



Incubating an Incubator

I. Getting Started

A. Threshold Questions

- ***Clarify overall goal – what are you trying to achieve?***
 - The goal may be refined or change as planning progresses, but clarity of purpose at the outset is critical to guiding the approach to planning and evaluation
 - Goals might include one or more of the following:
 - Helping newer lawyers establish sustainable solo practices
 - Better positioning newer lawyers in the marketplace by helping them gain skills and experience
 - Increasing access to justice for clients of modest means
 - Developing innovative new ways to practice for “graduates” to make services more affordable in an economically sustainable way
- ***What role can the bar association and foundation play?***
 - Association as host or partner can play a number of integral roles, like law practice management training and resources, other key training, networking, lawyer referral services and possibly staff support
 - Foundation can play key role in a number of ways like funding; providing access to network of partner organizations, firms and individuals; and possibly staff support among others
- ***Do you have staff resources to invest in the planning process?***
 - Planning will require staff time to become familiar with the incubator models and resources and to work with steering/planning committee(s) to develop an initial plan
 - Depending on the program complexity, you may or may not need full-time or part-time staff for an incubator
- ***Are you willing to commit/find funding for the program?***
 - The funding required will vary greatly depending on the program and available resources and in-kind donations

B. First Steps

- ***Get the lay of the land in your community***
 - Are other incubators in development?
 - Is there a need for another program or a particular approach?
 - Can you collaborate or coordinate with existing/developing efforts?

- **Identify resources and lessons from other incubators**
 - ABA as resource hub—listserv, etc
 - Other business and tech incubators in community
- **Create a strong Steering/Planning Committee**
 - Including diverse perspectives and strong voices will help develop a program that is best suited for your community
 - If pursuing innovation approach, involve people from outside legal community if possible, and from start-up business community in particular
- **Begin to develop buy-in from stakeholders, which in addition to bar association and foundation include:**
 - **Law schools:** have important perspective on the needs of their students and the legal market; may be developing incubators or similar programs with which you can coordinate or collaborate; may be important partners in recruiting or supporting participants
 - **LRS:** the bar association lawyer referral service can offer insight on referrals, client need and other practice issues. Involving the LRS staff and leadership at the outset helps ensure that you effectively incorporate the LRS perspective into your planning and that your program is complementary to the LRS; the LRS may also be a partner in referrals and training.
 - **Private bar:** lawyers in all practice can contribute to the program through mentoring, training, in-kind donations and other contributions. Determining the most effective way to utilize different attorneys or categories of attorneys will require some planning, but having conversations at the outset will help foster those relationships.
 - **Legal aid organizations:** may have information and guidance on practice areas in need and developing efficient practices; may be important partners on pro bono placements, referrals and training.
 - **Consultants and advisors:** accountants, marketing experts, training professionals and others
 - **Other incubators** in the legal, business and tech community
- **Consider sources for seed funding and in-kind donations**

C. Key Elements to Determine

- **Program Structure**
 - May range from residency/apprenticeship program where participants are employed by an entity that provides legal services to a pure incubator where participants operate independent law practices
- **Pro Bono Component**
 - Incorporating a robust pro bono component is likely particularly important for programs originating from or supported by bar foundations.
 - Strategically connecting participants with pro bono placements or projects that build skills and connections in their areas of practice

has many benefits, including skill-building, the opportunity to develop mentor relationships and relationships that can result in client referrals.

- **Staffing**
 - Part-time vs. full-time; new vs. existing hire; on-site presence or supervision of legal work; administrative support?
 - Staffing needs likely to change over course of planning/implementation
 - Staff will be needed to run the day-to-day program operations and also to work with volunteers and other partners
 - Decisions about staffing will in many ways dictate the scope and size of the program.
- **Office Space**
 - Does everyone need to be together?
 - What type of space?
 - Can you get it for free and if so what if any tradeoffs are involved?
 - Computers, phones, Internet, furniture?
- **Participants**
 - Number
 - Level of experience
- **Budget/Funding/Program Sustainability**
 - Budget based mostly on items above
 - Will you require participants to pay rent or participation fees?
 - Requiring participants to pay modest rent throughout the program or at later stages can help offset program costs and help participants begin to adjust to costs of running their practices on their own
 - Will participants receive a stipend (from whom)?
 - Seed money and other funding sources?

II. Implementation

A. Determine Participant Responsibilities and Expectations (and memorialize them in a Participation Agreement)

- **Rent**
- **Expectations of participating**
 - Showing up and being involved
 - Collaborating
 - Providing feedback and information to evaluate program
 - Pro bono work
- **Malpractice insurance**
- **Bar admittance**
- **Restrictions** on types of practices, income of clients served?
 - What are the areas of need?
 - What kinds of cases will support economically viable practices?
 - What kinds of cases will participants be competent to handle?
- **Statement of Principles** for what it means to be part of program

B. Participant Recruitment and Selection

- What are you looking for in participants?
- What are the application requirements?
- How are participants selected?
- Getting the word out
 - Law schools, bar association, website, PSJD.org
 - Information sessions

C. Program Components to Develop (or not)

- Pro Bono Program/Partnership with Legal Aid Organizations
- Curriculum Programming/Training/CLE
- Mentoring
- Networking opportunities
- Referrals
- Technology and information resources
- Access to experts, consultants
- Stipends/Grants
- Office Space
- On-site supervision

D. Legal Issues to Consider

- What is the relationship between the incubator and the individual practices?
 - Potential liability if deemed a law firm
 - Consider support/supervision balance; amount of control; extent to which perceived as a law firm
- Conflicts and Confidentiality issues
- Participation Agreement
- Business structures for participants
 - Solo/small firm options
 - Non-profit options?
- IP issues

E. Other Items

- Marketing & Communications
- Technology needs of program itself (not participants)
- Fundraising necessary?
- Evaluation and Tracking – what is success and are we achieving it?

JEP Statement of Principles

The Justice Entrepreneurs Project (JEP) is a small business incubator for recent law school graduates to start socially conscious law practices. These firms will develop market-based solutions to serve low and moderate-income Chicagoans who cannot afford legal services at traditional firms. Central to the project is developing innovative service models that maximize technology, leverage existing referral networks, and feature attorney-client collaboration and à la carte service offerings.

Lawyers participating in the JEP are committed to establishing successful law practices that:

1. Focus on serving the legal needs of low and moderate-income clients who typically have too much income to qualify for free legal aid but do not have the means to afford legal assistance in the traditional legal market. The JEP target market is generally defined as people earning between 150% and 400% of the federal poverty level.¹
2. Concentrate on areas of law where the legal market does not provide sufficient access to legal assistance for low and moderate-income people.
3. Seek to make legal assistance more approachable by placing deliberate emphasis on understanding clients' perspectives and adapting to their needs, and by working with clients in a collaborative effort to address their legal issues and achieve their goals.
4. Utilize innovative methods to make legal assistance more accessible and affordable for clients in the target market and to reach those clients, including:
 - a. Using fixed fees and other alternatives to the billable hour in order to provide greater fairness, flexibility, transparency and certainty to clients;
 - b. Offering limited scope representation, when appropriate, to provide clients with additional options for representation;
 - c. Maximizing the use of technology to create efficiencies in practice that benefit the client and the law practice.

Lawyers participating in the JEP are also committed to:

1. Collaborating with fellow JEP participants and other JEP partner entities.
2. Actively participating in efforts to improve the profession, the practice of law and the larger justice system.
3. Developing economically sustainable and replicable delivery models for meeting the legal needs of the JEP target market.

¹ The 2013 federal poverty guidelines are available here: <http://www.familiesusa.org/resources/tools-for-advocates/guides/federal-poverty-guidelines.html>.

JEP PROGRAMMING

First Week Programming (June 4-6)

Innovations in the Practice of Law and Niche Practices

Will Hornsby (American Bar Association)

The Legal Services Delivery System

Mark Marquardt (Lawyerø Trust Fund)

Pat Wrona (CARPLS)

Kelly Tautges (Chicago Bar Foundation)

Risk Management

Kathleen Buck (Minnesota Lawyers Mutual Insurance Company)

Business Basics, Budgeting & Finances

Dan Cotter (Fidelity Life)

Sean Kruskol (Navigant) and Tom Truax (True Partners Consulting LLC)

Catherine Sanders Reach (Chicago Bar Association)

IOLTA Accounts and Other Information to Ethically Start a Practice

Emily Adams (IARDC)

Starting a Practice Resources; Law Practice Management Resources

Taylor Hammond (Chicago Bar Foundation)

Catherine Sanders Reach (Chicago Bar Association)

Confidentiality, Privilege, Work-Product

Alan Neff (Writer/Teacher; formerly with City of Chicago)

Business Development Basics

Alycia Sutor (Akina)

Weekly Programming

Group discussion of backgrounds and practices (June 12)

Legal Writing Refresher (June 19)

Alan Neff (Writer/Teacher; formerly with City of Chicago)

Group discussion of legal aid placements (June 26)

Accounting and tax follow-up (July 10)

Dan Cotter (Fidelity Life)

ILAO Overview and Orientation (July 17)

Lisa Colpoys and Stacie Colston Patterson (Illinois Legal Aid Online)

Business Development, Branding, & Marketing (July 24)

Alycia Sutor (Akina)

Michele Golden (BrandNew Consulting)

Judges Panel & Daley Center Walk Through (July 31)

Judge Donnelly, Judge Gamrath & Judge Coghlan
Sherriff's Office
Clerk's Office

Group discussion of fee structures and potential market opportunities (August 7)

Document Automation (August 14)

Catherine Sanders Reach (Chicago Bar Association)

CBF Legal Aid Academy: Counseling Clients on Settlement (August 21)

Jeff Leslie and Randy Schmidt (The University of Chicago)
J. Cunyon Gordon (Chicago Lawyer's Committee for Civil Rights Under Law)

Group discussion of Illinois limited scope representation rules (August 28)

Referring Cases (September 4)

Thomas Prindable (Clifford Law Offices)

Conflicts and Client Intake, Screening, and Engagement (September 11)

Tim Gephart and Kathleen Buck (Minnesota Lawyers Mutual Insurance Company)

CBA Young Lawyers Section Future of the Profession Presentation (September 19)

Deborah Epstein Henry (Author, Law & Reorder)
Peter Hsieh (Knowles Electronics, LLC)
Daniel B. Rodriguez (Northwestern University School of Law)
Jesse Ruiz (Drinker Biddle Reath LLP)

Open group discussion (September 25)

Paperless Office; Security Best Practices (October 2)

Catherine Sanders Reach (Chicago Bar Association)

Group discussion of limited scope representation experiences (October 9)

Media/Interview Training (October 30)

Tim Frisbie (Kathy Schaeffer & Associates, Inc.)
Stephanie Hlywak (Kathy Schaeffer & Associates, Inc.)

First Week Programming for New Class (November 4-7)

Same as First Week Programming above.

Weekly programming for new class proceeds similarly as outlined above; only new programs not already listed above are listed below.

Group discussion (both classes) of starting a practice checklist (November 13)

Lexis Advance Overview and Practice Tips (December 4)

Jeanne Doran, Nita Panchal & Todd Cytron, LexisNexis

Group discussion (both classes) of starting a practice checklist, continued (December 18)

SeyfarthLean initial discussion on pricing legal services (January 8)

Allegra Nethery, Seyfarth Shaw LLP

Solo Practice Tips (January 15)

Clinton Ind, Ind Law LLC

Personal & Business Risk Management / Insurance (January 29)

Paul Shaheen & Mike Richmond, The Horton Group

Money Management (January 29)

Steven Schroeder, Monroe Securities

Additional substantive training made available through CBA's CLE Advantage Plan in which all participants are enrolled

Chicago Bar Foundation Report



CBF Justice Entrepreneurs Project Will Launch Start-up Solo and Small Firms to Expand Access to Affordable Legal Help

Hatching an Incubator

By Terri Mascherin
Chair, Steering Committee
for CBF Justice Entrepreneurs
Project

Earlier this month the Justice Entrepreneurs Project (JEP) officially opened its doors in the West Loop, creating a program where at any given time 30 socially conscious and sustainable solo and small firm law practices will have the opportunity to grow and thrive. With this new collaborative office space, the CBF officially launches its incubator to help newer graduates develop practices that will serve a sizeable gap in our legal market—clients who earn too much to qualify for free legal aid but not enough to pay traditional lawyer rates. The inaugural group of 10 talented, entrepreneurial newer lawyers started in June and is nearing the end of the first segment of an 18-month program, having collectively contributed nearly 5,000 hours

The JEP is just one of many innovative programs that the CBA and CBF have been instrumental in launching in recent years—thanks to the strong support of the CBF’s many dedicated donors. For more information on the program, check out the CBF web site at www.chicagobar-foundation.org/jep or call JEP Director Taylor Hammond at 312/546-9939.

of pro bono service. Already, they are forging connections with one another and the larger legal community while developing and expanding innovative law practices designed to meet real community needs.

As the inaugural group of Justice Entrepreneurs moves into the second phase and focuses on building their practices, they are more experienced, better networked and well-positioned to thrive in the new collaborative space. The second group of 10 attorneys is beginning the pro bono phase, welcomed by the existing entrepreneurs and the legal aid organizations with whom they will partner for their pro bono service. By next summer, the program will be at full capacity, with 30 participating lawyers all working toward a common goal for their own practices—sustainable, successful practices that serve low and moderate income people in our community.

The official launch of the JEP offers an opportunity to reflect on the many great people and organizations that took the program from a good idea to a reality. As I started my term as President of the CBA three years ago, I had a bird’s-eye view of two dramatic changes facing our profession: many more talented and entrepreneurial attorneys seeking nontraditional paths into the profession, and a massive increase in litigants handling often complex legal matters on their own because they could not access free legal help but

could not afford to pay a lawyer. At the same time, an increasing number of new attorneys looked to gain experience and skills through pro bono service, offering welcome help but also challenging overstretched legal aid organizations to train and support large numbers of pro bono volunteers who were just starting out in practice. Working with the CBF and its dedicated staff, we determined we would find a way to connect these lawyers with the clients who need them.

For two years, a committed Steering Committee (see sidebar) studied many possibilities, synthesized information and developed a business plan for the JEP with key assistance from the CBF staff, who provided significant time and expertise from the start. The Steering Committee members were just the first wave of extraordinary talent that would contribute to the project. JEP would never have become reality without the thoughtful contributions of that group, the many others who donated their time and talents through a number of working groups to tackle specific issues, and monumental pro bono assistance and in-kind contributions from the CBA and from a number of partners throughout the community.

With the concept firmly in place, the CBF contributed seed funding made possible by several *cy pres* awards the CBF received in recent years. We hired Taylor

JEP STEERING COMMITTEE

Terri L. Mascherin—Chair

Jenner & Block LLP

IV Ashton

PS Technologies, Inc.

Lisa A. Colpoys

Illinois Legal Aid Online

Daniel A. Cotter

Fidelity Life

Maurice Grant

Grant Schumann LLC

Steven J. Harper

Northwestern University (Adjunct)

William E. Hornsby, Jr.

American Bar Association

Mark Marquardt

Lawyers Trust Fund of Illinois

Frank Mascari

Cornerstone Research

Jennifer T. Nijman

Nijman Franzetti LLP

Catherine Sanders Reach

The Chicago Bar Association

Jayne Reardon

Illinois Supreme Court Commission on Professionalism

Kaarina Salovaara

U.S. Department of Justice

Allen C. Schwartz

CARPLS Legal Aid

Ronald W. Staudt

Chicago-Kent College of Law

Arthur M. Sussman

University of Chicago Law School (Adjunct)

Benjamin C. Weinberg

Dentons US LLP

Robert T. Wentland

Navigant Consulting, Inc.

Matthew Willis

Green Planet Group

David N. Yellen

Dean, Loyola University Chicago School of Law

CBF Staff

Taylor Hammond, Director of the JEP

Kelly A. Tautges, Director of Pro Bono & Court Advocacy

Bob Graves, Executive Director

JEP IN A NUTSHELL

The CBF's Justice Entrepreneurs Project (JEP) is an 18-month incubator program. It provides training, resources and support to help newer law graduates establish successful solo and small firm law practices that meet community need. JEP participants are chosen through a competitive selection process. We seek to identify talented, public interest-minded and entrepreneurial lawyers who want to build innovative practices that "break the mold" to provide cost-effective service. The JEP participants are committed to serving the community by building more efficient and flexible practices that provide quality legal service to low and moderate income clients.

For the first six months of the program, participants provide pro bono service through placements with legal aid organizations for 20 hours per week, gaining valuable experience and connections in the legal community. At the same time, the JEP provides regular training to help them establish, develop and grow their practices. As these entrepreneurs move through the program and prepare to take their practices into the community, the training focuses on business development, new fee models and how to leverage technology to provide more cost-effective service. The CBF brings Chicago's legal community together to support the JEP program, partnering with lawyers and organizations who provide significant pro bono and in-kind donations valued at hundreds of thousands of dollars, and connecting the participants to a vast network of experience and expertise.

Hammond as the Director for the new program, and JEP secured a dedicated space in the West Loop, modeled after other successful incubators in the business and technology sectors.

The program is still in its early stages, but shows great potential to create sustainable and market-based models for serving a large segment of our community who too

often have not had access to affordable legal assistance. JEP does that by building on lessons from other successful business incubators and utilizing new practice models. The talented and diverse entrepreneurs reflect the professionalism and dedication to innovation that our profession needs to meet changing community needs. ■

How To...

Use Relativity for Basics EDiscovery

Tuesday, December 3, 1:45–2:45 pm. Location: The Chicago Bar Association, 321 South Plymouth Court

MCLE Credit: No MCLE

This course will provide attorneys and legal support staff with a general understanding of their role within the Electronic Discovery Reference Model as well as useful information regarding various review workflow best practices and solutions. We will use the Relativity review tool to demonstrate common uses and practical examples of these workflows.

Presenter: *Talia Page, Esq., RVM Reliable - Versatile - Manageable Data*

Talia Page is a New York licensed Attorney and Relativity Certified Administrator. At RVM, Talia leads Relativity training initiatives and provides workflow solutions and best practices for Relativity, Content Analyst, and Equivio products.