

Talent Rising: Cravath's 2017 Partnership Class

By Katrina Dewey

EIGHT DAYS AND 1.4 MILES.

That's the gap in the 2016 storyline of breaking the highest, hardest glass ceiling. Just a stroll from Javits Center - where cracks were made on Nov. 8 - up 8th Avenue in New York to the headquarters of Cravath, an inspiring story played out last fall. On Nov. 16, 2016, the partners of America's quintessential law firm admitted their new class.

All women.

That in and of itself is historic and one for the record books. It followed the July selection of M&A standout Faiza Saeed as Cravath's 16th presiding partner - a legendary position held by male forebears whose names define power in the law. And while leadership and partnership at one of America's greatest law firms is not the presidency, it undeniably embodies an institutional ascendance in one of the nation's most powerful professions that's been a long time coming.

Cravath's newest partners - Margaret Segall D'Amico, Rory A. Leraris and Kara L. Mungovan - joined the firm together in 2008 and eight years later accomplished the unthinkable. Champagne flowed, articles were written, and the moment framed. In months following the news, some reflection had settled in on the question of "How did they do that?"

Their collective accomplishment may have provided the moonshot a legal profession in search of parity needs.

Two decades after women first comprised 50 percent of law school classes, a dreadfully low number - roughly 18 percent - of law firm equity partners are women. Tens of millions of dollars have been spent by firms to support advancement of women. Women are given important titles and management positions; committee meetings are held; and corporate counsel require women be on their teams. All with roughly the same marginal results.

But here's a funny thing about equality - whether you're talking gender, ethnicity, LGBTQ, socioeconomic or religious: Runners will run, and brilliant competitors will rise if given a level playing field. But for most U.S. law firms in these mutinous times, the most level surface an attorney will walk is the plank.

Not Cravath. Its traditional, almost-no-laterals, sturdy rotation training and lockstep compensation system is precisely the fair, egalitarian system that allowed D'Amico, Leraris and Mungovan to excel.

Saeed started at the firm as a summer associate, in 1990, and joined the following year. The Walnut Creek, Calif.-born Saeed studied molecular biology at Berkeley, and considered law school after adding a second major, in economics. That quantitative background helped her excel at dealmaking. She became a partner in 1998, served as co-head of M&A and made her mark working on some of Cravath's biggest deals for clients like Time Warner, Morgan Stanley and Northrop Grumman. She was elected presiding partner in mid-2016 and became the firm's first female leader this year.

Cravath's three new partners share many traits beyond their gender - they are all funny, expressive, thoughtful and determined. Other than stints before law school as paralegals, none have worked at any other firm. They cite male and female mentors in roughly equal measure.

The three are entirely Cravath born and raised.

"We were summer associates together," D'Amico says. "We started as first-year associates within three weeks of each other. We've all been here together. There's this slow build up to making partner. You know you're getting good feedback and you know when the firm meeting is going



FROM LEFT TO RIGHT: MARGARET SEGALL D'AMICO, KARA L. MUNGOVAN AND RORY A. LERARIS

to be. But when it actually happens it really settles in: 'Oh my gosh, we got here.'"

That shared pursuit makes Cravath a bit unique, says Leraris.

"Cravath has a lockstep partnership," she explains. "The firm also has a lockstep system for associates, and with that comes a team-oriented mentality because you all start together as associates. We don't really bring in laterals; occasionally, but very rarely. It all feeds into a very collaborative place to work."

If they joined a shared path at Cravath, what brought them to their historic moment exemplifies the opportunity the law offers those with drive and an inclination for justice. They entered law school in 2005, alongside 48,132 other students - 22,582 of them women.

D'Amico foretold her future when she was 17. The slightly argumentative, John Grisham-loving teenager was assigned to write her obituary by her English teacher in Ann Arbor, Michigan. She wrote: "I was a successful international lawyer in a New York law firm. I had traveled the world helping clients with their hardest problems."

She earned her undergraduate degree in History from Harvard in 2003, then moved to New York and worked for two years, first as a paralegal, and then in a graduate department at NYU to get a view into academic life, which seemed more solitary than what she was looking for. She enrolled at Harvard Law School, and ventured into on-campus recruiting.

"The special part about Cravath that drew me in was the sense that everyone I met seemed to be genuinely interested and invested in what they were doing," D'Amico says. "I wanted to be at a firm where people felt that way, because that's how I thought I would feel about practicing law."

Leraris was raised in Northern Virginia just outside of Washington, D.C., and went to work as a legal assistant after earning her undergraduate degree in Psychology and Sociology from Amherst in 2003. No one in her family was a lawyer and she considered pursuing a graduate degree in Psychology. She decided to attend law school, enrolling at American University Washington College of Law, then transferring to the University of Chicago as a 2L. Before she took her first class at Chicago, she walked past Cravath's sign-up sheet at on-campus interviews, saw an opening and walked in.

"I didn't have anything to do so I put my name down," recalls Leraris. And there sat star litigation partner Sandra Goldstein.

Game. Set. Match.

Leraris didn't know much about the firm, other than it had a great reputation. She and Goldstein ended

up talking all the way through the lunch break.

"Poor Sandra. I think I actually said to her during the interview, 'How do I get a job here? I really want to work here.'"

Leraris got a call back, and appreciated Cravath's full day of interviews, as opposed to the more customary half day. "The full day provided an opportunity to really get a sense of the place," she said. She interviewed with star litigators Paul Saunders, Rowan Wilson and Rachel Skaistis and began to see the variety of role models she could find at the firm. As a summer associate, she worked for late presiding partner Bob Joffe, "an incredible role model."

Growing up in Canada, Mungovan thought she wanted to be a lawyer, but realized in high school and as a biochemistry major at Harvard College that she preferred math and science. After graduating from Harvard in 2004, she worked for a credit card consulting company for a year before enrolling in Harvard Law School, still not knowing if she wanted to practice.

And then Mungovan walked into a tax class, and with the fortuity that D'Amico, Leraris and Mungovan all recognize in their career paths, Mungovan was hooked. She interviewed in the tax departments within a number of firms, but was particularly attracted to Cravath, where she summered in tax and corporate.

"I just loved Cravath. I'm not sure I could have explained at the time why, but I was just very comfortable here."

When D'Amico, Leraris and Mungovan arrived as full-time associates in the autumn of 2008, they were part of a class of 106 associates. Despite the statistically long odds for partnership at any firm, Cravath associates have several built-in advantages.

First, they are not expected to develop business, and are instead promoted based on the work they do during their rotations. Second, they do not have to worry about being bumped off by laterals, whom many firms hire because of their rainmaking or other expertise.

The lockstep partnership also had great appeal. "I liked what it meant about the firm in terms of the way the partners treated each other," Mungovan says. "In a system where everyone shares equally in the success of the firm, there is a shared goal in maximizing that success, which fosters a uniquely collaborative partnership. I thought that system would have trickle-down effects on the firm culture, and I think it does."

And third - and perhaps most important - they rotate. The legendary Cravath rotation system is at the heart of the firm's ability to endure as an ultra-elite world-class law firm with but one home office in New

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York and a London outpost, paying its attorneys on a lockstep compensation system in a cutthroat world. From the day they enter the doors of 825 8th Avenue, each attorney is assigned to a rotation in one of five practice groups (corporate; litigation; tax; executive compensation and benefits; trust and estates). They work with a partner or small group of partners within the department for a period of time, getting feedback, skills and an introduction to a variety of styles of excellence in lawyering. They then rotate to another group or specific partner within that department.

The firm’s own description of the merits of its system may seem like a throwback. It explains that partnership decisions “are not based on the Firm’s immediate needs ... but on each associate’s own proven record of accomplishment.” The Cravath partnership is based on “democratic and egalitarian principles,” and the one partner-one vote principle also applies to making new partners.

To its 2017 partner class, the system resonated meritocracy.

“Coming in, I liked the idea of working with one partner, knowing where your work was coming from, not being worried about politicking and who was the right person to work with,” says D’Amico. “I trusted the rotation system and the partners to invest in their associates because that’s who they have on their team.”

Partners leading rotations ensured the associates were getting mutually beneficial experience and that associates could choose what to do next.

“From one rotation to the next, that’s always the question that comes up at the end of the rotation period,” D’Amico says. “What have we done so far and what do we want to do next?”

Leraris experienced four rotations, with illustrious litigation partners Evan Chesler (also firm Chairman), Rich Clary, Sandra Goldstein and Peter Barbur.

“I just took it one step at a time at every stage and thought to myself, ‘I’ll stay as long as I’m happy and as long as they’ll have me.’ Before I knew it, I was on Sandra’s team and I was still happy at the firm and excited about the work. I just thought, ‘All right, I’m going to go for this.’”

Mungovan’s rotations were slightly different, as they were all within tax. Like D’Amico and Leraris, she found a variety of role models, each of whom

offered their own style of lawyering excellence. She admired department head Steve Gordon’s technical proficiency, but also his ability to work through complicated issues with clients, especially in how he got a sense of the client’s goals and what was going on in the broader transaction. Lauren Angelilli’s career trajectory provided a relatable model for what Mungovan’s own career might look like, and her guidance and mentorship helped further shape Mungovan’s experience.

“I think you need a lot of different role models with different styles,” says Mungovan. “There’s no one way to be a good lawyer.”

And while you may meet one lawyer who is just like you and you can try to be just like them, “it’s more realistic to see a variety of really, really good lawyers who are all different, and from whom you can pick and choose from the ways in which they interact with clients, negotiate with the other side or approach technical issues in order to find your own style.”

Come last November, and after eight years of rotations, all three knew it was time.

“Maggie, Rory and Kara are each excellent lawyers and wonderful people,” Saeed says. “They were trained by Cravath partners through our rotation system and demonstrated not just their legal ability but their capacity to thrive in our client-focused culture. We are proud to have them join our partnership. Over the course of their careers here they will have the opportunity to train the next generation of Cravath lawyers and future partners, who will be so fortunate to work with and learn from them.”

Leraris got the news, and rushed to D’Amico’s office a few doors down, where her new partner was on a conference call.

“I just remember going over with my champagne glass because the associates came up to our floor to celebrate and ‘cheers’ing from behind Maggie’s desk,” says Leraris.

Mungovan is on a different floor, but the news soon broke across the tax department as a crew of litigation associates crashed the area.

Associates were jubilant, as were alumni. “I heard from alumni that they were very excited to learn of a partnership class of three women and that it was us,” said Leraris. A few weeks later, Mungovan rode

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the elevator with a woman who told her, “I was so proud to work here when that happened.”

If the Cravath partners of 2017 prove to be Big Law’s Billie Jean King moment, most would say it’s about time. Over the past decade, women have ascended to the heights of the legal profession and now hold 24.8 percent of Fortune 500 general counsel posts; 31.1 percent of law school dean jobs; and 27.1 percent of federal and state judiciary posts (as of 2012, a number that has increased; the general counsel and dean metrics are from 2016).

The lagging sector has been Big Law, where just 18 percent of the nation’s 200 largest firms are led by women, who also hold 18 percent of the equity partner positions. As of 2016, according to the ABA Commission on Women in the Legal Profession, women comprised 36 percent of all lawyers.

Yet there are positive developments, even within Big Law. Just two weeks after Cravath’s decision, Pepper Hamilton selected four new partners – all women. By the end of partnership announcements, 21 Big Law firms had named partnership classes that were 50 percent or more women. Among them were Wachtell Lipton and Williams & Connolly, two ultra-elite firms with more traditional structure, like Cravath.

It’s always interesting to ask pioneers about the challenges they faced. And, true to form, Cravath’s new partners seem to have focused mostly on becoming excellent lawyers doing great work instead of any bumps along the way. The firm has a strong women’s initiative led by Julie North and Tatiana Lapushchik and numerous outstanding female partners who were role models.

But as for whether they’ve seen the role of women in private practice change in their eight years, there is collective acknowledgment that they see more women at the table.

D’Amico recalls being the only woman at a 2007 arbitration, as a summer associate, where the opposing party asked if she was the secretary. “I remember the Cravath partner I was there with saying, ‘She’s with Cravath.’

“The sentiment was, ‘I can’t believe you asked that question.’ Even then it was not unusual for women to be at the table, and that is fortunately the only

moment in my career where I can point to such an experience.” It’s rare for D’Amico, Leraris or Mungovan to be the only woman on a major case or transaction. And they are each occasionally on a team that’s all or mostly women.

“I think the culture here is distinctive,” Leraris says. “I can’t speak to other firms because we don’t have that experience. With the fact that the three of us made partner, hopefully the strength of our culture is very apparent.”

What they do know without any hesitation is how elated they were on the leadup to their own selection when Saeed was voted presiding partner. “I was actually by myself at home, sitting in front of a computer and I lifted up both arms, and said, ‘Awesome!’” says D’Amico. “A lot of firms talk about achieving these kind of things, but we were actually walking the walk.”

To D’Amico, Leraris and Mungovan, they say what Cravath did right – from their training, partnership elevation and to the selection of Saeed – is simply “a people thing.”

They all feel supported, not just as women, but also as people, by attorneys and staff. When D’Amico had her son the year before she made partner, lauded antitrust partner Christine Varney encouraged her that she was capable of being a good mom and a successful lawyer. Face time in the office was never the issue, her work was. “I felt I had people who knew me and supported me, who had invested in me and wanted me to continue to grow.” It didn’t matter when she needed to go home and put her son to bed, what mattered was the substance she offered when she got back online.

“If you create a culture where people are supported and valued and you invest in people and train them, and people care about and support each other, I think good people rise,” says Mungovan. “Among those people there will be men and there will be women, and that’s exactly right. Our focus isn’t on women because they’re women, it’s on nurturing talent in all its forms – people who are talented and collaborative and who take pride in being a part of and contributing to our strong culture.”