

10 Ways to Save Money on Your Legal Bill

Ten helpful hints for saving legal fees:

1. Shop around before you hire a lawyer. Ask people that you know - friends and family, colleagues and business associates, neighbours and acquaintances - about their experiences with their lawyers. Ask them if their lawyers were organized and efficient. Ask them if their calls were returned in a timely manner, or if they needed to call their lawyer repeatedly before they got a call back.

Your legal bills will be much lower if your lawyer is focussed, efficient, and responsive than they will be if you hire a disorganized lawyer who repeatedly covers the same ground with you.

2. Find out the lawyer's rate and how it is charged in your first consultation. For example, ask if the lawyer charges a flat fee, or in fractions of an hour. Perhaps it is calculated by some other method? Ask if the lawyer requires an initial retainer, and if so, how much for your situation.

You should know that many lawyers charge an hourly rate calculated in 6minute increments - 10ths of an hour. Most lawyers who charge this way will charge a six minute minimum even if a service takes only a minute or two of the lawyer's time. This means that a "quick little call" or short e-mail to your lawyer could cost you \$30, \$40, \$50 or more, depending on the lawyer's hourly rate. If you call every day, your legal bill just for short phone calls and e-mail messages can easily reach \$1,000 in little more than a month. And if your legal matter takes more than a year to resolve, you could end up being on the hook for \$10,000 or more for those brief daily calls or messages!

3. Don't spend twenty minutes talking about the weather, the playoffs, or that cute thing one of your kids did the other day unless you are prepared to pay for it. Remember, time is money for your lawyer. So even though there may be a natural inclination to think of your lawyer as a friend - after all you are sharing intimate details with him or her about your business affairs or personal life - too much socializing will get expensive. Whether you are meeting in person or talking on the telephone, allow a brief time for small talk with your lawyer, then get on with business.

4. If what you really need is a psychiatrist, hire one. Although a good lawyer will be genuinely sympathetic and supportive of you, remember that you did not hire the lawyer to be therapist. An experienced mental health professional will cost far less per hour and be far more effective than a lawyer in helping you deal with any emotional turmoil you may encounter in connection with a conflict that you experience as personally disturbing.

Similarly, be careful not to spend too much time venting and complaining about your s.o.b. former business associate, boss, employee, spouse, or whomever you are in a dispute with unless it directly relates to your lawyer's representation of you. This is especially tempting in legal disputes that are nasty and personal - as many are! You may feel like you have to point out exactly how awful the guy on the other side is and, by implication, how much better you are. Resist the urge to do so unless it is truly relevant.

5. Unless there is a good reason for it, don't ask for special paperwork like memos, confirming letters, extra copies of documents, etc. when the lawyer does not suggest it. Whenever possible, make your own photocopies, take careful notes when you talk to your lawyer (so you don't have to talk to the lawyer again to doublecheck on the conversation), and look up any phone numbers and addresses that may help the lawyer in working on your case.

6. Ask about specific ways you can save on lawyer hours, such as doing some of your own research, filling out forms, or obtaining documents. You might be able to shave a few hundred dollars off the final tab by doing some of the routine clerical work yourself. In a long, drawnout legal matter, ask the lawyer periodically if there are any other things you can take care of yourself to save money.

7. If you want to invite your lawyer to lunch, ask the lawyer beforehand if the time spent with you will be billed. There may be times when a meeting over lunch or dinner makes sense for both of you but know the ground rules going in so you won't feel cheated if you end up getting a bill after thinking you wouldn't.

8. Consider hiring a mediator to help you and the other side arrive at a solution to your dispute. You can do this either with the help of your lawyer or without the involvement of your lawyer. Mediators are specifically trained to help you resolve your problems without litigation and its attendant costs. (If you go to a mediator before you go to a lawyer, you still ought to retain your own lawyer to check any agreement before you sign it.)

9. Do your own "informal" discovery. Discovery is a pre-trial procedure that requires the disclosure of relevant facts and documents by the parties to litigation. It can involve a fair amount of investigation time, so you will save money if you uncover as much relevant information as you can instead of relying on your lawyer to do it all.

10. One last suggestion about maintaining control of your legal expenses: Ask that your lawyer send you itemized bills on a regular basis; e.g. monthly. Knowing just how your legal dollars are being spent as they are being spent is probably the most effective aid in helping you keep your fees to a minimum.