private Bank's law firm group, and Lauren Harsha, an analyst with the group."

The Citi report attributed much of the growth to an average billing rate increase of 3.2 percent. "The results so far are similar to four out of the last five years, when law firms experienced modest growth in demand, revenues and single-digit profit growth," DiPietro said.

Read the article.