

Just Say NO to DIY Law (or why LegalZoom isn't so great)

I am probably the most frugal girl out here. I love thrift stores, secondhand books and I barely buy anything full price. BUT, there are some areas in which I absolutely refuse to cut corners. Law is one of them. I know LegalZoom looks appealing with its promises of low costs and ease but can you really count on it?

Some of the biggest drawbacks of using LegalZoom include:

1. Their Forms Are Generic

In law...DETAILS MATTER. Simply typing and entering info is extremely risky when you are hoping to protect yourself and your business. Operating agreements, corporate bylaws, employment agreements and contracts are the anchoring documents of business. It's only prudent that these documents are done soundly. A knowledgeable attorney can provide guidance by asking questions and becoming familiar with you and the goals of your business. Documents can be customized to your needs and provide you protection from unnecessary taxes, liabilities and costly misunderstandings.

2. Their Forms May Not Be Effective

Prepared documents mean nothing if they are not legally enforceable. Every state has its own legal requirements to garner the protection of the courts. Many people can read the law but it is knowledge of the nuances in which attorneys excel. Attorneys can offer what LegalZoom cannot....LEGAL ADVICE. That legal advice can assure that documents are executed properly, proper entities are formed, tax liabilities are minimized, intellectual property is protected and that your legal documents have the legal significance that you are intending.

3. No Personal Relationship.

Working with a lawyer who knows your business gives you the benefit of familiarity. If an issue arises why spend time calling a customer service line and possibly speaking to a different person every time? Wouldn't you rather call your personal attorney who knows your business and has watched (and probably helped) your business grow.

Taking shortcuts in the legal arena is very risky and by the time you realize that a mistake has been made it's usually too late. If it's even possible to make corrections the process can be costly. If you have to hire an attorney to eventually fix a mess caused by "do it yourself law" have you really saved money or time? I don't think so.

*Monica D. Shepard is an intellectual property and business lawyer for startups and tech industry professionals. Her law practice, **Monica Shepard Law, LLC**, is operated entirely online. She strives to help innovative people follow their dreams and create the products and companies they have always sought. When she is not practicing law she enjoys travel, hiking, Belgian chocolate and pursuing her quest to become scuba dive certified.*