

TAKING A CHANCE ON THE FUTURE

A New Law Firm Brings The Future To The Present

There may be an acute shortage of entrepreneurial lawyers, which is possibly why so much of legal practice and firm management is anachronistic. But then, it only takes a few visionaries to start a parade.

There are still a large number of lawyers who haven't figured out yet that the world in which they practice has changed substantially, and so they still cling to management, governance, service concepts, and billing structures that have been virtually unchanged since the beginning of the 20th century. The prevailing attitude seems to be "We have always lived in the castle, and it's comfortable, so why change?" Because the world in which lawyers function has changed, that's why.

There are still too many lawyers who, recognizing that when they are needed they are needed urgently, happily reside in a kind of elitism in which the practice is guided and shaped by a somewhat practice centric model. If the client comes first it's only in the telling, but not always in the doing.

Still, there are visionaries and pioneers, some of whom are newly minted and have nothing to lose, others of whom are leading lights in the professions, and take giant leaps with vision and thoughtfulness. One such prominent lawyer is Patrick Lamb, noted as a substantial blawger, as well as an outstanding practitioner.

In a move to develop a law firm that's relevant to the changing needs of its clientele, four highly skilled and experienced litigators have joined with Lamb to form a new law firm called, appropriately, Valorem Law Group. It's designed to meet the dynamic and contemporary needs of a clientele that may no longer be comfortable with the traditional law firm and its practices, such as hourly billing, (with its budget uncertainty), partner/associate structures, and high overhead too readily passed on to the clients.

The partners – Patrick Lamb, Nicole Neama Auerbach, Virginia Kim, Mark D. Sayre, and Hugh Totten -- all come from BigLaw firms, and are skilled courtroom lawyers. They've predicated the new firm on collaboration, and on functioning as a team. According to their web site, www.valorem.com, they believe in holding the team, rather than the individual, sacrosanct, a significant shift in emphasis from tradition. It was, according to founding partner Patrick Lamb, formerly of Butler, Rubin, an "informal leap of faith."

The idea, according to Lamb, was to build a firm to bring together a small group of highly skilled, imaginative and experienced lawyers to function together as a kind of phalanx to attack a client's litigation problems. Lamb developed the concept and formed the firm with two other lawyers with whom he had worked in the past. Two more shining lights then left other firms to join them. "We are revolutionaries and risk-takers," say the partners, "entrepreneurs at heart."

Eschewing the traditional partner-associate structure, which can increase cost to the client without necessarily enhancing results, Valorem works with both paralegals and contract lawyers as needed.

Very much in mind, in forming Valorem, was consciously recognizing that what they are doing is new and different. "We want to put a new fingerprint on the profession," says Lamb, who says that the idea came to him in a kind of epiphany.

A major feature of the new firm, in addition to the team approach to client matters, is budgetary

certainty for clients, through value billing rather than hourly billing. Concern for the client, rather than increasing billable hours, is a basic tenet of Valorem. Document at JD SUPRA™
http://www.jdsupra.com/post/documentViewer.aspx?fid=18bf1bbc-e5e8-4ee8-8fd0-bad16dcc5f53 “Collaboration is one of the values that truly distinguish Valorem,” it’s web site notes. “Would I prefer one lawyer thinking about my case, or would I prefer several experienced lawyers brainstorming?” Fees are determined by a combination of costs, the nature of the problem, and an estimate of the cost of the solution, based upon the experience of the Valorem lawyers. If costs substantially exceed the estimate given to the client, the client is given the opportunity to accept the increase or decline to move forward. If the variance is because of something at their end, they move forward at the original fee estimate and eat the cost.

In the traditional firm, the Valorem team notes, if the client is paying the traditional firm by the hour, such collaboration, involving several lawyers, each of whom billing by the hour, the cost to the client can be exorbitant. With a system based upon value, compensation is based upon firm, not individual performance. If skills outside the capability are needed, it is supplied by contract lawyers, with the fee incorporated into the original agreed upon flat fee.

With the success of the new firm thus far, the question of growth arises. Valorem, says Lamb, will grow only as fast as growth can be sustained without diminishing the firm’s values.

The continued success of Valorem should continue to raise questions among traditional top-down-partner/associate firm management and its ability for a firm to continue to stay relevant to the changing needs of the economic environment served by law firms. In a changing world, Valorem offers the changing world any option to better serve a dynamic clientele.

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