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LEGAL MARKETING

What to Do When Your Client Is Dissolved or Merged

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Special to the Legal

As the economy continues to improve, more and more companies will be looking for opportunities, and oftentimes, they will come in the form of acquisitions, mergers, spin-offs, dissolutions and more. It's good news for business lawyers, but potentially bad news if you represent one of the companies being dissolved or merged into another.

In the last two years, many of my law firm clients have faced this predicament, seeing their long-standing, loyal clients eaten up by other companies. In many cases, the clients were purchased by companies that already had their own law firms in place and were happy with them — thus negating the need for my clients' services in the future. To make matters worse, often the executive or in-house lawyer who “fed” my clients' work lost his or her job (sometimes suddenly) and thus was not in a position to tout the law firm to the acquiring company.

Lest this happen to your firm, here are some suggestions for what to do to get continued legal work from the new owner/entity.



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GET CONNECTED

As soon as you hear about the acquisition, reach out to old “friends.”

- Reach out to all of your contacts at your client's organization and offer help of any kind (particularly to those being terminated — including setting up interviews with others you know in the industry, circulating their resumes around and more). Those affected will not forget that you reached out to help them in this tough time and that you asked for nothing in return.

- Beef up your Outlook database with the names of all executives, secretaries and staff persons you dealt with at the client company — regardless of whether they are leaving. You should and will use this list. No one should feel that they

have been deleted from your database because their company no longer exists in its same form. Keep sending these individuals firm news communiqués and legal alerts, unless you are directed otherwise.

- Stay in touch with your contacts who leave and look for ways to be a professional friend. Invite them to a conference. Invite them to firm receptions and events. When these folks land new positions within the industry your client was in — and most will — you will have broadened your presence in this industry sector.

ARRANGE AN INTRODUCTION

Meet the person in charge of legal work at the acquiring company.

- Your goal is to have an in-person meeting with the new person(s) in charge of legal work at the acquiring or new entity. Before your old contacts move on, ask them to make introductions for you with the new general counsel or president to go over the status of open matters. Preferably, the old employee should be at these introductions to smooth the way, if possible. If an in-person meeting is not possible, have them introduce you by e-mail or phone call.

- If no introduction can be made, call and ask for a meeting directly. Prepare a dossier of past work you have done for the acquiree (indicating the results) and current pending matters, anticipated fees and strategies. Ask to go over these items one-on-one. Your past and current work — together with cost-saving ideas and thoughts of new and productive strategies — is your IN.

- Ask the new GC if you and a member of your firm can come to their offices and brief the legal and/or management team on a new and vital area of the law affecting the company's operations. Provide CLE for their staff — for free. If the new owner is an out-of-state company, your briefing could cover a review of relevant Pennsylvania law.

- Research everything you can about the “new” client (the acquiring company) including who its current legal counsel is, pending litigation, where it has offices, business goals and challenges. Scan the company's Web site — especially the press release section. If the new owner is based out of town, but states in the release that it intends to keep its operations in your community, they will likely need a local law firm. Comb over the results of your research to identify the kinds of work you could do for them and the specific legal services they need or will need to buy.

- Consider what kinds of value-added services you can offer to the new owner. Free audits, contract review, regular CLE? What kind of superior services can you offer? Think outside the box and actually consider how your firm can save

the company legal fees, know its business inside and out and team with it to meet profit goals.

- Offer a free secondment or other arrangement whereby a lawyer from your firm “lives” in the company's offices for a period of time (for free) and learns firsthand how the company makes money, what the culture is like, what the productivity goals are and more.

ALTERNATIVE MEASURES

If you still can't get in the door:

- Identify the “extra-curricular” activities of the senior management team and try to participate in some of them. Go where they go — speak at conferences they attend and ask for an introduction from the host.

- Reach out to those in your online and in-person networks to see if anyone knows someone who works at the company and can make an introduction for you.

- Partner with the company on a community project it is passionately involved with and really help it move the effort forward. While financial support is great, if your key people can interact with their key people, all the better.

- Finally, reach out to other law firms that are working for the company with whom you do NOT compete. Start a relationship with them and look for ways to further help this company and work together.

In this situation — as with so many you may face in the business development arena — you can not

be passive. You have to be proactive in a way that demonstrates how you will meet some need of the company — not just advance your own interest in getting more work. It is all about the company, and if you reach out on that basis, and not one focused on your fear of losing a client (and income), you will be seen as a vital member of the new company's team. •