

New Business Models for the Bar

Adam Shutkover
Chief Operating Officer
Riverview Law

I was late showing up!!!
Lots of exclusions
If we were a law firm, we would be top 50 based on the number of referrals

LDP
Background in criminal legal aid
Jan 2012
5 x Barrister Partners + 1 x Solicitor Partner + 1 x Practice Manager
Regulated by the SRA
Can compete with regular Solicitors
Barristers can accept direct instructions
Can pass on savings, fixed fees, rates for "moving on" the case
Have serviced offices
Spent quite a lot on IT, no large buildings to maintain, no papers piled high
Have some Associates as well
Barristers to the BSB are "employed" but are actually self-employed
Do "internet marketing" for the Barristers
Sources of work
Criminal Legal Aid work
Instructions from Solicitors
Are we different from Direct Access? We believe so.
Go to the horses mouth, not the man holding the reins!

James Nicholls
Partner
Artesian Law
<http://www.artesianlaw.com>

Ewen Macloed
Bar Standards Board

There is a new handbook coming
Barristers will be able to do reserved litigation work soon. 2014?
Draft consultations on entity regulation approval on their website and being discussed with Legal Services Board
Looking to become a Licensing Authority then
Will be able to have some "discretion" over entity approvals

Paul Richmond
Head
Richmond Chambers

4 x Barristers
4 x Paralegals
1 x Business Development Manager
No solicitor involved at all
Have good IT, cloud based. My observation is that that's easy when you are small and setting up from scratch
Looking for Bar Council approval to offer Pupillages
Small size gives them flexibility. But looking for more Barristers

Hatti Suvari
Director
Red Bar Law

Hatti is a non-lawyer, a business person
She was a client of her fellow director John (litigator)
They were the 9th ABS to be registered
They are all about "client care" and "upfront" charging
Get the client's money in the bank. Give them certainty
They pay the Barristers VERY quickly after the work is completed
They have an "exit plan". Build the value of the company first

Christopher Perry
Principia Law
<http://www.principia-law.co.uk/>

Self employed Barrister
Head of Legal Practice at Principia Law
Credit Hire litigation / PI / costs litigation
Got a bit bored at this state. Not sure what point he's trying to make
Ok, so self-employed Barristers might make less money now. So what??
Lots of Accident Management Cos bought law firms, or set up their own
Chris pitched the idea to Helphire in 2012
Took 8 1/2 months to get ABS approval in April 2013
Started trading immediately

Christine Kings
Commercial Director
Outer Temple Chambers
<http://www.outertemple.com/>

Traditional chambers
More than 80% of their work is privately paid
30% was publicly funded 5-6 years ago, now it's under 5%
Wanted to develop an international dimension to their set
Years ago we had no "brand identity" e.g. like Doughty Street
Set up a new Ltd Co. called Outer Temple International
Not all brilliant
Going OK

A lot of things are connected to "money"
Income levels
Percentage contribution
Some work is very highly paid, some over £1m, some £150k
That can create tensions. Other Chambers have lower percentages
£100,000 @ 19%
2% drop for each £100,000
Average is 14.5%
Over £1m can be less than 10%
Restructured contributions (model inverted)
Riverview was a problem
Four QCs left Chambers to found Riverview
Generated confusion & resentment
She thinks they handled it "very maturely"
Accepted that this is the new market
Can't stop Barristers taking up these new opportunities

Ambitions of some practitioners
Dynamic Barristers
More telephones
International marketing e.g. New York launch party
Half of Chambers does PI/clin neg work
Why should they pay for the NY party?
Long term v short term view!!!!
Wanted to expand overseas

Set up departments
Two
Health
Business
Equal people/sex split
Each department has a budget etc
Can set their own plan/budgets
Allows an easier "split" in future if need be!