

Charging for Initial Consultations and Fee Timing

For folks who charge for initial consults, when do you take payment and when do you consider the fee earned? When booked? At the meeting? After?

According to my understanding of our ethics rule, a fee may not be considered earned until you have done *something* on the matter, unless it is a true retainer for the purpose of securing priority access to resources.

I generally take payment at the consult, which has resulted in more than a few, "Oh, gosh, I forgot my checkbook" claims at the close of the meeting over the years. Certain types of consults were more problematic than others; basically, I assumed that if it was a consultation regarding a contingency matter, the likelihood of getting stiffed at the meeting was much higher, the function (P) approaching 1 inversely proportionate to the weakness of their case. (That is to say, for the math impaired, if they met and got bad news, they were very unlikely to pay for it ex post.)

As I move to a model of (ideally) more house calls, including evening and weekend appointments, I'm working to get my site and calendar set up to take advance payments to secure those slots.

Richard J. Rutledge, Jr., North Carolina

I generally offer free consults, they can be very short, less than 5 minutes if it is apparent that there is no case, or they are unlikely to hire me. I write that off as marketing cost. On the other hand, I do charge for some consults, typically reviewing real estate contracts, some one has an offer and they want it reviewed, if it is one of the standard realtor forms I know what and where the relevant portions are and can cover that in maybe 30 minutes give or take. I will tell them what the cost is, they come in I explain it and then ask for fee.

No one has ever stiffed me on it, and some people will flat out say that it is well worth the fee.

Ronald Jones, Florida

I have routinely charged for 'initial consultations' for several years. We have a set fee for the consultation, no matter the length (altho for short meetings I'll often adjust the fee). We tell the client when they make the appointment about the fee. I usually collect the fee at the end of the meeting. If we're doing more work, I'll just add it to the bill. Yes, we do sometimes get the 'I forgot my checkbook', but we can take credit cards, and we offer to let them send the check. Rarely do we get 'stiffed' completely.

When I started it, I expected a lot more resistance than I've gotten.

Sometimes people call and want a 'meet and greet' to see if we're a 'good fit'. I don't really do those. I love meeting them, but we always tend to get down to talking about their situation, and I make suggestions, recommendations and give information, so I feel what I provide is worth the fee. To me a 'meet and greet' is a time waster, and a sales opportunity. I don't want to sell them, I want to help.

Michael D. Caccavo, Vermont

I typically don't require a fee after the initial consultation, but let the person know that if they hire me, I will bill for it after the fact.

In other words, if they end up hiring me, the consultation isn't free...if they don't, it is.

Bobby Lott, Jr., Alabama

I usually take payment at the end of the consultation. Sometimes 5 minutes in I know this is something I can't help them with, and so I cut it short and don't charge them.

About once or twice a year, someone does stiff me and "forget my checkbook" (though I have had people genuinely forget their wallet and checkbook and run home and come back and pay immediately - though now for live consultations that we take their driver license when they come in then they discover it so it is less of a problem.) Almost always this is someone that not only has my secretary explained the initial consultation fee to, but they have also signed my initial consultation agreement indicating the fee and/or I verbally explained it to them at the beginning of the conference and they consented - they just don't want to pay. I have considered having my secretary take it prior to meeting the client, but for now am not doing so, as it is a relatively rare occurrence.

Cynthia V. Hall, Florida

I take payment up front, which I started doing after the first time I got stiffed by the I got the "oh gosh, I forgot my checkbook" routine. I amended my intake form to require payment before the session starts. At the time, I was in a suite with a front receptionist, which definitely made that easier. I still enforce that now tho, even without a receptionist.

Rick is right that the payment isn't technically earned until you've done something, but that said, some attorneys do have 24-hour (or whatever) cancellation policies. Arguably, the fee secures your availability for that time slot, which you are unable to sell to anyone else if someone fails to show up at the last moment.

Some people do a blend, ie: fee is not refundable but will re-schedule your appointment for another day so the customer still gets the value of the consult. I generally don't take the money until right before the session starts, and will graciously re-schedule for a second appointment if someone fails to

show for their initial appointment. But by the third time - which is rare tho occasionally happens - I will tell someone straight up if they want to make another appointment, they have to pay for it now and it's non-refundable, then put that in the confirming email. At that point, the tire-kickers go away and the real customers pay up and show up.

Amy A. Breyer, California

I'll do meet-and-greets, though typically over the phone so I didn't have to worry about getting someone out of my office. Nowadays, it's actually much easier bc no one (at least here) wants to go to anyone's office.

I explain up front that there's no charge for 15 minutes, but it's just to see if we're a good fit, and if they'd like to convert the meeting into a consultation, then we can talk about the specifics of their case. Do some people try to take advantage of that? Yup. I just steer the conversation back. If someone really pushes hard, I remind them of the parameters and say "now, you wouldn't want to hire a lawyer that can be pushed around, right?" ;) By and large though, it can be a good marketing tool. Even if that person doesn't hire me, it still generates referrals sometimes.

Amy A. Breyer