

# Legal temps fill holes, cut costs

Toronto-based agency offers legal services or lawyers on demand for 33% of usual rates

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SPECIAL TO THE STAR

Temporary agencies have prospered for years by providing companies with the right employee at the right time and the right price. Need a skilled office worker or seasoned bookkeeper for a six-week busy season? No problem.

But lawyers?

Yes, a Toronto company has started to provide companies and law firms with lawyers on demand. LexLocom, a year-old venture backed by national recruiter ZSA Legal Recruitment, aims to do what temporary agencies have done for other employment categories, plus offer services specific to the legal business.

"I noticed there was a trend for virtual law firms and the outsourcing of legal processes," says Scott Ewart, LexLocom's chief executive. "This is a business that exists in the United States and Great Britain, it doesn't exist in Canada."

Ewart, who was formerly the chief legal officer at Molson Canada, started up a virtual law firm at the beginning of last year with the aim of offering top-drawer talent at prices the big firms can't match.

He soon found that legal recruiting firm ZSA, with its rolodex of 15,000 legal professionals, was starting something similar, offering legal associates on demand and legal outsourcing.

"They asked me if I wanted to run it and we really got started in May," he says.

LexLocom offers four services: associates on demand (part-time lawyers hired as needed); project counsel (senior legal types with specialized knowledge for a specific job, such as the sale of a division or an acquisition); legal consulting (with an eye to reducing legal costs); and a document review centre (a cheaper and secure location for law firms to conduct due diligence or document review).

Ewart says the services typically cost about one-third of the rates charged by most legal firms.

Although the prevailing career path for lawyers is to end up at a big Bay Street law firm or as general counsel for a large company, Ewart says there are plenty of top-notch lawyers his firm can tap into.

These legal guns for hire typically come from three streams: lawyers with five to six years of experience who have either not landed with a big firm or just don't want the busy corporate law life; female lawyers with children seeking a better work-life balance; and senior lawyers who have been cut loose from



Toronto's LexLocom is the first legal-services outsourcing firm in Canada, offering lawyers and other legal help to companies at much lower prices.



Scott Ewart, former chief legal officer at Molson, heads up LexLocom.

top positions but are not yet ready for retirement.

Ewart says the company's clients are companies looking to reduce their legal costs through associates on demand or by bringing in senior

specialized counsel for a specific project. The other source is law firms looking to use LexLocom's document review centre.

"There are a variety reasons for it," he says of the new trend of law firms

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**SCOTT EWART,**  
LEXLOCOM CEO

outsourcing. "Either their clients are demanding it to keep costs down or they want to outsource commodity (legal) work and give them the ability to concentrate on more value-added services."

The firm has been promoting its services through word of mouth, social media, targeted advertising, and seminars on the benefits of legal outsourcing aimed at corporate lawyers.

"While this is a big business in the U.S. and Great Britain, it is small here, so what we have to do is educate the market," he explains.

It was through a seminar that LexLocom landed Toronto customs and compliance firm Livingston International Inc. as a client. Sue-Lynn Noel, corporate counsel with Livingston, was initially skeptical after hearing the presentation.

"We are such snobs, lawyers. We

are suspicious of people who want to work part-time. 'Why don't you have a full-time job and why aren't you a partner at a big firm?' Because that is the path that everyone is supposed to take."

But Noel decided to give LexLocom a try soon after, when the sudden departure of her boss turned the in-house legal department into an understaffed two-person operation. She says hiring another full-time lawyer was going to be a hard sell, and the alternative of sending work out to an established firm was deemed too expensive.

Noel and her fellow legal staffer met with one of LexLocom's three-person management team to evaluate the alternatives. "It wasn't that they were trying to push a certain product. They said, 'talk to us, what are you dealing with and let's come up with a solution for you.'"

Options ranged from a temporary general counsel, essentially replacing Noel's boss, down to "someone who was at our same level who could roll up their sleeves and do what we were doing."

In the end, Livingston opted for an associate on demand with 10 years of experience who currently works 15 to 20 hours per week.

"I think she just had a baby a year ago and was trying to make that transition from being an at-home mom," says Noel. "At 2 o'clock in the morning, we are getting emails from her. She's serving as exactly what we need and that's an extra set of hands."