

## Preface to the 2025-2026 Edition

***The History of the Treatise.*** The 2025-2026 Edition of The Law of Law Firms builds upon previous annual updates to the treatise and covers the leading case law developments and ethics opinions during the past year.

The original intent of this book was to assemble in one place everything needed to form and effectively manage a law firm in compliance with the ethical and professional obligations of the profession. In the years that followed the original publication, the practice of law and management of law firms has experienced profound changes. Law firms today are more complex than ever, which affects the way lawyers deal with their clients and each other.

Legal services continue to be a significant growth industry. In 2023, law firm gross revenues increased by as much as 6.8% according to some calculations. The total U.S. based legal services market size was valued at \$372 billion in 2023 alone. This growth brings complicated financial and tech-based relationships along with formidable management challenges that can be difficult to navigate. The well-publicized failure of large, high-profile law firms underscores the importance for law firms to maintain a sound and sustainable management structure and business model.

***The Scope of the Treatise.*** The 2025-2026 Edition of The Law of Law Firms addresses the core operational, ethical, and professional liability issues that law firm managers confront. We address these issues by a careful analysis of the requirements of the Uniform Partnership Act, Revised Uniform Partnership Act, federal and state case law, and the professional bar associations.

The 2025-2026 Edition continues the trend of adding more detailed state-specific guidance in recognition of the fact that many law firms are interested in understanding the professional requirements in particular jurisdictions. We address an unusually large number of ABA Formal Ethics opinions ranging from overseeing nonlawyers, shared office spaces, misuse of confidential government information, confidential client information in the context of listservs, and imputed conflicts of interest. We address the use of AI tools available to the legal industry as courts confront thorny issues about the rules of the road for generative

AI to assist attorneys.

We are sincerely grateful that this book has been a resource to law firms as they have navigated a climate of rapid and unpredictable change over the past 30 years. As Benjamin Franklin famously said—“An ounce of prevention is worth a pound of cure.”