

Virginia State Bar Informational Brochures

CHECKLIST FOR OPENING YOUR FIRST LAW OFFICE: Tips for a Successful Start

Prepared by the General Practice Section

Opening your first law office is a monumental challenge and not for the faint of heart. It will be exhilarating and exhausting – often at the same time. You will be taking on the challenge of a lifetime. Putting in extra thought and taking the necessary precautions will save you countless headaches in the long run. Despite the ups and downs that are inherent in starting your own business, remember not to get discouraged those first few months and years before your practice blossoms. Let's get started with some basic recommendations to put you on the road to success.

Part I: Planning Considerations

Questions to Consider:

Do You Want to Be Your Own Boss?

Perhaps this question is most important and you will need to do some serious self-reflection. Running a practice must fit your personality. A good number of lawyers just want to practice law and do not want to be concerned with the ins and outs of managing a law firm, from client retention and marketing all the way down to tedious tasks like purchasing office supplies and making repairs around the office. You will either need to handle these tasks yourself or hire someone to take care of them for you. Not only are you an attorney, but you will wear the hat of firm administrator, IT specialist, website designer, marketing director, and many others as well.

Do You Want to Work 7 Days a Week?

Maintaining a law firm is not a 9-to-5 job. When business is booming, you can be in the office 7 days a week working on clients' cases. When business is slow, you can be in the office 7 days a week working to bring more clients into the practice. Early in your practice, you will be spending a significant amount of time networking and marketing in addition to attending various events. Also, because you have no set hours or supervisor, a high degree of discipline is required.

Do You Have Enough Money Saved and Do You Have Other Sources of Income?

While there will always be differing figures suggested, it is a good plan to have a minimum of three to six months of savings to cover your personal and business expenses prior to opening your business. If you do not have this level of savings, you may want to consider applying for a small business loan or delaying the opening of your practice until you do.

Have You Decided on Your Practice Areas?

Consider focusing on only a few practice areas at first unless you have an interest in opening a general practice. It may be easier to specialize at first, especially if you are a younger attorney.

Do You Have a Referral List Ready?

After deciding on your primary practice areas, take the time to create a detailed list of attorneys to refer callers who are seeking legal assistance in other practice areas. Think about your friends and colleagues who provide excellent representation. By not leaving potential clients empty-handed without a referral, it increases the likelihood that they will call you back in the future and share your firm information with others who may need your representation. Be sure to keep your referral list up-to-date.

Do You Have Ties to a Particular Geographic Area and Do You Plan to Stay Local?

Opening a practice is a serious commitment and will work best if you have established roots in a particular geographic location. If you are considering a move, you may want to hold off on opening your practice until you have decided on a long-term residence.

Part II: What You Should Do Right Away

Once you decide to open your law practice, determining how to accomplish the sheer number of tasks can be overwhelming and we would recommend prioritizing the following:

- **Incorporate:** After you decide to open, complete the appropriate incorporation articles/paperwork with the Virginia State Corporation Commission. You will also need to register your law firm with the Virginia State Bar.
- **Business License:** After receiving your confirmation from

the State Corporation Commission, you will be able to obtain a business license from the local office of the city or county treasurer.

- **Bank Accounts and IOLTA Account:** Immediately choose a bank to use for your firm and begin by setting up your firm's operating and Interest on Lawyer Trust Account (IOLTA). This way, as the first clients walk through the door, you will be ready and issue free. Also, it is never too early to open a business savings account. For approved Trust Accounts (IOLTA) visit www.vsb.org/site/members/trust-account-depositories.
- **Malpractice Insurance:** Begin shopping around to obtain quotes for malpractice insurance, being sure to take advantage of any discounts offered as part of your membership in bar organizations.
- **Website:** Decide on a website domain and purchase it. It is also cost-effective to buy a website-making package. Before hiring a web designer or web company, consider setting up a basic template-based web page with your contact information and biography. It will be simple to upgrade later.

Part III: Timelines

Six Months in Advance

Obtain Additional Certifications: Six months before opening is a good time to work on earning any certifications you may need in solo practice, especially those that will help you bring in a wider variety of clients and make you stand out from the crowd of other lawyers.

For example, if you are a criminal law practitioner, make sure you meet the requirements set forth by the Virginia Indigent Defense Commission (VIDC) in order to serve as state court-appointed counsel. This will require shadowing other lawyers and completing a number of cases within certain courts. If the primary circuit court where you will practice requires you to have a specific number of jury trials before being able to join the court-appointed list, make sure you are in a position to meet these tasks within six months of opening your firm door. Likewise, if you intend to join the Criminal Justice Act (CJA) panel in federal court, begin fulfilling those many tasks around this time too.

Similarly, if you will practice family law and need certifications to serve as a guardian ad litem or mediator, at least six months before you open your business is an opportune time to begin any requirements necessary to obtain those certifications.

Three Months in Advance

Office Space: Now is the time to decide what type of physical space you will use for your law firm. If you will be signing a full-time commercial lease, which is typically three to six years, shop around for the best office space location within your budget.

Today, some lawyers use virtual office space, a much cheaper option when compared to the cost of traditional office space. If you do not want to commit to a lengthy commercial lease, there are several options for subleasing and office sharing space as well. Legal Ethics Opinions regarding office sharing and other matters can be referenced at www.vsb.org/site/regulation/leos.

One Month in Advance

Set Up Mail Forwarding and a P.O. Box: Remember to update your mailing address with the Virginia State Bar when you open your practice.

Choose a Case Management Software: Most case management software companies offer a free trial of their service to help you decide which will work best for you. Keeping records of conflict information from a previous firm or employer is a must. In addition to avoiding the obvious ethical pitfalls of failing to keep a solid conflict database, it is not difficult to create a spreadsheet of other easily accessible documents of past clients to add to your new firm's case management system.

Send out Announcements of Opening

Host an Open House or Other Opening Event

Part IV: Marketing Planning and Strategy

There are several low-cost marketing ideas you may want to add to your new firm's marketing plan. You will be able to set goals in the future and adjust the plan as necessary after learning what works best for client generation.

1. Social Media: Popular social media platforms such as Facebook, Instagram, and Twitter exist for lawyer marketing today, with varying degrees of success. Include the appropriate disclaimers on any posts such as 'Each case is different,' and 'social media contact does not create an attorney-client relationship.' Update your LinkedIn profile and consider making it public so that a greater number of potential clients and networking connections can find you. You can quickly create a LinkedIn Business page for your firm, providing updates for potential clients, links to your blog posts, and other networking connections.

2. Local and Regional Publications: Several local business and lifestyle magazines publish an annual Top Lawyers

list. Figure out the requirements for nomination as well as the nomination period. These types of magazines do an excellent job of self marketing and always include a print campaign as well as various types of online postings.

3. Non-Lawyer Business Events: Do not forget to take advantage of mixers and meet-and-greet events in the community where you are likely to be the only or one of a few attorneys in attendance. This will help you stand out in the crowd and assist in branching out for referrals from outside of the legal arena. The Chamber of Commerce and other business organizations are good places to start.

4. Students: Depending on your practice areas, your client base may include students. You can advertise yourself to local community colleges and universities for little to no cost, including by serving as a speaker or even as an adjunct professor.

5. Bar Association Activities: Some of the best referrals you will receive as a new solo practitioner are from other lawyers in other practice areas so while it is tempting to cut back on bar association functions as a new firm owner, make a consistent effort to keep these on your calendar.

6. Write and Publish: Articles in practice-specific magazines and newsletters such as *Virginia Lawyer* magazine, which is published by the Virginia State Bar, have a large, statewide readership base and are always looking for members to submit content. Potential clients often use online legal blogs as a starting point in their attorney search. You can create blog posts as your schedule allows, but you will want to add new content at least once a month. Think of the questions potential clients will be typing into search engines for topic ideas.

7. Lawyer Databases: There are dozens of reputable lawyer databases online, most of which offer a free basic profile. These types of databases are a simple way to establish an online presence. Examples include Avvo, Justia, Lawyers.com, and Martindale-Hubbell, all of which rank near the top of search engines. The Virginia Lawyer Referral Service (vlrs.net) is a low cost way to get prescreened clients delivered to you.

Part V: Budgeting and Advance Planning

How Much Does Running Your Own Practice Really Cost?

Before opening your own practice, you want to have a definitive numerical figure of how much money you need to bring into the business each month in order to gauge how many clients you will need to bring into the firm, how many

hours you will need to work, and what fees to charge these clients. Factor all business as well as personal expenses into this calculation.

- **Rents**

- Full-time
- Virtual Office Space
- Office Share

- **Staff**

- In-Office
- Virtual Staff and Answering Services
- Interns

- **Accountant**

- If you have no other staff, invest in a reputable accountant. Having a professional on your team who can maintain your books, provide you with tax estimates and advice, and show you where your firm can save money, is invaluable to your business.

- **Malpractice Insurance and Other Insurance Policies**

- Health Insurance
- Office Insurance Policy

- **Electronics and Office Equipment**

- Be sure not to skimp on devices like back-up hard drives and extra cybersecurity protections.

- **Furniture**

- **Internet, Phones, and Other Utilities**

- **Office Supplies**

- **Website Expenses**

- Overall, website expenses are typically low, but pay the extra fees for local search engine optimization.

- **Postage and Delivery Fees**

- **Court Costs and Filing Fees**

- **CLE Costs and Educational Publications**

- **Virginia State Bar and Other Bar Association Dues**

- **Meals**

- **Travel Expenses**

- **Research Services**

- Take advantage of Fastcase, which is offered to all Virginia State Bar members free of charge. Some research companies offer steep discounts to new practices. While keeping a current print library was necessary in the past, get to know your local law librarian and find out if you have complimentary access to research services such as Lexis Nexis and Westlaw as part of your bar association dues.

- **Subscription Fees**

- Professional Development
- Practice-Specific Publications and Magazines

- **Repairs and Maintenance**

- **Advertising and Promotion**

- **Retirement**
- **Miscellaneous/Savings**

Conclusion

In addition to the resources and advice laid out in this publication, The Virginia State Bar has many useful resources for the solo practitioner including the Ethics Hotline (804) 775-0564; the Practice Management & Claims Prevention Hotline for free, confidential advice on virtually any topic from John Brandt (703) 659-6567 or (800) 215-7854; the Virginia Lawyer Referral Service for prescreened referrals (804) 775-0591; and the Fee Dispute Resolution Program (804) 775-9423. The Bar also offers a Solo & Small Firm Practitioner Forum each fall with helpful information, (804) 775- 0521.

Public Information Brochures

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©2021 Virginia State Bar
1111 East Main Street, Suite 700
Richmond, Virginia 23219-0026
804-775-0500
Voice/TTY: 711 or (800) 828-1120
www.vsb.org