

# 10 TOOLS & TIPS FOR SAVING MONEY ON LEGAL FEES



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# 10 Tools & Tips for Saving Money on Legal Fees

by John H. Corcoran, Esq.

This short report is aimed at one thing - saving you money. Whether you run your own side business or have income properties, or simply need a will, you will probably need to spend money on legal help sooner or later.

When you do need legal help, here's the good news: there is a lot that is within your control to save you money.

The problem is most people use lawyers so infrequently that when they do, they don't know what they can do to keep their costs down. Here are 10 simple ways you can keep your legal fees down:

## 1. **Nolo.com - Self-Help Legal Advice and Tools**

Nolo.com started out as a self-help legal publisher, but their website has become a great source of in-depth articles on various legal topics.

The site has over two dozen legal blogs on every topic from landlord-tenant law to small business, real estate and legal humor. They also have a number of [online calculators](#) aimed at personal finance, investment, retirement planning, and even leases.

Nolo also has a lawyer directory where you can find a lawyer based off a particular subject matter.

## **2. Docstoc.com**

In recent years, a number of legal template websites have come and gone. [Docstoc](#) is my favorite, because it has the largest selection (they boast over 20 million) of professional and legal documents in their searchable database.

I use Docstoc primarily for finding alternative legal templates for everything from leases to operating agreements. It's a great resource.

## **3. Keep Your Emails and Phone Calls Short**

If your lawyer is billing you by the hour (most of them do), then one of the quickest ways to run up your legal bill is by sending numerous emails and having a lot of phone calls. Instead, keep emails and phone calls to a minimum.

If you can, prepare a summary document which explains all of the facts the lawyer needs to know to represent you. When you meet with him, be sure you've brought all of the documents that might be relevant, including printing up any emails. Taking that extra time in advance can save you a lot of time and money in the long run.

## **4. Pick the Right Lawyer**

One of the best ways to keep your costs down is to pick the right lawyer in the first place. Not all lawyers practice in all areas, so [be sure to ask probing questions](#) to ensure the lawyer you are interviewing is truly qualified in the area

you need him or her to be.

Here are a few good questions to ask a potential lawyer:

- Does your practice focus on any particular area of law?
- What percentage of your practice is devoted to [this topic]?
- Have you handled similar types of matters, and if so, how did you handle them?
- What actions will you take to resolve this case?
- Are there any alternative courses of action?
- What are the advantages and disadvantages of each possible action?
- Will multiple attorneys within the firm handle your case?
- How are the attorney's fees assessed?
- What is his/her estimate of the cost to resolve your case and when can you expect it to be resolved?

## **5. Use Small Claims Court (if Possible)**

Small Claims court allows people who can't afford a lawyer, or who don't want to pay for a lawyer, to get their dispute heard in court. The dispute has to be under a certain dollar amount (in California, it is currently \$10,000), and generally lawyers are not allowed.

Just because lawyers are not allowed does not mean you can wing it. If you do decide to proceed with a small claims action, you should still look up the law and be prepared to make a presentation to the judge as to why you are entitled to payment.

## **6. Be a Good Communicator in Everything You Do**

You may think that my final tip isn't unique to the legal profession, but I actually think it's perhaps the most important of all.

If you really, really want to save yourself from out-of-control legal bills that will make your eyes bug out of your head, then you need to be a good communicator with everyone in your life.

That means making an effort to communicate well with business partners, clients, customers, spouses, vendors, and neighbors. Don't allow issues to simmer or disputes to linger until they blow up.

I've told this to hundreds of my clients over the years: disputes happen when there are breakdowns in communication.

Nothing causes disputes to blow up into full-fledged litigation like a lack of communication.

In fact, the reason lawyers tend to produce such long contracts and operating agreements (aka "legalese") is because people tend to miscommunicate, leading to disputes. Having a pre-agreed, thorough, written agreement in advance minimizes the chances of miscommunication by ensuring all of the parties are on the same page, literally, from the beginning.

(It's a lot harder to say "that's not what I agreed to!" if you signed a document which spells out *exactly what you agreed to.*)

## **7. Listen to Your Lawyer's Advice**

I don't know much about accounting, which is why I leave tax law interpretation to my accountant. I also don't know much about medicine, so I depend on my doctor for medical advice. If you aren't a lawyer, it's a good idea to listen to your lawyer.

Not everyone does. Clients will spend a lot of money getting a lawyer's advice, then ignore it or put it off, or trust their own advice.

This is especially true when that advice might involve spending money. This may come as a shock, but most lawyers (the good ones anyway) don't want to bleed you dry. Good lawyers know a happy client is a repeat client, and therefore keeping your costs down

Sometimes this advice may mean you spend more in the short term to save money in the long term. It may seem counter-intuitive, but just like [investing in regular home maintenance](#) can save you money in the long-run, it is often true. So listen to your lawyer's advice and make a rational decision based off what you've learned.

## **8. Use One Point of Contact**

If you have a business with more than one person, or if you're part of a couple, then designate one person to work with the lawyer. If there are two partners or two spouses, and they re-explain things I already explained to more than one person, which of course drives up the cost.

## **9. Pay for a Consultation**

Often times, people need advice from a lawyer, but they aren't ready to commit to spending thousands of dollars on legal fees. What they need may be more than a quick 10 minute phone call, but they aren't quite ready for a full engagement.

In that situation, what you may need is an hour or two of a lawyer's time for a more in-depth consultation aimed at identifying your needs, mapping out a gameplan, and suggesting options. You may want to approach a lawyer with this specific suggestion and a willingness to pay them for an hour or two of their time for this type of consultation.

## **10. Review Billings Carefully**

Make sure you look over your lawyer's bills carefully when you receive them.

Lawyers do make mistakes, and so your bill could include time for services performed for another client, or charging you twice

Most lawyers produce detailed bills in 1/10th of an hour increments, so you should be able to get a sense for what your lawyer spent his or her time on, and if there were any discrepancies that need to be addressed.

If you do see any mistakes, be calm when you bring it up with your lawyer. Call your lawyer up over the phone or set a time to discuss it with him or her, and be clear in what areas of the bill you thought were incorrect or excessive.

## **11. (Bonus Tip) Use Mediation or Arbitration**

Mediation is a form of alternative dispute resolution in which a mediator (often a retired judge or another attorney) serves as a go-between, attempting to broker a deal between both sides.

Mediation is often appropriate where both parties want or need to stay on good terms with one another, such as with family members, neighbors, or business people who have done business together for many years and may continue to do business together in the future.

Whereas mediation is not binding, arbitration is. Arbitration is like an informal court trial, in which an arbitrator takes in the evidence from both sides and renders a binding decision. Many form contracts include a mandatory arbitration provision, so be sure to look for it.

## About John Corcoran

John Corcoran is an attorney, a former Clinton White House Writer, and the creator of SmartBusinessRevolution.com. He shows entrepreneurs and small business owners how to develop and nurture relationships to support and grow their businesses.

He is the author of *How to Create Your Personal Networking Plan*, which presents a 7-step plan for creating your own networking plan to connect with and develop relationships with VIPs and top performers.



Since 2011, he has had his own boutique law practice catering to small business owners and entrepreneurs.

He is a contributor to The Huffington Post, and has written for Forbes, the Art of Manliness, Get Rich Slowly and the San Francisco Chronicle.

John lives with county just north of San Francisco with his wife, Nicole, and son Mason.