

Law firms cater to small business clients with new structures and services

Ian Harvey | Monday, Jul. 05, 2010 10:22AM EDT



Patent and trademark lawyer and partner with Ogilvy Renault LLP, Chris Hunter, talks with Entrepreneurs Angud Ken Sangha (centre) and Justin Policarpio (right) during a no-cost weekly legal clinic run by Cognition and Ogilvy Renault LLP at the MaRS Centre. Photo by Della Rollins for the Globe and Mail

In the scramble to get a small business up and running, the task of lining up a lawyer is often lost in the shuffle.

It's an avoidance which can be disastrous later on, should a partnership flounder and lead to animosity over who owns what, which part of the intellectual property belongs to whom, or whether there is a need to prepare and sign non-compete or non-disclosure agreements.

When they start out, small business owners often assume that a good lawyer will blow their budget. To combat this perception, many legal service providers are changing the way that they interact with clients.

"Lawyers are problem solvers," says Steve Pellarin, but "small businesses only tend to see this after the fact." Mr Pellarin runs an advisory service at the London Small Business Centre in London, Ontario, where for \$20 businesses can get a half-hour consultation with a lawyer or accountant. "Really," he says, hiring a lawyer "should be about prevention."

Some small businesses don't know where to start when it comes to making arrangements with a lawyer, while others want top-tier advice but don't know where to look.

Toronto-based Cognition LLP has a fresh take on the concept of the law firm. Cognition, now 24-lawyers strong, was founded by Joe Milstone and Rubsun Ho five years ago. The firm was born of a desire to break away from the typical firm structure in search of a new range of clients.

Most of the lawyers at Cognition work directly from their homes or client's offices.

Each lawyer at Cognition bills around \$200 to \$225 an hour. In addition, Cognition offers set prices for certain services, meaning there are no surprises when it comes time to settle accounts. Still, many convert to hourly billing after they get comfortable with the firm, says Mr. Milstone.