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Baker & Hostetler's Revenue, Partner Promotions Top Last Year's Tally

By Jon Campisi
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What You Need to Know

- BakerHostetler is expecting to exceed $1.1 billion in gross revenues for 2025, although the final financial figures are still being tallied.
- The firm had a successful 2025 measured by financials, work demand and lateral hiring.

Baker & Hostetler has promoted 26 new partners as it looks to build upon a 2025 that will likely prove to be the firm's best financial perfomance ever.

Chair Paul Schmidt said in a recent interview that revenues are expected to well exceed $1.13 billion, which would be up from the $1.05 billion reported for 2024, also considered a historic marker for the firm.

"2025 is a year [that] started strong and stayed strong, which doesn't always happen. We had a very positive first quarter in 2025 and that just kept going throughout the entire year," Schmidt said. "I thought, well, maybe we weren't going to end the year so strong, and we ultimately ended the year very, very strong."

September was one of the strongest months in firm history, Schmidt said, only to be surpassed by December's performance. Net income in 2025 also grew by double digits and profits per equity partner will similarly be up once the firm finalizes its accounting for the past year.

"We ended up really, really having a good year," Schmidt said.

Work remained relatively steady throughout the year in 2025, as the firm saw success in practice

Courtesy photo

Paul Schmidt, with Baker Hostetler.

areas such as litigation, real estate, debt finance and M&A, the latter of which began to pick back up in 2025 after some slowdown in prior years.

The firm also saw success with its digital asset and data management practices, Schmidt said, as cybersecurity incidents and data breaches continue to keep lawyers busy in the digital age.

Baker & Hostetler successfully recovered around $125 million recently for Oregon wineries affected by the 2020 wildfires Schmidt said, with these recoveries serving as a financial bellwether for the firm. This figure constitutes the latest recovery out of the millions the firm has helped secure in the past handful of years since the blazes. In total, the firm recovered $300 million for homeowners who lost properties in the fires and $250 million for timber companies who lost product in the blazes.

"It's our third recovery for the victims of those fires of people who've lost their houses or suffered business [losses]," he said.

Last year also marked the fifth anniversary of the opening of the firm's Dallas and San Francisco offices, which Schmidt described as "exciting new markets for us."

"They've been really successful markets, contributing to our bottom line," he said. "When I look at our year in review and I think about [it], those offices weren't here five years ago and yet they made a really material contribution to our bottom line this year. I see it kind of vindicated the choice of opening there."

Additionally, 2025 marked the opening of the firm's Austin, Texas office, the firm's 18th overall, which rounds out what Schmidt called the Texas triangle of Austin, Dallas and Houston.

The firm's 26 new partners, who assumed their new titles on Jan. 1, exceeds last year's new partner class by two attorneys. The promotions are significantly higher than 2024, which only saw 13 lawyers elevated to partner.

Schmidt also noted the 30 lateral partner hires made in 2025, saying the additions really helped to bump up overall partnership ranks.

The new partners include lawyers in all six of the firm's core practice groups across 12 of the firm's 18 nationwide offices.

Continuing to look to the new year, Schmidt envisions continued investment in AI and related technology, although he admitted that the firm continues to study how to reprice the offerings, and how AI may affect billing structures moving forward.

"I don't really believe it's going to replace lawyers, but I think lawyers who know how to use it efficiently will replace lawyers who don't," Schmidt said of AI. "We've got to get our lawyers really, really trained on that."

Looking ahead to the new year, Schmidt said the firm continues to evaluate political uncertainty as well as any possible macroeconomic factors that may affect firm business.

"The beginning of this year started with our industry under assault, and that was something that we had not expected," he said, referring to the executive orders leveled by President Donald Trump against some Big Law firms. "Different firms who were challenged by the executive orders reacted differently and I have the utmost respect for all their decisions because everybody has to take into account their own facts and circumstances."

While Baker & Hostetler wasn't specifically singled out with an executive order, Schmidt said, "we certainly were affected by it in so far as we are part of the industry and something that affects the industry."

The unpredictability of Trump's assault on Big Law last year as well as the unexpected COVID-19 pandemic has firm leaders like Schmidt aware of the potential for similar future moves and can serve as a cautionary tale when it comes to unforeseen risks, he said.

"The lack of predictability, the uncertainty, has become the norm," he said. "Anything you do has to be built with the notion of volatility because you don't know what's on the horizon. There's things that are completely unrealistic … unfathomable things happen all the time that we have to be prepared to react to and yet continue to move forward and pivot and respond and keep your people on track and keep serving your clients as best you can."

While Schmidt is optimistic about the firm's prospects for 2026, Baker & Hostetler continues to operate fiscally conservatively, with financial stability and a lack of debt contributing to the firm's ongoing success.

"I didn't take on any debt during the whole pandemic," Schmidt said. "We certainly have lines of credit and are capable of doing that if we need to. We're very well capitalized."