

INVESTOR'S BUSINESS DAILY

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LEADERS & SUCCESS

FOCUS YOUR TIME AND MONEY

Managing Legal Expenses

7 No matter what business you're in, chances are you need legal help. The problem for many is exorbitant fees. How to get the best return on your money with attorneys?

■ **Do your research.** "To find the right lawyer, ask other professionals whom they recommend," said Mark Britton, CEO of Avvo.com, which helps consumers find lawyers and free legal advice.

■ **Interview candidates.** After creating a short list of lawyers, meet them. "Ask them questions like whether they represent businesses like yours, who will be working on your account, and what they're billing rates are," Britton said. "Also, let each lawyer know that you are interviewing competing ones. This will often force them to put their most generous foot forward."

■ **Set billing arrangements.** You never know what might be agreeable until you ask.

Anthony Colleluori, a criminal defense lawyer in Woodbury, N.Y., tells business owners to establish a flat fee for the services needed. "When lawyers do things hourly, it encourages them to waste time and money," he said. "That practice only helps their pocket. When two sophisticated parties can communicate and understand each other's goals, it's easy to come up with a creative billing arrangement."

■ **Monitor bills.** Before looking at them, ask yourself how much you think they should be.

"If it is surprisingly low or even about where you think it should be, send your lawyer a thank-you e-mail for so efficiently handling your account," Britton said.

If it is surprisingly high, have your

attorney provide details. "This will allow you both to understand why the firm spent more time on this matter than anticipated," Britton said. "In the end, it is all about good management and communication. If you are monitoring your bills and working with your lawyer to manage them, you will build a mutually respectful relationship that will allow you to consistently receive legal bills that meet your expectations."

■ **Act early.** You can save money by limiting your need for lawyers. Craig Bonnist, an employment lawyer for Bonnist & Cutro in the New York area, tells firms to prepare written policies for employees. Worker handbooks ward off lawsuits.

"Employee issues such as severance, vacation, permissible leave and benefits can be effectively dealt with through a comprehensive handbook, the cost of which is minimal when compared to the potential legal issues resulting from an ad hoc approach," he said.

■ **Roll up your sleeves.** Stephen Aschettino, a lawyer for credit card processor Cynergy Data, said: "Preparation of any legal document requires incorporating references to facts, figures and prior agreements. Rather than sending counsel a box full of documents and having them bill for a time-consuming review to get up to speed, I synthesize the relevant information into an e-mail or memo."

He added that managing legal expenses "is no different than managing any other part of your business. With a little planning, more monitoring and a lot of communication, you can find a trusted lawyer to help you manage your legal affairs at a reasonable price." **Michael Mink**