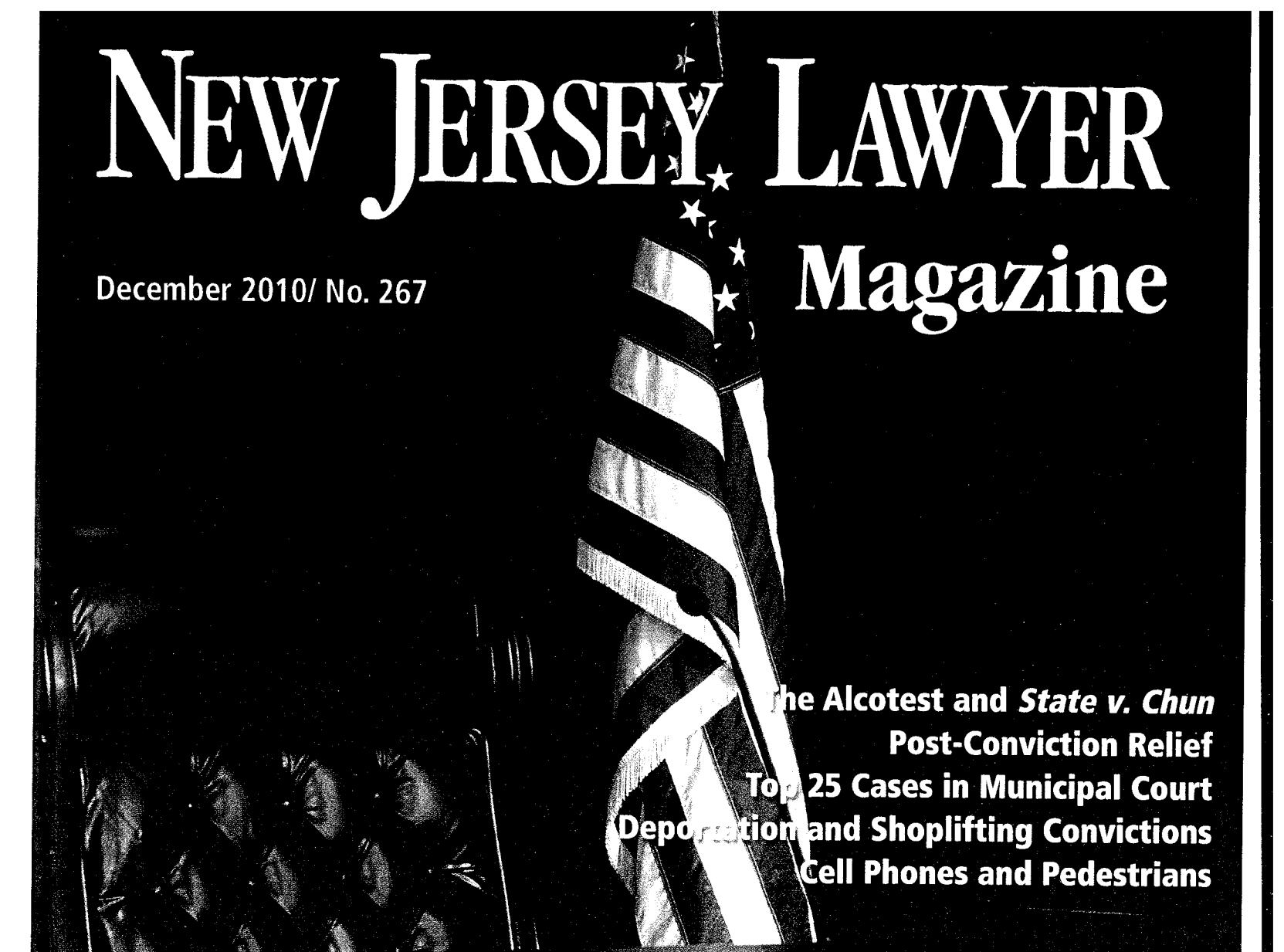


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Make or Break Your New Office with Marketing Due Diligence

by Ed Miller

The decision to open an office in a new jurisdiction is one that causes many a law firm concern. So while expanding into new markets can certainly help a firm reach its strategic planning and growth goals, before counting your increased profits do all you can to ensure success from your new office. Opening an office will not only cost your firm significant money, but also hundreds of hours of attorney time. Failure would lead to nothing more than an expensive experiment. Marketing due diligence can help you minimize your chances for failure. This article is intended to provide some basic ideas you may wish to consider prior to moving to an additional address.

The first point to evaluate is whether the new jurisdiction has a unique culture. Most likely it will be at some level, so you should explore what that culture is and to what extent your firm can adapt to it since the culture will not adapt to you. Some jurisdictions may look at outsiders as carpetbaggers, and will never accept them. Others are more inviting.

The need for a strategy to integrate with the culture of the marketplace is essential. For example, if the new jurisdiction tends to be community/charitable-minded, perhaps you can plan to have staff members join boards. You may also wish to buy tables at events, place ads in journals, and so forth.

To understand the culture before opening an office, do your homework. You can research who the leaders are, meet with decision-makers and politicians, see if others have tried to do what you are trying, and explore why they succeeded or failed. The point is not to move in cold, only to fail because the deck was stacked against you before you even opened the doors.

The second point to research is the competition. What firms already exist in the space you wish to enter? How long have they been established? Who do they represent? What practice areas are their strengths? And most importantly, how will you compete and how will you snatch market share? Per-

haps your due diligence will show that there is no or very little competition in a particular area. For example, you have a patent practice and there are virtually no other patent lawyers in the new jurisdiction.

Seems like a slam dunk, doesn't it? Maybe the lack of competition was the driving factor in your decision to look at this particular market. Remember, though, there are no slam dunks. If there are needs for patent lawyers and there are no patent lawyers, how is the work currently being serviced? Maybe all of the work is being shipped to the nearest big city. Can you realistically convince these potential clients that your firm is a better choice to handle their patent work? How? Without having a plan, success will elude you.

The next step involves financial concerns. Does this new marketplace fit into your firm's financial picture? Will clients pay the fees you need to charge in order to be financially successful? Can you afford to hire capable attorneys to handle work in this new jurisdiction?

The financial aspect should be explored for every segment of the business operation, including staff costs, vendors, real estate, insurance and so forth. No sense moving to an area that you cannot afford, or that will not be profitable.

The fourth area is attorney ethics. This may not be a large concern if the new office will be opened in a state where you are already conducting business. Hopefully, you are fully aware of the legal marketing ethics that govern your firm. If, however, you are moving to a new state, it is important to research and understand the local ethics rules. You would not want to run into trouble when promoting your new venture.

The fifth area of research involves the local media, which should include daily newspapers, broadcast media (radio, TV, Internet), local newspapers, magazines, trade journals, legal publications, and so forth. From this list, try to make connections with reporters who cover relevant beats. This way you can plan a launch strategy upon arrival. The key is to have the ability to articulate to the marketplace what your firm has to

