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Tip Toe Through the Tulips: The “New” New (Old) Way to Market Legal Services

**Jerome Kowalski
Kowalski & Associates
June, 2011**

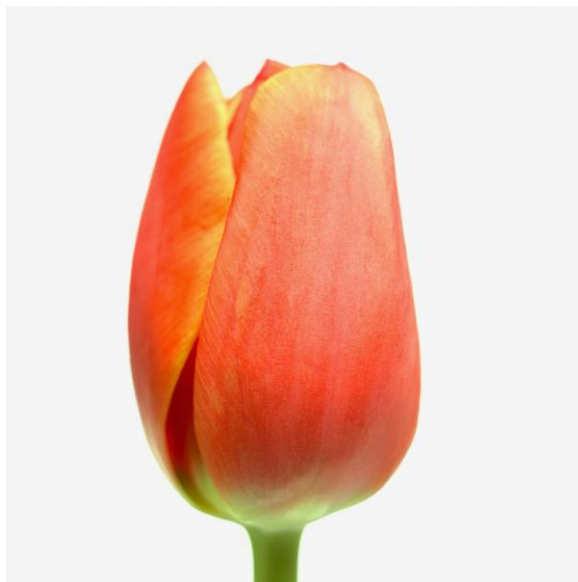
Open market auction exchanges for legal service?

On a recent breathtaking spring evening, I sat on the rocker on my front porch sipping my iced tea and just took in the beauty of the setting sun. I looked across the small dazzling colorful expanse of lawn and took pleasure in the blooming of the various perennials. I took special delight in the array of tall tulips that marked the boundary

between lawn and shrubs. My thoughts turned to the tulip auctions of Holland.

Holland, the world’s largest producer of tulip bulbs long ago established a unique auction method to sell millions of tulip bulbs each year. Hundreds of commercial buyers sit in an auditorium with large pallets of different types of tulips passing on a ramp at

the front of the auditorium a series of large electronic circular dials are displayed above the passing pallets. As the pallets pass each circular dial the dial announces a high offering price and the dial then begins to rotate with lowering offering rates for the bulbs, until one of the buyers presses a button and the bulbs are then automatically sold to that buyer. It's a rather phenomenal display ([which you can see here](#)) and a clever centuries old practice which obviously yields maximum pricing, as opposed to typical auctions, in which prices are bid up from a low base, instead of being bid down, from an artificially high price.



Naturally the thought occurred to me why can't there be an open market auction exchange for legal services. Perhaps an Ebay for lawyers and consumers of legal service.

In fact, there are such auction exchanges, hosted right here on the Internet: <http://www.shpoonkle.com/>, www.bidyourcase.com and arguably, www.quora.com.

As the *Wall Street Journal* [noted](#), Shpoonkle attracted a great deal of buzz and

debate. Shpoonkle, whose motto is "Justice You Can Afford," also attracted the attention of the [ABA Journal](#). Shpoonkle is very simple, lawyers register for free membership, the site verifies the lawyer's bar admission; clients register for equally free membership. Shpoonkle monetizes its site through advertising. Clients are then entitled to describe their need for legal services – the facts and circumstances of their particular case or matter – which is then posted on line and Shpoonkle registered lawyers then quite literally bid on the case. Bidding is open and transparent. The client reviews the bids, reviews the lawyer's qualifications and then selects a lawyer. The lowest bidder does not automatically win the engagement. At the conclusion of the engagement, the client is asked to rate the lawyer's performance on a scale of 1 – 10 and is also asked to post comments about the lawyer. These ratings and comments are then available for review by any prospective client.

Bidyourcase.com does not differ in any material way from Shpoonkle. Membership and registration are free. Ratings are based on a five star system and client comments about particular lawyers are also posted. Bidyourcase does seem to reserve the right to charge registration fees in the future.

Both services are consumer oriented and the focus at both sites is currently on lower end price sensitive work. But there is no reason why these auction exchanges, still in their infancy, cannot ratchet up with time and be an open market auction exchange for serious corporate commercial work. Both sites have no constraints with respect to the type of bid offered by lawyers: hourly billing, fixed fee or any value or alternative fee arrangement.

Quora differs in that it is a question and answer forum. Frequent questions asked on Quora are for recommendations of lawyers for particular types of legal work and requests for lawyers to offer their services on particular services. Questions are also posed about particular legal questions and lawyers have the opportunity to “strut their stuff” by posting erudite thoughtful responses on complex legal issues, including links to their own blogs. Quora has attracted a fair degree of higher end consumers of legal services and large law firms and law firm partners. But, Quora does not host an open market auction exchange per se.



Are open market auction exchanges for legal services going to be the wave of the future? There is every reason to believe that it may very well will be. In fact, currently, corporate clients are routinely conducting private auctions through [Requests for Proposals](#) processes.

Public open market auction exchanges for serious corporate legal work may be quite inevitable. After all we’ve gotten accustomed to large corporate clients announce that it will engage in convergence programs or that they will. Certainly, issues of confidentiality and the preservation of client confidences and secrets must be safeguarded. But, we would not find it unusual for a bank to announce that it is accepting RFP’s for mortgage foreclosure

work or that a major consumer products company announce that it is seeking bids from law firms to handle its trademark compliance and registration work.

We are seeing more legal work commoditized and more corporate consumers engaging counsel through corporate purchasing departments. Purchasing agents would surely welcome the idea of a public open market auction exchange.

Until then, I’ll just continue to admire the tulips.

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