

TURNER:

Hello, and welcome back to Wisconsin Law in Action, a podcast where we discuss new and forthcoming scholarship with University of Wisconsin Law School professors. I'm your host, Kris Turner. And my guest today is Professor Anne Smith. Professor Smith is the Director of the Law & Entrepreneurship Clinic at the University of Wisconsin Law School. Law & Entrepreneurship Clinic provides legal services to early stage companies and new entrepreneurs by law students and supervised by UW Law faculty and attorneys. The L&E Clinic simultaneously provides legal services, trains law students, and aims to positively impact the Wisconsin economy. This is no small feat, obviously. Today, Professor Smith will discuss the current projects the clinic is focused on and how the current pandemic-affected economy has impacted startups and much more. Thank you for joining the podcast today, Professor Smith.

PROF. SMITH:

It's my pleasure. Thanks for asking.

TURNER:

Sure, absolutely. Before we discuss the L&E Clinic, let's first learn a little bit more about you. How did you become interested in the legal field in general and entrepreneurship in particular?

PROF. SMITH:

So way back in the day, I was a special ed teacher and decided that I wanted to not be a special ed teacher anymore, and got a job at the Capitol, working for the Legislative Counsel. The Legislative Counsel is a research arm of the legislature. And we staffed standing committees and provided research reports to the legislature. And I got very interested in the law in general. And I had always toyed with the idea of being a lawyer, but I am first-generation which we didn't call out back then, but we do now, and it didn't really seem doable to me. But then all the people that I worked with at the Legislative Counsel were lawyers, and they made it seem real and they encouraged me. So I ultimately went to law school.

TURNER:

That's great. It's very nice to have that encouraging environment where people are saying, "Of course, you can do this." And that's an open environment that we strive to encourage in UW Law School as well now.

PROF. SMITH:

For sure. For sure.

TURNER:

So what drove you to found the Law & Entrepreneurship Clinic?

PROF. SMITH:

Well, I was recruited by Eric Englund, who was actually the one who was hired to found the Law & Entrepreneurship Clinic, but he had never practiced business law and I had. So we became a dynamic duo in getting the clinic launched. He had all the panache to be able to get things moving and all the energy. And I followed along and made sure we had the substance to deliver on what he was promising.

TURNER:

What are the typical areas of law that you focus on in the clinic?

PROF. SMITH:

We focus on business transactional services. We don't do litigation. If you want to create an entity, we will... If you want to start a business, we will help you create the company that will be your business. We will help you with trademarks and patents and copyright work and all those things, but we do not do litigation.

TURNER:

What are the characteristics of a typical client?

PROF. SMITH:

Well, I'm not sure there is the typical client. The thing that they all have in common is, they want to start a business. They think their idea is the greatest thing ever, and they're very enthusiastic. So it can be hard sometimes to say your idea isn't as great as you think it is, but it's their enthusiasm for what they're doing is a lot of fun. But the typical client, it could be a food cart, it could be a neurosurgeon from UW hospital. We don't have a poverty screen for the people that come into the clinic. Our check is how much money does the business make? And if the business isn't making money, we can represent them. Our goal is not to compete with the private practice of law, so if a client gets too successful, then we kick them out. We always say, "Our students graduate and so do our clients." We want our students to graduate to law firms or jobs that they want, and our clients to graduate and pay for legal services.

TURNER:

Right. It's a sign of success to be able to move on and to pay for the legal services that you are providing them to get to that stage. That's a nice way of looking at it. I like that, graduating students and businesses into the real world.

PROF. SMITH:

Yeah. Right, and actually we did a closed client survey. Our last closed client survey showed that between 35 and 40% of our clients did graduate to pay for legal services in the future.

TURNER:

Nice. That's a wonderful percentage for startup businesses, where as many people know, it's very difficult to get a startup going and continue it on into that level. You spoke of working with students a couple of times. What do your students typically do while working with your clinic, and what do you look for in a student that works with you?

PROF. SMITH:

So the students in our clinic... That's a common question when we are talking to students about the L&E Clinic, what does a typical day look like? And a typical day for us looks... You create your own day is what we always say. You create your own sundae, you have your work to do. We have... All of our files are electronic so students can work from anywhere. We encourage students to come together and work with each other, because they can learn from each other in the process. But they can work from anywhere.

PROF. SMITH:

They spend some time meeting with clients. They will do a lot of research. They will do a lot of drafting of contracts and agreements and documents. And they will meet with clients, have class, meet with their supervising attorney to get feedback. We try to set it up like a law firm. So I think it does function quite a bit that way. Students track their hours. We check those hours. That's how we make sure that they're living up to their commitment to us, that they meet minimum billable hours standards. So it's a law firm. It's a law firm within the law school.

TURNER:

That's great. I think that one area that law schools can really help students is just to get used to working in the practical law firm environment. That sounds like it's a nice secondary learning objective within the L&E Clinic. Just getting those essential lawyering skills, "Here's how it works in a typical day of a law firm."

PROF. SMITH:

Right. And the lawyers that are on our advisory committee... We have an advisory committee made up of lawyers that specialize in business transactional law. So that if we get a question that the student can't really find an answer to, they come to us and we're a little uncomfortable as well, we can go to someone who practices in that area all the time and get advice. And they tell us things like when they interview our students, they can talk about how they bill hours and how they track that. And how like when they first do a project, it takes a really long time. But if they have to do it again, they're much more up to speed and efficient. So it creates a very good conversation piece for students when they're interviewing for jobs, not just billable hours, the work they do in the clinic, but billable hours can be important because that's an important part of practicing law.

TURNER:

Oh, absolutely. Speaking of billable hours and economics of the whole world, obviously this economic and business landscape has changed dramatically over the past year. What new challenges and perhaps solutions have popped up with your clients?

PROF. SMITH:

Oh, solutions that have popped up. Well, we had a distillery that created hand sanitizers. We have had a lot of startups that have gone into the virtual learning space, because that's a big deal now enhancing the ability for virtual learning. And we ourselves have adapted to the virtual environment I think. We've actually had conversations about the virtual world for client meetings is actually working quite well. And we may very well maintain that going forward, because it's not always easy for clients to get to us for a meeting. And sometimes those meetings don't really last very long. So it's just more efficient, I think, for the clients to meet virtually. And we think that the students are still developing that attorney-client relationship, even though it's virtual.

TURNER:

I think that's going to be a big part of a lot of different professions even after the pandemic has subsided, is what role will remote learning and remote meetings play? Obviously, we're also used to meeting in person and that's how you just handle everything. But now it seems like it's just as simple, maybe in some cases simpler, to do something online. Especially like you said, a client who is maybe it's

difficult to get to meet you for a 10 minute, 15 minute meeting, Zoom or Teams or whatever you might want to use might be much easier for them. It's going to be fascinating.

PROF. SMITH:

Right. And we represent clients from all over the state and sometimes they'll drive in from La Crosse. They drive in from all over. This will be a much more efficient way for us to deal with them. We were using the phone for clients like that, but now we'll be able to do virtual and that is better than the phone conversation. I also think the pandemic, our business is thriving during the pandemic. We do intake for new clients once a month, and we are scheduled into May for new clients. So I think a lot of people, maybe they have more time on their hands and they're thinking of creative ideas, but our business is thriving.

TURNER:

It sounds like that old saying of, "Never waste a crisis." People see maybe it's an opportunity to try and get enthusiastic about a new business they want to form in the wake of the pandemic. So that's really encouraging to hear that people are still being creative and enthusiastic about forming a new business, even after such a devastating economic turn that we have taken here. So the main events here I want to talk you with you about is what's some new projects and goals you have for the clinic and how it's working this year and how it's going to work into the future?

PROF. SMITH:

So we have several new projects, and I'm going to start with the oldest of them and then work to the newest of them. So the oldest of them is one that started in 2020, and it is our Rural Entrepreneurship Initiative where it's led by Jeff Glazer. And he and a group of students have been working to build relationships with economic development organizations around the state, including the small business development center and then more local ones. And they develop those relationships, and then they do outreach with those organizations to find out if there are people in the area that could benefit from training and office hours with regard to business transactional work. So what Jeff and the team has done is they host a training session so that they teach the people the general principles about starting a business.

PROF. SMITH:

And then they'll do office hours where a person that is interested in starting a business can have a consultation with Jeff and a student or a group of students to talk through what their issues are. And sometimes that can resolve the issue. If it doesn't, then they can be referred to the clinic for legal services. In addition to working with the small business development centers in the local areas, Jeff and team reach out to the local Bar Association. Sometimes there are not enough lawyers in the area, so our team of students and Jeff are a nice supplement to what they do. Sometimes there's lawyers in the area that are they're good lawyers, but they aren't familiar with startup issues. So that can be a good partnership. So I think the whole thing, it's all about partnerships, relationships, outreach, and extending what we do beyond the Madison Milwaukee areas.

TURNER:

It really sounds like the Wisconsin Idea in action, the lines are related.

PROF. SMITH:

Right. It is. And one more thing that they do, they've also... Broadband has been a huge issue in parts of the state, more rural parts of the state. They don't have internet access. It's been a big deal for schools. It hinders people in their ability to start businesses, because so often you need the internet for your business, especially during these times, but in any time, you need the internet. So Jeff and a group of students are working with other partners from the state, including the Wisconsin Economic Development Corporation and the UW. It used to be the Extension. I don't think they call themselves the Extension anymore, but that group to see what can be done from a public policy perspective to increase access to internet and broadband services.

TURNER:

That's wonderful. Just coming from the library world, we've seen a lot of more people that want to come to public libraries, especially in Northern Wisconsin because of the WiFi. They have the free WiFi at the libraries, and they don't have that access in the more rural areas. And I'm really encouraged to hear that there's people working to try and change that policy to try and make sure there's more access. I do have a question about the Rural Entrepreneurship Project. Have you found that the questions that new entrepreneurs have in the rural areas might be different than something in Madison or Milwaukee, or are they generally the same?

PROF. SMITH:

I think they're generally the same. Historically, even before we did this Rural Entrepreneurship Project, we provided services to people in 30 to 35 of Wisconsin's 72 counties. That's starting to increase now as we do more of the rural entrepreneurship work, but we've always handled a fair number of clients from outside of the Madison area. And their questions are very, very similar.

TURNER:

And my followup question will be, what are some of those most common questions that clients have for any of those initial meetings?

PROF. SMITH:

Well, it's, "I have this idea. I need a company. What kind of company should it be? Should it be an LLC? Should it be a C Corp? What should it be?" Then a lot of times people think they have a patentable idea. They want to trademark their name, those kinds of things. Or sometimes it's they want to hire people and they want to know if they can have an independent contractor or an employee. Sometimes they're going to raise a little money from friends and family, and they want to know how to document that so that they're doing it right, and nobody's getting in trouble and that their family relationships survive the attempted startup of this business. It's really anything that a startup might face when they're getting going. Maybe they need real estate, and they want us to help them with a lease agreement. It's just about anything.

TURNER:

It is so wonderful to hear that there's a place where these entrepreneurs can go to ask these questions, because it's so difficult to untangle some of these concerns. Just looking at the statutes or the regulations or just trying to figure it on your own, is very intimidating, especially if you're very enthusiastic about that idea. So just want to say again that this is wonderful. I'm so glad that this clinic is operating and expanding in that way.

PROF. SMITH:

Yeah. There's a whole group of people that want to do candles and soaps and things. And it's a wonderful... If they... Some of them are so sophisticated in how they're marketing, but they have to have labels. And that stops people in their tracks when they try to figure out what needs to be on their label for a candle. You don't think of that, but it needs to have a label. And especially if you're using organic products for it and that's really the high end stuff. We have a student that loves... She specialized in figuring out what the labeling requirements were for those kinds of products.

TURNER:

Right. And you don't want these wonderful ideas stifled because of something that feels more technical or bureaucratic. Like how do you label your product correctly, so you can sell it at a marketplace when you have this wonderful idea. But what are some of your other new projects and goals that are going on?

PROF. SMITH:

So one of our other projects is our social media presence. We want to increase it. And we also think that social media will be and continue to be an important part of the practice of law going forward. So Charlie von Simson, who's our newest member who actually, I think, has only been at the law school once. I think he interviewed the week of March 9th and then campus closed down. He got hired. He started work on May 1st, but I don't think he's... I think that his interview was his only time in the law building. But he in particular is a real driver of he believes in social media as a key part of the practice of law going forward. So he's helped us. We've always wanted a social media robust presence, but have never been able to really carry it off.

PROF. SMITH:

And he's really pushed us into it. Not pushed. That sounds like we don't want to go into it, but he's helped us get there. We're devoting a good part of this semester, our classroom component, to teaching students about the various kinds of social media and how they might be able to use them in their practice. And then we're requiring each students to write three articles. One is an article about a client for which they get permission. One is they have to attend an event. In this COVID world, there's a lot of free events that you can attend, especially as a law student. And one of our students, I think it's interesting. He attended a networking session with the judges from the Milwaukee area. And his article for LinkedIn is going to be Networking During a Pandemic, and his reactions to how do you network in a virtual world? And then the third article is on some substantive area of law that they worked on while they were in the clinic.

PROF. SMITH:

So each student will do three. Charlie manages the schedule. He cracks the whip to make sure everybody's getting their articles done. And then he's the manager of how and when to post things. And we've started to get a lot of comments and more followers. So what we're doing is working, and we think it's all part of a good plan that makes us more of a resource for people. They recognize us in different ways.

TURNER:

Right. Content is king, especially on social media. If you have that question or that article, like something about networking during the pandemic, that would be an easy click for me or any law student that wants to learn more about how they can connect with potential employers or just so they know the community better. And then that they see who it's from, from the L&E Clinic and they start to follow you or suggest you to a potential client, or just get your name out there. I absolutely agree with you and with Charlie, that's extremely important. I'm glad to see that. And I'll tell you what, we'll help you with that here with this podcast. We'll post it on Twitter and elsewhere to make sure that we start to spread the word even more so.

PROF. SMITH:

Yeah. So will we. It's all good. And then the last project that I want to highlight is being led by Tami Patel, who's another member of our team. The whole idea of us being a resource has been something we've wanted for a long time. And a part of that was to be able to have videos that were professionally done that could speak to these topics that startups are dealing with. And that the video would be a first step because they'll be short and by necessity, not very detailed. And then we can write more... People can drill down into a subject matter that they're interested in. They can watch the video and then drill down for more information in the written material that we'll do. And Tami is leading a project with the Small Business Development Center to create a series of seven videos dealing with startup issues.

PROF. SMITH:

And we have decided that we want students to be the talent in these videos. So we've recruited seven students to be the stars. And we are in the process of writing scripts that we're working in partnership with the Small Business Development Center to make sure that the scripts are acceptable. We're going to be taping them on the 11th and 12th of March, and they should be ready to roll out hopefully in April is what the videographer is planning on. So that is a first step in our more public appearance and our information resource positioning that we want to do.

TURNER:

What are some of the topics that you hope to touch on with the videos?

PROF. SMITH:

So there are seven topics. I can actually read them all to you right now. One is why create a legal entity at all? And then entity selection, which goes through the various kinds of entities. And then an operating agreement discussion. If you have an LLC operating agreement, it tends to be a complicated document. And the SBDC wanted an explanation of what would be in an operating agreement? And then one on intellectual property, focused mostly on trademarks and copyrights. Worker classification, which is independent contractor versus employee and exempt versus non-exempt. And then employee handbooks versus employment contracts. And then the final one is advice on how to choose a lawyer?

TURNER:

That last one might be the most important in seven very important topics, at least from where we're coming from.

PROF. SMITH:

Right. And I would also say some of our clients have told us that that was one of the side benefits of working with the L&E Clinic, that they got a comfort level working with lawyers without having to go through the nervousness of working with a real lawyer right away. So that's a good benefit.

TURNER:

It can be very intimidating. I think that's something that's very easy for legal scholars or just people that are working at law schools can forget very easily that approaching a lawyer or coming into a law firm is something that is not a common occurrence for most people. And it just can be a sweaty experience for some. So I think that's another... That's a hidden benefit, I totally agree. Will these videos be available on YouTube?

PROF. SMITH:

Well, they're actually being managed by the SBDC and I think they will be on YouTube, but I'm not sure. That would be our goal. That would be our goal. We've created a YouTube channel. So we've also started recording some of the training sessions that we do, and we don't know what we're going to do with those. But we'll put them on YouTube so that they're accessible. They're not professionally done. And in this day of COVID, if you use a PowerPoint, it really takes over your whole screen. They're not particularly inviting to watch for any length of time. So I don't know what we'll do with them, but we do have a YouTube channel where we envision having video resources.

TURNER:

Great. And we'll link to the YouTube channel on the podcast page. So people can find it pretty easily when their podcast first goes up, and for later on when you have the professional videos completed in April, that's really exciting. I look forward to seeing our law students in action as actors and lawyers.

PROF. SMITH:

As the talent.

TURNER:

Yes, the talent, exactly. We already know they're talented. Maybe the acting is a new one that they can show off. What do you most hope that students take away from their time in the clinic?

PROF. SMITH:

Well, what I hope they take away? I hope they take away that life is an adventure, and you make your life what you want it to be. When students join the clinic, we joke that, "It's a make your own sundae clinic," that you join. And the students that get the most out of it are the ones that put the most in. And that doesn't mean they put the most hours in, but they put the most enthusiasm in. They open themselves up to the experience and got the most out of it for them. And I think life is the same way. Open yourself up. Don't be afraid. Don't over-commit so that you're miserable, but have a plan. And then recheck it like every year, take stock. Am I getting what I want out of this? Which is what we try to do with our students.

PROF. SMITH:

They're in for a semester at a time. And we say, "At the end of the semester, do you want to continue? Are you getting what you need from this clinic?" And if you are, then you can continue. Otherwise, let's

find something that is making you more fulfilled. And I think that's my key, that they learned something about practicing law obviously, but they also learn that life is an adventure and they can have some control over it.

TURNER:

Right. Being able to take a step back and just take a bigger picture view of what is going on, what is working, what isn't for you, is a very important blessing beyond just law school. So I'm glad that that's integrated with the clinic experience for the students. What would you suggest for attorneys or other law schools looking to help or support new entrepreneurs?

PROF. SMITH:

So it surprises me. It might surprise you, but there are a lot of law and entrepreneurship clinics or business-related clinics around the country. What I would suggest to them is free up your thinking about how to run a clinic. We feel that a big part of our success, because we run like a law firm, we think that it allows us... We provide services to over 300 clients a year. We handle a lot of students. Each student handles obviously multiple clients. They bill their hours. They walk out of our clinic with the skills to join a law firm. A lot of other clinics in the business realm, our students work in teams to work on one client. I think sometimes they're not being as entrepreneurial as the people that are coming to them. So I would just say, think about possibilities and what you can really do?

TURNER:

Bring some of that enthusiasm that you're seeing from the entrepreneurs to the clinic environment.

PROF. SMITH:

Right.

TURNER:

Where can people learn more about the L&E Clinic?

PROF. SMITH:

They can go to our website, which is uwle.org. It is right now mainly focused on the students and attracting prospective students to our clinic. As we start doing some of these other things, like the videos and then articles that we write, it will become more of a public-facing fancier looking website.

TURNER:

It sounds like it's going to be really wonderful. I already thought it was really informative for me as I was reviewing the website in advance of this podcast. So as it gets beefed up with those articles that your students are writing and with the talent on the videos, it's going to be really wonderful.

PROF. SMITH:

Well, thank you.

TURNER:

This transcript was exported on Mar 15, 2021 - view latest version [here](#).

Sure. And, of course, we'll link to both Professor Smith's faculty page and the L&E website on our podcast page. We've been discussing the impact of the Law and Entrepreneurship Clinic on the Wisconsin economy and how the clinic has been helping new entrepreneurs navigate the complex world of startups. Thank you for joining us today, Professor Smith, and I look forward to hearing about your clinic's future successes. Thanks for listening to the University of Wisconsin Law In Action podcast. You can find our complete archives at wilawinaction.law.wisc.edu, and learn more about IP law, corporate law, criminal law, election law, family law, and so much more. You can find us and subscribe to our podcast in the Apple iTunes store or Stitcher. Thank you for listening and happy researching.