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Warning that local solicitors will become an “endangered species”

Thursday 29 April 2010 by **Catherine Baksi**



Support group the Lawyers Defence Group (LDG) has called on the next government to legislate to protect access to justice and high street firms by imposing marketing restrictions on alternative business structures.

The group has warned that local solicitors will become ‘an endangered species’ if steps are not taken to curb and regulate the ‘predatory marketing’ of national organisations that plan to move into the legal sector when permitted to do so in 2011.

LDG manager Duncan Finlyson said access to legal representation will be reduced if high street firms are squeezed out of the market because they cannot compete with the marketing and promotion capabilities of large commercial brands.

The plea followed last week’s announcement by The Co-operative Group that it is to launch a second campaign promoting legal services to its shoppers.

Finlyson said: ‘The vast majority of provincial solicitors neither have access to the kind of marketing budget which organisations such as The Co-op possess nor the ability to be able to target a captive audience of shoppers. High street solicitors are being forced into a corner by government-initiated plans which claim to be [for] the public good but which are likely to have the opposite effect by reducing public access to legal services.’

Law Society chief executive Desmond Hudson said: ‘ABSs are now part of the law of the land, as is the licensing test that no ABS licence should be granted without assessing the impact such a licence will have on access to justice.’

He said the Society is concerned by the approach to licensing being taken by the Legal Services Board and has commissioned research into the economic impact of ABSs.

Hudson stressed that it was vital to ensure that the public should not lose access to advice, and nor should a hasty or ill-considered rush to let the ‘market decide’ be allowed to irreparably damage the profession.

‘There could be problems in respect of publicly funded work and other complex areas unattractive to private equity if we look solely to an uncontrolled market approach,’ he added.

However, Hudson said properly regulated ABSs have the potential to provide opportunities for solicitors, who should have the choice of which business model to operate.

The Lawyers Defence Group is a support group for lawyers set up by national firm Richard Nelson and London and Cambridgeshire firm Murdochs.

Original article: <http://www.lawgazette.co.uk/news/warning-local-solicitors-will-become-endangered-species>



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