

# Saving Money in a Recession

by John J. Brandt, Risk Manger

EVERYONE AGREES that we are in a deep recession that will not end in a day, a month or even a year. This economy is adversely affecting most Americans, including attorneys. The following pointers will help you practice our profession more economically, while still adhering to the principles of ethical lawyering:

Maintain current clients, particularly by returning telephone calls and emails.

Increase networking with other attorneys, and tell them that you will consider taking cases they do not want.

Move to more reasonably priced office space, including space shared with another attorney.

Consider reducing advance fees, but always obtain part of the fee in advance.<sup>1</sup>

Write or e-mail your clients more frequently — and keep it short.

Bill monthly with a short letter that explains the progress of the client's case.

Reduce unnecessary expenses, including reference journals you do not really use.

Withdraw from non-paying cases, remembering your legal duties under your engagement letter and under the disciplinary rules of the Virginia State Bar (particularly Rule 1.16).

Become better organized by working from lists of daily assignments.

Economize and downsize office staff if possible.

Do your own legal research.

Help your office assistants by doing more word processing.

Consider lower-paying work, such as legal aid cases.

Be certain you are taking proper tax deductions for your business-related automobile insurance and mileage;

Review your office budget more frequently and reduce unnecessary spending.

Reduce the use of couriers and use the postal service instead.

Consolidate court matters as possible under the local rules and practices of the jurisdictions in which you practice.

Review your liability and malpractice insurance policies, and secure the most coverage for a reasonable fee.

Understand referral fees with other attorneys (Rule 1.5(e)).

Check with the courts for any checklists or forms that may economize your work.

Charge family members, other than your immediate family, for your legal work.

Use law libraries at courts and law schools, and consider eliminating costly legal services (remember, FastCase is free to Virginia State Bar members).

Scrutinize your costs to ensure that clients are charged for all of your work, including copying.

Finally, continue to work hard, do good work for your clients, and have faith that we will pull out of this recession just as we have in the past.

Endnote:

1 “Abraham Lincoln is reputed to have said: ‘The lawyer should always get some of his fee in advance from the client. In this way, the client knows he has a lawyer and the lawyer knows he has a client.’” Jay G. Foonberg, *How to Start & Build a Law Practice* (4th Ed. 1999).

*Virginia lawyers can reach John Brandt at (800) 215-2854 for a free consultation on any risk management issues.*