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Phone: +1 646 783 7100 | Fax: +1 646 783 7161 | customerservice@law360.com

Law Firm Leaders: VLP Law Group's Timothy Bowers

By **Aebra Coe**

Law360 (March 18, 2020, 3:24 PM EDT) -- Timothy Bowers is managing partner at VLP Law Group, a virtual law firm that was founded in 2008 and has since grown to 45 attorneys spread across 18 U.S. states.



Timothy Bowers
VLP Law Group
managing partner

Here, Bowers gets into the nitty gritty of how the law firm approaches the virtual model, including attorney positions, compensation, creating a unified culture, and opportunities for advancement.

How is your law firm's model different from a traditional law firm?

Our founding attorney was a guy named Craig Johnson. Craig was a Silicon Valley visionary and a partner at Wilson Sonsini for many years. He left Wilson Sonsini to start a law firm called Venture Law Group. It was a brick and mortar law firm that worked with a lot of technology companies in the Bay Area and Silicon Valley. It was subsequently purchased by Heller Ehrman, which fell apart in the dot-com bust.

And in 2008 Craig decided that there was a better way potentially to deliver legal services to entrepreneurs and tech companies in the valley. His iteration in 2008 was called Virtual Law Partners, now VLP Law Group. Same firm, but different name. Craig's vision was to deliver legal services through a distributed model. VLP does not own any real estate and never has. Folks can work from where they're comfortable and deliver services from where they're comfortable. Typically that is a rented office space they decide to use or from a home office. What that enables us to do is be pretty flexible on rates compared to our BigLaw competitors. We don't have that overhead that traditional law firms tend to have.

There are some law firms that are distributed and work through the cloud and technology. What we've been really focused on is making sure we're a true law firm rather than solo practitioners that are siloed with a loose affiliation. We are a real law firm in every sense. We practice like we practiced in the BigLaw firms we came from. We just can't necessarily go down the hall as easily anymore to chat. We have to pick up the phone or videoconference.

What kind of employment situation is it for lawyers? Are there partners and associates?

We have partners, counsel and legal specialists. Partners are partners in the truest sense. We're party to a partnership agreement. A lot of experience and books of business. Our next category of folks are counsel. And counsel function as senior associates at the firm. And finally we have legal specialists and they're paralegals. We have staff as well.

One thing that's unique about our firm is that we don't hire junior lawyers or junior paralegals. We hire folks that are plug-and-play from large law firms. They've already been trained and they come on board with many years of experience so they can step on a deal and contribute right away. As you can imagine it takes a certain amount of maturity to practice in a remote environment. We're not interested in hiring junior lawyers and sort of training them up and trying to keep tabs on them. We are into hiring people who are consummate professionals, who have been doing it for a long time, and who can cope with what can potentially be a distracting work environment.

Our counsel average something like 10 years of experience and our legal professionals are just as senior.

What is an example of how a matter would play out with a partner in one city, counsel in another and paralegal in another city?

It looks a lot like when I was at Sidley Austin years ago and I was working with people across different offices. The difference is now technology has gotten even better. If we get an M&A deal in the door, we staff it with me as a partner, probably two counsel who are in different cities and it would be a paralegal in another city. And then there are specialists that will be in other places as well, like executive compensation, tax, IP. Basically we interact the way I think most people do now. We pick up the phone, we chat. If we need to we get on videoconference. And then we have the standard document management systems that every large law firm has. It's really very seamless. And then as far as due diligence in M&A deals there are great service providers now that help you create virtual data rooms like dropbox. It doesn't matter where our paralegal is, he or she can populate that data room from wherever they are.

Does your law firm approach lawyer compensation differently from how a BigLaw firm would do it?

Our law firm tends to return a lot of money to its lawyers. The law firm takes a management fee up front. That fee goes to the services the firm provides. For instance, we have an accounting staff, we have IT, we have a robust risk management function led by a general counsel. We have an HR function. Everyone's bills are taken care of. We have a 401(k) plan. The management fee tends to be much lower certainly than what you see at a brick and mortar firm. At the end of the day, lawyers here end up taking more money home based on their billables than they would at a traditional brick and mortar firm.

How is your firm able to provide work-life balance to lawyers there?

For a counsel here there is no billable hour requirement. We expect folks to come to us with a level of maturity and a sense of what they'd like to make a year. What we try to do is meet that requirement with the amount of hours we give them to bill. We have people who bill anywhere between 1,000 hours and 2,000 hours. It all depends on what kind of work-life balance that person wants. Going into the hiring process and after they're hired we really know what kind of hours that person can expect and what we can expect from that person. It's the same thing with legal specialists.

On the partner side of things, there are no requirements as far as hours go. The firm of course looks at hours. If there's a partner not billing time, we worry about the partner and check in to make sure everything is okay. It's about what kind of practice that person wants. We expect people to practice law full-time, but we understand people have other things going on in their lives. As long as our clients are getting the top quality service we expect them to get, we're okay with that.

What are your goals for the law firm over the next five years?

Two major goals. The first is investing in best-in-class technology. Because we return a lot of money to our attorneys, we didn't really make the capital expenditures necessary to keep us up to date with best-in-class tech. This year we are making two very meaningful investments in technology that are going to revolutionize our accounting systems, our practice management software. That's a plan for this year.

The second thing is growing the firm. That's more of a long-term plan over the next three to five years. We have typically grown in a very organic way. For the first time we've started to develop relationships with national headhunters that can get top quality candidates into the organization. We've gone outside our comfort zone in that we've historically recruited people we know very well and decided to rely on people who identify talent for a living to help us grow the firm.

One of the challenges of being in this distributive model is that lawyers by their nature are conservative animals and many like the certainty of driving to the office each day, having their desk there, having their colleagues all around them. It takes a certain type of personality and I think some forward thinking to take the plunge into this distributive model and be willing to try it out. We've gotten to the point now where we've got some great case studies showing that it really does work. We've done really meaningful, large M&A deals on the corporate side here across the table from the types of BigLaw firms we came from. And that has helped us recruit. But that's still a barrier for us: finding the right kind of personality that can thrive in a different type of environment like ours.

What kind of personality is it that you're looking for?

I think it's a self-starter. I think it's someone who's outgoing. The nice thing about our firm is when Craig founded this place, culture was super important to him. It was all about, how do we build a culture in a virtual model? We created something called our virtual culture committee. The committee ensures that the culture of the firm is intact and folks are happy and interacting.

Do many of the counsel move into partner roles there?

The answer had been no, but recently we've had two just in the last couple years. That is something that certainly there is no barrier to. It was just circumstance, really. Many of our counsel aren't really interested in becoming partners and developing their own book of business. They're happy to be part of the team and working on deals. But we did have two counsel move into the partnership. At our firm moving on to partnership would require some book of business and that typically hasn't happened with our existing counsel just because that's not the way they've decided to practice.

What well-known lawyer, alive or dead, would you most like to have lunch with? Why?

I would say Craig Johnson. I never met Craig. There are a lot of people who knew him well and he truly was a visionary in the legal community. I think Craig would be someone I would definitely like to have lunch with and discuss what his vision was for this place. I have had a chance to have lunch with his widow and that was nice. I heard a lot of really great stories through that visit.

--Editing by Rebecca Flanagan.

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