

A Law Firm for the Millennial Generation: An ‘Edgy’ Miami Firm Dares to Be Different

When many law firms are struggling, and grappling with what to do to attract and retain clients, AXS Law Group is branding itself as an edgy kind of different.

By MONIKA GONZALEZ MESA

For years, AXS Law Group co-founder Jeff Gutches was advised that he needed to specialize, and that “clients don’t like South Beach cool guys.” But he never heeded that advice.

His new firm, surrounded by the artsy, graffiti-covered warehouses of the nontraditional-for-a-law-firm Miami neighborhood called Wynwood, is part of his bet that there are clients who want a new kind of firm. At a time when many law firms are struggling and grappling with how to attract and retain clients, AXS Law Group is branding itself as an edgy kind of different.

After settling a large case in early 2016, Gutches and two friends—fellow founding partners Ben Wolkov and Jeremy Ben-David—decided to move on a dream to start a less traditional firm branded with an urban-edge style, life-balance philosophy, less specialization and big on alternative fee structures. As an ancillary benefit, they see the model



Jeffrey W. Gutches. J. Albert Diaz

appealing to millennials, who they expect will become valuable clients over the next decade.

After 18 months in operation, Gutches says the firm has more work than it can handle and expects to expand its head count within a year to 15 lawyers from its current 10. The partners say their approach is not only appealing to their legacy clients and clients of all ages, but will also be attractive to millennial clients, whose numbers will inevitably grow.

“We think outside of the box,” said partner Morgan Ben-David,

founding partner Jeremy Ben-David’s wife. “As a millennial, this isn’t the old traditional ivory tower. It’s not your typical stuffy place to work. We want to bring excitement back to the law.”

Gutches spent 15 years at Hunton & Williams in New York and Miami before leaving for Bilzin Sumberg Baena Price & Axelrod in 2012 with longtime colleague Marty Steinberg, who has since moved to Hogan Lovells. Three years ago, Gutches and Wolkov, a onetime Hunton colleague, discussed the brand

concept and alternative name for what would become AXS Law Group. But because Gutchess had a big case coming up, it wasn't the right time. Wolkov, meanwhile, met and collaborated with Ben-David in South Beach where they both worked and lived.

"Marty [Steinberg] always used to tell me clients don't like South Beach cool guys," said Gutchess, who used to live in South Beach but now lives in Miami Shores. "I would always think, 'I bet there are some clients out there that like it if you're a little more fun, if you are a little more different from the normal. I'm sure that there are a lot of conservative clients who like their lawyers to be more button up, but there are a lot of clients out there who like their lawyers to be more involved in the scene and a little bit more fun.'"

The partners moved into their newly completed office building in Wynwood early this year. Far different from the granite and marble tower firms overlooking the bay in downtown Miami, the firm is made up of two large white-walled rooms divided into clear glass-walled offices that look boldly onto the colorful graffiti-covered warehouses.

In one room, the glass cubicles surround a stylish couch with tree-trunk legs provided at cost by a client, and a kitchenette with a full exposed bar. The office holds an informal happy hour every two weeks on Thursdays, and the art on the walls will change every three months. When new art is displayed, the firm hosts an exhibit where attorneys can invite clients, friends or interested parties. A rooftop work and socializing area is still under construction.

Wolkov said at larger firms, he and his partners saw problems with hierarchy, case-size thresholds for client development for young lawyers, a lack of flexible schedules for lawyers, and inflexible payment options for clients.

And according to Gutchess, AXS Law doesn't believe in lawyers specializing. "We believe in having your fingers in different pots. It gives you more creativity and more diversity. That's the concept of the full-service boutique; we have some areas where we have some experience and expertise, but we're not specialists in any one area. We're going against the grain of the big firms in that area, too."

The same lawyer, he said, may do transactions and criminal defense work.

"All these things that used to be frustrations we are now leveraging to our benefit," Wolkov said.

Gutchess said the crux of what draws clients to the firm is a combination of legal savvy and practical instincts and lawyers who are enthusiastic because their workplace treats them as equals. Partners share in the risks and rewards, vote on issues, have flexibility to work remotely as they like and can take the lead on projects.

The firm has 26 active litigation matters and more than 60 transactional matters pending, Gutchess said. About half of their clients are new.

Many of those clients are local entrepreneurs who have used big firms in the past. Although few are millennials now, the firm anticipates that it will be attractive to that demographic as it grows in entrepreneurship.

Fee structures clearly also play a prominent role in drawing

clients. Much of the work is offered at a flat rate. In some cases, the firm has taken on equity participation in a client's business in exchange for services, effectively becoming the client's in-house counsel.

Gutchess said he has dropped his hourly rate to \$585, which is \$100 less than the hourly rate he used to bill at Bilzin. He brought two important clients with him from his previous firm, he said—Colin Veitch, a former CEO of Norwegian Cruise Line, and CT Miami, a manufacturer of smartphones sold in South America. It was after he settled a big case that Veitch had brought against the Virgin Group that he decided it was time to make his move and start his own firm.

Gutchess said he doesn't like to compete on rates but prefers to emphasize the firm's efficiency. He explains to clients that big firms may have a senior and junior partner and a mid-level associate working on a single case, resulting in duplication that can be avoided by having one experienced lawyer work on a case.

Since February 2016 when AXS Law was established, the firm has met with considerable success, Gutchess said. It was involved in a confidential arbitration that went well, it defended a trade secrets case that it was able to dispose of within two months of being filed, and it had two plaintiffs side contingency cases that both resulted in out-of-court settlements in the millions.

"Right now we're swamped," Gutchess said. "We have more work than we can do, more clients than we imagined. It's really beautiful because it's kind of proof of concept."