

NEW YORK STATE BAR ASSOCIATION
Professional Ethics Committee Opinion

Opinion #60 - 5/23/67 (19-67) Topic: Business Feeder for Law Practice.

Digest: Lawyer may have independent business but must observe certain ethical restrictions.

Canon: Former Canon 27, 28

QUESTION

Two attorneys propose to enter into a partnership with three non-lawyers, which will be a commercial organization rendering financial guidance and related services to professional athletes. The commercial organization will maintain physical offices separate and apart from the law office of the attorneys. No reference on the letterhead of the commercial organization will indicate any of the participants to be attorneys. The attorneys will render legal advice to the partnership but not to any of the customers of the partnership.

Does the proposed arrangement violate the Canons of Professional Ethics?

OPINION

In the opinion of this Committee, the proposed action is proper.

An attorney has the right to engage in an independent business, [Drinker, LEGAL ETHICS, pages 221-227 inclusive, and citations therein set forth] provided, among other things, he does not use his name in the name of the other business [NYSBA Opinion #26, February 9, 1966 (17-65)]; or conduct it from the same office as his legal practice [A.B.A. Op. 57]; or use the business as a device for soliciting legal employment.

It is important to bear in mind an attorney who acts in a commercial enterprise must conform to the high standards of professional conduct imposed by the Canons of Professional Ethics generally and in particular, the Canons dealing with advertising and solicitation. [N.Y.Co.Op. 380.] See also A.B.A. Informal Ops. 431, 520, 556, 645, 682 and 860.

Opinion #61 - 6/2/67 (15-67) Topic: Solicitation of Employment.

Digest: Lawyer may solicit employment as house counsel or as employee but not where relationship is to be attorney-client, unless personal relations warrant.

Canon: Former Canon 27