

FRIDAY, MARCH 22, 2013

LAW FIRM BUSINESS

More Than a Point of View

Maureen Dorney, who co-founded a transactional boutique in 2008, relies on attorneys and staff with vast experience to set the firm, Paradigm Counsel, apart from the rest.

By Ryne Hodkowski
Daily Journal Staff Writer

Maureen S. Dorney peeled off from DLA Piper to found Paradigm Counsel in 2008 with just one other attorney. Five years later, she takes pride in nurturing tech startups with a small village of experienced counsel.

The Palo Alto firm, which represents both emerging and public technology companies, has already grown to eight attorneys with over 155 years of combined experience. Even the least experienced attorney at the firm has more than a decade of legal work to his name, and the two paralegals have more than 40 years of combined experience.

"The pros of having all senior-level people is that you get efficiency," said Dorney. "You also get the ability to provide practical business advice, and you also have the connections to help make introductions. There aren't a lot of downsides in our model."

Despite the seniority of Paradigm's attorneys, Dorney said that the firm is able to offer its clients much more attractive rates than the big-firm competition, noting that she herself is likely charging half of what she would be charging at a major Los Angeles firm.

The desire to reduce rates is part of what prompted Dorney, then co-chair of the technology and sourcing group at DLA Piper, to start Paradigm. Dorney said she noticed how billing rates and conflicts were increasing at all big firms and knew that there was a better package to offer to startups and emerging growth companies.

As luck would have it, the timing couldn't have worked better in her favor. Dorney founded Paradigm in April 2008 with Michelle Moskalik — who passed away in 2011 — just as the economy began tanking and

clients became more value-conscious.

Beyond having experienced attorneys at a lower rate, Dorney said staffing matters are of crucial importance.

"I really believe in the client team model," Dorney said. "There are multiple touch points within a team, and at least one person will know a lot about the client's business. The integrated teams we put together have a depth of knowledge and expertise in both technical and legal issues."

Dorney added that since the firm is small, attorneys all know each other well when working on matters, and they can quickly scale up or down, depending on the client and issue.

To help foster a better team atmosphere, Dorney said that compensation within the firm is "flat" and that the firm is not highly leveraged.

"We're not a platform for anyone to come in and do their own thing," she said. "We're an integrated group of lawyers who staff clients properly and share information very closely."

The firm lays claim to clients such as HID Global, a manufacturer of secure identity solutions; Silver Spring Networks, a provider of smart grid products; and mSpot Inc., a cloud movie and music provider. Samsung Electronics Co. bought mSpot for roughly \$8.8 million in May.

Paradigm had represented mSpot since its inception, and the way it handled the acquisition is emblematic of the way the firm works. "We're serial sellers," Dorney said. "We'll do partnerships, licensing agreements, incorporating and vendor agreements. We represent a vast number of start ups."

The firm also represented software-networking startup Contrail Systems from its inception to its sale. Paradigm helped incorporate the company in May, seven months before Juniper Networks Inc. acquired it for \$176 million.



Maureen Dorney left DLA Piper to start a small firm with veteran lawyers, an approach she calls "the way to keep clients happy."

Dorney said that the overall experience at the firm also affords attorneys the opportunity to routinely dole out business advice to all clients, not just start ups.

"We look at what we can do to be helpful to clients in business and how to balance business needs with legal requirements," Dorney said. "Not many lawyers can do that."

Dorney said she realizes that the firm is composed of senior attorneys and that associates will need to be brought in sooner or later. Instead of relying on personnel trained by other firms, Dorney said she believes Paradigm will do training in-house when it does bring on an associate.

"It will be a first for us, but to get the skill set that we want, we're going to have to build it," she said. "I don't think associates out there are getting the training otherwise."

In addition to legal work, many of the attorneys are active in charities in Silicon Valley. In 2011, Cathey Edwards, who specializes in incorporations, corporate transactions, state qualifications and subsidiary matters,

founded and became the executive director of a non profit, Faith In Action Silicon Valley, which provides case management and supervision for homeless men at churches and synagogues in the area. Dorney is a founder of With These Hands, a fair trade company that works with women's groups in Africa to develop and export crafts indigenous to the native culture. And both Dorney and Chiara Portner perform pro bono work for Planned Parenthood Mar Monte, the largest Planned Parenthood affiliate in the country.

Everything the firm does in terms of salary, client interaction and interpersonal relationships, Dorney said, falls under the umbrella of their ultimate goal: to turn back the clock on the legal industry and make being a lawyer more of a profession than a bottom line.

"This is the way to keep clients happy," Dorney said, adding that their firm is emblematic of what the legal industry is becoming. "There will be more paradigms like us as the pressure on big firms continues to grow."