



## A little help for startups

U of I law students help business navigate legal issues | **By Simon Shifrin**

**K**en Hyde has filed articles of incorporation, created an operating agreement and narrowed the scope of the business plan for his new company Graphic Shooters LLC, all with no legal costs.

Normally, it would have cost Hyde hundreds or thousands of dollars to receive such help from a transaction attorney.

But Hyde benefitted from the resources of the Small Business Legal Clinic at the University of Idaho College of Law and worked one-on-one with a law student over the course of

several months in a law firm-like setting. In return, the student gained invaluable practical legal experience without ever stepping foot inside the office of a law firm.

The clinic, which was created in 2003, has paired dozens of law students with more than 50 start-up companies, including a hairdresser, a ceramic artist, truckers, builders, Internet startups and an entrepreneur who sews uniforms out of a basement.

Lee Dillion, a former business lawyer and the clinic's creator, said he tries to run the year-long class as if he and the students were partners and associates at a law firm, sitting around a table discussing their caseloads each week. Each student stays in contact with clients by phone and e-mail and can generally handle about two business or non-profit formations per semester.

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ABOVE: Brett Evanson, University of Idaho law student; Chris Corwin, BSU graduate student and potential Small Business Legal Clinic client; and Lee Dillion, University of Idaho College of Law External Program Director.

**“The point I emphasize with clients is: ‘We’re free, but we’re slow.’ For most businesses, they just want to get formed and get on to their business.”**

– Lee Dillion

Former business lawyer

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slow,” said Dillion, the law school’s director of external programs. “For most businesses, they just want to get formed and then get on to their business.”

The dean of the law school, Don Burnett, heaps praise on the clinic and says it represents an example of the kind of programs that could be available with the law school’s possible expansion to Boise. The Idaho State Board of Education has given the law school, based in Moscow, approval to explore the opening of a new campus in Boise, with 250 students planned for each location.

Preliminary plans for the Boise campus, located in the state’s capitol and center of commerce, would be to focus on business law, entrepreneurship, intellectual property, international business transactions and trade.

Burnett envisions partnerships with the business community modeled on the clinic’s collaborative nature, such as business law colloquia, business law-related job opportunities for students and enhanced contacts between the law school and Boise’s business community. He said entrepreneurs and business lawyers have already started approaching him about opportunities for adjunct teaching.

“The synergistic opportunities are going to be really exceptional,” he said.

The clinic, which is based in Moscow even though it helps companies in both the Moscow and Boise areas, has provided students with important lessons about the practice of law that they couldn’t get in a typical classroom.

Dillion said most entrepreneurs expect their lawyers to not only be legal advocates but also informal consultants who will eventually keep them out of trouble.

“Students will say, ‘My client came to me and asked if they should do this or that. Can I really be giving them advice about things that aren’t of a legal nature?’” Dillion said. “Technically, no. But any business attorney that doesn’t have some common sense about business would not be a good transaction lawyer for very long.”

Effective business lawyers must know at least a little bit

about everything: accounting, financial management, retail, wholesale, marketing, insurance and environmental regulations, Dillion said.

“If all you can do is churn out narrow legal memos, (clients) will go elsewhere,” he said.

Ritchie Eppink, now a staff attorney with Idaho Legal Aid Services, said it was difficult for him to understand how many permits and licenses are required to start a business before he started muddling through the process as a student in the clinic during 2005 and 2006.

Eppink ended up helping about a half-dozen start-ups, including a bridal consultant, a non-profit environmental group and an artist who wanted to form a limited liability corporation.

“I had an opportunity to see how thorough, diligent lawyering is done,” Eppink said. “That has made a lasting impact on me in my professional life. The clinic was invaluable to me.”

The experience was also vital for Ken Hyde, who hopes to serve his first clients this summer. Hyde, who is currently a creative services manager for the Boise Hawks, plans to offer his video skills to athletes hoping to attract the attention of scouts and college recruiters.

Hyde said the student who helped him, Jeremy Pittard, persuaded him to form a limited liability partnership rather than a sole proprietorship, as he had originally planned. Though Hyde doesn’t anticipate a client ever wanting to sue him, he realizes it’s good to have protection in case it ever happens. The LLP structure will allow him to keep his personal finances separate from his company’s.

“You really do need to protect yourself and your personal assets,” he said. “I certainly am really glad that I had people like (Dillion) and (Pittard) helping me out, because if I didn’t, it would have been a much more daunting task.”

“They kind of saved me from my own naiveté in a lot of ways,” he added.

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