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LAW FIRM BUSINESS

Shared Opportunities

Lisa G. Sherman started her own employment firm last year, adopting a unique and collaborative business strategy that keeps co-counsel close at hand and costs down for clients.

By Melanie Brisbon
Daily Journal Staff Writer

LOS ANGELES — In 2007, Lisa G. Sherman was the general counsel for HRN Services Inc., a multimillion-dollar nurse staffing agency in Beverly Hills with thousands of employees. There, she supervised a team of outside counsel — “12 to 15 of them, all [at] 800 bucks an hour” — until she fired all of them but one.

Jon M. Leader of Leader Counsel offered a similar range of services as her other outside counsel but “at an unbelievable price.” At the time, the company was facing financial difficulties and laying off employees. Leader was able to help the company recover money it was owed from a medical facility that closed and assisted in negotiations with insurers on issues where the company could have had potential liability.

“Jon and I had cleaned up the business,” Sherman said. But “they got to a point where they couldn’t afford to have in-house counsel,” and Sherman left the company in 2009.

After taking a few years off, in 2013, Sherman founded her own employment law firm, Sherman Law Corp., with encouragement from Leader. The two share offices with several other attorneys, and in addition to having her own clients, Sherman serves as of counsel to Leader Counsel, working with Leader and five or so other independent lawyers on litigation. In return, Leader provides Sherman with IT, paralegal and bookkeeping support.

“It just makes sense for all of us to not be financially committed, in a way” — to support staff and other overhead costs, Sherman said. “There are so many independent billers who plug into our matters, and it just makes economic sense.”

In a case that Sherman brought in, Leader Counsel represented David Odaka and his company All Star Travel Group in two lawsuits: a wrongful termination case and a class action



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Jon M. Leader, left, with Lisa G. Sherman of the Sherman Law Corp. She serves as of counsel to Leader Counsel and handles other clients.

in which their client was accused of claims including failure to pay the minimum wage. *Derambakhsh v. All Star Travel Group Inc.*, BC537101 (L.A. Super. Ct., filed Feb. 24, 2014); *Derambakhsh v. All Star Travel Group Inc.*, BC539382 (L.A. Super. Ct., filed Mar. 14, 2014).

This was Odaka’s first time facing litigation. He was facing lawsuits from a former employee represented by Archibald & Berenji ALC and was referred to lawyers at some of the most well-known law firms, before he decided to hire Sherman.

“I was prepared to pay the top dollar, but I just didn’t feel the top dollar was going to get the attention I needed,” Odaka said. “I would make calls to some of them and they wouldn’t call back. Lisa would always call back.”

Sherman and Leader took an aggressive approach right off the bat. “We decided to ... interview [all the employees] and then do what we could to close it down quickly.”

Their strategy was successful as the parties agreed to file motions for dismissal of both lawsuits in July.

“I was impressed,” Odaka said. “She knew my business and me personally

by the time it was done.”

In a separate matter, Sherman assisted Leader on behalf of his client Cacique Inc., a family-owned maker of Hispanic and Mexican cheeses. Leader Counsel filed suit on behalf of the company alleging that one of its competitors, Reynaldo’s Mexican Food Company LLC — represented by Baker & Hostetler LLP in New York and Los Angeles — was using a cheese label “strikingly similar” to Cacique’s, according to the complaint. *Cacique Inc. v. Reynaldo’s Mexican Food Company LLC*, CV13-1018 (C.D. Cal., filed Feb. 12, 2013).

But the relationship between the two companies was quite complicated, and opposing counsel filed a counterclaim that dealt with interesting employment issues. Cacique owner Gilbert de Cardenas’ son, Gil Jr., had been part of a group of investors who bought Reynaldo’s out of bankruptcy, and Gil Jr. was installed as the company’s president and CEO. Later, amid a dispute, he was fired from the company and signed a release waiving claims against the officers and directors of the company, as well affiliates or affiliated entities.

Baker & Hostetler attempted to

argue that Gil Jr., who at the time was a minority shareholder in Cacique but is now running his dad’s business, violated his agreement by later suing Reynaldo’s, Sherman said.

“Ultimately we won the motion [for summary judgment] which allowed Cacique to get to the starting line to now pursue their trademark case,” Sherman said. “We ramped it up at the right time. ... The key is getting the right people who are really experienced who can jump in.”

The ability to work with Leader and other attorneys provides a great value to Sherman’s practice, especially having people to share ideas with, she said. She and Leader hammer out agreements on calculating the fees on cases in which they are both serving the client, but “it’s a formula that changes with the needs of the client,” Sherman said.

“I’m a mom with two kids and I want to have some flexibility,” she said. “I encourage lawyers who’ve been out there long enough to hang out your shingle. We like to do our own thing but we also like to come together and call on each other.”

On her own, Sherman also performs a range of transactional employment services. She conducts independent investigations at workplaces and offers training sessions for her clients, including harassment training, social media training and training for crew managers, so that she is able to help prevent situations that could potentially lead to litigation.

“I’ve been working on more social media policies and data breach policies,” Sherman said. “These are the areas that have to be personalized for every company.”

One of the major challenges Sherman faces is collecting fees. Like many other sole practitioners, she faces the uncertainty of finding clients.

“The hard part of being a solo practitioner is you don’t know who’s going to be calling you tomorrow.”