

Law 2.0 with Jason Mendelson

Issues driving evolution of law business

- Large Law Firms Splintering
- Different Practice Areas have Different Worth for Clients
- Large Law Firms Have No Models to Pay Partners Different Rates
- Alternative Fees (aka AFE's or AFA's): Anything not Hourly
- Billing will be different

This occurs in other professions

Key Performance Indicators

- Always have an expense line. Measure your costs.
- How much did you work?
- How much revenue came in?
- Don't do everything on day one - do the ones that will put you out of business if you get it wrong?

Fixed costs are the ones you have to pay each month: rent, internet access, etc.

Understanding Fixed versus Marginal Costs Key

Marginal costs are incurred when work is performed

Know your margins! Revenues - expenses

Cool Tools For Attorneys

- BrightLeaf.com: Web-based document automation
- Prezi: Slide-less presentation software
- Rocket Matter: Cloud Time and Billing and Practice Management Software
- MindMeister: Mind-mapping software

Who would most benefit from AFEs?

- Lawyers with less controversies
- Lawyers with less dealings with other attorneys
- Licensing agreements amenable
- Business-type documents (stock options)
- Litigation: not a good match
- Smaller firms could scale with recurring monthly fees
- The billable hour has a time and place (it's not dead)
- Small firms have an advantage of offering different types of billing method.

Hiring

- When interviewing, test for judgement
 - references
 - talk about substantive legal issues
 - give people hypotheticals, and see how their brain works
- BigLaw is like AAA Baseball
- Mentoring is one of the lost arts of the profession.
 - Due to email?
 - Put associates on lower-impact cases: pro-bono work