

# The Cost of Not Hiring a Lawyer



other side breaches the contract terms. For example, monetary damages may not be the most appropriate remedy if the business needs a specific item they cannot obtain from another vendor.

## **Relying on the Other Party's Attorney**

Another all-too-common approach to save money is reliance on the other party's attorney. This comes into play when the family owned business tries to contract with a big corporation, which usually wants to use its own template agreements. Whether for negotiating and reviewing the terms of a contract, or engaging in the purchase of goods or real estate, it is imperative that each party have its own attorney. Regardless of how helpful the other party's attorney appears to be, he or she is there to protect only his or her client's interest. Having your own counsel present in negotiations is how best to ensure that your business's interests and assets are protected.

## **Your Attorney as Your Business Partner**

A lawyer's job is to solve problems, offer advice, and counsel his or her clients on daily business matters. Cultivating a good relationship with a lawyer can save a small business money by helping it navigate the complex and changing legal landscape of rules and regulations that affect the business to ensure it complies with new or updated laws and regulations. For example, a small business may not have an HR department but it must still follow the current laws affecting its employees, and failing to do so could result in costly litigation.

Reframing the idea of engaging a lawyer from an expense to an investment in the long-term viability of your business is key to mitigating risk, reducing liability and cost, and resolving issues so that the small business grows stronger and more profitable for future generations. ■

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Reducing costs to benefit a business's bottom line is important to all businesses, but especially for small family owned and run businesses. Sometimes small businesses must rely on cost-saving measures to remain profitable, or even just to make payroll. It is not unusual for the owner of a small business to undertake almost all aspects of running the business themselves including handling legal matters without the benefit of counsel. The decision not to engage counsel to save money on legal fees on the front end is likely to result in higher costs due to weak contract terms or litigation fees for a problem that was otherwise avoidable.

This article addresses two common approaches utilized by small businesses to reduce upfront legal costs: The first is using online legal forms, and the second relying upon opposing counsel for advice.

## **Online Legal Forms**

Everything is available online today, including legal advice. Despite clear disclaimers on legal forms, small businesses rely on online forms as a substitute for legal advice from an experienced lawyer. A business owner using these forms must realize that to be broadly applicable, the terms and conditions in these forms may be generalized to offer only the most basic legal protection to the user. Each business faces risks that are industry-specific and need to be directly addressed when a contract is drafted or during contract negotiations to properly spot, assess and mitigate risk to the business.

A contract attorney, who knows about the particular needs of a family business, can negotiate terms that are fair and address appropriate remedies if the