

Contents

Foreword to Second Edition	vii
About the Authors	xi
CHAPTER I	
Building the Lawyer-Client Relationship	1
<hr/>	
Introduction	1
The Missouri Motivational Study	2
Setting the Stage	3
The First Meeting	3
Timing Fee Discussions	4
Foonberg: Foonberg’s Rule of “Cash Up Front”	5
Discuss the Fee	6
Foonberg: How to Estimate Your Time to Estimate Fees (Foonberg’s Method of Estimating Time)	6
Foonberg: When to Discuss the Fees and Billing Method— Foonberg’s Photo	8
Foonberg: The Use of Trust Account Deposits to Ensure Payment	10
Present a Written Estimate	13
Figure 1.1: Bill Delineating Specific Work and Accompanied by Hourly Time Statement (Conventional Style)	14
Use a Fee Agreement	19
Figure 1.2: Bill Delineating Effort (Narrative Style)	20
Foonberg: Final Bills and the Client’s Curve of Gratitude	22
Foonberg: Forget the “Golden Rule of Billing” for obtaining repeat work and referrals from clients. Learn the “Platinum Rule of Billing” (also called “Foonberg’s Platinum Card Service”)	25
Figure 1.3: Agreement for Legal Services	26

CHAPTER II	
Preparing the Bill	29
Avoid Fee-Schedule Mentality	29
Establish Rates for Staff and Technology	30
Foonberg: Billing for Third-Party Services	32
Budgeting and Billing	34
Foonberg: Charging for “Baby Lawyers”	35
CHAPTER III	
Communicating Value	39
Project Effort on Paper	39
Delineate Work Done	39
Figure 3.1: Bill Delineating Effort	40
Use Blocking and Punctuation to Project Effort Visually	41
Figure 3.2: Bill Referencing Discussions to Convey Concern	42
Use Verbs to Convey Action	43
Use Smaller Billing Paper When Possible	43
Figure 3.3: Bill Using Blocking and Punctuation to Project Effort	44
Figure 3.4: Bill Using Frequent Action Verbs	45
Foonberg: Cover Letters for Bills	47
Project Honesty, Legal Ethics, and Competence	48
Foonberg: Small Refunds	48
Figure 3.5: Bill Projecting Values and Competence; Bill Printed on 5 ³ / ₈ -by-5 ¹ / ₂ -Inch Stationery	49
Foonberg: Bills with Multiple Lawyers	50
Project Fairness	51
Foonberg: Discounts	52
Format the Bill Appropriately	53
Draft an Inviting Statement	54
Foonberg: The Bill as a Periodic Progress or Status Report	56
Personalize the Bill	56
Figure 3.6: Personalized Bill: Sample 1	57
Figure 3.7: Personalized Bill: Sample 2	58
Figure 3.8: Personalized Bill: Sample 3	59
Foonberg: Multiple Copies of Invoices	60
Timing the Bill	60
Foonberg: Frequency of Billing	61
Include the Basis for Reimbursable Expenses	62
Make the Bill Complete	62
Foonberg: No-Fee, Zero-Balance, and Paid-in-Full Bills	63

CHAPTER IV	
Employing Other Techniques That Project Effort	65
Copy the Client on All Key Matters	65
Give the Client Undivided Attention during All Meetings	66
Keep Good Records of Completed Work	66
Use a Proper Timekeeping System	67
Foonberg: Improve Your Timekeeping Skills to Improve Client Satisfaction and Willingness to Pay Bills	67
Timekeeping in Action	70
Develop the Habit	71
CHAPTER V	
Putting the Commandments on Drafting Bills into Action	73
A Summary of Highly Effective Techniques	73
Foonberg: Handling of Questions, Complaints, and Problems	76
Why Clients Return to You	77
CHAPTER VI	
Alternative Billing Arrangements	81
When and Why to Consider Alternative Billing Arrangements	81
Examples of Alternative Billing Arrangements Other Than Pure Contingency or Pure Hourly	83
Flat Fee (Sometimes Called Lump Sum or Fixed Fee)	83
Piece of the Artistic or Business Action	83
Blended Billing Rate	84
Sharing the Work with In-House Counsel	84
Volume Discount	84
Reverse Contingency	85
Reduced Hourly Rate Plus Contingency	85
Maximum Amount Against a Contingency	85
Full-Time Lawyers (and/or Legal Assistants) for the Client or the Matter	85
Different Rates for a Complaint and a Cross-Complaint	85
Different Fee Arrangements for Different Types of Work	86
Fixed Fee for Fixed Task	86
Minimum/Maximum Fee	86
“Value Billing”	86
The Pure Retainer	86
Why the Hourly Rate Bill Is Here to Stay—ABA Studies	87

POSTSCRIPT**Miscellaneous Timekeeping and Billing Tips 91**

Tips on Being a Master Timekeeper	92
Foonberg's Tips for Recovering Better Timekeeper	93
Foonberg's Tips About Including Certain Information on Bills	94
Discovery Considerations; Limited-Description Invoices	94
Showing Credit Card Payments and Airline Mileage	94
Showing Collateral	95
Showing Contractual, Common Law, and Statutory Liens	96
Guarantors of Bills and Third-Party Payers	96
Tips on Better Billing	97
Foonberg's Tips on Notations and Late Payments	97
Using Arbitration to Avoid Suing a Client for Fees	98
Final Words from Foonberg: The Billing Wheel Has Been Invented	99
Conclusion	99
Figure P.1: John P. Clark's Form	100

APPENDIX A**Rule 1.5 of the ABA Model Rules of Professional Conduct 101**

APPENDIX B**Resources for Choosing Time and Billing Software 107**

Index 109
