

[New Center For Law Practice Technology](#)

Posted on August 8, 2013 by



There has been much discussion lately on whether law schools are training lawyers for 21st century law practice. At the ABA Annual Meeting this week in San Francisco a [Presidential Task Force on the Future of Legal Education](#) is scheduled to report out its recommendations.. In my [last blog post](#), I identified 13 law schools that were making a commitment to training law students in legal technology and law practice management. At one point in my career, I taught these subjects at several law schools under the guidance of [Gary Munneke](#), -- whose untimely death last November has created a vacuum that will be hard to replace.

My own bias is that in this digital age, to be a competent lawyer requires an understanding of legal practice technology. The ABA supports this view as at last year's mid-year meeting the ABA House of Delegates acting on the recommendations of the [ABA 20/20 Commission](#), voted to amend the Model Rules of Professional Conduct to make clear that lawyers have a duty to be competent in technology. Specifically, the ABA voted to amend the comment to Model Rule 1.1, governing lawyer competence, to say that, in addition to keeping abreast of changes in the law and its practice, a lawyer should keep abreast of "the benefits and risks associated with relevant technology."

CLPT I have been looking for an opportunity to getting back into teaching law practice technology and now have the opportunity with [Stephanie Kimbro](#) to create a new [Center for Law Practice Technology](#) with the backing of [Florida Coastal School of Law](#) in Jacksonville, Florida.

Stephanie and I will become Co-Directors of this new *Center*. and the plan is to develop a series of online courses for law students nationwide that will lead to a *Certificate of Law Practice Technology and Management*. The first courses will be offered in January, 2014.

The Center will also be a laboratory for developing and testing new forms of online legal services. Students will have the opportunity to experience virtual law firm technologies and other emerging technology tools such as legal expert systems, document automation technology, and legal applications that are designed to increase access to the legal system. [You can read more about this new Center here.](#)

Tags: [Center](#), [Coastal](#), [Florida](#), [Kimbro](#), [Legal](#), [Legal Education](#), [School](#), [Stephanie](#), [firm](#), [firms](#), [for](#), [law](#), [of](#), [online](#), [practice](#), [services](#), [technologies](#), [technology](#), [virtual](#)

- [Email This](#)
- [Print](#)
- [Comments](#)
- [Trackbacks](#)
- [Share Link](#)

[13 Top Law Schools Teaching Law Practice Technology](#)

Posted on May 6, 2013 by

The [eLawyering Task Force of the Law Practice Management Section of the ABA](#) was created in 2000 by then President of the ABA, William Paul. At that initial meeting [Gary Munneke](#), a founding member of the Task Force and the leading law school educator and author on the subject of law practice management and then Chair of the [Law Practice Management Section of the ABA](#) (now deceased), recommended that law schools update their law practice management courses to reflect the impact that the Internet would have on the practice of law.

13 years later there are few law schools that have made a sustained commitment to teaching what the Task Force calls "law practice technology". By "law practice technology" the Task Force does not mean technology and law courses such as Intellectual property courses, patent law courses, courses in copyright, etc.

Instead the Task Force means the intersection of internet technologies and the practice of law. It is no longer possible to teach law practice management without taking into account the impact of information technology on law practice. We include within this category courses that train law students in document automation, legal expert systems, and other course work that has an impact on the nature, productivity and profitability of law firms.

The Task members believe that to educate law students to be "practice ready", particularly for law schools where the majority of graduates will end up in solo and small law firm practice, understanding the principles of law practice technology are essential.

The Top Legal Practice Technology Schools Project



In honor and in memory of [Gary Munneke](#), the [eLawyering Task Force](#) is working on a project to identify the top law schools teaching legal practice technology today. Our methodology is to review law schools web site catalogs and also seek input and recommendations from law schools themselves through a self-nomination process.

The criteria for inclusion on the list is:

1. A **full-time faculty member** dedicated to teaching and coordinating a program in law practice technology. This subject matter should be the focus of serious research, including the development of innovations in law practice.
2. At least two credit courses in this subject matter such as law practice management, law practice technology, ediscovery and big data, outcome prediction, legal project management, virtual lawyering, expert legal systems development, document automation, and/or other coursework which deal with innovation in the delivery of legal services and law practice.
3. Non-credit courses taught by adjunct instructors don't quality.
4. Law schools sponsoring incubator programs are interesting, but these programs involve lawyers who have already graduated, not law students.

The initial list includes the following law schools, in alphabetical order:



Brigham Young University Law School for their ground-breaking work in teaching computer-based practice systems under the leadership of [Larry Farmer](#) and [Blair Janis](#).



Chicago Kent Law School's [Center for Justice and Technology](#) under the leadership of [Ronald Staudt](#) and CALI for their work in piloting [law school clinical programs](#) and for their innovative [On-Line Course on Digital Law Practice](#) under the leadership of [John Mayer](#).



Columbia University School of Law, [Lawyering in the Digital Age Clinic](#), under the leadership of Professor [Conrad Johnson](#), [Professor Mary Marsh Zulack](#), and [Brian Donnelly](#), Lecturer in Law. [Conrad Johnson is chosen as 2013 Professor of the Year](#).

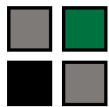


GEORGETOWN LAW

Georgetown Law School's [Iron Tech Competition](#) and [Technology, Innovation and Law Practice Seminar](#) under the leadership of [Tanina Rostain](#) and [Roger Skalbeck](#).

Maurer School of Law
[Legal Profession](#).

[Maurer School of Law at Indiana University](#) under the leadership of [William D. Henderson](#) for his courses on Legal Project Management and the Law Firm As a Business Organization and for Directing the [Center on the Global](#)



Reinvent Law Laboratory Michigan State Law School's [Reinvent Law Laboratory](#), under the leadership of [Dan Martin Katz](#) and [Renee Newman Knake](#).



New York Law School's [Certificate Program in Mastery of Law Practice Technology](#) under the leadership of [Dan Hunter](#).



We are adding today, (May 17, 2013) a 13th school to our list - the [Northern Kentucky University Chase College of Law](#) because of a \$1,000,000 grant made just last week by W. Bruce Lunsford to establish and support the [W. Bruce Lunsford Academy for Law, Business + Technology](#). [Lunsford](#), is a 1974 graduate of Chase College of Law, and is chairman and CEO of Lunsford Capital, LLC, a private investment company headquartered in Louisville, Ky. The Academy will be operated by the [NKU Chase & Informatics Institute](#) under the leadership of [Professor Jon Garon](#). [Click here for the full press release](#).



Law School's Clinical Program.

University of Miami Law School's [LawWithoutWalls](#) Project under the leadership of [Michelle DeStefano](#) and [Michael Bossone](#) and the Apps for Justice Project within the



Course Schedule & Description

[Informatics](#) by [Ron Dolin](#).

The [CodeX - Stanford Law School Center for Legal Informatics](#) - under the leadership of [Mark A Lemley](#) and [Roland Vogl](#). See course on [Legal Technology and](#)



Institute on Law Practice Technology & Innovation

Suffolk Law School's new Institute for [Law Practice Technology and Innovation](#) under the leadership of [Andrew Perlman](#). Co-Chair of Advisory Committee are [Jordon Furlong](#) and [Marc Lauritsen](#).



University of the Pacific McGeorge School of Law for their course on [Computer-Assisted Litigation](#) under the leadership of [Professor Fred Galves](#) and [Tim Pignatelli](#), CEO, Legal Technology Consulting.



Vermont Law School's new **Technology of Law Curriculum** and their course on "Digital Lawyering" under the leadership of [Oliver Goodenough](#), [Jeane Eicks](#), and [Brock Rutter](#).

This is a preliminary list. The eLawyering Task Force is inviting self-nominations from law schools and recommendations by others either commenting the [Task Force's list serve](#) or for convenience by simply adding comments to this blog post. Our plan is to publish a more complete list by the [Annual Meeting of the America Association of Law Schools in January, 2014 in New York City](#).

Disclosure: I am Co-Chair of the eLawyering Task Force. Any opinions expressed in this blog post are my own, and not the opinion of the eLawyering Task Force of the [Law Practice Management Section of the American Bar Association](#).

Tags: [Andrew](#), [Competition](#), [D.](#), [Dan](#), [Dolin](#), [Furlong](#), [Goodenough](#), [Henderson](#), [Iron](#), [Jordon](#), [Katz](#), [Knake](#), [Laboratory](#), [Laurtisen](#), [Legal Education](#), [Marc](#), [Miami](#), [New](#), [Oliver](#), [Pearlman](#), [Reinvent](#), [Renee](#), [Roland](#), [Ron](#), [Rostain](#), [School](#), [Staudt](#), [Suffolk](#), [Tanina](#), [Vermont](#), [Virtual Law Firms](#), [Vogl](#), [William](#), [York](#), [elawyering](#), [force](#), [law](#), [lawwithoutwalls](#), [of](#), [practice](#), [task](#), [tech](#), [technology](#), [training and education](#), [university](#)

- [Email This](#)
- [Print](#)
- [Comments](#)
- [Trackbacks](#)
- [Share Link](#)

[Is Axiom Law a Law Firm?](#)

Posted on April 8, 2013 by



Some colleagues asked me that other day if I knew whether [Axiom](#) is a law firm. I said I didn't really know, so I decided to find out. There has been much buzz lately about [AxiomLaw](#). The company recently raised [\\$28,000,000 in private equity funding](#), after an [initial round of \\$5,000,000](#). Axiom has recently launched a new Web site call [ReThinkLaw](#) - a kind of forum Web site that is designed to "provoke thought and drive innovation in the business of law — leading to greater efficiency and positive change for the benefit of clients, firms and lawyers alike."

The [AxiomLaw Web site](#) and [ReThinkLaw site](#) makes it look like Axiom is a law firm.

For example:

- A landing page on the Axiom Law Web site claims they do ["legal work efficiently"](#);
- Axiom calls the companies it works for its ["clients"](#), rather than customers.
- Axiom claims it is a ["modern interpretation of a law firm"](#), implying that it is a law firm.
- Axiom compares itself to traditional law firm, and asserts that [it is a law firm on diet](#).

AxiomLaw sounds like a law firm and has a domain name that makes it look like a law firm. When it describes itself it states that ["it is not your father's law firm"](#) or it is ["a new model legal services firm."](#)

But its not a law firm at all. The company's real name is [Axiom Global, Inc.](#). It is organized as a "C" corporation, and incorporated in the State of Delaware, just like any other company. (This explains of course how it can have investors).

So if AxiomLaw is not a law firm - what does it actually do? It targets the General Counsel's office of large corporation's and provides the following services:

- It's a high priced placement firm assigning lawyers to work for in-house General Counsel;
- It's an outsourcing firm working directly for General Counsel of major Fortune 500 corporations;
- It does "projects" directly for General Counsel of major Fortune 500 corporations.

Should any one care whether [AxiomLaw](#) is a law firm or not?

- Prospective attorney recruits might care whether they are being recruited by a law firm or something else;
- Prospective customers should understand that only a company with an in-house counsel who is a member of the bar where the legal matter is being conducted can qualify for AxiomLaw's services;
- If you don't have an in-house counsel, then you can't use Axiom's services. Not being a law firm. Axiom cannot provide services to the public (individuals or organizations) directly;
- Prospective corporate customers should understand that the traditional lawyer-client confidentiality privilege does not apply. Any confidentiality must result from the relationship between the company's general counsel and their outsourced lawyer workers by virtue of the agreement between Axiom and the corporation customer - but I wonder if that is sufficient.
- Competing law firms might care that Axiom suggests that its services are "legal services" competitive with the services of other law firms, when in fact they are just "services" by definition. Actually contracted support services by in-house counsel. Otherwise Axiom would be violating Unauthorized Practice of Law (UPL) regulations in every state. Since Axiom is not really a law firm it **can** make claims about its services, that are not subject to bar regulation. Some of the statements that Axiom makes about its services, a law firm is prohibited from making because it would be in violation of the advertising and disclosure rules which are operative in every state.
- Law firms are prohibited from solicitation. AxiomLaw is not subject to the same constraints.
- Maybe state bar association officials should be concerned that the location of the disclaimer on the AxiomLaw web site that states that Axiom is not a law firm and cannot give legal advice. It is difficult to find. [I finally found it here](#). and [here](#).

Is [AxiomLaw](#) a positive development for the legal profession? Who knows?

General Counsel of major companies seem to think so. [AxiomLaw](#) is demonstrating that certain kinds of services can be delivered at a much lower price, without compromising quality. By enabling corporate counsel to get done certain kinds of legal work that ordinarily would be provided by outside counsel at a much higher price, Axiom has opened up a major market by simply segmenting the kind of work that can be done more efficiently in-house with help from Axiom.

It seems to me, however, that an in-house counsel assumes the risk of malpractice when they contract with Axiom. Axiom is not a law firm so it can't secure a law firm malpractice insurance policy. Moreover, the supervisor of the legal work is not Axiom, (technically it can't be), but in-house counsel. When in-house counsel contracts with a company like Axiom they give up the assurance of quality legal services and accountability that they get from a traditional law firm.

In checking directly with Axiom on this point, Axiom states that:

"The individual lawyers don't carry their own malpractice, Axiom maintains a lawyer's professional liability insurance policy that provides coverage for all Axiom attorneys, regardless of W-2 or independent contractor status. Almost all of our lawyers in the US are W-2 employees. Axiom does not, because we cannot, have access to or supervise the substantive work of our lawyers."

One likely impact of these developments is to destabilize the business model of the Big Law firms by sucking out the more routine work from big law firms which results in decreasing overall profitability. As the Axiom's of the world expand their services and their reach, there will be less work for the large law firms resulting in a shrinkage of the market share of traditional law firms. (real law firms!). The firms that are left standing will offer the most high-end legal services but will probably raise their fees as they will be the only game in town as a supplier of complex legal services where law firm accountability is a necessity.

Do GC's have any interest in a vibrant independent and expanding legal profession, or do they prefer a world where there will be less traditional law firms offering their services at higher fees?

Two final questions for consideration:

1. Should AxiomLaw be more transparent on its Web site about what kind of an organization it really is by making clear that it is not a law firm, and should it avoid comparisons with traditional law firms?
2. Maybe non-law firms like Axiom, with their access to capital and superior management and technological resources, should be able to offer legal services like a real law firm, but just make these new organization's subject to the Rules of Professional Conduct like any other law firm.

Of course, private investment in a law firm is prohibited by Model Rule 5.4, but maybe it's time that state bar associations recognize that there is a new kind of organization moving into the legal industry any way, so why not simply subject these new players to the same regulatory scheme as traditional law firms?

Would that level the playing field? Would that provide better consumer protection for both individual consumers and corporate purchasers of legal services?

Tags: [5.4](#), [Axiom](#), [Global](#), [Legal](#), [Legal Ethics](#), [Model](#), [Outsourcing](#), [Rule](#), [Service](#), [axiomlaw](#), [delivery](#), [disruption](#), [ethics](#), [firms](#), [in](#), [industry](#), [law](#), [of](#), [online](#), [placement](#), [the](#), [virtual](#)

- [Email This](#)
- [Print](#)
- [Comments \(4\)](#)
- [Trackbacks](#)
- [Share Link](#)

Private Investment in US Legal Services

Posted on March 16, 2013 by

I had the honor of speaking at [ReInventLawSiliconValley](#), a conference on innovation and the legal system sponsored by the [ReInvent Law Laboratory at Michigan State Law School](#), co-founded by [Professors Dan Martin Katz](#) and [Renee Newman Knake](#). This was a great learning day for me and I suggest if you are interested in the subject of change in the legal profession and legal education that you watch the videos when they are published on the [ReInventLaw Law Channel](#). See also on Twitter [#ReInventLaw](#) and my [pre-conference post on this Conference](#).

[Here are the slides from my ReInventLaw presentation.](#)



I am interested in the subject of how to get private capital into law firms to spur innovation despite the prohibitions of [5.4 of the ABA Model Rule of Professional Conduct](#). This is the rule that prevents a non-lawyer from owning an equity interest in a law firm in all US states, except on a limited basis in the District of Columbia. This is a controversial issue in the US, and the [ABA Ethics 20/20 Commission](#) decided not to address the subject in its recent deliberations. The ABA House of Delegates and almost all state bar associations are dead set against any change to this rule.



Jacoby & Meyers, the pioneering consumer law firm, [has filed a suit against the judiciary in New York, New Jersey, and Connecticut in Federal court](#) to overturn the rule, but that's another story.

I am interested in finding out if clever lawyers have figured out away around the rule. I discovered at least two instances where law firms have created a business model that enables private capital to fund technology and management support that would be beyond the ability of the law partners to fund by themselves.

The law firms are [Clearspire](#) and [RajPatent](#), recently re-branded as [LegalForceLaw](#). Both law firms are built around the same concept - a law firm that is supported by an independent management company that provides technology and management services to the law firm.



Clearspire invested over \$5,000,000 in a technology and management platform to support the delivery of legal services to corporate legal clients. The firm is growing rapidly and recently opened a San Francisco Office.



LegalForce LegalForceLaw was founded by a solo practitioner, Raj Abhyanker. The underlying company is called Trademarkia, Inc., which created the [Trademarkia](#) web site, the legal web site with the most traffic on the Internet. Like Clearspire, Trademarkia developed a technology to make it easy for non-lawyers to do a trademark search. The traffic to the Trademarkia site generates business for the law firm. [\[See previous post on LegalForce \]](#).

In both cases, a separate management and independent management company provides services to the law firm. In theory the management company could serve other law firms, but in these cases the management company only has one client.



The arrangement raises more questions and the answers are not apparent.

I would like to learn more about how these management companies price their services to the law firms they serve. They can't take a percentage of the legal fees or it would be a violation of Rule 5.4 How much of the cash generated by the law firm can be siphoned off by the management contract between the management company and the law firm? What is the pricing mechanism between the management company and the law firm? Is it a cost plus contract or are market rates charged for the services provided?

Why would an investor put funds at risk within the management company as there would be no easy exit. The law firm can't go public and if the managing partners of the law firm were hit by a bus the law firm would go out of existence. The brand belongs to the law firm, not the management company. The financial return to the management company is limited because of the 5.4 prohibition. So where is the upside for the investors in the management company?

I think that these innovative law firms should be more transparent about the nature of the management agreement between their management company and their law firm, so that other law firms interested in replicating this business model can experiment.

Maybe these management agreement should be scrutinized and approved by the ethics counsel from the bar associations in the jurisdictions where these law firms are located, so there is no question that there is no violation of 5.4?

Tags: [5.4](#), [ABA](#), [Competition](#), [Legal Ethics](#), [Rule](#), [Trademarkia](#), [Unauthorized Practice of Law](#), [capital](#), [clearspire](#), [eLawyering Ethical Issues](#), [firms](#), [in](#), [innmovaton](#), [investment](#), [law](#), [legaforce](#), [raipatent](#)

- [Email This](#)
- [Print](#)
- [Comments \(1\)](#)
- [Trackbacks](#)
- [Share Link](#)

[ReinventLaw Silicon Valley](#)

Posted on March 1, 2013 by



[ReinventLawSiliconValley](#) is happening next Friday, March 8 at the [Computer History Museum](#) in Mountain View, California. The brain child of Professors [Daniel Martin Katz](#) and [Renee Knake](#), co-founders and co-directors of the [Reinvent Law Laboratory at Michigan State University Law School](#), the event promises to be quite a bash. The event is free, but attendance is limited to 400 participants and you have to [register to get in](#). Over 40 innovators, founders, policymakers, venture capitalist and other change agents interested in reforming the legal services industry will be speaking in 6 - 10 minute presentations.

Think of this as a [TED Talks](#) event about innovation and change in the legal industry-- a crash course about disruption in the legal profession.

Here is the [full detailed schedule](#) with the speakers and the titles of their presentations.

Some of the speakers I am especially looking forward to listening to are:

- ["ABA Journal LegalRebel" Stephanie Kimbro](#) discussing her new book: *The Consumer Law Revolution: The Lawyers' Guide to Online Marketing Tools* (2013).
- [Colin Rule](#), CEO, [Modria](#), Online Dispute Resolution: Improving Access to Justice
- [Henry Jones](#), Managing Director of [AxiomLaw](#) (founded by [Mark Harris, ABA Journal Legal Rebel](#)), discussing the Axiom business model. I am interested in how they were able to raise [\\$28 million in a Series D Round from Carrick Capital](#).
- [Karn Kerkonian](#), Principal at [Velawsity](#) --a new cloud-based practice management system that is launching at ReinventLaw. [Velawsity](#) is aiming at the same target market that [CLIO](#) and [RocketMatter](#) and other cloud-based practice management solution providers serve. I am interested in learning how they are different.
- [Raj Abhyanker](#), founder of [LegalForce](#) about law firm redesign and the nationwide network of law firms he is creating under the [Legalforce](#) brand.
- [Dan Lewis](#) of [Ravel Law](#), a spin out from Stanford Law School, that is creating a new visualization approach to legal research. Ravellaw is another start-up that looks like it is about to fully launch.
- [ABA Journal Legal Rebel Kingsley Martin](#), CEO and Founder of [KMStandards](#) about his company's unique and patented approach to contract analysis.
- [ABA Journal Legal Rebel Bill Henderson](#), from Maurer School of Law, Indiana University, discussing his ideas about change in the legal profession.

This is just a sampling of the range of talks at [ReinventLawSiliconValley - 2013](#).



Yours truly is giving a talk on ***Private Investment in US Legal Services: New Business Models***. I am interested in how to get private capital into law firms, given the restrictions of ABA Professional Rule 5.4 which prohibits non-lawyers from taking an equity interest in a law firm. Are there ways of getting around this rule? What kind of law firm structures can be created that enable private equity investment? Is it wise to enable private investment in law firms? Will it ever happen in the United States given the present position of the ABA and state bar associations? What can small and medium size law firms do to access capital to make them more competitive? Are [Clearspire](#) and [AxiomLaw](#) ethically compliant models that can be replicated?

Tags: [ABA](#), [Bill](#), [DirectLaw](#), [Henderson](#), [Journal](#), [Kimbro](#), [Law Startups](#), [Legal](#), [Marketing On-Line Legal Services](#), [Revolution](#), [Stephanie](#), [Virtual Law Practice](#), [automation](#), [axiomlaw](#), [clearspire](#), [consumer](#), [document](#), [eLawyering Events](#), [kmstandards](#), [law](#), [profiles](#), [ravellaw](#), [rebel](#), [reinventlaw](#),

[reinventlawsiliconvalley](#), [velawsity](#), [venture capital](#)

- [Email This](#)
- [Print](#)
- [Comments](#)
- [Trackbacks](#)
- [Share Link](#)

[LegalForce Store Offers Walk-in Lawyer Access in Palo Alto](#)

Posted on February 5, 2013 by



Ray Abyhanker, the entrepreneur lawyer behind the [Trademarkia web site](#), the highest traffic legal sites on the Web, opened a kind of Apple Store for legal stuff and other stuff (self-help law books, non-Apple tablets, tablet accessories, etc), right across from the Apple Store on University Avenue in Palo Alto. [See previous post on this company at: [May the LegalForce Be With You!](#)]

Beautifully designed in a historic building the idea is to provide an "third place" where lawyers can meet and mingle with potential clients, provide community law classes, and generally demystify the law by creating an accessible and friendly legal environment.

The ultimate goal is to create a branded network of law firms that promises a high value client experience for the broad range of consumers and small business that are also attracted to pure online ventures such as [LegalZoom](#) and [RocketLawyer](#), but want something more.



There is a lot to be said for a "[click and mortar](#)" strategy which involves lawyers working with clients in their offices, and interacting as well online, but also meeting and interacting in a neutral physical space that is a retail environment. Sort of like having a "Genius Bar" for legal problems where you can ask a question and get a quick legal answer or get assistance in knowing how to start out to solve a legal problem.

Where do I start? Do I need a legal form or a self-help law book? An "unbundled" legal service, or full service representation? What's the lowest cost solution to my legal problem?

The LegalForce lawyer store staff call themselves "Concierges" and I believe that is an apt title. We need more legal concierges, on the web, and in the real world.

Legal services, particularly the more complex the legal service, depends on the presence of a skilled trusted adviser. Sometimes the lawyer presence can be virtual, but sometimes the legal problem requires a face to face meeting with a client so that a thorough exploration of the facts of the case can be fully

understood. For lawyers, the ideal strategy is one that combines an off-line practice with an online presence and a brand that expresses both dimensions of the practice.

The term "Click and Mortar" is attributed to David Pottruck, then CEO of Charles Schwab Corp, in a July, 1999 speech at a conference sponsored by the Industry Standard. Pottruck is quoted as saying:

"Schwab's vision has always been designed around customer needs and the company is engaged in constant reinvention to stay ahead of these powerful investors. Schwab believes that it is the combination of people and technology that investors want -- a "high-tech and high-touch" approach. As such, Schwab is redefining the full-service business around the integration of "clicks and mortar."

Pottruck subsequently wrote [a book about the strategy](#). A brokerage firm is more like a law firm, than a law firm is to a ecommerce web site with no human touch. It might be fine to buy your shoes online from [Zappos](#), but I am not so sure that in the fullness of time will clients want a purely virtual experience with their law firms. As someone who runs a company ([DirecttLaw](#)) that provides a virtual law firm platform to law firms, and has operated my [own virtual law firm](#) since 2003, I have experienced both the advantages and the disadvantages of a pure legal service without any human meeting.

By linking together an online experience with an off-line, real work experience, Abyhanker may have come with a legal service concept that is unique. [Trademarkia](#) is being re-branded under the LegalForce brand and recruiting law firms for the network, first in California and then nationwide has begun..To be clear this is not a franchise, but more of a marketing network with productivity benefits for its law firm members.

Disclosure: [Our company](#) created an [interactive legal form portal under the LegalForce brand](#) and a "legal form kiosk" for the store.

Tags: [Competition](#), [DirectLaw](#), [Law Firm Productivity](#), [Law Startups](#), [Legal](#), [LegalForce](#), [Marketing On-Line Legal Services](#), [Outsourcing](#), [Service](#), [Solicitors](#), [Trademarkia](#), [brand](#), [branded](#), [click-and-mortar](#), [delivery](#), [firm](#), [law](#), [lawyers](#), [marketing](#), [network](#), [of](#), [online](#), [quality](#), [startups](#), [virtual](#)

- [Email This](#)
- [Print](#)
- [Comments](#)
- [Trackbacks](#)
- [Share Link](#)

[Burton-Law Selected by LTN for Innovative Use of Technology in a Small Law Firm](#)

Posted on February 1, 2013 by



Burton Law LLC Burton-Law, a virtual law firm based in Ohio and North Carolina has been selected by [Law Technology News](#) for the most [Innovative Use of Technology in a Small Law Firm](#). This small law firm is a good case study on how a law firm can leverage virtual law firm technology to serve a diverse group of clients over a wider geographical area.

We are proud that the Burton-Law has selected [DirectLaw](#) as [their client portal](#) with embedded document automation capabilities. Burton-Law also uses [CLIO](#) as their web-based practice management solution which integrates seamlessly with DirectLaw through the use of an API.

[Stephanie Kimbro](#), formerly co-founder of *Virtual Law Office Technology* which was acquired by [TotalAttorneys](#) several years ago, helped make the decision to adopt [DirectLaw](#) as Burton-Law's virtual law firm platform. Stephanie is no longer with TotalAttorneys. [Stephanie joined Burton-Law last March](#) to expand their operations in North Carolina. Stephanie is a pioneer in the development of the virtual lawyering concept, having written the [book on the topic](#).



Stephanie has also just released a [new ebook](#) on the [Consumer Law Revolution](#) which is the best description and analysis of online marketing platforms that I have seen. [You can download it here](#).

Stephanie also blogs at [Virtual Law Practice](#), and you can follow her on Twitter @StephKimbro.

Tags: [2012](#), [Awards](#), [Burton-Law](#), [Change](#), [DirectLaw](#), [DirectLaw Law Firms](#), [John Kimbro](#), [LTN](#), [Marketing On-Line Legal Services](#), [Mayer](#), [Revolution](#), [Stephanie](#), [TotalAttorneys](#), [client](#), [consumer](#), [firm](#), [law](#), [portals](#), [practice](#), [technology](#), [virtual](#)

- [Email This](#)
- [Print](#)
- [Comments](#)
- [Trackbacks](#)
- [Share Link](#)

[eLawyering Blog Chosen As One Of The ABA Journal's BLAWG 100](#)

Posted on December 18, 2012 by



We are pleased to announce that the Editors of the *ABA Journal* have selected the eLawyering Blog as one of the top 100 best blogs for a legal audience.

In addition, the magazine has introduced the inaugural Blawg 100 Hall of Fame, featuring 10 of the very best law blogs, known for crafting high-quality, engaging posts day in and day out.

The *ABA Journal* is asking readers to weigh in and vote on their favorites in each of the 6th Annual Blawg 100's 15 categories. Go to <http://www.abajournal.com/blawg100> to [register and vote](#). Voting ends at close of business on Dec. 21, 2012.

The ABA Journal, in announcing this year's selection, said:

"Each year, our choices become tougher. Blogging has become such a staple of professional communication that keeping up with our own directory of more than 3,500 blogs by lawyers, judges, law professors or even law students is more formidable than it's ever been," said *ABA Journal* Editor and Publisher Allen Pusey. "Some of them have become such permanent, even required, fixtures in our everyday reading that we're introducing the *ABA Journal* Blawg 100 Hall of Fame to recognize those blogs and bloggers that have set the standards for this vast, vibrant network for legal news and commentary."

The *ABA Journal* is the flagship magazine of the American Bar Association, and it is read by half of the nation's 1.1 million lawyers every month. It covers the trends, people and finances of the legal profession from Wall Street to Main Street to Pennsylvania Avenue.

ABAJournal.com features breaking legal news updated as it happens by staff reporters throughout every business day, a directory of more than 3,500 lawyer blogs, and the full contents of the magazine.

Tags: [100](#), [ABA](#), [Blawg](#), [Blog](#), [Honoree](#), [Journal](#), [eLawyering Events](#), [elawyering](#)

- [Email This](#)
- [Print](#)
- [Comments](#)
- [Trackbacks](#)
- [Share Link](#)

[Futures Conference: The Legal New Normal](#)

Posted on September 26, 2012 by

The [College of Law Practice Management](#) is presenting the [Futures Conference](#) on October 26-27, 2012 at [Georgetown Law](#) in Washington, DC. Anyone interested in the future of law practice and legal business should attend. [Click here to register](#)

I am a Fellow of COLPM and highly recommend this Conference. My colleague, [Ron Friedmann](#), is a Trustee of COLPM and is Co-Chair of this important Conference.

Below you will find the program in chronological order.

NEW MODEL LAW FIRMS

Big Law has never been the only option for general counsel. Today, many alternatives exist, including "new model law firms." This panel will examine how these firms do business, practice law, differentiate, serve clients, and offer lawyers a different work experience. We will also hear from the founding visionaries on where they think the law firm market is heading.

Moderator: [Ron Friedmann, Fireman & Co. Consulting](#)

Panelists: [Mark Cohen, Clearspire](#); [Ben Lieber, Potomac Law Group PLLC](#); [Andy Daws, Riverview Law](#), and [Patrick Lamb, Valorem Law Group](#).

THE CHALLENGES OF DIVERSITY IN A NEW STAFFING ENVIRONMENT

Law firms are adjusting the traditional personnel model, reducing the number of equity owners and adding new tiers of service providers. But the challenge of diversity remains. A nationally-recognized expert in diversity issues within law firms and other legal settings, Verna Myers will address what legal employers can do to tackle this critical issue.

Speaker: [Verna Myers, Verna Myers Consulting Group LLC](#), author of [Moving Diversity Forward](#).

PRESENTATION OF 2012 INNOVATION AWARDS

The [2012 InnovAction Award Winners](#) present.

Moderator: [Tim Corcoran](#)

LEGAL ACADEMY RESEARCH PROJECT

Reports on two research projects underway at the Center for the Study of the Legal Profession, Georgetown Law: Integration and Fragmentation in the Modern Law Firm; Developing Attorneys for the Future: What Can We Learn from the Fast Trackers?

Moderator: [Mitt Regan, Georgetown Law](#)

Panelists: [Juliet Aiken, Georgetown Law](#); [Heather Bock, Georgetown Law](#) and [Lisa Rohrer, Georgetown Law](#).

THE CONSUMER LAW REVOLUTION

The panel will consider such questions as: How is technology changing delivery of legal services to consumers? How is technology changing how lawyers who serve consumers practice? Do we see signs today that consumer law developments are already doing so? Will constraints - for example, client or lawyer conservatism, immature technology, or ethical barriers - limit a more rapid evolution or a real evolution?

Moderator: [Tanina Rostain, Georgetown Law](#);

Panelists: [Stephanie Kimbro, Burton Law LLC](#); [Michael Mills, Neota Logic](#), and [Marc Lauritsen, Capstone](#)

EXPLORING THE NUANCES OF VALUE

In 2011, a panel focused on defining value. Now, in this panel discussion, we take the next step, as law firm and inhouse representatives explain how alternative arrangements are developed and tweaked so that both sides can derive value.

Moderator: [Aric Press, American Lawyer Media](#)

Panelists: [Toby Brown, Akin Gump](#); [Mark Chandler, Cisco Systems](#).

FUTURE OF MANAGING PARTNERS

The future demands a new focus in law firm management. This panel, featuring extraordinary managing partners, examines the critical roles and responsibilities of MPs in firms of all sizes—and what the panelists see as the future challenges and opportunities in firm management, including managing talent at all levels and “getting things done” in ways that most benefit the firm, its people and its clients.

Moderator: [John Michalik, JJeyEm Consulting](#) and author of [The Extraordinary Managing Partner, Reaching the Pinnacle of Law Firm Management](#)

Panelists: [Thomas Grella, McGuire Wood & Bisette, P.A.](#); [Fredrick Lautz, Quarles & Brady LLP](#); [Charles Vigil, Rodey, Dickason, Sloan, Akin & Robb, P.A.](#); [Ward Bower, Altman Weil, Inc.](#)

THE NEW NORMAL FROM THE GENERAL COUNSEL PERSPECTIVE

General Counsel face continuing pressure to control costs while coping with growing demands for legal advice. In a panel organized by the Association of Corporate Counsel, you will hear how experienced law department leaders respond to this pressure and what it means both for their department operations and the law firms they retain.

Moderator: [Amar Sarwal, ACC](#)

Panelists: Scott Chaplin, Jorge Scientific Corporation; [Susan Hackett, Legal Executive Leadership](#) and [Eric Margolin, CarMax, Inc.](#)

LEGAL SERVICES UPDATE

2012 has been a year of intense pressure on low-income people facing legal problems and unfortunately, intense pressure on the legal aid organizations that serve them. In these tough times, law practice management expertise and best practices are needed more than ever to improve efficiency, buoy up morale, tune up staffing and employ new technologies. During lunch, [Jim Sandman, President of the Legal Services Corporation](#) and a 2012 College fellow-elect, will update attendees on bleak conditions facing LSC and describe a new mentoring initiative in the planning stages that will expand the [pro bono consulting the College can offer to legal aid](#).

Tags: [Change](#), [College](#), [Colpm](#), [Conference](#), [Futures](#), [Legal](#), [New](#), [Normal](#), [Public Sector eLawyering](#), [future](#), [in](#), [law](#), [management](#), [of](#), [practice](#), [profession](#), [the](#)

- [Email This](#)
- [Print](#)
- [Comments](#)
- [Trackbacks](#)

- [Share Link](#)

Best Practice Guidelines for Legal Document Service Providers

Posted on September 23, 2012 by



The [American Bar Association's eLawyering Task Force](#) has compiled a draft set of best practice guidelines for legal document providers, which can be [downloaded here](#)*.

An increasingly popular – and controversial – category of service providers are those that supply customer-specific documents over the Internet, using interactive software and/or human resources, without purporting to be engaged in the practice of law. There are literally hundreds of these legal documents Web sites. More of these legal document Web sites launch every month, of not every week on the Internet.

These Web sites include for example:

- courts and government agencies
- physical form suppliers, such as [Blumberg](#)
- packaged software, such as Quicken's [Will Maker](#) or Broderbund's [WillWriter](#)
- online form sites, such as [US Legal Forms](#), [SmartLegalForms](#), [DivorceLawInfo](#), or [CompleteCase.com](#)
- free online document repositories such as [Docraacy](#)
- organizations, such as the [Association of Corporate Counsel](#)
- commercial online document preparation services, such as [Koncision](#), [LegalZoom](#), [RocketLawyer](#), and [WhichDraft](#)
- nonprofit and governmental sites, such as [LawHelp Interactive](#)
- free online document generation services by law firms such as [Goodwin Procter](#), [Orrick](#), [Perkins Coie](#), and [Wilson Sonsini](#)
- contract analysis sites, such as [KIIAC](#),
- independent licensed notaries public or [legal document assistants or technicians](#) in states such as Arizona, California, and Florida
- conventional private law practices and corporate law departments
- [virtual law practices](#), with secure client portals

The [Task Force](#) believes that there are common principles that ought to guide these legal document sites, and practices that consumers should be able to expect. The [eLawyering Task Force](#) also recognizes that consumers have different levels of knowledge in meeting their documentation needs. Some believe, for instance, that it is simply a matter of getting "the" right form, and pay little attention to careful drafting and appropriate execution. Others have a more sophisticated understanding of options and implications. Nevertheless there should be baseline expectations that meets the needs of all kinds of users. The goal is not to issue a "seal off approval" of these legal document Web sites. The objective is to encourage these Web sites to use acknowledged "best practices" in the development and delivery of their services.

These guidelines do not take a position on whether certain document services may constitute the unauthorized practice of law in certain jurisdictions if not performed by a licensed attorney, other than to urge providers to know and observe applicable law on that thorny subject.

The primary purpose is to aid consumers in making informed decisions about what they are buying.

Comments on these Guidelines are invited. They can be submitted on the eLawyering Task Force [ListServ which any lawyer can join. Click here.](#)



The [eLawyering Task Force](#) is having a **Quarterly Meeting at the Hyatt Regency Lake Tahoe Resort, Spa and Casino** on Friday, [October 19, 2012 between 9:00 - 11:00 A.M.](#),

This is an open meeting and individuals who want to submit comments on these Guidelines are invited to attend and participate.

[Additional Conference details can be found here.](#)

*(Disclosure: I am Co-Chair of the eLawyering Task Force. The Co-Chair of the Task Force is [Marc Laitzen](#), of [Capstone Practice Systems](#), who is providing leadership to this project.)

In accordance with the FTC 16 CFR, Part 255: "Guidelines Concerning Use of Endorsements and Testimonial in Advertising" I am disclosing that I have a material connection to some of the companies referred to in this Post. I am the Founder/CEO of [DirectLaw](#), a virtual law firm platform provider and [SmartLegalForms](#), a web-based legal document provider. The opinions expressed here are my own. I did not receive any compensation from any source for writing this post. [DirectLaw](#) sponsors this blog by paying for the costs of hosting.

Tags: [ABA](#), [Capstone](#), [Document Automation](#), [Lauritsen](#), [LawHelp](#), [Legal](#), [Legal Ethics](#), [LegalZoom](#), [Marc](#), [RocketLawyer](#), [Sonsini](#), [Wilson](#), [automation](#), [docracy](#), [document](#), [documents](#), [eLawyering Ethical Issues](#), [eLawyering Events](#), [elawyering](#), [force](#), [forms](#), [interactive](#), [online](#), [practice](#), [sites](#), [task](#), [web](#), [web-enabled](#), [web-enabled document assembly](#)

- [Email This](#)
- [Print](#)
- [Comments](#)
- [Trackbacks](#)
- [Share Link](#)

[New Law Start-Up Lead Generation Sites: What Lawyers Need to Know](#)

Posted on September 1, 2012 by



I have noticed recently the launch of many lead generation Web sites for lawyers.

In a [previous blog post](#), I noted that lead generation sites for lawyers as one category of legal start-ups were increasing and entering into an already crowded market space. By a "lead generation Web site" I mean a third party Web site whose primary purpose is to provide qualified leads to law firms. The site may be free to users, or sell legal advice to users for a fixed fee, but the purpose is still to generate leads for lawyers. A "lead generation web site" is typically what I call a multi-sided platform - one side involves users looking for a lawyer, and other side are the providers who offer legal services. The lawyers who subscribe to the Web site typically pay a "marketing" or "advertising" fee to get access to the leads generated by the Web site.

More mature legal generation sites are expanding their features and depth of offerings [TotalAttorneys](#) recently received of infusion of \$15 million in new venture capital from Bain Capital Ventures of Mitt Romney fame. A new CEO, [Paul Ford](#), with expertise in developing lead generation Web sites is in place providing leadership. TotalAttorneys now gives away their Web-based practice management system for a \$1 a month, to attract attorneys to their more expensive legal generation services. At \$1.00 a month this is really good value for a web-based practice management application. However, for TotalAttorneys this web-based practice management solution that was originally developed by [Stephanie Kimbro](#), now [with Burton-Law](#), and her husband and acquired by [TotalAttorneys](#), is now just a marketing strategy for their lead generation services. TotalAttorneys now claims that it is, "[the leading US company providing customer acquisition for lawyers](#)"

I am not sure that [ExpertHub](#), owned by [InternetBrands](#), which acquired [Nolo](#) last year, would agree with this assessment, with its broad network of [practice specific legal sites](#) now being reinvigorated with content from Nolo. [[See previous blog post on this acquisition](#)].

Free Whitepaper
**Virtual Law
Practice:
Success Factors**



[Continue Reading...](#)

Tags: [AttorneyFee.com](#), [BeiBei](#), [Burton](#), [Jhunjhnuwala](#), [Kimbo](#), [Komaiko](#), [LawDingo](#), [Legal](#), [Legal Referral](#), [Legal Referral](#), [LegalSonar](#), [Lexspot](#), [Marketing On-Line Legal Services](#), [Model](#), [Nikhil](#), [Nirme.](#), [Professional](#), [Que](#), [Responsibility](#), [Richard](#), [Rules](#), [Shpoonkle](#), [Stephanie](#), [TotalAttorneys](#), [TotalBankruptcy](#), [TotalDivorce](#), [VirtualLawDirect](#), [ethics](#), [generation](#), [law](#), [lawpivot](#), [lawzam](#), [lead](#), [marketing](#), [of](#), [online](#), [start-ups](#)

• [Email This](#)

- [Print](#)
- [Comments \(2\)](#)
- [Trackbacks](#)
- [Share Link](#)

[Does JustAnswer.com Provide Legal Advice Online? Is this Site Ethically Compliant?](#)

Posted on August 25, 2012 by



[Just Answer](#) is a question and answer platform that provides answers to users questions for a flat fee of approximately \$30.00 per question. It turns out that one of the fastest growing categories within JustAnswer is the answering of legal questions by lawyers.

Here are other the [JustAnswer](#) terms and conditions that apply to lawyers that participate in this service:

"Experts in the Legal categories must be attorneys licensed to practice law, and be in good standing in at least one jurisdiction in the United States or foreign country. Such Experts shall provide general information only, such as providing descriptions of general principles of law, and shall not provide legal advice. In responding to questions, Experts in the Legal Category shall not apply their legal knowledge or skills to resolve or advise on the Customer's specific factual circumstances described in the question, such as by proposing a specific course of action (other than advising the User to seek the advice of an attorney licensed to practice in the relevant jurisdiction). Experts in the Legal Category shall not form an attorney-client relationship on the Site."

To be qualified to answer questions as a lawyer within the [JustAnswer](#) platform, the lawyer has to take a test in the practice area and meet other qualification standards.

Disclosure: I answer legal questions on the JustAnswer.com website in my capacity as an attorney and a member of the [Maryland Bar](#).

The Website is very well executed. Users can select from a panel of lawyers that are online at the time that the question is asked. You can name your price - indicate what you are willing to pay for an answer. You can see the credentials of the lawyers and their track record in answering questions, communications are secure and confidential, and the user can indicate the urgency of the answer, and the level of detail required. Answers are 100% guaranteed. If you are not satisfied you get your money back. You can select the State that you are located in, so answers can be state specific. Most questions are answered within minutes.

I have yet to see a state bar association offer such a service with the same level of Website sophistication and quality control.

[Continue Reading...](#)

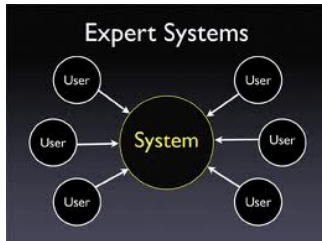
Tags: [Advisory](#), [Bar](#), [Carolina](#), [Cimmittee](#), [DirectLaw](#), [Legal](#), [Legal Ethics](#), [Legal Referral](#), [Rules](#), [South](#), [VirtualLawdirect.com](#), [advice](#), [apply](#), [ethics](#), [firms](#), [law](#), [lawdingo.](#), [lawpivot](#), [lawzam](#), [legal advice online](#), [legalhub](#), [limited](#), [online](#), [practice](#), [services](#), [that](#), [to](#), [unbundled](#), [upcounsel](#), [virtual](#), [www.justanswer.com](#)

- [Email This](#)
- [Print](#)
- [Comments \(1\)](#)

- [Trackbacks](#)
- [Share Link](#)

[Serving Justice With Conversational Law: Expert Legal Systems Are Here](#)

Posted on August 21, 2012 by



[David R. Johnson](#), a Visiting Professor at the [Institute for Information Law and Policy and New York Law School](#), has written a [new thought piece](#) for the [World Future Society](#) on how the digitization of law changes the nature of law. Building on a theme first articulated by Ethan Katsh in his seminal work on [The Electronic Media and the Transformation of Law](#) (Oxford University Press, 1991). Katsh speculated that digital technologies would change our ideas about what the law actually is.

Johnson extends the analysis and notes that "Katsh's speculations are only now becoming right-in ways that not even he predicted." I am indebted to Katsh as when I first read his book in 1991, in pre-internet days, it set me off on a journey and a path that I am still pursuing to this day. I underestimated that time that it would take for these predictions to become a reality by about two decades!

Johnson envisions a future where there will be a proliferation of expert systems developed by lawyers that will enter into dialogues with clients and consumers that will provide answers to legal questions at low cost and at scale. He sees law becoming conversational and dynamic, rather than static. Legal documents becoming wholly interactive. Statutes will also become dynamic with interpretations of language build into the code itself.

In an environment where law is conversational, the meaning of a term or rule will become less obscure and ambiguous, so that disputes will be resolved based on the facts, rather than what a particular term means.

Johnson predicts that that:

"As law becomes conversational code, we will talk to it directly. Some people may not get the answer they like. so lawyers will always need to be around to provide comfort or help formulate alternative plans for those who can afford them."

The tools to create such "expert systems" are getting to be easier to use. [Neota Logic](#), an expert systems authoring tool company, collaborated this year with New York Law School and [Georgetown Law School in a project to train law students](#) to help students build expert legal systems in the context of [courses offered by both law schools](#). I have reviewed these student projects and I can tell you that they are quite good and useful aids to decision-making. Here is a [video that describes these projects](#). These students are learning skills that will enable them to become a new kind of legal professional that creates systems that can have wide distribution, and as Johnson points out a potentially a new kind profitable law practice.

([Richard Susskind](#), another one of my mentors to whom I owe a great intellectual debt, also predicts the rise of a new class of legal software engineers, in his seminal book on [The End of Lawyers](#)).

It will be interesting to see how long it will take for Johnson's predictions to become a reality. (Probably another two decades!) One constraint that we know of, is that it takes capital to build any kind of a digital

application, because it takes time to build, and if you are spending time building a digital application, you are not billing hours to clients.

It is for this reason for example. that although we make our document authoring system available for free when a lawyer subscribes to our [DirectLaw virtual law firm platform](#) , less than 5 lawyers out of hundreds of law firm subscribers have elected to automate their own legal documents.

Perhaps the current generation of lawyers simply don't possess the skills to do this kind work - a problem that some law schools are trying to address. See [Reinvent Law at Michigan State Law School](#). Change comes very slowly to the academy, so I would not expect a new cadre of legal software engineers to be available soon.

For those that acquire these new skills, I think they will find themselves in demand - not by law firms - but by disruptive law start-ups, privately-financed companies, that will be the source of these new legal expert system applications.

You can download the entire Johnson [article here](#).

In accordance with the FTC 16 CFR, Part 255: "Guidelines Concerning Use of Endorsements and Testimonial in Advertising" I am disclosing that I have a material connection to some of the companies referred to in this Post. I am the Founder/CEO of [DirectLaw](#), a virtual law firm platform provider.. The opinions expressed here are my own. I did not receive any compensation from any source for writing this post. [DirectLaw](#) sponsors this blog by paying for the costs of hosting.

Tags: [David](#), [Document Automation](#), [End](#), [Johnson](#), [Law Firm Productivity](#), [Legal](#), [Neotalogic](#), [R.](#), [Richard](#), [Susskind](#), [Virtual Law Practice](#), [advisors](#), [conversational](#), [expert](#), [expert systems](#), [in](#), [law](#), [lawyers](#), [of](#), [practice](#), [start-ups](#), [systems](#), [the](#), [virtual](#), [web](#)

- [Email This](#)
- [Print](#)
- [Comments \(1\)](#)
- [Trackbacks](#)
- [Share Link](#)

[My Experience with LawPivot: An Online Legal Advice Service](#)

Posted on August 16, 2012 by



[LawPivot](#), is a [Silicon Valley legal industry start-up](#), a new breed of online legal advice Web site that provides legal answers through a network of attorneys.

Sometimes the legal advice or legal information is free like [AVVO](#) and [LAWQA](#), and sometimes you pay a fee, which LawPivot and [JustAnswer](#) require. See more: [American Bar Association Journal article on LawPivot](#).

I had a technical, corporate legal question that I needed a quick answer to, so I decided to try LawPivot's

[Confidential Question and Answer Service](#), pay their fee, and see how well it worked. I knew that LawPivot has a pretty extensive panel of corporate lawyers, so I thought this would be a good starting place. Because my question involved a technical question, I think if I had asked our regular outside counsel I probably would have generated a \$450.00 legal fee and a long memo -- which I really didn't need at this point.

Instead for **\$49.00**, I received within 24 hours 8 answers from as many lawyers. Of the 8 answers I received, I marked 5 as not helpful for my purposes. But 3 were very much on target, and one answer was exactly what I was looking for.

This service is "Confidential", but no attorney/client relationship is created, and the answers are supposed to be "legal information" rather than "legal advice". The reality is that what I received was pretty good legal advice that applied to the particular facts of my situation.

Overall the site was very easy to use and I was very satisfied with the result. I think that even if I were not an attorney with experience in corporate law, I would have been able to recognize which answer to my question was the correct one. I am not sure that this would always be the case, so my conclusion is that this kind of online service for the average user is a starting point for more research, not an end point. The service helps you make a decision whether you need to retain an attorney for additional assistance. This is a good example of the use of the Internet to deliver "unbundled" legal services at an affordable fee.

The Ethical Issues

LawPivot makes clear that they do not share any fees with an attorney. The site also makes clear that it is not a legal referral service and that it does not promote any particular attorney. LawPivot properly avoids making claims about the lawyers in their network such as they are "the best", highly specialized in their fields", or the most experienced lawyers in their specialty.

Apparently, lawyers [are ranked by an algorithm on how well and promptly they answer questions](#). Whether this technology violates traditional legal referral rules, which prohibits profit-making organizations to be in the legal referral business, is the subject of a future blog post.

Is LawPivot, as a non-law firm, permitted to charge a fee for legal advice? Is this the unauthorized practice of law? Not if the fee is paid by the user for the use of the Web site, and not for the legal answer or legal advice itself. There is a bar association opinion that holds that a Web site may charge a user for the use of the Website, when purchasing a legal service, and that this fee is not a fee for the legal service itself. See for example, [Nassau County OK's Tie with Americounsel](#).

In the AmeriCounsel scheme, which dates back to 2000, the Nassau County Bar concluded that:

"[S]ince AmeriCounsel does not charge attorneys any fee and since AmeriCounsel does not "recommend" or "promote" the use of any particular lawyer's services, it does not fall within the purview of DR 2-103(B) or (D). Rather, AmeriCounsel is a form of group advertising permitted by the Code of Professional Responsibility, and by ethics opinions interpreting the Code."

I think this opinion is still good law.

However, [LawPivot](#) has been forced to create a business model, based on a work-around of a Rule of Professional Conduct that no longer serves any useful purpose.

In my opinion, a regulatory scheme that enables private companies to take a share of the legal fee for referring client work to law firms would have a positive benefit. It would result in providing **more resources to the Web provider** so that it could develop more nuanced quality control systems, more extensive marketing programs, and invest in innovative client referral systems. The prohibition on splitting fees between non-law firms and law firms doesn't serve the purpose for which the rule was originally designed -- to discourage "ambulance-chasing."

In fact, the [ABA's Standing Committee on the Delivery of Legal Services](#) most recently sent a letter to the [ABA Ethics 20/20 Commission](#) recommending that Rule 7 (2) (b) be eliminated.

Model Professional Rule (7) (2) (b) states:

(b) A lawyer shall not give anything of value for the recommendation of the lawyer's services except that the lawyer may: (my emphasis).

- (1) pay the reasonable costs of advertisements or communications permitted by this Rule;
- (2) pay the usual charges of a legal service plan or a not-for-profit or qualified lawyer referral service. A qualified lawyer referral service is a lawyer referral service that has been approved by an appropriate regulatory authority;
- (3) pay for a law practice in accordance with Rule 1.17;

Comment [5] to the Rule merely states, "Lawyers are not permitted to pay others for channeling professional work."

The Standing Committee's letter to the Ethics 20/20 Commission states:

"The comment provides no rationale for this conclusion, which frankly is a position swallowed by the Rule's exceptions. Law directories have channeled legal services for well over a hundred years. Lawyer referral services have channeled work to lawyers since the mid-twentieth century. Prepaid legal services have channeled work to lawyers for nearly 50 years. Public relations and marketing have joined lawyer advertising as vehicles that channel work since the Supreme Court ruled that states could not prohibit lawyer advertisements in 1977. Law firms providing services to corporations and institutions have in-house marketing staff, some of whom are paid well into six-figures, for the purpose of channeling professional work to their firms. And most recently, we have seen a proliferation of online third-party intermediaries that in some instances defy categorization as advertisements or referral services. Intermediaries are discussed in detail below, but suffice it to say here that the channeling of professional services in the marketplace in and of itself is not inherently inappropriate. Collectively, these mechanisms create access to legal services for potential clients of all economic strata. They are, however, most important for those of moderate or middle class individuals who infrequently use of the services of a lawyer and need the information provided by these resources to help them make the decisions about the legal services most appropriate for them. "

The [Ethics 20/20 Commission](#) gave no serious consideration to the Standing Committee's proposal so this reform is dead for the foreseeable future -- unfortunately.

The problem with Rule (7)(2)(b) is that it has been made irrelevant by the Internet and arguably is a deterrent to innovation in devising new ways of enabling consumers to access legal services. This is a Professional Rule

that chills innovation, rather than preventing consumer harm.

AmeriCounsel failed as a company because it could not generate sufficient cash flow as it was limited to charging a relatively small administrative fees for use of the Web site, as distinguished from earning larger fees that could result from channeling work to lawyer's in their network.

I hope that [LawPivot](#) does not suffer the same fate as AmeriCounsel.

Tags: [20/20](#), [ABA](#), [AVVO](#), [Jay](#), [Law Startups](#), [LawQA](#), [Legal](#), [Legal Ethics](#), [Legal Fees](#), [Mandal](#), [Unauthorized Practice of Law](#), [advice](#), [elawyering](#), [ethics](#), [fee](#), [fixed](#), [law](#), [lawpivot](#), [lawyers](#), [legal advice online](#), [limited](#), [limited scope legal services](#), [of](#), [online](#), [practice](#), [referral](#), [services](#), [unauthorized](#), [unbundled](#)

- [Email This](#)
- [Print](#)
- [Comments \(1\)](#)
- [Trackbacks](#)
- [Share Link](#)

[LegalZoom's Achilles' Heel: Free Legal Forms](#)

Posted on August 4, 2012 by



For those of you following the [LegalZoom IPO](#), which was scheduled for Friday, August 2, 2012, it was [postponed for the usual stated reason](#) that market conditions were not suitable. This really means that the offering could not get off at the \$10-\$12 price per share that the [selling shareholders](#) wanted. Instead the maximum price institutional buyers were willing to pay was reportedly \$7-\$8 a share, which would have reduced the valuation of the company by one-third. The reasons that were given for this lower valuation were comparisons with other transactional-based companies like [www.ancestry.com](#) which is selling at a price to earnings ratio of 21.73, compared to a projected price to earnings ratio for LegalZoom of over 40x.

Perhaps the research analysts on the buy side perceived a more fundamental flaw in LegalZoom's business model.

The LegalZoom product offering at its core is still the provision of legal forms offered up to recently, without the option of the legal advice from an attorney. The pricing for these legal forms are comparable to the pricing of paralegal prepared legal forms offered for example by the [many legal technicians in the State of California](#) who work with consumers off line in face-to-face meetings, like lawyers.

Thus for example [LegalZoom charges \\$299](#) for no-fault divorce forms, and [\\$139 for name change forms](#). Many virtual law firms now offer comparable legal form services but bundled with legal advice. See for example [www.morrisfamilylaw.com](#) where a no-fault divorce is offered with the full accountability and the backing of an attorney for a fee of **\$275**. For another example see [FlashDivorce](#) a virtual law firm service that offers no-fault divorce in four states for **\$199**.

Law firms are going [virtual](#) and are finally figuring out ways to compete against LegalZoom on its own playing field. To be sure, these small law firms don't have the capital and marketing budgets of a LegalZoom,

but as thousands of these law firms eventually migrate to delivering online legal services they will not only offer a better value to consumers, but they will constrain LegalZoom's growth and dominance.

The problem with the LegalZoom pricing model is that automated legal forms are digital goods whose marginal cost is zero. [Eventually a pure digital good has a marginal cost of zero and will be made available a price which is either free or close to free.](#) It is for this reason that a [song, for example, on iTunes cost only .99.](#) [I wrote about this idea previously at [Legal Forms for the Price of a Song on iTunes?](#) which identifies other legal start-ups moving into the free legal forms market space.]

LegalZoom [itself has aggressively argued that its services are essentially software-powered and its document assembly processes](#) are publications entitled to the same First Amendment protections as other kinds of commercial speech. Its products are therefore, it argues, immune from [organized bar claims](#) that their services constitute the unauthorized practice of law. By its own admission, the professional review of legal documents by LegalZoom is very limited and does not constitute legal advice.

If this is the case, once consumers figure out that the product that they get from LegalZoom is essentially the same digital form that can be purchased from many [automated legal form websites](#) at a price which is 10% of LegalZoom's existing selling prices, -LZ's revenue should implode, in theory. I say, "in theory", because LegalZoom has done an excellent job in persuading consumers that what they have to offer is a better service than what they get from the typical lawyer.

Because of the overwhelming advertising that LegalZoom pushes into multiple channels the LegalZoom brand is likely to remain intact, because the truth about the nature of LegalZoom's product offering is obscured by their aggressive advertising messaging.

For many consumers, if a service does not appear on page one of a Google search, they will look no further, and the opportunity to avoid using a lawyer in solving a legal problem is often the controlling decision factor.

For example, many consumers are still unaware of the fact that the [US Legal Services Corporation](#) has subsidized the creation of free automated legal forms available to people of all income levels that are available for [free from a network of state-based legal information and legal document web sites](#). These free legal form services have no budget for marketing, certainly nothing like the \$40 million a year that LegalZoom's spends on marketing and advertising.

These legal forms are fully automated, web-enabled, automated, easy to use, and often employ a [visual graphical interface](#) to help users navigate through online questions and courthouse procedures. The program is not limited to low-income people.

Even without a marketing budget, last year more than 500,000 legal forms were downloaded by users in 34 states using this program. This transactional volume already exceeds LegalZoom's annual volume and it is increasing as more legal forms are automated and the number of states participating in this program increases.

State courts have also jumped into the free legal forms market in response to the demands of *pro se* filers looking for free legal help. See for example [Online Court Assistance in Utah](#) and [Maryland Family Law Forms](#).

Even the US Bankruptcy courts are [prototyping a free online set of Chapter 7 bankruptcy forms](#) to be used by

self-filers. This service will eventually be rolled out nationwide to every US Bankruptcy Court Website.

I can think of other ways that the development and distribution of free automated legal forms can be monetized, without the need to charge a transactional fee to the consumer. (This is the subject of a future blog post).

Free legal forms are here and the supply is expanding. Lawyer's won't like the fact, any more than LegalZoom, that this development will disrupt their business models. The reality is that both kinds of suppliers of legal solutions will have to accept the challenge of the accelerated pace of technological change.

In accordance with the FTC 16 CFR, Part 255: "Guidelines Concerning Use of Endorsements and Testimonial in Advertising" I am disclosing that I have a material connection to some of the companies referred to in this Post. I am the Founder/CEO of [MyLawyer.com](#), a smart legal forms Website, and Founder/CEO of [DirectLaw](#), a virtual law firm platform provider. The opinions expressed here are my own. I did not receive any compensation from any source for writing this post. [DirectLaw](#) sponsors this blog by paying for the costs of hosting.

LegalZoom is a trademark of [LegalZoom, Inc.](#)

Tags: [Competition](#), [Corporation](#), [Free Law](#), [Investors](#), [LawHelp](#), [Legal](#), [LegalZoom](#), [MyLawyer.com](#), [Polaris](#), [US](#), [a2j-author](#), [directlaw.com](#), [firms](#), [forms](#), [free](#), [interactive](#), [law](#), [practice.](#), [self-help](#), [services](#), [virtual](#)

- [Email This](#)
- [Print](#)
- [Comments \(3\)](#)
- [Trackbacks](#)
- [Share Link](#)