

# Lawyers' Guide to Buying, Selling, Merging and Closing a Law Practice

Edited by: Sarina A. Butler & Richard G. Paszkiet. Published 2008. 203 pages

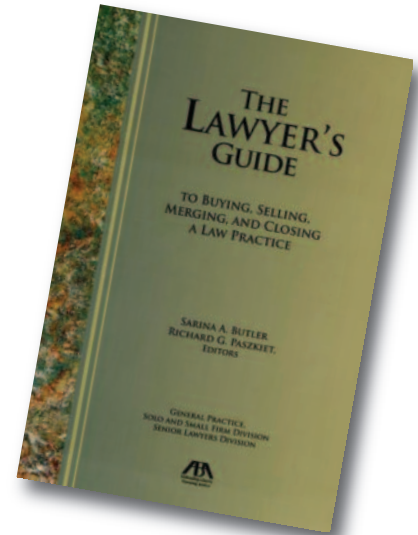
Ontario lawyers considering closing or selling their practices will be familiar with The Law Society of Upper Canada's *Guide to Closing Your Practice*. It thoroughly examines the many tasks required to wind up a practice and the obligations of lawyers to ensure that their (soon to be former) clients' interests are safeguarded in the process. The checklists and precedents cover all aspects of the process, such as financial matters, disposing of files and contacting clients.

For those about to engage in closing or selling their practice (or maybe just starting to consider the idea) the practicePRO Lending Library's *The Lawyer's Guide to Buying, Selling, Merging, and Closing a Law Practice* works as a great supplement to the Law Society's Guide. It is edited by Sarina A. Butler and Richard G. Paszkiet of the American Bar Association (ABA) and features a number of authors noted for their expertise in law practice management.

Although the book is written for an American audience and deals with ABA rules and state laws for closing and selling practices, there is still much in here for Ontario lawyers to consider. How do issues of client confidentiality and

potential conflicts of interest affect selling a practice? If a practice is being closed due to death or disability of a lawyer, have steps been taken in advance to ensure that clients will continue to have adequate representation? Can old files be destroyed? And what steps should be taken to help staff deal with the transition to either a new owner or being laid off? The authors repeatedly make the point that closing and selling a law practice involves much more work and potential complications than, for instance, closing a dental or accounting practice. If all of this is being left to your executor or another lawyer, are they adequately prepared?

Of particular interest is the discussion of the valuation of a law practice. What is the value of your practice? On the one hand, it's the real property, the computer equipment, the cash and the furniture. And then there is the "goodwill" built up over the years: the relationships with your clients, banks, accountants, and staff. Lawyers closing their practices need only think about the former, but those hoping to sell their practice will find this section (which includes a valuation checklist) quite useful.



In addition to the valuation checklist, the appendices contain other checklists and sample letters that would make good supplements to *The Law Society Guide*, such as a law office list of contacts, an expense checklist, a sample implied consent-to-destruction letter, and a sample "office closing" letter.

Both the *Law Society Guide* and this book drive home one very important point: closing a practice is a huge undertaking and should be planned for well in advance. If you've found yourself starting to think about life after practising, now is the time to give these two publications a read. You'll thank yourself (or your executors will!) later.

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