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Open For Business

Four paralegals who have made it big in the freelance world.

By Stacey Hunt, CLA, CAS

Many paralegals have daydreamed about breaking the chains to the desk and becoming self-employed, contract paralegals. Some have actually done it. But very few have then taken that dream, magnified it and turned it into something bigger — their own business. LAT visited four pioneering women who created and now lead thriving freelance paralegal firms. Some have employees, others use subcontractors. Some work for law firms, others have government contracts or work for corporations. One has even taken her business nationwide, becoming the first paralegal to sell franchises. Their stories are an inspiration to paralegals who have hopes of making it big on their own.

Shawn Olley

Midwest Paralegal Services, Inc.

Midwest Imaging

Milwaukee

Number of Employees: 35

Year Business Started: 1989

Q: What do you look for in paralegal employees?

A: Experience in litigation and aptitude with computers. Employees also need to be able to adapt to different work environments.

Q: How do you handle conflicts of interest?

A: If the proposed work conflicts with an ongoing client, we refuse the work and provide an explanation. If the conflict involves a matter we are no longer actively working on, we contact the client to see if he or she will provide a letter releasing us from the conflict. We advise both sides so that if someone wants to opt out, he or she can before any work is completed.

Q: What is your best marketing tip?

A: Be consistent with logos and focus on service.

Q: What advice would you give to those starting their own paralegal business?

A: Have a good experience base that you can bring to the table.

Q: Where do you see your paralegal business in five years?

A: Continuing to expand in the area of computers and the integral part that industry-stylized software plays in the practice of law. Keeping current on resources and efficiencies is a daunting task with the speed in which e-productions are advancing.

In 1982, Shawn Olley received her Paralegal Certificate of Completion from Roosevelt University, Chicago after receiving her bachelor's degree in criminal justice from University of Wisconsin, Eau Claire. In 2005, she was selected as one of the Top Ten

Women in Law by the Wisconsin Law Journal. Just what happened in those ensuing years that enabled her rise to such prominence?

Olley was happily employed as a litigation paralegal at the Milwaukee firm of Mulcahy & Wherry for three years and had a total of eight years of paralegal experience when the idea of launching her own business first came to her. She was contacted by an attorney she used to work for who asked for her help with a large project. It occurred to her that freelancing out paralegal work would be a good business idea, but she was too busy working for the firm to pursue it. Shortly after, a coworker told Olley about a large group of paralegals in the Milwaukee area who were thinking of forming a work co-op. The group's vision was to combine the paralegals' experience and provide comprehensive paralegal services. Over time, people backed out of the co-op, leaving only Olley and a coworker at Mulcahy, Claudia Resnick Butcher. They shook hands and got to work.

In 1989, Olley and Butcher each chipped in \$100 and opened Midwest Paralegal Services. They worked out of their homes the first year and leased computers to keep costs down. They quickly landed their first client, a corporation whose in-house legal department needed help with a large environmental case. The case kept them working while they started building their client base by word of mouth. "After the first year, we were so busy we hired another paralegal," Olley said. Another big break came when Mulcahy & Wherry closed its doors in 1990 and the scattered attorneys became resources in multiple locations.

At first, Midwest stayed in the litigation area because, as Olley explained, "It lent itself so beautifully to the contract model." Although litigation is still its bread and butter, Midwest now has 35 employees in all areas of practice from mergers and acquisitions to intellectual property to product liability, labor and employment, and estate planning. Five of the employees are full-time IT/imaging and systems support professionals. The company increased its number of employees over time and as cases demanded paralegals with diverse backgrounds. Olley has always insisted on hiring employees, not subcontracting the work out. "I wanted my paralegals to work just for me and not have other side businesses, which would create a risk of conflicts."

As their business grew, their office space also expanded. After the first year, Midwest moved to an office that was 500 square feet in downtown Milwaukee. In 2002, Midwest purchased a 13,000-square foot, old police department building in Oak Creek, Wis., just outside of Milwaukee.

In 2001, frustrated by imaging services that wreaked havoc on carefully organized document productions, Olley formed a new division of the company called Midwest Imaging which handles scanning and imaging of documents, OCR and electronic Bates numbering. "We wanted to keep the document imaging in-house for quality control," Olley said. "Midwest Imaging also created great diversification of our business during the times that the paralegal work is slow." All of Midwest's employees are cross-trained in both divisions. Recently, with the increased focus on electronic documents, Midwest Imaging began a computer forensics service.

Olley belongs to the Paralegal Association of Wisconsin and the Madison Area Paralegal Association. "Networking is always helpful," she said. Also a certified CT Summation trainer and consultant, Olley splits her time 50-50 between administrative and paralegal work. "I hired an office manager to take on the tasks of billing and human

resources, and I am still very involved in some of the larger clients' work," she said. Midwest Paralegal opened a Madison, Wis., office in July 2005, and with the advent of e-discovery, Olley only sees growth ahead for the business.

Stella Brady Cureton
Brady & Associates
Santa Fe, N.M.

Number of Employees: 4

Year Business Started: 2001

Q: What do you look for in paralegal employees?

A: Honesty, attention to detail, reliability, computer skills, flexibility and the ability to relate to people.

Q: How do you handle conflicts of interest?

A: I find out the names of all parties of a case I have been asked to work on and run a computer check on my system of parties with whom I have previously been involved.

Q: What is your best marketing tip?

A: When I started my business back in 2001, I made up a brochure and sent it out to all law firms in the area to let them know I was going into business for myself.

Q: What advice would you give to those starting their own paralegal business?

A: Know that you might not make enough money for at least six months or more to pay your bills, so you need to have a cash reserve of at least that much. Also, think about insurance, self-employment tax, getting certified by the city to run your own business. You also must have the funds to buy all your own supplies and computers. If you live in an area where you are not well-known as a paralegal, it will be even more difficult to start your own business, so I would not recommend moving to a new town to begin this venture.

Stella Brady Cureton began her paralegal career in the early 1980s at the attorney general's office in New Mexico. She was hired as a legal secretary in 1966, and in the 1980s the position evolved into that of paralegal. She primarily worked in the Special Prosecutions Division assisting with Medicaid fraud, white-collar crime and large antitrust cases. A secondary task, which turned out to be key in later years, was that of records manager, handling document control and organizing files for the Civil and Appeals Divisions.

In 1985, Cureton turned to the private sector, working in several New Mexico law firms. She broadened her background to include complex litigation, oil and gas, corporate, personal injury, medical malpractice and collections, and she assisted out-of-state clients with filings before the New Mexico Public Regulation Commission. In 2001, health reasons prevented Cureton from putting in a full day's work. "I felt badly that I could not give my employer my all," Cureton said, so she resigned from her position and opened up a freelance business from her home, working when she could.

For the first few years, Cureton worked on a contract basis for one of the firm's existing clients — a large credit union. "It was a nice transition," she said. Over time, she added other law firms where she had established contacts. One day, she spotted an advertisement in the newspaper for a paralegal to work for a large state agency. Cureton

applied for the position, hoping that she could talk the agency into hiring her as a part-time contract paralegal. She got an interview and the agency was impressed. “Unfortunately, they had their heart set on a full-time position and turned down my offer,” Cureton said. Her luck changed a few weeks later when she received a call from the agency. “They told me they had interviewed all the other candidates and I was the most qualified,” she said. “They agreed to all of my terms.”

That original professional service agreement shortly turned into a lucrative four-year contract, organizing 60 to 70 years’ worth of historical records that had been placed haphazardly over time in a basement. “I was asked to create a records management system for these documents,” Cureton explained. “I had to organize and Bates number them, get them ready to be scanned, and prepare them for indexing into a [LexisNexis] Concordance database with the hope of eventually turning them over to the State Records and Archives Department for safekeeping.”

Cureton assembled a group of helpers, locating and training seven people to perform administrative duties. Cureton’s subcontractors combed through the records, removed duplicates, copied and scanned them, and began the coding. The project was so big, she was forced to drop her other law firm clients.

This project is now winding down, and Cureton has been requested to prepare a proposal to handle another project for the same client involving scanning, indexing and abstracting a library of technical documents.

Cureton’s subcontractors are paid using the money brought in by the contracts with the clients. The subcontractors don’t work for others, so potential conflicts of interest are limited. She plans on using subcontractors for future projects as well.

“There is so much freedom in having your own business,” Cureton said. “You are the expert, the problem solver, and your creative juices get to flow so much more when you have the freedom to figure out a solution.” Cureton still works out of her home and belongs to the State Bar of New Mexico Paralegal Division.

Dorothy Secol
Paralegal Services USA
Allenhurt, NJ

Number of Employees: 2

Year Business Started: 1986

Q: What do you look for in paralegal employees?

A: Professional appearance, proper telephone skills, ability to get along with others and good skills in whatever area of substantive law we are hiring in, as well as the ability to handle pressure and learn quickly.

Q: How do you handle conflicts of interest?

A: We log in all files, naming the parties so that we are able to check when new matters come in. We have, on occasion, declined to work on matters that involved clients from previous cases. Our attorney clients have always been appreciative and understanding.

Q: What is your best marketing tip?

- A:** Our monthly newsletter is faxed to an attorney list. The newsletter covers different areas of substantive law or law office management tips.
- Q:** What advice would you give to those starting their own paralegal business?
- A:** You must be strong enough to persevere. You must have thick skin and not get discouraged; it takes time to build a clientele. You must stay up-to-date with all changes in the law and practice and know your craft well.
- Q:** Where do you see your paralegal business in five years?
- A:** Going forward with the national franchise business.

Dorothy Secol is used to being on the cutting edge. She sat for the National Association of Legal Assistants' Certified Legal Assistant examination in 1978, when there were only 133 CLAs in the country (now there are more than 12,000). Once she passed the exam, she worked for a sole practitioner in Asbury Park, N.J. It was this job that taught her different areas of substantive law, in part because she attended Institute of Continuing Legal Education seminars and Practising Law Institute seminars for attorneys with her boss. In 1980, armed with just a few years of experience, her CLA credential and an associate's degree from Monmouth College in New Jersey, Secol began her freelance paralegal business. The idea of paralegals was still new, so "when I pitched my idea to the attorneys I knew, most of them thought I was crazy," she recalled. "People nowadays are more used to outsourcing."

Secol eased into self-employment, working part time for a sole practitioner while renting an office from him the rest of the time to build her freelance business. In 1985, she contacted another freelance paralegal she knew, Peggy Stalford, and asked if she wanted to join forces. "I did real estate, probate, personal injury and corporate work, and Peggy did family law, personal injury and bankruptcy. I felt the two practices complemented each other," Secol said. Secol and Stalford have been partners for 20 years.

In 1995, Secol wrote "Starting and Managing Your Own Business: A Freelancing Guide for Paralegals" (John Wiley/Aspen Press). The book was supplemented in 2000. "People called me about this book all the time," Secol said. "It started me thinking about whether there was a way to franchise a paralegal business." Secol and Stalford started talking about the concept. "We realized that paralegals know how to do paralegal work, but not necessarily how to be entrepreneurs."

Secol and Stalford attended a franchising seminar in New York in 2004 and were encouraged by the speakers. They hired a franchise attorney and started working on all the documents required by the regulatory agencies, such as disclosure statements and agreements. On Aug. 1, 2006, they launched their Paralegal Services USA franchise Web site and got a tremendous response. "We have gotten more than 100 inquiries, one application has been signed and another is on the way," Secol said. "We are very charged by this."

Paralegal Services USA provides its franchisees with information on technology and marketing methods by using a password-protected online operations manual with information on timekeeping, compensation, billing, hiring employees, conflicts of interest and negotiating a lease. Franchisees will receive continuing support, training, networking and preferred vendor discounts. An initial franchise costs \$15,000, and the term of the franchise is 10 years. "We really want paralegals to achieve their dreams of owning their

own businesses in a profession they love,” Secol said. Not just anyone can purchase a franchise, though. “Applicants must have a paralegal degree or certificate and at least three years of experience before they will qualify,” Secol explained.

Over the years, Stalford and Secol have stayed involved in the paralegal profession. Secol belongs to NALA and they both belong to the Legal Assistant Association of New Jersey. Secol explained how these memberships support her business: “When I was researching the idea of freelancing, I contacted NALA. There were very few freelance paralegals at that time, and NALA was very supportive of the idea. They gave me advice as to the ethical ramifications [of freelancing], and I was very careful to always represent my legal assistant status to everyone I talked to.”

In 1990, the New Jersey Supreme Court Unauthorized Practice of Law Committee issued an opinion that said the use of freelance paralegals was tantamount to UPL. Secol called her attorney and with Stalford became the petitioners in the case of *In re Opinion 24 of the Committee on the Unauthorized Practice of Law, 128 N.J. 114 (1992)*, which ultimately overruled the opinion. Both NALA and LAANJ filed amicus curiae briefs on behalf of Secol and Stalford.

Looking back, Secol is amazed at the ground she has covered in the last 35 years. “When we started this, it was never with a vision of a grand business,” she says. “It kept us busy and brought in money.” Once she and Stalford made the decision to grow, they hired a business coach who helped them set and meet their goals. He gave them the idea of a monthly newsletter that now goes out to about 1,000 attorneys. “Once you have been your own boss there is no going back to a regular job,” Secol said.

Lee Davis, AACP
Lee Davis & Associates
Phoenix

Number of Employees: Depends on Project

Year Business Started: 1989

Q: What do you look for in paralegal employees?

A: Education first — at least a bachelor’s degree; then experience, depending on the project. Having said that, I have hired paralegals right out of school and trained them for specific projects.

Q: How do you handle conflicts of interest?

A: The contract paralegals must comply with the individual firm’s conflicts check.

Q: What is your best marketing tip?

A: Networking is invaluable. Join local and national paralegal associations, state or county bar organizations, write articles and present seminars. Also, develop a Web site that highlights your services.

Q: What advice would you give to those starting their own paralegal business?

A: Do your homework up front. Know who your competition is and develop a niche. Have at least three months’ income in the bank to soften those lean times. I would also suggest some good, solid law firm experience under your belt.

Q: Where do you see your paralegal business in five years?

A: I would like to hold steady on the projects, develop a trial team to build the trial assistance end of the business and then start turning the business over to my daughter, who also is a paralegal.

Instead of diversifying, Lee Davis created her very successful niche in Phoenix by becoming specialized in complex litigation, large document case management and multimedia presentations.

Davis began her paralegal career in 1979, attending the paralegal program at Phoenix College. She then earned her bachelor's degree in business management from Arizona State University. She got her first taste of what it could be like to earn money from subcontracting while working on a large case in 1985 for the firm Allen, Kimerer and LaVelle. Her firm asked her to find an outside person to help with the documents. Davis found a friend who could do the work and billed her friend out to the firm at an extra \$1.50 an hour, keeping the difference.

By 1986, Davis was able to start a freelance business on the side, and in 1989, she started doing contract work full time. She worked both out of her home and through her firm's office. Davis contacted every attorney she had ever dealt with to get clients. She spread the word to other paralegals and received many referrals by doing so. "I knew that I could not make the kind of money I wanted to make as an employee," Davis said. "I had to go out on my own." Davis' business took off so quickly, she scrapped plans to go to law school.

Davis purchased software that she thought would be useful to her clients, including a program that was the precursor to Summation. She answered an advertisement in the newspaper for someone who was familiar with that program. At first, the firm was not interested in hiring a contract paralegal, but six months later they changed their minds, and Davis was hired. Though she had done some freelance work before, this was her first big client. "This client gave me the security and flexibility to market my business," Davis said.

Davis' first big project involved helping a corporation prepare for a merger by gathering all the documents needed by government regulators. The volume of documents was so massive that she had to arrange shifts of workers, mostly paralegals and attorneys, from 7 a.m. to midnight. The workers were either contractors or hired through an agency. "We produced nearly 1 million pages in only three weeks and I made \$25,000," Davis said.

Davis is a firm believer in the team approach to jobs. "When I go to the client's office for the initial meeting," she said, "I take with me the paralegal who is going to be the case manager there, so they can meet both of us." Paralegals are subcontracted on a project basis, so the number of paralegals working with Davis fluctuates. Davis bills for the case manager's time for this meeting, but not her own. She works a case for the first four to six months to become familiar with it while bringing in additional people, and then moves on to the next case. "This way, I am familiar with the case," Davis said, "and if a problem develops, I am in a good position to solve it." The team approach is also useful to cover for paralegals who become ill or move away.

"I have had both employees and contract paralegals," Davis said. "There are advantages and disadvantages to both." She urges anyone starting a business to seek advice from a tax professional on the model that would work best. Davis recruits alumni

from the local paralegal schools for her subcontractors. She will even train a promising new graduate.

In the boom years of database entry for document control, Davis had as many as 60 subcontractors going at once and grossed nearly \$1 million per year. However, the advent and improvement of OCR software and e-discovery have made database entry increasingly a thing of the past. "Another thing that really hurt us is that large legal support companies are sending their coding work offshore at a fraction of the cost," Davis said.

Davis has added trial consulting to her arsenal of services, either acting as a liaison with outside vendors or working with the in-house trial team. She and her subcontractors are proficient with inData's TrialDirector and Verdict Systems' Sanction trial presentation software, and can help design presentations and operate the equipment in the courtroom.

To stay competitive, Davis recommends staying in touch with every attorney from every firm you have ever worked with. Also, don't forget about opposing counsel. "If I became familiar with the attorney on the other side of a case, I would not hesitate to contact him for work once the case was over," she said. "Working for yourself is such a wonderful way to expand your earning opportunities while doing work you love."

For these four women, the benefits of being self-employed have far outweighed the pressures of owning a business. The flexibility and freedom, the opportunity for higher income, the ability to choose which attorneys they work with and the challenge of being their own boss were what these paralegals sought and got. And there are unexpected perks, too. As Secol points out, "You command a tremendous amount of respect from attorneys. They treat you more like an equal because you are a fellow businessperson." And we could all use a little more of that.