

Punching Above Your Weight: Strategies for Building a Successful Small Firm Litigation Practice with a Big Firm Presence

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➔ PUNCHING ABOVE YOUR WEIGHT



➔ Before You Enter the Ring



Here's a quick checklist to assess your preparedness:



- Have a runway of at least six months of personal savings or capital
- Carry clients over from your previous firm
- Have a supportive group of friends, colleagues, and family
- Create an action plan
- Tell everyone you are starting a law firm

Develop a Flexible Business Model

There are two things that factor into your business model—the price you charge for your services, and the cost you incur for delivering those services.

To build flexibility into your model:

- Build a **variable cost** structure.
 - A variable cost varies with the amount produced, while a fixed cost remains the same no matter how much output is produced.
- Build a **cost-first** pricing model.
 - Many big law firms use a price-first costing model, meaning they incur expenses, then determine their price.
 - In a cost-first pricing model, you determine the client's budget first, then determine if you can deliver the services they want at that price.
- Offer flexible pricing commensurate with the value delivered to the client.

The best business development advice I received was that it takes about three years for someone to trust you with their litigation. Don't expect to get business right away when you first meet someone, but also consider who you knew three years ago.

Business Development Takes Time

Understand that business development is always a long game. Invest in yourself and in your business:

- Redevelop past relationships. *Who did you know three years ago?*
- Develop business with existing clients. Expand your footprint!
- Develop relationships with other attorneys
 - Attorney referrals
 - Attorney networks
 - Bar associations



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➔ Build a Support Team

You will be more successful the more support you have. Build a great team of:

- Partners
 - Co-counsel
 - Special counsel
 - Local counsel
- Associates
 - Freelance attorneys (experienced attorney hired directly by another attorney to work on a specific component of a case or transaction)
 - Contract attorneys (attorneys employed by a legal service agency)
- Litigation support
 - Virtual paralegals
 - Virtual assistants
 - Vendors (e.g. court filings, electronic discovery)

My practice is like an accordion. It shrinks and expands depending on what is needed in a point of time.



Identify Where Your Clients Are

Successful businesses know who and where their customers are.

- Be close to the courthouse, close to the clients, or both
- Consider moving your practice/relocating
- Find clients that like to litigate or that get sued

Float Like a Butterfly

To be successful, you need to understand and respond to circumstances.

- Be flexible on your rate
 - Consider alternative fee structures
 - Consider litigation financing
- Take on cases outside your lane
- Monitor trends in your practice area

...Sting Like a Bee

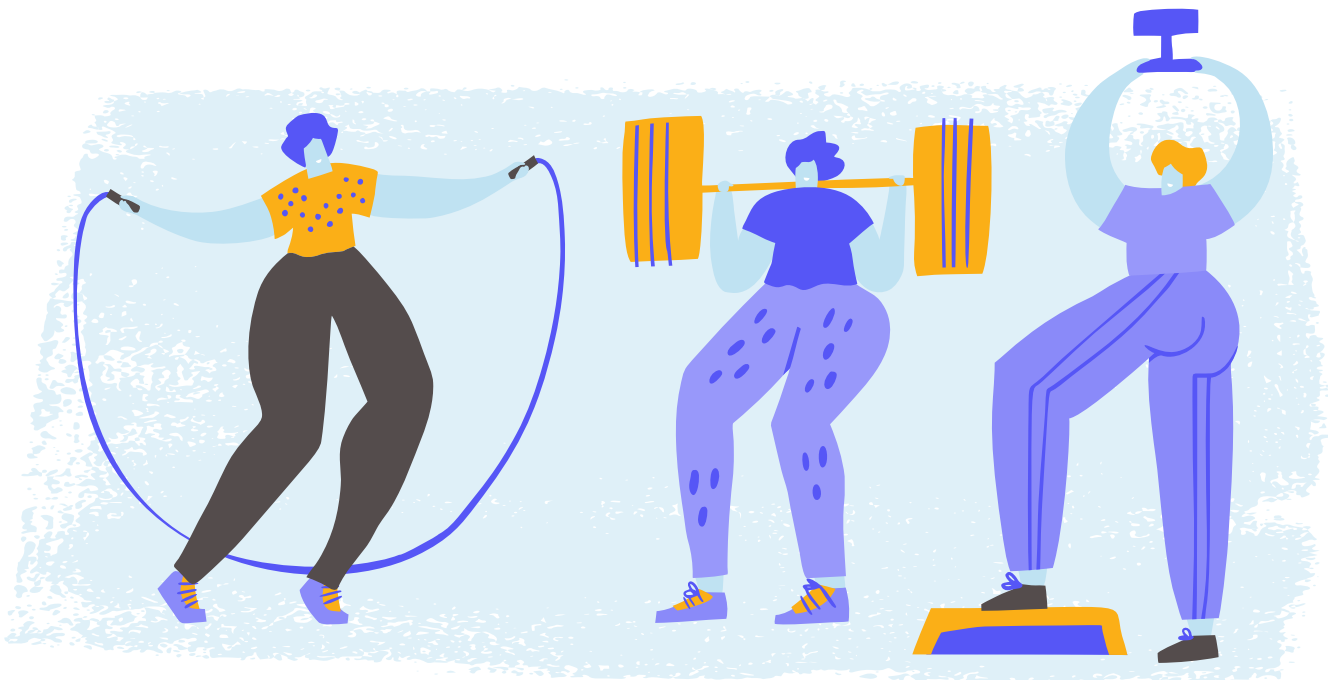
To be successful, have confidence in your abilities—enough confidence to get help when you need it.

- Pound the merits of your case
- Have someone in your corner
- Respect your opponents

PUNCHING ABOVE YOUR WEIGHT

KEY TAKEAWAYS

1. Have a runway of at least six months of savings or capital.
2. Be open minded, flexible, and resourceful.
3. Don't expect to get business right away when you first meet someone. It can take as long as three years.
4. Consider building a variable cost structure that changes depending on the output produced.
5. Determine the client's budget first, then determine if you can deliver the services they want at that price.
6. Offer flexible pricing commensurate with the value delivered to the client.
7. Redevelop past relationships. Who did you know three years ago?
8. Develop business with existing clients. Expand your footprint!
9. Considering relocating to where your target clients are.
10. Build a flexible support team, including virtual assistants, flex attorneys, and litigation support vendors.



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