



Jennifer Shaw and Gregory Valenza, below right, brought a combined 25 years of employment law experience to their new firm on Capitol Mall in Sacramento.

BIG FISH, SMALL POND

Attorneys with expertise in employment law break away from large firm to form small practice where they're in control.

Seven weeks out, Jennifer Shaw no longer feels like she's running around with her hair on fire.

Shaw Valenza LLP has three lawyers and two staff at work serving clients on the sixth floor of 520 Capitol Mall. There's furniture, wall hangings and the semblance of business as usual. A San Francisco office will open soon. Early last month, Shaw balanced her telephone on boxes and trekked to Starbucks to log on to the Internet as she and Gregory Valenza made the transition from a large national firm with more than 350 lawyers to a startup of their own. Lawyers with 25 years of combined experience in employment law, Shaw and Valenza left Jackson Lewis on June 16 and opened the doors at their new firm June 19. Carolyn Burnette, a former associate at Jackson Lewis, joined the firm as a partner a few days later. The idea to chart their own future in an era where clients pick lawyers, not law firms. "Jackson Lewis is a fabulous firm, but giant," Shaw said. "I've always wanted something of my own."

The hardest part of the transition has been juggling new administrative duties with ongoing client needs, Valenza said. Law firm partners aren't used to picking out phones or deciding where the computer wiring should go.

TAKING CONTROL

Valenza is 41. He worked for one of the largest employment law firms in the nation from the start of his career. After 14 years in the New York, San Francisco and Sacramento offices of Jackson Lewis, he figured he was about halfway done with his legal career. "For the downhill, I decided to try something different," he said. Shaw is 30. She worked at the Sacramento offices of Orrick, Herrington & Sutcliffe and Schachter, Kristoff, Orenstein & Berkowitz before landing at Jackson Lewis in 2000. She and Valenza

got serious about making a change this spring. They like each other and are complementary as lawyers. Shaw specializes in employer training and investigations for public-sector clients. Valenza focuses on employment counseling, litigation and appeals for private-sector clients.

"We are peanut butter and chocolate," said Valenza. "Jennifer can do training and I can help her clients with litigation."

\$125K AND COUNTING

Founding a new firm is not cheap. "It costs a lot of money – it's ridiculous how much," Valenza said. "\$125,000 just to say hello." Shaw and Valenza financed the deal with savings, credit cards and a line of credit. They expect to begin collecting regular profits within a few months. "Nearly all" the clients they expected to make the transition with them have done so, Valenza said. The list ranges from CompUSA, Restoration Hardware and Jelly Belly to The Golden 1 Credit Union and the state of California.

"For me, there really was no decision to make; it was automatic," said Susan White, vice president of administration for Hank Fisher Properties, one of Burnette's clients. "You have a relationship with an attorney, not a firm. There is a feeling of trust."

The tentative plan is to be at 10 lawyers in five years. Valenza will head up the San Francisco office, while Shaw and Burnette remain in Sacramento. A third office in Los Angeles may follow. "We want to be small enough to fit into the same conference room, and be part of a team," Shaw said.

KATHY ROBERTSON | STAFF WRITER



Shaw Valenza LLP

GOAL

To continue as a small law firm with nimble decision-making and a focus on individual clients.

ADVICE

"Don't grow too fast and don't undercapitalize." It's not cheap to start a law firm.

TIPS

Get help. Shaw Valenza hired Donna Gary from Legal Administrative Services, a legal support business in Sacramento, who helped the firm find office space and provided staff, accounting expertise, phone and computer advice.