



Unbundled Legal Services, the Latent Legal Market, and Access to Legal Services

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Access to Legal Services

- Underserved Latent Markets
- Solos and Small Law Firms Not Serving These Markets.
- Under Utilization of online technologies by solos and small law firms.
- Solos and small law firms lose market share to alternative providers.



Latent Market for Legal Services

- 50% of middle income households in the US have at least one legal problem per year
- Only 20% seek legal assistance from attorneys.
- 26% do nothing at all.
- Increasing percentage of consumers seek alternatives to lawyers such as self-help.
E.g., [Nolo](#), LegalZoom , SmartLegalForms, ProBono.Net
- Potentially huge market waiting to be tapped in the US for personal consumer legal services.



Market Opportunities

- 78% of Americans do not have a will or updated will.
- 50% of all marriages end in divorce.
- Personal Bankruptcy filings have almost doubled since 1990.
- More than 10 million American are victims of Identity Theft each year.
- Nearly 9 out of 10 employees experienced at least one legal concern during the past year. (Legal Needs Study).
- In fact, seven out of 10 Americans said they experienced a legal event within the past year*, according to a recent survey conducted by ARAG, a legal solutions provider. (Legal Needs Study). Data also supported by American Bar Association Legal Needs Study.



The U.S Legal Services Market

- **\$145 billion market in total**
- **American consumers spend approximately \$43 billion to \$56 billion annually on personal legal services**
- **Latent legal services market adds another \$45 billion to the potential market**

Size of the market for legal services

What consumers spend now	\$43 billion
Estimated value of under-served consumers or latent market defined as the value of legal problems that are not serviced.	\$45 billion
Total market	\$88 billion



*The public conducts
the following tasks online:*

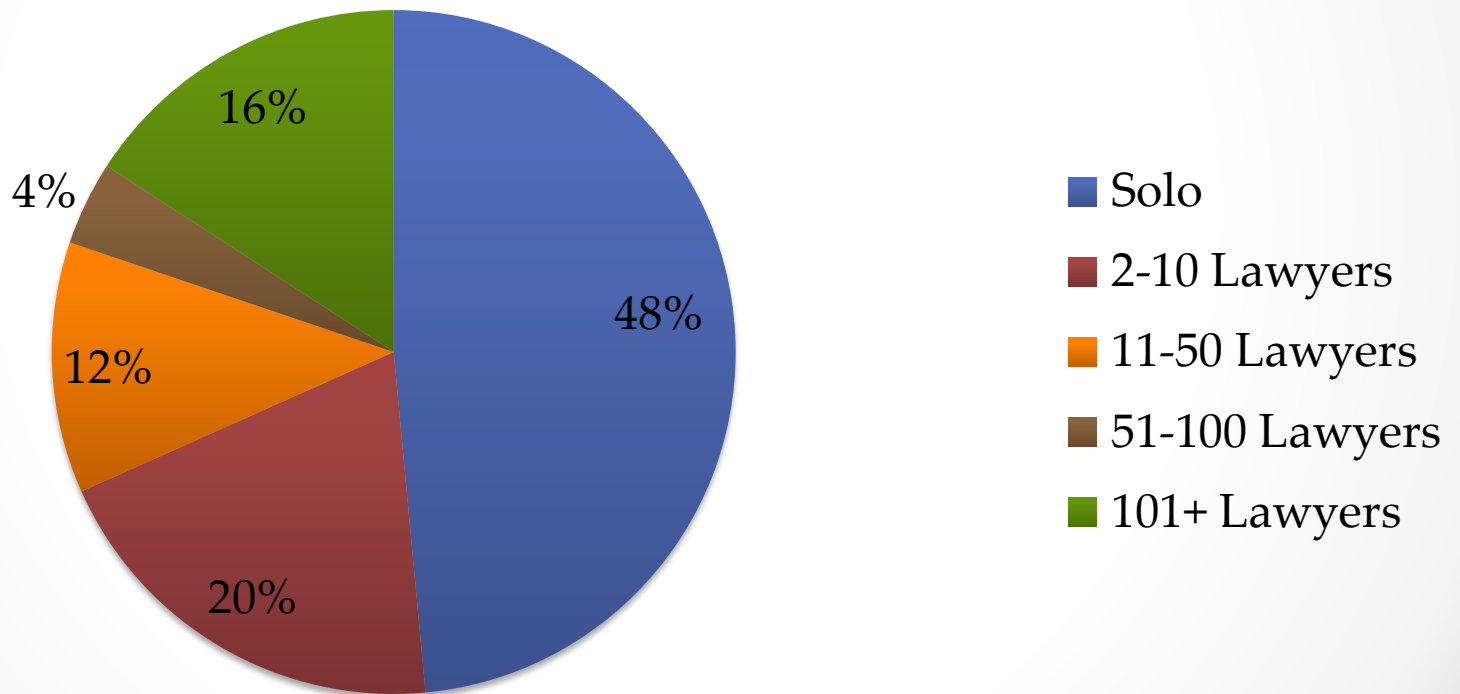


- ✓ Shop
- ✓ Sell
- ✓ Bank
- ✓ Invest
- ✓ Trade
- ✓ Pay Taxes
- ✓ E-file
- ✓ Obtain degrees
- ✓ Work



Private Law Firms

Private Bar Distribution (2005)



Platforms to Enable Law Firms to Deliver Legal Services Online

- Supports delivery of Unbundled Legal Services
- Legal Forms Bundled with legal advice for a fixed fee.
- Telephone and email advice by the question.
- Payment for full legal services on-line.
- Intake Questionnaires for off-line legal services.
- Court Coaching Services.
- Create your own “unbundled legal services”



Benefits of Virtual Law Practice

A Virtual Law Firm can:

- Service clients over the Internet and in-office.
- Increase the geographical reach of their law practice by marketing and delivering legal services statewide.
- Offer “unbundled legal services”, e.g., legal forms bundled with legal advice for a fixed price. Law firms can also bill online by the hour for traditional services and clients can pay online with a credit card.
- Create a new source of revenue by reaching out to the “latent market for legal services” on the Internet and service web-savvy clients.
- For some lawyers, a virtual practice permits a lower cost law practice in a time of deep economic trouble and supports lifestyle alternatives such as home-based practice.
- Respond to the buying behavior of the “Net generation”.

