

In The News

Fueled by energy litigation practice, law firm to double Houston headcount

05.31.18

Houston Business Journal

As coverage continues on our recent Houston office expansion, CEO Phil Appenzeller and Houston office managing shareholder Mitch McFarland take a moment to reflect on our history, growth and aspirations. Full article below.

The commercial real estate issues that law firm Munsch Hardt Kopf & Harr PC is dealing with in Houston are good problems to have, said CEO Phil Appenzeller.

He was speaking in the 27th floor conference room of Munsch Hardt's Pennzoil Place office in downtown Houston, where he was visiting from Dallas. Appenzeller was working out of the conference room because the firm doesn't have any free offices among its 21,200 square feet of space in the Bayou City. Since 2014, the Dallas-based firm has doubled the number of Houston lawyers it employs to 33 and it intends to more than double it again in the next several years, Appenzeller said.

The firm is in the midst of an expansion, adding another 8,800 square feet -16 new offices - in Pennzoil Place. Appenzeller said the final cost of building out the space hasn't been determined yet, but the company expects a move-in date around mid-September. The rest of the 26th floor is empty right now, which would be convenient for future expansion, too.

"We're hopeful that we start to fill those offices up and we have another problem on our hands," Appenzeller said. "It is a good problem to have."

Houston is one of three offices the company maintains, the others being the headquarters in Dallas and a smaller site in Austin.

"The strategic plan of the law firm is that the Houston office will grow to be at least the size of the Dallas office," Appenzeller said.

The Dallas office employs 80 lawyers, and Austin has another dozen or so, he said.

Energy practice

Much of the growth in Houston has come from the firm's energy litigation group, and it will continue to play a significant role going forward, Appenzeller said. Even where growth occurred outside of the energy litigation practice, much of it was still associated with the energy industry, Appenzeller said.

"The growth hasn't been all energy, but the energy practice catapulted us into growth," he said.

Munsch Hardt's clients include KBR Inc. (NYSE: KBR), Anadarko Petroleum Corp. (NYSE: APC) and Kinder Morgan Inc. (NYSE: KMI). The firm has 25 energy litigation lawyers, 17 of whom are located in Houston.





"There's no better place in America to be working in the energy business than Houston," said Mitch McFarland, the managing shareholder of the Houston office. "It's been that way my entire life."

Big mergers taking local law firms into national markets have been a boon for Munsch Hardt, Appenzeller said. Each of those mergers leaves some lawyers behind who aren't interested in broadening their practice to a national arena, and many of them have found a new home in places like Munsch Hardt. Appenzeller said his firm is big enough that it can draw in talent from smaller firms looking to access a bigger platform and from larger firms, where the talent might want to stay focused on Texas.

"I don't want to be too cute, but we like to call ourselves Goldilocks," Appenzeller said.

Munsch Hardt has found a space for itself in the middle market, and it doesn't intend to stray from that, Appenzeller said.

"We pretty much know who we are, and we know who we're not," Appenzeller said.

That includes limiting itself geographically — the firm is, for the time being at least, focused on its three existing offices and isn't looking to open new locations, Appenzeller said. It is, however, interested in expanding new practices in Houston, namely in health care, finance and some transactional law, he said.

Houston-based Byrd Interior Construction LP is the general contractor for the expansion at Pennzoil Place, and Houston-based Ziegler Cooper Architects is the architect, a spokesperson said. Transwestern's Tyler Garrett and Eric Anderson represented the landlord in the deal, and Anthony Squillante and Dustin Devine with Stream Realty Partners represented the tenant.

Subscribers can read the article here.

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