

# The Law Firm Incubator Movement

Helping new lawyers start economically sustainable practices that narrow the justice gap

Law firm incubator programs are an important and necessary component to addressing the legal services needs of the American public. They are important as one of the options available to provide affordable legal services by lawyers to modest income Americans but also necessary in the professional development of lawyers.

**LUZ HERRERA**  
Texas A&M School of Law Associate Dean  
for Experiential Education

Fred Rooney started the first law firm incubator at The City University of New York's Incubator for Justice in 2007. A decade later, according to the ABA Standing Committee on the Delivery of Legal Services' 2016 Comprehensive Survey of Lawyer Incubators, there are over 60 existing or planned programs spanning 33 states and four countries. Law firm incubators provide affordable legal services by lawyers to people with modest incomes and serve a necessary role in the professional development of entrepreneurial lawyers as they create sustainable practices that narrow the justice gap.

The ABA Standing Committee on the Delivery of Legal Services' 2016 Comprehensive Survey of Lawyer Incubators is the first research to provide data on law firm incubators. The Comprehensive Survey provides key findings that emerge from the data collected that include, but are not limited to, the following:

- There has been a recent growth of incubators.
- The nature, structure and design of incubators varies greatly from one program to another.
- Incubators are aggressively advancing social responsibility through pro bono services and orientations to low and moderate income populations.
- Incubators are providing their participating lawyers with an array of educational and practice management tools.

We are honored that some of the leaders from the law firm incubator movement, each distinguished in their own right, share their insights and experiences here with Iowa's legal community as we look forward to welcoming Fred Rooney to speak at the 2017 ISBA Annual Meeting.

Join us to hear Fred Rooney speak about his experiences as the leader of the law firm incubator movement at the 2017 ISBA Annual Meeting during the Access to Justice Track on Tuesday, June 20, at 9:20 a.m. For more information, contact [cle@iowabar.org](mailto:cle@iowabar.org) and include "Law Firm Incubators" in the subject line.



**LUZ HERRERA**  
THE VALUE PROPOSITION

According to the ABA's 2016 Lawyer Demographics, there are approximately 1.3 million licensed lawyers in the nation. In 2005, 75 percent of lawyers were in private practice and almost half were solo practitioners. A little less than two-thirds of all lawyers in private practice are organized in firms of five or less lawyers. While other lawyers have training programs through their law firms, government agencies and public interest programs, solo and small firm lawyers often lack the infrastructure and resources for training.

Incubator programs help pick up where law school clinical programs stop. Most clinical programs are one semester and provide students with opportunities to provide pro bono legal services in the communities served by their law schools. They are wonderful programs that teach lawyering skills and help instill an understanding of the need; however, lawyers can only provide free legal services when they are subsidized. When considering the intersection of entrepreneurship, innovation and social justice, particularly as it relates to forming the professional identity of lawyers, incubators are critical in teaching lawyers the tools to build sustainable practices that serve a community.

Most law firm incubator programs promote unbundling legal services and creative payment plans, including reduced fees.

**Law practices that offer services at low bono rates offer a lawyer alternative to more than 81.4 million households that earned less than the median income of \$55,775 in 2016. Many of these individuals make less than \$20 per hour but make too much to qualify for free legal services.**

The idea that lawyers should reduce their fees as a way to comply with their professional responsibility is not new. Today, most states recognize the spirit of ABA Model Rule 6.1 (b) (2) and recognize reduced fees, or low bono, as an alternative expression of a lawyer's public service commitment. However, programs to support the promulgation of low bono services are few and far between. Incubator programs help lawyers think about their value proposition in a marketplace with many legal services providers and help them understand the right fee structure for the community they serve.

LUZ E. HERRERA is Associate Dean for Experiential Education and Professor of Law at Texas A&M School of Law. Before entering academia, Dean Herrera ran her own practice and founded Community Lawyers, Inc., a nonprofit organization that encourages access to affordable legal services and develops innovative opportunities for legal professionals in underserved communities.



**FRED ROONEY**  
STARTING THE LAW FIRM  
INCUBATOR MOVEMENT

Initially, we had two goals for creating CUNY School of Law's Incubator for Justice: first, to create an efficient way to provide new solo lawyers with the business and legal training they needed; and second, to serve New Yorkers who otherwise could not afford to hire a lawyer, such as people with low and moderate incomes, as well as those in marginalized communities such as immigrants, the elderly and tenants facing eviction.

We realized right from the beginning that lawyers, for the first time, were able to develop their professional skills in a controlled environment at the CUNY Incubator for Justice and it seemed to be a perfect transition from law school to practices that served low to moderate income clients. For example, we saw many instances where New York incubator participants went on to open economically viable practices in places like Queens, Bronx and Brooklyn; historically, there were not many community-based lawyers in those same places because a lot of times lawyers would open practices but would not know how to keep them open.

**Since 2007, almost all new incubators both at home and abroad have embraced the deep social justice mission that was a cornerstone of the first incubator.**

The data collected through the ABA Standing Committee on the Delivery of Legal Services' 2016 Comprehensive Survey of Lawyer Incubators shows that the majority of the law firm incubators in existence or planned at the time of the Comprehensive Survey launched around or in 2014. There is no one model, no "one size fits all" for incubators. Several incubators are collaborative efforts. For example, the CUNY School of Law is partnering with the New York City Bar Association to create the Court Square Law Project.

The success of law firm incubators depends not only on collaboration but also on the goodwill that is generated when many lawyers in legal communities get involved and provide support to new members of the profession. Inevitably, incubator lawyers all over the country say that what they value most is the comradery that they experience and the lifelong professional relationships they build while in the incubators.

FRED ROONEY is recognized in the United States and around the world as the leading expert on law firm incubators. He is a Fulbright Specialist and has served as a Fulbright Scholar in Pakistan and the Dominican Republic. He currently serves as Commissioner at the American Bar Association's Commission on Hispanic Legal Rights and Responsibilities.



MARY LU BILEK

COURT SQUARE  
LAW PROJECT | 2016

In most of the civil lawsuits in this country affecting the core of individuals' lives — family, health, housing, education — the vast majority of litigants are unrepresented. The numbers of those who fall into the justice gap, which varies from state to state and court to court, so significantly exceeds the number of those who are represented by lawyers, that it seems almost dishonest not to recognize that it is the status quo of our justice system. Around the country, bar associations have been rallying to remedy the problem through pro bono service and courts have been deeply engaged in working to discover solutions. The truth is, though, that the only way to close the gap is to discover an economically viable business model for the delivery of legal services to modest means clients.

We need to try different billing structures, experiment with client empowerment and limited assistance representation, learn to rely on technology for the things that technology does best (like shifting time, collapsing space, doing routine chores in volume, simplifying searching and filing). We need to figure out how to develop practice settings that take advantage of volume and scale but permit individuals to fly solo. We need to collect data on what's working to improve income and lower costs in ways that are impossible across competitive solo practices. We need to collect qualitative information from enough solos about impediments in the law and in the procedural and customary practice rules to efficient, low-cost representation.

**Thus, the incubator movement is not just a way to train a generation of solos to competently, ethically, creatively and compassionately represent modest means clients on the verge of falling below the safety net — it is a laboratory to save the justice system.**

MARY LU BILEK is Chair of the Executive Committee of the Court Square Law Project, created by the New York City Bar Association and the City University of New York School of Law to provide high-quality civil legal services to moderate-income clients. She is Dean and Professor of Law at CUNY School of Law. Dean Bilek previously served as the Dean of the University of Massachusetts School of Law. Under her leadership, the law school launched the Justice Bridge Legal Center, a law incubator that supports graduates in solo practice serving clients of modest financial means.



TREVOR CLARKE

JUSTICE ENTREPRENEURS  
PROJECT | 2013

We help attorneys do things differently at the Justice Entrepreneurs Project. Incubators are places to foster innovation, not the same old practice of law. JEP attorneys have developed new pricing options that are predictable, transparent and ultimately affordable for regular people. JEP attorneys leverage technology, offer flexible representation options and have a presence in communities across Chicago, which makes their firms efficient, client-centric and accessible.

**Yes, it is hard work to build up a business, and it's particularly challenging to build an innovative business in a conservative field known for its risk aversion, but after seeing six classes of attorneys through to graduation of the JEP's 18 month program, and finding that the vast majority of the 44 JEP alumni are continuing to operate JEP-principled practices, we know it can be done successfully.**

At the JEP, we prepare talented and entrepreneurial lawyers in the Chicago area to manage innovative, socially conscious and successful law practices. We believe in the power of entrepreneurial lawyers to make a difference, as solo practitioners, in the quest to ensure access to justice for all. For recently admitted lawyers interested in obtaining the skills and resources necessary to build innovative and sustainable law practices, practices that will make a positive impact on their communities, the JEP offers access to mentorship, continuing legal education, a network of like-minded individuals and subsidized resources to kick start a legal practice targeted at the underserved middle market of potential clients.

During the first six months of participation, a 20 hour per week pro bono residency gives participants a solid foundation from which to build a business. The support and resources available to participants through the CBF's network of law firms, legal aid organizations, legal support professionals and others — from governments to local institutions and bar associations — help shore up the growing practices.

We hope others will take advantage of the excitement and embrace the challenges that come with creating something new.

TREVOR CLARKE is Director of the Justice Entrepreneurs Project, a project of The Chicago Bar Foundation. Clarke, one of the first graduates of the JEP program, is now responsible for leading and overseeing all activities of the JEP, a groundbreaking incubator for newer lawyers to start their own socially conscious law firms.



HULETT H. ASKEW

LAWYERS FOR EQUAL  
JUSTICE | 2016

Lawyers for Equal Justice, L4EJ, now one year old, recently adopted a vision, mission and goals statement that will guide the development of the incubator and attempts to define success for it. The L4EJ Mission is "To equip recent entrepreneurial graduates of Georgia's law schools with substantive and practical legal training, mentoring and advanced technology so they can develop socially conscious, economically sustainable law practices using innovative legal services models in order to serve underserved Georgians statewide.

To accomplish L4EJ's Mission, we adopted the following goals:

1. Create an entrepreneurial career pipeline;
2. Innovate in the delivery of legal services;
3. Expand access to justice;
4. Enable economically sustainable and socially conscious law practices; and
5. Ensure a sustainable incubator.

Under each goal, we adopted metrics that set specifically measurable targets or strategies, which will allow us to measure progress towards those strategies and ultimately to measure success of the effort. We believe these are key elements to providing the L4EJ Board, staff, participants and grantors with clearly stated outcomes for determining success.

**An incubator, because it is both an access to justice and post-graduate education program, offers several legitimate opportunities for collaboration among potential stakeholders.**

Stakeholders include: the state bar because of its commitment to professional responsibility and serving its newest members; the law schools because of their desire to support recent graduates in their efforts to succeed in practice and develop curricular innovations regarding building sustainable practices; the state Supreme Court because of its commitment to professionalism and access to justice; and the CLE providers because of their desire to develop new programming for recently licensed lawyers, particularly those going into solo or small firm practice. A collaborative program involving all the stakeholders in building the program and investing in its success has a much better chance of realizing the goals and ambitions of the incubator.

HULETT H. "BUCKY" ASKEW is the former consultant on legal education for the American Bar Association and former director of the Civil Division for the National Legal Aid & Defender Association. He chairs the Board of Directors for Lawyers for Equal Justice, Georgia's first law practice incubator program, and is a Visiting Professor of Law at Georgia State University College of Law.



CHRISTOPHER ROTTLER | JUSTIN GROSS | VIRGINIA SIPES

IOWA LAW FIRM INCUBATOR | 2017

The Iowa Law Firm Incubator is accelerating the launch of a Des Moines-based incubator to train and mentor new entrepreneurial lawyers as they create their own community-based solo or small law firms. With input and insights from the leaders of the law firm incubator movement and internationally recognized leaders that are active members of Iowa's legal community, including members of an advisory council, attorneys and entrepreneurs Chris Rottler, Justin Gross and Virginia Sipes leveraged their combined leadership experiences to co-found Iowa's first law firm incubator.

Incubator attorney participants will learn how to increase access to legal services and serve clients across the spectrum of incomes representative of the greater communities that they serve. The incubator curriculum will teach lawyers a variety of strategies including setting sliding-fees adjusted to household income, using limited scope retainers, providing unbundled services, offering flat-rate fees, providing pro-se assistance, using installment agreements and cooperating and coordinating with nonprofit service providers. The incubator seeks to aggressively advance social innovation and justice, in part, through the provision of pro bono services to under-resourced and underserved communities and individuals.

CHRIS ROTTLER is a co-founder of the Iowa Law Firm Incubator and a co-founder and partner of Community Lawyers of Iowa, PLC.

JUSTIN GROSS is a co-founder of the Iowa Law Firm Incubator and a co-founder and partner of Community Lawyers of Iowa, PLC.

VIRGINIA SIPES is a co-founder of the Iowa Law Firm Incubator and ISBA Innovation & Community Outreach Director.

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