

Choosing Sides

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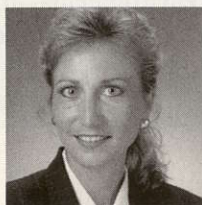
Recently I read about an arrangement between Embers restaurants and Bridgman's Ice Cream parlors where the two entities offered a limited number of each other's menu items. The concept is called "co-branding." It got me thinking about similar efforts that lawyers could make in providing services for clients.

There was a time when the simple act of cosponsoring a seminar with one accounting firm was thought to eliminate referrals from another. Now the idea of multidisciplinary practices (MDPs) has at least some law firms thinking about strategic alliances with other providers of products and services, from law firms to providers of nonlegal services. It is viewed as an opportunity that may change both the quantity and type of competition. One such arrangement, established in 1997 between the Miller & Chevalier law firm in Washington, DC and Price Waterhouse to provide coordinated tax controversy services, was well ahead of its time.

But driving this trend to affiliate is not just about MDPs. It is also about how clients make decisions about hir-

ing counsel. Smaller companies and individuals may prefer "one-stop shopping," and often are unconcerned about the type of entity that may provide the services. The owner of a closely held business expressed the view that he didn't care if his legal services were provided by his law firm or his accounting firm. In-house counsel members tend to select the lawyer, not the firm, and to do so they will contact people they know and respect for recommendations. A firm's efforts to develop relationships with others who may be referral sources should be a strategic consideration.

Law firms are thinking about strategic alliances with other providers of products and services. How do you select appropriate providers, and what type of alliance should you form?



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Identify Other Providers

The first step in an effort to develop productive relationships is to determine the types of products or services your firm's clients need that your firm does not, or will not, offer. These could

