

## PUBLISHED WHITE PAPERS

### Automated DIY Legal Services Leave Many Businesses Holding The Bag

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*About The Author:*

Brett Renzenbrink is a member of the Strauss Troy litigation department. He focuses his practice in the areas of complex commercial and business litigation, real estate law, banking and foreclosure.

President Abraham Lincoln once said, *"A lawyer's time and advice is his stock in trade."*

In the mid-19th century when Lincoln said this, little did he know that his words were about 150 years ahead of their time. Back then, there were no *"Do-It-Yourself"* sections at the local library, no Internet, no smart phones to look up and disseminate the most fleeting and random questions at the touch of a screen, and no archived public legal resources or automated legal services.

What Abe was trying to convey is that the true value of an attorney is his talent and experience multiplied by the length of time.

I, myself, am a *"millennial."* I'm impatient, overly self-invested, two-second goal-oriented, and I'm not afraid to admit it. In fact, I'm proud of it — much like a millennial would be, right?

I also have the perspective, though, to understand when examples of perceived societal advancement have very little, if any, practical value. One of those examples is the advent and rise of automated legal services.

Thousands of new companies launch every year. These companies are started exponentially by individuals that are deeper and deeper in the quicksand — meaning they lack access to credit but have an unwavering confidence in their ability to do anything, all the time. The monster that this creates believes, *"I can build a multi-million dollar company with a couple buddies, a Starbucks and a laptop."*

Attorneys-turned-businessmen saw how easy the basic fundamentals of registering an LLC or trademark had become. They decided to ditch the bar dues and attack a national market. Enter: Automated legal services.

This may lead many entrepreneurs to think — *"Why in the world would I ever pay an attorney to help me start a business when it takes \$100 and five minutes on the Internet?"*

To start, nothing worthwhile in this world has ever been produced by combining zero experience, five minutes and \$100. Next, I've had attorneys very astutely say, *"Good, cheap or fast...you can have any two of the three that you want."* There's truth there. It's called the *"Unattainable Triangle."*

It all goes back to Abe — the real value of the attorney is not the resultant product, which people can attempt to cheaply knockoff on the Internet, but in the process that gets you where you actually need to be. There's an art to proper business formation — filled with strategic and impactful decisions that are well above the pay-grade of any cheap, automated website's java script.

Forming entities is not just about basic taxation and due diligence; it's also about protection. It's about arming your house with a state-of-the-art alarm system that not even the savviest of criminals could penetrate.

Purchasing automated legal services is like only putting a sticker on your front door, rather than buying a state-of-the-art alarm system to protect you.

I have represented both businesses and creditors that collect on businesses alike. When my team and I start the process of collecting on a commercial entity and dig up boilerplate form documents, it usually takes minimal effort to pierce and extinguish any protection that the entity, itself, ostensibly was designed to create. If, however, the construction of the entity was developed with the advice and assistance of someone who knows what they are doing, a true professional — all bets on expectations are off.

### **Don't Be Penny Wise And Pound Foolish**

There's a multitude of different ways to brand yourself, create managerial infrastructure and protect your valuable assets (both commercial and personal). Sometimes, envisioning success involves looking at the titans in your trade and mimicking what they've done. Go look up how many Fortune 500 companies have boilerplate, automated documents to protect the entity's assets and shareholders. I'll give you a hint— it's a little higher than negative one.

Fortune 500s usually have an army of attorneys who've meticulously crafted their entity filings and shareholder/partner agreements down to the last Oxford comma. Sure, access to voluminous capital and credit makes it easier to afford good representation.

If you look, you will find, practical, reasonable attorneys who understand your business model, help you solve problems and who can think ahead about how best to protect your business. That's not just value you will feel, but tangible protection for your business that you'll be thankful for if you ever need to look back through the lens of any type of business litigation.

Do you want the alarm system that truly protects your business or just a sticker on the door? 🚪

***If you have questions about entity formation, strengthening your corporate shield or protecting your assets, please contact Brett at [bmrenzenbrink@strausstroy.com](mailto:bmrenzenbrink@strausstroy.com) or 513-629-9493.***