SOME OVERALL STATISTICS ON ENTREPRENEURSHIP

- Entrepreneurs create 600,000 to 800,000 new businesses each year.
- 27.5 million small businesses provide 49.6% of private-sector jobs and make up 99.7% of companies that employ workers.
- During the last five years, minority-owned firms have increased 45.6% while women-owned businesses increased 20.1%.
- 1 of every 150 working age adults joins in the founding of an enterprise each year.
There are approximately 760,000 lawyers practicing in the US
- Median wage $115K / $55/hr
- Demand increase 10% over the next 10 years
- Estimate of 800,000 by 2020
- Graduation rate of 45,000 per year
- Average cost of law school of $42K/year (top schools +$55K)
- Average undergrad cost of $29K/year (private)

GENERAL MARKET
OVER SUPPLY ANALYSIS

- General Population
- Those that have lawyers
- Those that do not
- Those that do not know where to go for direction
- Average income
- Average disposable income
- Average hourly cost of an attorney

GENERAL MARKET
UNTAPPED DEMAND OVERVIEW
### Legal Aid Services

<table>
<thead>
<tr>
<th>Family Size</th>
<th>Monthly Income</th>
<th>Yearly Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$1,063</td>
<td>$12,762</td>
</tr>
<tr>
<td>2</td>
<td>$1,426</td>
<td>$17,112</td>
</tr>
<tr>
<td>3</td>
<td>$1,788</td>
<td>$21,462</td>
</tr>
<tr>
<td>4</td>
<td>$2,151</td>
<td>$25,812</td>
</tr>
<tr>
<td>5</td>
<td>$2,513</td>
<td>$30,162</td>
</tr>
<tr>
<td>6</td>
<td>$2,876</td>
<td>$34,512</td>
</tr>
<tr>
<td>7</td>
<td>$3,238</td>
<td>$38,862</td>
</tr>
<tr>
<td>8</td>
<td>$3,601</td>
<td>$43,212</td>
</tr>
</tbody>
</table>

### Lower Income

**THE GREY MARKET**

#### Taking Off the Lawyer Hat

- Looking at the business from an entrepreneur’s perspective
HAVING AN IDEA

- Lawyer Referral services in itself may or may not be new or unique
- The entrepreneur must inspire and inject value
- Opportunity identification is central to entrepreneurship and involves:
  - The creative pursuit of ideas
  - The innovation process
- The first step for any entrepreneur is the identification of a “good idea.”
  - The search for good ideas is never easy.
  - Opportunity recognition can lead to both personal and societal wealth.

WHY PEOPLE TAP INTO THEIR INNER ENTREPRENEUR

<table>
<thead>
<tr>
<th>Choice</th>
<th>Necessity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifestyle</td>
<td>Lack of work</td>
</tr>
<tr>
<td>Time</td>
<td>Few viable options</td>
</tr>
<tr>
<td>Flexibility</td>
<td>Location</td>
</tr>
<tr>
<td>Control</td>
<td>Resources</td>
</tr>
<tr>
<td>Money</td>
<td>Personality</td>
</tr>
<tr>
<td>Travel</td>
<td></td>
</tr>
<tr>
<td>Adventure</td>
<td></td>
</tr>
</tbody>
</table>
ENTREPRENEURIAL SPIRIT

- Taking Risk
- Looking for unseen and untapped opportunity
- Breaking with tradition
- Dedication
- Tenacity
- Focus
- Time
- Remember - you are not “alone”

STEPPING INTO A NEW ARENA

How to approach a new profession
Reducing the level of risk
Setting out a well planned business plan
What is a business model canvas?
LEARN SOMETHING NEW

Community Colleges offer Practical Educations (CTE)

Short Certificate Programs

10% of our business students already have BA or higher degrees!

Cost Structure
- What are the most important inherent costs?
- What are the most expensive resources and activities?
- Cost or value driven?
- Structured costs - fixed & variable
- Economies of scope & scale

Revenue Stream
- Who are the potential customers?
- For what VALUE are the customers willing to pay?
- Is this something they are currently paying for?
- Are they willing to pay a fixed or variable cost?
1. Set explicit goals.
2. Create a system of feedback and positive reinforcement.
3. Emphasize individual responsibility.
4. Provide rewards based on results.
5. Do not punish failures.

IMPORTANT PRACTICES FOR ESTABLISHING AN INNOVATION-DRIVEN ORGANIZATION

NEW THINKING FOR A DISJOINTED MARKET
Taking a fresh look at an old product
YOGURT – A DISMAL OUTLOOK Circa 1968

YOGURT INNOVATION & MARKET DEVELOPMENT
YOGURT TODAY – UBIQUOUS

SALES OF “GREEK” YOGURT ROSE 2500% DURING THE WORST ECONOMIC DOWNTURN SINCE THE GREAT DEPRESSION, TO $1.5 BILLION.

SO WHAT DOES 1960’S YOGURT HAVE TO DO WITH LRIS AND INNOVATION?

- Both lawyers and yogurt have been around for thousands of years
- A lot of people were afraid yogurt – bacteria laden milk in the 60’s
- Few people in the US actually ate yogurt
- Fewer people knew why they really needed it.
- And very few knew it was actually good for them.

How did we get everyone to love & eat yogurt?
In California there are over 50 LRS's listed in the state and referred to by the California Bar Association.

“THEY JUST DON’T KNOW…….”

- A lot of people are still afraid of lawyers (ignorance is fear)
- Few people in the US actually have a lawyer
- Fewer people know why they really needed one.
- And very few know it is actually good for them to have a lawyer.
IDEA AND INNOVATION KILLERS

1. I don’t see anything wrong with the way we’re doing it now
2. That’s the dumbest thing I’ve ever heard
3. We already tried that years ago
4. We’ve never done anything like that before
5. Yeah, but if you did that . . .
6. We don’t have time to consider that
7. We didn’t budget for that
8. Where did you get that idea?

WHAT ARE YOUR VALUE PROPOSITIONS?

What customer needs are we satisfying?

Newness
Performance
Customization
“Getting the Job Done”
Design Brand/Status
Price Cost Reduction
Risk Reduction
Accessibility/Convenience/Usability

WHAT ARE YOUR VALUE PROPOSITIONS?
GATHERING YOUR TEAM OF EXPERTS

If you had a dream team who would it be?

- Create a board of advisors!
- Let people share their experience and knowledge in their fields.
- Key vendors and suppliers
- Paid/Unpaid?
- Vested interest?

WHO WILL BUY IT?
THE COMPETITION – FREELEGALSTUFF.COM?

Sales vs. Market Orientations

<table>
<thead>
<tr>
<th></th>
<th>Organization’s Focus</th>
<th>Firm’s Business</th>
<th>For Whom?</th>
<th>Primary Profit Goal?</th>
<th>Tools to Achieve</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Orientation</td>
<td>Inward</td>
<td>Selling goods and services</td>
<td>Everybody</td>
<td>Maximum sales volume</td>
<td>Primarily promotion</td>
</tr>
<tr>
<td>Market Orientation</td>
<td>Outward</td>
<td>Satisfying wants and needs</td>
<td>Specific groups of people</td>
<td>Customer satisfaction</td>
<td>Coordinated use of marketing activities</td>
</tr>
</tbody>
</table>
UNDERSTANDING YOUR MARKET

Summary
Services
Target Market
Competition
Marketing plan
Financials
Organization
Risk

BUILDING YOUR PLAN
PLAY NICE & SMART FOR SUCCESSFUL OUTCOMES

- New
- Innovative
- Creative
- Exceptional
- Specific
- Measurable
- Aggressive
- Realistic
- Timely

Entrepreneurship & Innovation in LRIS

Your future is up to you!

- Have you registered “.attorney”?
- What about “.lawyer”?

THANK YOU!