

# From humble beginnings to international influence

As Hogan & Hartson celebrates its centenary this year, **Adrian Lithgow** looks back at the US firm's history, which reads like the proverbial American dream. From its start as a modest one-man \$200 office, via some controversial lateral hiring and a stellar client list spanning Hollywood stars and oil barons who showed their gratitude with million-dollar cheques, the key to their success, say the partners, is being prepared to do things differently

For an American institution, turning 100 has a genuine historic significance. As Hogan & Hartson chairman Warren Gorrell remarked when celebrating the firm's centenary in London last month: "In Europe you probably think being 100 is finally reaching maturity. In the US it's more like venerability."

Hogan & Hartson was founded in 1904. That is the year Frank Hogan left his job as counsel for the war department with an investment of \$200 and hung his shingle at 918 F Street, Northwest.

Hogan was a self-made man in the finest tradition of the American dream. The only one of five children to survive childhood, he grew up in abject poverty in Brooklyn, working as a cash-boy in a dry goods store by day, selling newspapers at night and occasionally working as a reporter. His break came learning shorthand – a skill he shared with future Secretary of State Dean Acheson and President Lyndon Johnson – and which he made full use of when preparing legal documents.

Volunteering for service in the Spanish-American war he became secretary to General J.B. Bellinger, Quartermaster General of the US Army. This took him to Washington where he enrolled for night classes at Georgetown University.

He graduated top of his class, taking only two years to complete the three-year course and simultaneously passing his bar exams. For two years he juggled his army work with legal cases he undertook privately, working in the evenings and on holiday. Two years later he set up on his own as a full-time lawyer.

A plaintiff's attorney, he was especially good at winning negligence suits against Capital Traction, operator of the Washington trolley system. So good in fact, that Capital Traction hired him so he

would stop suing them and defend them instead, which his firm did until the trolleys stopped rolling in 1962.

In 1918 Hogan hired Spanish-American war veteran William H. Donovan, who took over most of the legal work for client Riggs Bank. In 1924, Hogan, Donovan and a lawyer named Nubby Jones were joined by three new partners: Hogan's son-in-law John W. 'Duke' Guider, Arthur J. Phelan, and Nelson Hartson.

Hartson had become a city attorney for Seattle after World War I and left for the US capital in 1922 when he was appointed assistant solicitor of the Bureau of Internal Revenue (now the IRS) by President Harding. He first met Hogan in Los Angeles where both men were arguing cases. Hogan's reputation was such that young lawyers often stopped in to listen to him in court. The two had lunch and Hogan offered Hartson a job.

Hogan's most famous client was Edward Doheny. Doheny was living in a small California apartment in 1893 when he smelt fumes coming up from the floor. He bought some picks and axes, built a derrick and discovered oil. By 1924 he was one of the richest men in America. Then came an investigation into the granting of federal oil leases. Doheny was indicted for allegedly paying a \$100,000 bribe to Albert Fall, President Harding's interior secretary.

In 1930, Hogan won an acquittal for Doheny by convincing the jury the payment was a 'free loan'. Doheny thanked Hogan with a \$1 million cheque. Then later, at a birthday dinner in honour of Hogan's wife Mamie, Doheny handed her a cheque for \$51,000 – a thousand dollars for every year of her life.

In 1938 Hogan decided to turn his firm into a partnership and to change the name. Hogan & Donovan sounded too Irish.

Hogan & Guider made it sound like a family operation. Hogan & Hartson had alliteration and no drawbacks.

By the beginning of the Second World War, Hogan & Hartson was Washington's most prominent local law firm. In addition to Riggs Bank and Capital Traction, it handled legal work for department stores Garfinckel's and Woodward & Lothrop, the C&P Telephone Company and the Potomac Electric Power Company. Its lawyers also represented the *Evening Star* newspaper and the Mayfair Hotel, where FBI director J. Edgar Hoover lunched everyday.

Frank Hogan was now one of the city's most prominent men and lived in a mansion that is now the Korean embassy. It became a home-from-home for his Californian friends and clients like Hollywood actress Lillian Gish and musical comedy stars Gertrude Lawrence and Beatrice Lillie. For all his power, Hogan heard little of the praise that came his way. By his late fifties, he had lost most of his hearing. At the urging of friends, he was fitted for a hearing aid which, out of vanity, he could not bring himself to use. Then doctors diagnosed Hogan as suffering from Parkinson's disease and in 1944 at the age of 67, he died.

The firm that had reconstituted itself in 1938 with seven lawyers still had just ten. In the 1940s, that was a good-sized law firm. Hartson, a tax lawyer, took over management of Hogan & Hartson and was committed to growth. By 1949, the firm had 14 partners including a new addition named John Sirica.

While other law firms grew slowly through the careful grooming of associates into partners, with those not making the grade falling by the way, Hogan & Hartson did business differently. The firm had



President Teddy Roosevelt in discussion with Frank Hogan following his election victory in 1904



Nelson Hartson in pensive mood in his DC office



Frank Hogan – an official portrait c.1919



Frank Hogan (left) and oil mogul Edward Doheny (centre) celebrate victory on the courthouse steps in Washington.

always been willing to bring in older people who had experience on the outside. In the law, lateral hiring is now commonplace. But even as late as the 1960s, raiding other law firms was considered a taboo in what was a gentleman's club. Covington & Burling, for instance, never would have considered hiring a man like John Sirica, a former boxer whose combative nature carried over into the courtroom.

Hogan & Hartson never had any qualms about lateral hiring. When Hartson decided the firm needed to strengthen its tax practice in 1946, he brought in Seymour Mintz, the former head of the Internal Revenue Commission. E. Barrett Prettyman Jr. joined Hogan in 1963, as only the 29th person to become partner. Prettyman was the son of one of Washington's most illustrious barristers.

A graduate of St Albans, the younger Prettyman landed on Omaha Beach shortly after D-Day. He was a sniper scout for the 9th Army's 84th Infantry. During the siege of Ardennes, Prettyman's feet were damaged in the Northern European winter. After the war he graduated from Yale and then went to the University of Virginia Law School, where he became friends with Robert F. Kennedy. When John Kennedy became president, Prettyman got a job as a White House lawyer. Following the Bay of Pigs invasion, the President asked Prettyman to negotiate the release of 1,113 Bay of Pigs invaders with Cuban leader Fidel Castro. In doing so, he got a tour of Ernest Hemingway's Cuban mansion led by Castro himself.

In 1963, Hogan & Hartson's longtime client Pillsbury became embroiled in an antitrust suit – the government accused the company of violating the Clayton Antitrust Act by acquiring two of its competitors. Nelson Hartson approached Prettyman about representing them in court. Hiring Prettyman illustrated the different approach Hogan & Hartson took to representing clients. First, it got in the business, then it went out and found the attorneys who could do the job. Prettyman won the case for Pillsbury with a ruling that helped establish the company as a banking giant.

Despite such work, Hogan & Hartson was still thought of as a local firm – the attorneys for Woodies and Garfinckel's. It lacked a strong leader who could attract clients and top young law graduates. To lawyers inside the firm, the lack of a dictatorial leader was a blessing.

"The modern firm of Hogan & Hartson was not built on a single individual," says chairman Warren Gorrell. "It was not hierarchical but had a strong democratic sense. No one tells anyone else what to do, but this was not a problem or a weakness; it was our strength."

With more than 1,000 lawyers worldwide-and some 460 in Washington DC, Hogan & Hartson is now the city's largest law firm by turnover. Former partners like David Tatel and John Roberts are senior federal judges. One partner, John Keeney, is president of the District of Columbia Bar Association. Another, E. Tazewell Ellett, is president of the Virginia Bar Association. During the Clinton administration, Hogan lawyer Samuel R.

Berger guided foreign policy in the White House as the firm spread into international hot spots like China and Eastern Europe.

There is no disputing that the firm has charged full throttle into the 21st century. This year alone has seen office openings in Munich and Shanghai. After decades in which it was the third-biggest firm in town, Hogan is now the only Washington firm with more lawyers based outside of Washington than inside it.

In 2002, it expanded its New York presence by acquiring Squadron Ellenoff Pleasant & Shenfield. Hogan's New York office had been growing since 1998 when partner Warren Gorrell moved into the IBM building at 57th and Madison to advise investment bankers such as Merrill Lynch and Lehman Brothers on how to make deals that comply with SEC and other federal regulations. With the merger, Rupert Murdoch's media empire News Corp. became a Hogan & Hartson client.

By 2003, Hogan had achieved its position as the highest-grossing firm in Washington, with its DC partners bringing in \$305 million in revenue. Under chairman Warren Gorrell, revenues have been climbing about 20 per cent a year, and he is determined to bridge the financial gap between Hogan and its competitors. Still, as the firm marks its 100th year, most partners seem satisfied. "We all could make more money somewhere else," says partner Janet McDavid. "But we just don't want to." ■

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