

# Declarations *of* Independence

All of the attorneys who capture the American imagination are lawyers who hung out their own shingles and fought for justice on their own terms: Clarence Darrow, Hamurabi, Ben Matlock. Yet despite its reputation as a premier incubator of outstanding legal minds, or perhaps because of it, very few of the Law School's graduates go out on their own or start their own firms.

But like most generalizations, there are exceptions to this one, and Chicago has produced some attorneys who have gone out their own. Naturally, each has his own unique story to tell, but Mark Weinberg, Class of 1970, has his own theory about anyone who chooses to start his own business.

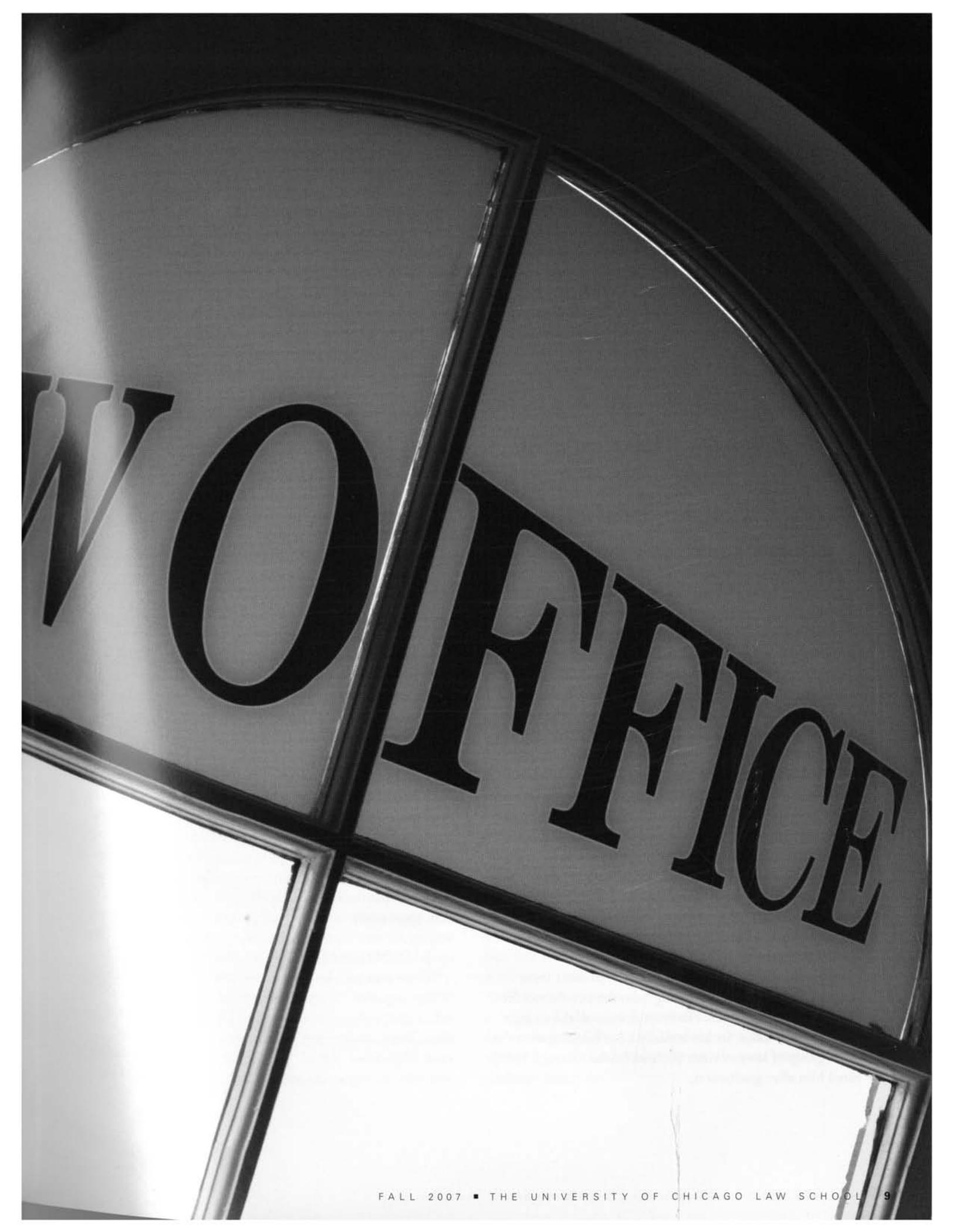
"Inside every entrepreneur is an abused employee," he states cheerfully.

Weinberg went to work for the Internal Revenue Service upon graduating from the Law School, a course taken by very few of his fellow UofC alums. "I was coming off active duty in the army and I missed the interview season," he explains. "I was really hating, life, raising taxes for a war I did not support, and then one day I did some work on a charitable exemption and a light bulb went off. These are not only groups that don't pay taxes for the war, but provide a means to support good things while shifting funds away from the war. So decided that is what I was going to do."

So Weinberg spent seven years at the IRS and planned to become a lifer. It was a good life, his work was 9 to 5, and he had a pension plan. Then Arent Fox hired him away and he spent six-and-a-half years adding client training to the already formidable training he had received from the government. Weinberg left when he realized that his work was not going to be profitable enough for Arent Fox for him to become a partner. He became a partner at a smaller firm.

"Now, I wasn't a name partner at this firm, and the other partners really seemed to think they were terribly important," Weinberg notes. "I brought in \$145,000 in client billings in 1983, which was a lot of money then, but the other partners were annoyed that the whole firm





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wasn't making huge sums. So I suggested that the other partners aim to bill half of what I bill and I would lower my billing and we would all do better. They didn't like that and thought I had a bad attitude, so I left and literally hung out my own shingle. I am still in business 24 years later, and they aren't."

Weinberg took out a line of credit, rented space from a law firm outside of Washington, D.C. and hired a woman with one year of law school under her belt to be his secretary, paralegal and office manager. Within three years he had outgrown the space and hired more help, eventually taking on a partner.

*"Word of mouth is really the way to build a practice. I was going to charitable events, potluck dinners and just calling everyone I knew and asking for help. And it worked."*

—Kenneth Cera, '85

"I love of our partner meetings," Weinberg says. "We go somewhere fun, have drinks and talk things over."

Fun partner meetings, or rather, a strong dislike of large, bureaucratic and acrimonious partner meetings, has motivated more than one Law School grad to break out and start a new firm. Susan Anderson Wise, Class of 1974, began working with her father-in-law, Chicago alum George Wise (Class of 1948) right out of law school in Long Beach, California. After a couple of years, he created a new firm, and in the mid '80s she became a partner. In 2000, the firm broke up again, and she and several other partners formed a new firm, Wise, Pearce, Yocis and Smith.

"The breakup wasn't about clients, as each attorney had his own roster," Wise explains. "It was more philosophical, it was about how the firm was going to operate, the kinds of clients it would take on and how things would work administratively."

Jeffrey Warren, Class of 1972, has started firms three times in Chicago since graduating from the Law School for reasons similar to Wise's. However despite all the changes his career has taken, he has actually been working with the same group of lawyers since Richard Burke, Class of 1958, hired him after graduation.

"All of the changes really occurred over how we wanted the firm to be run," Warren says. "These weren't acrimonious break ups, it was more about the kind of clients we wanted to take on, how compensation would work and how the firm would operate. For example, the people I work with have always had a very entrepreneurial spirit, and we would therefore take on entrepreneurial clients. During one of our incarnations we were working with attorneys who had always worked with established, large companies and they were uncomfortable with clients who were building new businesses. It just wasn't a good fit. So we took our clients and they took theirs."

Of course, it is not just partner meetings that lead attorneys to start their own firms. Kenneth Cera, Class of 1985, found that dealing with partners at all in a big firm was simply not for him.

"It was too political, dealing with all the partners," Cera says. "Besides, I wanted my own business. I wanted to dress the way I wanted, take on the clients I wanted, bill the way I wanted – and give discounts if I wanted – while dealing with only one partner."

Cera took out a \$50,000 line of credit in 1990, rented an office in San Francisco with his partner and hired an office manager.

"I remember being very nervous, I was putting stuff on my credit cards to set up the office," Cera notes. "I was nervous, even though I had brought over a few clients from the old firm. But within six months I had gotten one big case and I was so busy I actually had to hire another lawyer. Things were going well, I was paying off the loan, and I knew we were going to succeed."

But other entrepreneurial Chicago alums started out with no clients at all from which to build their practices. Neil Wilkof, Class of 1980, had practiced in Cleveland for four-and-a-half years before he and his family moved to Israel at the end of 1984. Israel, like many European countries, requires its attorneys to complete an apprenticeship of sorts called an Article of Clerkship in order to become licensed. After completing his training, Wilkof worked at a small firm specializing in intellectual property issues, spent time writing his text, Trademark Licensing, and did some teaching in the United States. In 1994 he set up his own office.

"When I set up I had no clients, just a lot of hope," Wilkof explains. "I went into terrible debt, renting my office and buying equipment, and I had four kids at the time. From an objective point of view, this was not a rational decision. What's more, clients don't pay you when you start the work, so I learned that you have to be really,

really nice to your bankers. But I also learned that I had to change my personality. I had never been outgoing, But I had to network, I had to go to meetings and conferences and meet people and get them to give me business. And I learned a lot about how networking really works, because two years after I started my practice 80 to 90 percent of my clients were people I had never had contact with before, they just came through the network and they come from around the world.”

Cera, whose practice now also has an office in New York, agrees that networking is the key to growing a new practice. “Word of mouth is really the way to build a practice,” he says.

*“I kept in touch with every lawyer I knew at the firms I had worked at. At this point, all of my business has come from word-of-mouth networking, and it is growing steadily.”*

—Paul Niehaus, ’97

“I was going to charitable events, potluck dinners and just calling everyone I knew and asking for help. And it worked.”

Like Wilkof, Paul Niehaus, Class of 1997, also hung out his shingle with virtually no clients. After spending eight years working for a big firm, Niehaus grew tired of working on the same narrow aspect of securities law and wanted the opportunity to learn and work in other areas.

“I had zero clients when I got started,” Niehaus notes. “I had been wanting to start my own business for a while, and I would sit around looking for ideas – could I make donuts? Could I manufacture something? And then one day I had this aha moment and realized that I was an attorney with a degree from the University of Chicago, and I could start a business with that.”

Niehaus worked from home for a couple of months, laying the groundwork for the practice, before renting space at a law firm and began marketing himself as a well-credentialed and experienced attorney who could take on the smaller cases, and smaller aspects of larger cases, that big New York firms can’t make cost effective.

“I talked to people,” Niehaus explains. “I kept in touch

with every lawyer I knew at the firms I had worked at. I make sure that I have lunch with someone at a firm at least once a week, that way my name is in their heads when they need someone to handle something for the firm. At this point, all of my business has come from word-of-mouth networking, and it is growing steadily.”

Niehaus, like his other shingle-hanging compatriots, also agrees that being nice to your banker is an essential part of opening a new firm. But in his case, it is easy, because his wife is his banker.

“I don’t even know if I could do what I am doing without her job, because she has the medical insurance and the benefits we need to raise our family,” Niehaus says. “And we went into this together. I took a year, and after that we sat down and realized that the business is still growing, so I am continuing.”

But the importance of banking and networking are not the only asset these Law School grads agree upon. They universally believe that the education they received at the University of Chicago and the reputation it carries with it made their success possible.

“The credentials make all the difference,” Cera notes. “Because even after all this time, I still get asked where I went to law school, and when you are the small firm facing a big firm across the table, you get a lot of respect when you say that you went to the University of Chicago.”

Still, there are some changes that these entrepreneurs would like to see in the Law School.

“Obviously the Law School will never become a trade school, and we wouldn’t want it to,” Niehaus comments. “But wouldn’t it be useful to have a third-year class on practical lawyering? It could cover a variety of aspects, each for a week at a time. It could cover civil procedure for a week, which you learn your first year but you don’t really have the structures in your brain to retain it. But if you reviewed it in your third year it would absolutely stick. And you could spend a week on writing briefs, a week on networking, there are all kinds of possibilities.”

And then, as Weinberg put it, “Chicago grads wouldn’t have to spend 35 years learning the tricks of the trade through trial and error. They would go out into the world with that kind of practical knowledge to add to the wonderful intellectual training they already get at the Law School.”

Still, the attorneys in this article feel their Chicago training and education is invaluable. “I knew that I had the best training,” Wise says. “And that gave me confidence, because I knew that I could take on whatever kind of challenge came up.”