

MESTEL & COMPANY AND HIRE COUNSEL BECOME THE FIRST EMPLOYEE OWNED COMPANIES IN THE LEGAL PLACEMENT AND STAFFING INDUSTRY

Both companies sell their stock to an Employee Stock Ownership Plan

NEW YORK, September 13, 2011 - [Mestel & Company](#) and [Hire Counsel](#), national companies exclusively dedicated to legal placement and temporary attorney staffing and review management, announced today that they have sold their stock to the HCMC Legal, Inc. Employee Stock Ownership Plan (ESOP). The ESOP will be extended to all qualified employees of the two companies as well as to the thousands of attorneys who work on a contract basis for Hire Counsel. Mestel & Company and Hire Counsel, both founded by attorney Lynn Mestel, become the first legal recruiting and staffing agencies to be employee owned.

“This program enables us to recognize the outstanding work and dedication of our full time recruiters and administrative staff as well as the thousands of professional temporary attorneys who work in corporations and law firms across America on our behalf,” said Mestel. “It also sends a strong signal to our clients that we are deeply committed to our core values of teamwork, integrity and professionalism and ensures a sustainable strategy to maintain our commitment for years to come.”

Mestel will continue as a major investor and President of the companies. Hire Counsel COO Willa Fawer and Mestel & Company COO Avery Ellis and Executive Director Sam Roberts as well as key managers, are also committed to working and remaining with the organization.

The formation of the ESOP comes at a time of growth in the legal recruiting and temporary legal staffing industries. Rising electronic discovery demands have prompted corporations and law firms throughout the country to rely more on temporary attorneys, and more law school graduates are opting for careers as contract lawyers due to the tight job market. At the same time, legal placement is growing as law firms are increasingly looking to lateral partner hires as a means of revenue growth.

“This will make a huge difference for our employees, providing them with a significant equity incentive in our company and motivating them to continue to offer the best service to our clients,” Mestel said. “It gives them a chance to become owners of the company, and their stake will continue to grow with the business. Broad ownership of the company helps assure its longevity and success.”

Research has shown that employee ownership builds successful, competitive companies, and creates equitable wealth for employees. ESOP companies typically provide better benefits, have twice the retirement income for employees, and pay higher wages than non-ESOP companies.

The private investment firm [Long Point Capital](#) helped finance the transaction. Ira Starr, Managing Director of Long Point, said, “We are excited about partnering with Lynn and

her employees. This transaction provides a strong platform for the management team to continue to grow the business and we believe that the ownership by the employees creates a competitive advantage in the legal staffing and placement industries."

About Mestel & Company and Hire Counsel

Founded in 1987, Mestel & Company (www.mestel.com) is one of the largest legal placement companies in the country, with an associate and in-house counsel placement division, and a partner, group and law firms merger division. Hire Counsel (www.hirecounsel.com), founded by Ms. Mestel in 1993, provides temporary and permanent legal staff, including attorneys, discovery specialists, paralegals, coders, litigation support professionals and contract administrators to corporate legal departments and law firms nationwide as well as e-discovery review management. The combined companies, which have tripled in size in the past five years, manage a network of over 50,000 attorneys and legal staff through 22 offices and interview facilities across the country, as well as perform lateral associate and partner placement for the *American Lawyer's* Top 100 and Top 200 ranked law firms in the country.

More information about employee ownership is available from the National Center on Employee Ownership at www.nceo.org.

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