

At Virtual Law Firm, Lawyers Will Work at Home, Earn 85% of Billings

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July 16, 2008 -- A lawyer-entrepreneur is joining with 14 other lawyers to start a new legal venture called Virtual Law Partners.

The firm will employ lawyers who work at home, saving on overhead and costing clients less in legal fees, the Recorder reports. Craig Johnson, the lawyer who formed the Venture Law Group in 1993, told the publication that the typical large law firm business model is "a situation that can't continue." That business model includes high associate salaries, prestigious offices and billing rates as high as \$800 an hour, he said.

His Virtual Law Partners "just seems like an idea whose time has come," he said. He hopes to employ hundreds of lawyers working from home doing all kinds of legal work for companies, except for litigation. Johnson, who will be CEO of the new firm, estimates that the average billing rate will be about \$400 an hour and says lawyers will get 85 percent of what they bill. There will be no billable hour requirements.

Johnson's prior startup law firm represented new tech companies in exchange for an equity interest, but the firm foundered after the dot-com bust and merged with Heller Ehrman in 2003.

Other legal groups that employ work-at-home lawyers include Axiom Global Inc. in New York, Outside GC in Boston and Phillips & Reiter in Houston. One Axiom lawyer said he earns about \$250,000 a year but receives no bonus.