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THE BUSINESS OF PRACTICING LAW

## SMART MARKETING: IDEAS YOU CAN USE TO GET YOUR FIRM BACK IN THE GAME

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## MARKETING YOUR PRACTICE TODAY: A BUSINESS-MINDED APPROACH TO BUSINESS DEVELOPMENT TARGETING THE SUPERSTAR CLIENTS

By Susan Shallcross

http://www.americanbar.org/publications/law_practice_home/law_practice_archive/lpm_magazine_articles_v36_is3_pg46.html

Every law firm is trying to operate more economically, which includes maximizing limited business development resources. In this area, law firms could definitely benefit from a more objective, corporate-style approach. That, however, means they need to reevaluate how they view their client base as a whole, in terms of positioning, prioritization, expansion and retention.

Most law firm business development efforts tend to be ad hoc and opportunistic, with the efforts often conducted in an individual attorney or practice group silo. Most businesses, on the other hand, take a holistic and systematic approach in selecting the clients they want to get, engage further *and* retain for the long term because those clients (1) are profitable and (2) have needs that fit with the current and future strategic direction of the business. Using a systematic approach to targeting clients for additional work increases the likelihood of not only obtaining the initial work, but also expanding client relationships and improving retention.

For most industries—from consumer products to professional services—this approach involves client segmentation and analysis. Such segmentation carefully considers the various niches where products and services are highly likely to add value and is often a key strategy for establishing brand recognition. Companies adept at this often start by focusing on historical patterns of existing clients and applying lessons learned to identify high-opportunity or high-risk clients. Understanding the characteristics of today’s premier clients can, in turn, help identify latent premier clients, or ones who are more likely to purchase additional products or services.

From there, businesses can better focus on improving the profitability of client relationships by ensuring a direct link between their investment (of both time and money) and the value of the relationships. The business gains a clearer focus by identifying with whom to work, and with whom *not* to work. Segmentation can also help businesses match expertise to the issues affecting high-value clients, grow new areas of expertise and provide extraordinary levels of service.
Law firms can mirror this model, too. By focusing on the right clients, building more expertise in their unique industry issues and reducing the number of clients that do not fit into priority segments, they can build a much deeper understanding of client issues and communication preferences—elements at the core of strong client service. Plus, knowing which clients to pursue will enable firms to stop or curtail less-productive marketing and business development, thereby saving considerable time, money and mental effort. Here is how it begins.

**Segmenting the Client Base: Getting Started**

The first step is to focus the firm's segmentation efforts on current clients who are either high-value ones or likely to become high-value ones, a process that must encompass both objective facts and issues of strategic importance to the firm.

Identifying the first group, the firm's existing high-value clients, is fairly straightforward. Your current high-value clients, or "superstar" clients, are those who have trusted the firm with a great deal of legal work consistently over many years. Since firms also place higher value on work of particular types and work that is not significantly discounted, those characteristics are factored into identifying high-value clients as well.

The second part, identifying clients likely to become high-value ones, is more complex. An important initial step here is to conduct a brainstorming exercise to share all ideas without consideration of their viability. It is essential to think about many aspects of what a future superstar client might look like. Usually, clients who display one or more of the following characteristics should be considered potential high-value ones:

- They have a growing amount of legal work in an area of firm expertise.
- They are loyal to the firm but provide substantial high-value work to other firms.
- They provide profitable work—i.e., invoices are promptly paid and not substantially discounted.
- They are within key strategic industries for the firm.
- They are showing signs of rapid growth early in their business life cycle.
- They hold especially strong relationships with multiple individuals in the firm.

There is also another group of clients worth identifying: those who were at some point high-value clients but have either reduced the volume of work they provide to the firm or have started providing work less consistently. While they might not seem as exciting as the newer, growing clients, they could have the potential to become high-value clients again and should not be overlooked.

Such a “white board” exercise is useful for high-level thinking about ways to prioritize clients for business development efforts. But identifying clients who actually meet these characteristics requires knowledge from several combined sources: a firm’s time and billing system, client relationship management (CRM) software and competitive intelligence sources. The data are out there—pulling the information together for decision making is where the rubber meets the road.

**Further Exploring the Patterns Behind Superstar Status**

While it’s essential to know which clients are currently providing the larger amounts of legal work, analyzing those clients’ past patterns with the firm can also prove extremely enlightening. For example, analysis can reveal which clients have consistently provided large volumes of work for, let’s say, 10 years on average. This kind of finding can be important from many perspectives.

Clearly, these types of clients should be receiving some special attention. Perhaps they need full teams organized around them or a periodic visit from a senior partner. Also, in terms of forecasting and anticipating work for the firm’s lawyers, these clients are highly likely to provide a steady volume of work in the future.

In addition, analysis could reveal that each year this long-standing segment trusted the firm with its legal work in multiple types of law. Such clients are highly profitable, so fittingly, the firm’s most senior partners are much more likely to spend time working on the matters of these clients than other clients of the firm. And these clients have stronger relationships and more interactions with firm lawyers.

These clients set the bar. The more you look under the hood, the more you realize you want more clients to be like them. So the next step in this scenario would be clear. Once it identifies its existing high-value clients, the firm can understand what those clients looked like along the way to obtaining superstar status—and find other clients who can be nurtured along the same path.

**Nurturing the Next Wave of Superstar Clients**

Here is an example of how to proceed. In looking back at the first 12 months in which your current superstar clients provided work to your firm, let’s say you find these clients provided a similar volume of work in their first year as they did in the most-recent year. This knowledge can have an important effect on business development prioritization. Essentially, the name of the game might not be to “grow” volume from clients, but to retain it at steady volume levels.

In addition, the clients who have provided consistently high volumes of work could do so through different mixes of types of law, with their needs shifting each year. This finding underscores that it is essential for partners responsible for potential superstar clients to foster strong relationships to ensure that those clients will keep the partners aware of their changing needs—and will trust your firm to meet those needs.

Once armed with the knowledge that today's superstars almost always begin as high-volume clients, here is your obvious next step: Sort through all the firm's clients and identify those in their first 12 to 24 months with the firm who are providing significant volumes of work across several practice areas. The objective will be to keep these "fast-track" clients "on track."

You can then direct your attention to another segment of clients—those who give your firm important quantities of work but not as reliably of your superstar clients do.

**Digging Deeper into Potential High-Growth Work**

A large percentage of clients provide significant volumes of work to firms for many years, but not at the consistency level of the superstars. Is it because those clients have not had consistent legal needs or because some of their legal needs were met by other law firms? If the latter, are their legal needs in areas where your firm has expertise? Have you been missing an opportunity?

To investigate this further, you can narrow down your client list to those with the following characteristics:

- They have been with your firm for a number of years.
- They have provided significant work, though inconsistently, over their lifetime.
- They have provided legal work of one or two types.
- They have maintained solid relationships with your lawyers.

Based on your firm's size, this might yield a larger list than you were seeking. So here is one more criterion you may want to apply. If your firm has recently grown significant expertise in a handful of particular industries, you could also narrow the list of clients to those within these key industries. These clients can be dubbed "high-growth" potential.

You can then proceed to build out several more client "profiles" to narrow your focus to the best business development candidates. Within the profiles, you can consider not only the amount of legal work from each client, but also the value of the work provided. The segmentation approach can enable you to prioritize clients that provide relatively high-margin work to the firm and encourage you to not devote business development resources to clients providing low-margin work.

Gaining Greater Market Share Identifying clients within particular profiles can certainly inform your firm about client life-cycle patterns and opportunities. This information, however, may not be actionable until you gain more insight into the clients' legal needs. To round out your knowledge of the clients to focus on first and to build your strategy, you then bring competitive information into the database.

Firms use multiple sources of competitive information in business development every day. While the exact type and quantity will vary based on firm size, budget and staffing, by creating a process for combining your internal data sources with external business intelligence and relationship intelligence for key client "profiles," you can more easily identify the clients that represent the greatest opportunities.

For example, you could give a higher priority to clients demonstrating trends of increasing legal work of a particular type than to those whose work is stable or dropping off. In addition to looking at overall volume, you could consider trends to help identify clients with whom you are losing share of work in order to move quickly to reverse that trend.
But overall, by choosing high-potential clients and building competitive intelligence into their profiles, you may find evidence of work opportunities you never knew existed for clients who were not part of your initial “top clients” analysis. The payoff could be big.

**Moving from Analysis to Action**

One thing is strikingly similar between managing the business of a law firm and the business of a corporation. Getting and keeping business requires a team effort among players from various areas of the organization. The act of prioritizing business development opportunities does not in itself bring in more business, but it definitely makes time focused on business development more likely to be effective.

Sharing client analysis across the organization to help the lawyers gain more business has another positive aspect not yet mentioned. Lawyers are trained to think in logical, sequential steps and have an appreciation for objective, fact-based analysis. Seeing an objective analysis of the client base enables them to see the logic in focusing their business development efforts on these particular clients. That, in turn, can eliminate some of the political jockeying that can take place among partners and instead prioritize marketing efforts based on a set of objective factors.

The priority clients coming out of the analysis are the ones to proactively target for retention and expansion, which in larger firms is generally accomplished by forming a multidisciplinary client team. This requires a sophisticated and institutional approach to client management, not merely a reactive approach as was commonly the case in law firms in the past. It requires focusing more on the unique and specific needs of a given client, across practice areas, typically resulting in better service quality and experience for the client, which then results in the expansion of the work from the client—both in terms of total revenues from the client and the profitability of the work.

The bottom line: As law firms grow into a more sophisticated business model, it is likely they will begin to mirror their clients’ operating standards. And when it comes to client analysis, segmentation and targeting, which have long been essential to marketing and business development in the corporate world, law firms will very likely find that they can produce results in a far more cost efficient and effective manner.

Susan worked with Kris Satkunas, director of the Redwood Think Tank at LexisNexis, on a client analysis project for Duane Morris.

## About the Author

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# ABA Solo, Small Firm, and General Practice Division

# GP Solo

http://www.americanbar.org/publications/gp_solo/2012/may_june/landing_big_fish_small_firms_representing_big_companies.html


## Landing the Big Fish: Small Firms Representing Big Companies

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By Kathleen Balthrop Havener

Kathleen Balthrop Havener founded the Havener Law Firm LLC in Cleveland, Ohio, in 2008, where she practices with her husband and law partner, Thomas G. Havener, focusing on complex commercial litigation as well as complex commercial and government transactions.
"Never count yourself out." If you read no further in this article, hear this message from Cathy Lamboley, a lawyer with C. A. Lamboley Consulting, LLC, and former senior vice president and general counsel for Shell Oil Company, who graciously granted an interview for this article. "If you're comfortable with the lawyers and you know they can handle your work, nothing would stop a Fortune 500—or even a Fortune 50—company from hiring a small firm." In other words, in this as so many other things, "It's all about the relationships." While Lamboley was general counsel at Shell, 100 percent of Shell's intellectual property work was handled through a firm with no more than eight or ten lawyers. If, in that small firm's judgment, the matter required the depth of a larger firm, with Shell's agreement they would bring on a larger firm, but the small firm remained in control.

### Gaining Access

Diversity is one way for solos and small firms to gain access to large clients. According to Lamboley, companies are becoming increasingly conscious of diversity issues and committed to having diverse teams of lawyers represent them. A minority- or woman-owned law firm should let it be known that it is happy to partner with larger firms whose diversity profile might not be as attractive as they would like, in order to satisfy the client's "diverse team" demands in a more immediate way. How to build such partnerships? Become certified as a woman-owned or minority-owned firm. Tell everyone you know in large firms and corporate law departments you'd like to be on their list of candidates for the small-firm piece of their team.

Sometimes simple serendipity is the only doorway to representing corporate America. I left a large firm in 2008 to start my own practice. I got a telephone call one recent day from the general counsel of a large company for which I had done significant work at my former firm nearly a dozen years ago. Something had arisen in current litigation that related back to the arbitration I had worked on, and as it happened, I was the person with the institutional memory to tackle the discrete new task. That small connection earned me a spot on their approved counsel list for northeast Ohio, which I certainly hope leads to further work. What's the lesson here? Nourish your relationships. You never know when someone you know who's a thousand times more prestigious and well placed than you are will need your help. And if that important person knows you as someone who can be trusted to complete the job as expected, you're a giant step ahead.

One in-house lawyer who's in charge of labor and employment at her large company of approximately 18,000 employees in multiple locations engages a solo practitioner to manage every single one of the employment discrimination lawsuits against the company. The lawyer is in the same city as the company's headquarters. As an employment defense lawyer and a Title VII expert, she is in close touch with the employment defense bar around the country. She engages co-counsel in any jurisdiction where she needs assistance. The outside lawyer is directly involved in and thus has her finger on the pulse of every one of the company's discrimination lawsuits. And the in-house lawyer has a single contact who can report to her on the status of any or all of these cases at any given time. How did this come about? After the in-house lawyer hired the same outside counsel to handle several of the local discrimination lawsuits, she realized she had the ideal resource for helping her to manage one entire "folder" from her portfolio. The outside lawyer was delighted, and the small firm/big firm partnerships began occurring—just in the opposite direction than usual.

## David vs. Goliath

Those of us in small firms often wrongly assume that big law firms have an overwhelming advantage in attracting business. How can my home office compete against the monster firm with offices in 20 cities? Indeed, one in-house lawyer told me outright that he feels constrained to hire the "big name" firms so that "if something goes south," he doesn't have to explain that he failed to secure the help of the roughest, toughest hired guns. It's nonsense, as we know, but some people are more risk averse than others.

But remind yourself of the problems facing those large law firms. Their junior associates are leaving or being driven out in droves. Their senior associates or junior "income partners" make lateral moves so frequently it must make their clients' heads spin, leaving clients wondering what happened to the worker bees on their representation teams. Indeed, in their compensation struggles, the threats of the "young Turks" to leave the firm and take their clients elsewhere are so ubiquitous, I wonder if clients even realize what the environment is like in most large law firms.

There can be no doubt that relationships are the heart of the practice of law. Most outside counsel will admit that the success of their firm depends on the relationships they have with their clients (along with their colleagues, their support staff, and others), and most in-house counsel acknowledge that they engage their lawyers based in large part on their confidence in the outside counsel's honesty and trustworthiness, along with their ability to handle the matter. And what can my small firm offer—in terms of a relationship—that a large law firm cannot? What can my law firm do better?

In my view, we can offer a lot. We can assure large clients that we are grateful for their trust and confidence and genuinely appreciate their work. Indeed, for a small firm, the work of a large (and solvent) client may very well mean the difference between success and failure, while in a large firm, this work is just another case. For my partner and me, work from a big client allows us to get back into the work that inspires and energizes us (between us we spent 38 years in large law firms). It's work we love that provides us a better incentive to do it creatively and well.

We can also assure the client that my partner and I will actually staff the matter—there are no associates or paralegals here to whom we might pass off individual portions of difficult cases. We—and only we—are directly responsible for every piece of work product that goes out the door. That makes us more attentive to the quality (even perfection) of everything we do. Our extraordinary technology allows us to collect and integrate every kernel of knowledge that we gather during the investigation and development of a case and have it at our fingertips at any given moment. And our solid collection of self-prepared documents from other cases prevents us ever from having to spend time reinventing the wheel.

In fact, in this economy, I believe that small firms are ideally placed to start getting more work from large clients than ever before. There is no doubt that Big Law brings with it huge overhead, which—in the end—is paid for by the fees these firms collect. Why would any client, much less in-house corporate lawyers who are being pressured on a daily basis to reduce the legal budget, spend more than necessary on competent, responsible, and responsive representation—especially when they don’t have to?

Small firms, on the other hand, have what large clients want. They have low overhead, their charge-out rates are significantly lower than large firms’, and they have lots of experience with fixed fee billing for commodity work. They’re also hungry to get their hands on large firms’ institutional client work. Large clients should be interested in what small firms have to offer, as large firms are generally unresponsive to their oft-repeated requests for alternative billing. It’s time for small firms to turn their better value offering to their advantage and lure better work away from large firms. Large clients are—or should be—looking for options. The economy hasn’t turned around yet, and smaller enterprises are in the best position right now to convince large clients to look to them for some of their outside counsel needs.

### A Manifesto for the Little Guys

What does a small firm need to do to be considered for larger clients’ work? Create an alternative billing strategy. Get it in front of in-house counsel. And convince them you can handle the work. How? In many cases, because you’ve done their work before. I am a refugee from Big Law and did nothing but large, complex matters for the first 17 years of my career. My departure from my former firm did not diminish my legal skills. Neither should it have cut off my access to work from larger clients, but—for a while—it did.

I intend to change that. I intend to develop a new strategic plan with a unique value proposition. I intend to offer value pricing and try to make potential clients very happy. I intend to market myself as every bit the same quality lawyer I ever was, but now I can make pricing arrangements on my own terms, and without jumping through the hoops of a management committee to do it. I can use social media as I see fit and take advantage of this effective and inexpensive marketing technique that large firms just don’t seem to handle as well as small firms. If I want to offer a flat fee for service, I will. If I want to charge a monthly retainer to handle a litigation matter, regardless of the number of hours I and my colleagues have to spend to achieve it, I will. What I won’t do is sacrifice the quality of the representation my clients are paying for because they don’t want to pay for a larger number of hours.

Large clients need to understand the level of commitment I have to my own venture. I’m not merely trying to build a client base. I’m trying to do work I love and that I can be proud of with the people I choose to work with, and at a price that seems fair and decent to me. I’m trying to build a new business model. I’m not trying to amass a fortune or fund an expensive enterprise.

Instead, I’m trying to make my everyday life more fulfilling and my financial life a little less harrowing.

I don’t want larger matters from larger clients because they will make my life easier. Indeed, these matters may make my life more complicated—in the same way solving complex medical enigmas may be more complicated than treating childhood ear infections. Not more important. Just different. I want to work on more complex matters because they will make my life more interesting and because they can help magnify the amount of positive impact I can have on the world. To every in-house lawyer who’s reading this article, give me the chance. You will never regret it.

And as for me? I’ll be knocking on your door. For I will never count myself out.

THE WALL STREET JOURNAL.

# Smaller Law Firms Grab Big Slice of Corporate Legal Work

## Midsize Firms Nearly Double Share of Big-Ticket Litigation, New Analysis Says

http://www.wsj.com/articles/SB10001424052702303672404579149991394180218

By JENNIFER SMITH
Oct. 22, 2013 12:02 a.m. ET

Companies that once regularly hired the pricey titans of the legal business are sending more work to smaller, cheaper firms—and not just for routine jobs.

Over the past three years, midsize law firms with 201-500 lawyers have nearly doubled their share of big-ticket litigation, to 41% from 22%, of the work that generates more than $1 million in legal bills, according to a new analysis set to be released Tuesday.
The biggest firms—with more than 750 lawyers—are losing ground. During the same time period, their share of overall legal billings dropped to 20% from 26%, while midsize firms increased their market share to 22% from 18%. The figures are based on an analysis of $10 billion in legal fees by CounselLink, a legal software provider and a division of LexisNexis.
That shift spotlights how clients' relentless hunt for savings continues to upend a profession in which marquee firms have long dominated lucrative corporate work.
"The larger the firm the higher the cost," said Don H. Liu, general counsel for Xerox Corp.While he uses elite law firms for critical transactions, he helps keep the company's legal bills in check by sending other work to smaller law firms in St. Louis and other low-cost locations. "Big law firms don't have a monopoly on talent," he says.

General counsel at many companies have become smarter shoppers since the economic downturn in 2008, when clamping down on legal costs became a necessity.
Corporate law departments face continued pressure to keep the bills down. Switching from a big firm with expensive offices in New York or Los Angeles to a midsize shop with 500 or fewer lawyers can yield significant savings, in-house lawyers say.

A partner who specializes in mergers and acquisitions might cost anywhere from $700 to $1,000 an hour in New York or London to "around $500 an hour" in the Midwest, according to Nick

Sayeedi, the general counsel for Blockbuster LLC. "And many of these people have come from the big firms and have similar expertise."

He added that some in-house lawyers resent having big law firms continue to boost their hourly rates 5% to 10% at a time when some companies are struggling, with revenue growing at a slower rate.

But quality matters too. "This is an art, and you can't just treat obtaining legal services like you're going to the lowest common denominator," said Brackett Denniston, general counsel at General Electric Co., which has long evaluated law firms by looking at both quality and price.
Indeed, corporations still hire name-brand firms for the most crucial matters—a multibillion-dollar acquisition, for example, or a class-action lawsuit that puts a company's reputation on the line.

Many of the largest U.S. law firms also remain the most profitable, despite the incursions into market share. Losing out on some lower-end work isn't necessarily a big blow to elite New York firms or those with armies of lawyers in major U.S. cities—as long as they continue to land the most sophisticated and lucrative assignments. "The losers are the big firms that aren't migrating to high-rate work," said legal consultant Kent Zimmermann,who is based in Chicago.
But the pool of such work is shrinking as clients grow increasingly comfortable with sending complex work to smaller or lesser-known firms. "Firms further down the food chain are getting more of that high-rate work than they used to," Mr. Zimmermann said. "That's the result of a chain reaction that started in 2008 and continues today."

Small and medium-size firms face their own competitive pressures. Despite the increased flow of work down market, many of them have opted to grow through mergers with other firms. Such combinations can increase a firm's reach and, potentially, its revenue if existing clients opt to send more business its way. Big firms also enjoy some economies of scale and can offer bigger paychecks to lure talented lawyers from smaller shops.

Many companies like to hire a mix, retaining big international firms for complex, cross-border work but hiring small firms and even solo practitioners for matters such as patent prosecution that don't require such a deep bench.

Ronald S. Milstein, general counsel for Lorillard Inc., said the tobacco company uses Hughes Hubbard & Reed LLP, a well-known New York law firm, to handle corporate work and national product-liability litigation. But he hired a smaller regional firm, Adams & Reese LLP, to do extensive work on about 4,500 state and federal civil litigation cases pending in Florida and to work with the larger national firms that Lorillard also employs.

"Not everything is a bet-your-company kind of case, and not every case warrants the big guns from New York," Mr. Milstein said. "Smaller firms—they want you more, they value you more." Some companies have always shopped around for legal services, but before the recession, general counsel would often hire well-known law firms as a sort of insurance policy to reassure nervous boards and investors, particularly during big transactions. "You can't get criticized for selecting Sullivan & Cromwell," said Robert S. Marin, general counsel forPanasonic Corp. of North America.

For some chief legal officers, though, the prestige of the individual law firm has become less important than the capabilities of individual lawyers.

Many smaller law firms have partners and attorneys who were trained at the country's biggest law firms and then left. And clients are increasingly willing to hire those lawyers, according to a recent survey of top legal officers at 88 big companies by AdvanceLaw, a company that helps general counsel at Panasonic, Google Inc. and other companies vet law firms and attorneys. Nearly three-quarters of those surveyed said they would be less likely to use a "pedigreed" firm for high-stakes matters if they could save 30% of the total bill by hiring a good lawyer from a less-prestigious firm.

Cost isn't the only part of the equation. Nearly 60% of the general counsel polled by AdvanceLaw said lawyers at the most elite law firms were less attentive to their concerns than those at other firms.

"Sometimes they are responsive," wrote one respondent, who heads up legal services at a company in the publishing industry, "but in ways that end up being breathtakingly expensive."

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# FORBES Business
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Big Law, Big Problems: The Bright Future For Small Firms

The era of the small law firm is dawning.

by **Basha Rubin**, Contributor

http://www.forbes.com/sites/basharubin/2014/07/07/big-law-big-problems-2/

When I graduated from Yale Law in 2010, the majority of my classmates accepted positions as associates at major law firms in major metropolises. They worked themselves silly at the very bottom of the totem pole. Four years later, many are questioning the vertical hierarchy: 7-10 years as an associate before the powers-that-be inform you whether, or more likely not, you've been admitted to the cabal: law firm partnership.

And the big law business model is stumbling. Since "Bloody Thursday" in 2009 when big law firms laid off more than 748 staff and lawyers, dozens of firms have gone out of business or restructured. Clients are demanding lower costs and more efficient service, forcing law firms to rethink their rigid models. I'm not arguing that all big law firms will disappear entirely. Why should they? Many provide unparalleled service, the crème de la crème of legal services. They will continue to make sense for the biggest deals—the next time I merge my multi-billion dollar corporation with another multinational multi-billion dollar corporation, I certainly intend to hire one. But meanwhile… back to reality.

There are leaner, more cost-effective ways for lawyers to deliver services to most clients most of the time. What I observe every day as the CEO of Priori, a curated marketplace that connects business owners with vetted lawyers at transparent prices, is that mid-tier firms are shedding associates something serious. These lawyers want flexibility and independence—to service the clients that inspire them, at prices and pricing models that don't cause potential business to blanch, at a rhythm and schedule that is sustainable.

These lawyers are entrepreneurial, gung ho, and ready to compete. I know them; they are the early-adopters of my company, and other legal technology companies, and their numbers are growing by leaps and bounds each year. Technology is the catalyst for their coming dominance. Previously disaggregated and fragmented, they can use technology to improve their efficiency with new tools that automate document production and assembly, workflow management research, and contract review. (PlainLegal, LawPal,Diligence Engine, Ebrevia, Ravel Law, Judicata) With this arsenal, they can maintain high-quality work at lower prices. And companies like mine and others help them connect with the clients they want, with other lawyers to assist (WireLawyer, Hire an Esquire), and back office functions, like billing, invoicing and collections, that they won't need to build and replicate in house. I know naysayers abound, but… I'd bet my bottom dollar on this reality, and firms that don't figure out how to compete are going to be undercut, again and again and again, until they disintegrate.

The irony of this new reality is that it’s also an old one. The rise of the gargantuan, bill-by-the-hour law firm is an invention of the second half of the twentieth century. Previously, lawyers worked in smaller firms, often on flat fee retainers, and advised clients on a range of legal and business matters. But what’s old is new again, and technology has the potential to revive this more robust, holistic, frontal-lobe approach to lawyering.

I see a future where being a lawyer isn’t every non-math over-achiever’s back up plan, because technology will erode the vertical hierarchy assembly-line approach to practicing law and create a flatter landscape connected by technology. In the more horizontal legal economy, the pioneering of entrepreneurial lawyers will drive down prices for all businesses and consumers, and foster a more competitive meritocracy of talent.