

Prepared Under Direction of the American Intellectual Property Law Association Law Practice Management Committee

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#### INCOME RECEIVED IN 2022 AND PROJECTED FOR 2023, BILLING RATES, AND BILLABLE HOURS

Compensation was measured broadly by gross income, which includes salary, partnership income, cash bonuses, shares of profits, and deferred compensation. Also covered were retirement and savings plans as well as expected total cash income for 2023. Worth noting for this year's report, the 2022 gross income and 2023 expected income are displayed for full-time only, while the part-time income is summarized in the appendix. In addition, for private practitioners, data were collected for billable hours, rates, and the amount billed for legal services. The findings are summarized below:

- The median gross income for respondents, regardless of primary practice, has increased most every year since the 1998 survey when the median was \$130,000. In 2023, however, the median gross income for full-time only respondents was \$254,127, which is lower than reported for 2020 (\$260,000) and for 2018 (\$255,00) noting that all previous survey data included all respondents regardless of employment status.
- For all respondents that are in private practice, and full-time, the median gross income for 2022 was \$270,000, which is lower than the \$273,000 that was reported for 2020. The 2022 median gross income for all full-time corporate practitioners was \$260,168 also lower than the \$275,000 reported for 2020.
- Full-time private firm, equity partners reported the highest median 2022 gross income at \$420,000, full-time partner-track attorneys' median 2022 gross income was \$205,000 while full-time solo practitioners reported a median gross income of \$192,250. Full-time corporate IP department heads reported a median 2022 gross income of \$292,250.
- The median expected gross income for 2023 for all full-time respondents is \$272,250 which is higher than the expected 2021 median gross income of \$265,000.
- The median expected 2023 gross income is \$425,000 for full-time private firm, equity partners, while the full-time corporate IP department heads reported an expected gross income of \$322,821. Solo practitioners who are full-time reported expecting a median of \$200,000 for 2023.
- The median year-end 2022 cash bonus reported for all respondents, regardless of employment status, was \$35,000, which is higher than reported for 2020 (\$33,680) and for 2018 (\$30,000). Bonuses can vary greatly, for example, private firm, equity partners had a median year-end 2022 cash bonus of \$75,000, and an average of \$173,016—this large difference demonstrates the wide range of bonuses that were paid to respondents in this category in 2022. Private firm, partner-track attorneys reported a median year-end bonus of \$14,000. Corporate IP department heads reported a median year-end bonus of \$46,271 while the corporate IP department attorneys reported a median bonus of \$35,800.
- Same as for 2020, the median 2022 employer contribution to 401(k) and 403(b) retirement & savings plans for all respondents was \$12,000. Private firm, equity partners reported a median employer 2022 contribution of \$20,500, while solo practitioners reported a median of \$18,000. Corporate IP department heads reported a median employer contribution of \$12,250, and corporate IP attorneys received a median employer contribution for 2022 of \$11,976.
- Median billable hours recorded for all private firm individuals in 2022 was 1,387, which is lower than the 1,450 reported for 2020 and for both 2018 and 2016 (1,500 both years). Private firm, partner-track attorneys billed the most (median) hours in 2022 (1,646), while private firm, equity partners reported recording a median of 1,500 billable hours in 2022. Solo practitioners reported a median of 750 billable hours in 2022.
- The median average hourly billing rate for all private firm attorneys in 2022 was \$450 which is the same as reported for 2020, but higher than the median of \$400 reported for both 2018 and 2016. The median average hourly billing rate for private firm, equity partners was \$500, and was \$400 for both solo practitioners, and partner-track attorneys.

The median dollar amount billed for legal services in 2022 for all private firm respondents was \$500,000, which is lower than the \$550,000 reported for 2020. Private firm, equity partners reported the highest median dollar amount billed for legal services in 2022 at \$700,000, followed by partner-track attorneys at \$594,000. Solo practitioners reported a 2022 median dollar amount billed of \$240,000, same as for the previous two surveys.

### Trend of Median Incomes: 2000-2022\* (P. I-7, Q13a)

All Private Firm, All Corporate, and All Survey Respondents



Income is reported in thousands and includes partner income, cash bonus, share of profits and deferred comp.

# Trend of Median Incomes for Private Practice Attorneys: 2000-2022\* (P. I-7, Q13a)

**Private Firm-Solo Practitioners, Partners, and Partner-Track** 

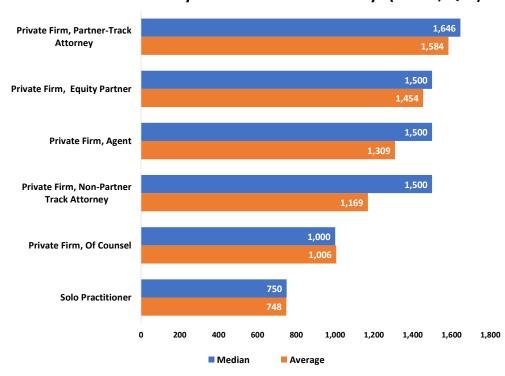


Income is reported in thousands and includes partner income, cash bonus, share of profits and deferred comp.

### Median Gross Income by Primary Practice Full-Time Only (P. I-7, Q13a)

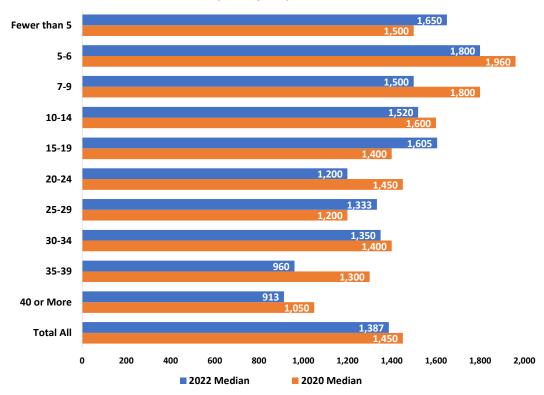


### 2022 Billable Hours By Private Practice Attorneys (P. I-11, Q32)



#### Billable Hours for Private Practice Attorneys (P. I-11, Q32)

By Years of IP Experience



## Trend of Median Billable Hours for Private Practice Attorneys: 2000-2022 (P. I-11, Q32)

