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STATE BAR OF WISCONSIN PINNACLE

Your Practice. Our Purpose.

## WSSFC 2025

## Practice Management Track – Session 4

# Solo but not Sinking: Profitable Practice Strategies for Small Firms

***Presenter:***
Dixon R. Gahnz, *Lawton & Cates, S.C., Madison*

# About the Presenter...

**Dixon Gahnz** has represented injured people for over 30 years, including victims of automobile accidents, slip and falls, and work-related injuries. Dixon has served as the President of LawtonCates, S.C. since 2014. He manages two offices, and a team of 25 employees. Dixon was admitted to the Wisconsin Bar in 1994 and has also been admitted to the federal bar. He is a member of the Bar Associations in Dane County, Dodge County and Jefferson County. Dixon is a fellow of the Litigation Counsel of America. He is a Nationally Certified Civil Trial Advocate and has been selected as a Super Lawyer since 2012.

This program covers essential strategies for running a successful solo or small firm, including financial management, client acquisition, and workflow optimization. Attendees will learn how to balance case management with administrative tasks, implement cost-effective technology solutions, and develop a sustainable business model tailored to their practice areas.

1. Financial Management
    a. Firm Structure LLC/LLP or Sole Proprietorship
        i. Follow the formalities of corporate structure:
            1. Separate business/personal accts
            2. Annual meetings/corporate log book
            3. Annual reporting
    b. Budgeting
        i. Your budget is your guide to the year. Depending on software you use, the process of creating a budget can be quite efficient:
            1. TABS contains Budget function
            2. QuickBooks contains Budget function
            3. CLIO limited Budget function
        ii. Run actual budget reports at least quarterly:
            1. Check your progress
            2. Keeps you on track and focused
        iii. Year-end reconciliation:
            1. Review your actual costs and revenues in comparison to the budget
    c. Banking Relationships
        i. Find a local bank
        ii. Establish business and Trust Accounts:
            1. IOLTA
            2. E-trust
        iii. Line of credit:
            1. Personal guarantees v. other collateral
        iv. Firm credit card
    d. Getting Paid
        i. Advance retainers/evergreen accounts

        ii. Flat fees
        iii. Contingent fees
        iv. Hybrid agreements
        v. Timekeeping
        vi. Monthly billing
        vii. Payment options:
            1. Widgets on websites that allow people to click and pay
            2. Electronic billing with links to pay via email
            3. Credit card on file with agreement allowing you to take fees from the card
        viii. Delinquent clients/collections:
            1. Fee agreement should be specific regarding late payment
            2. Sunk costs/ when to get out of a case
            3. Risks of collections efforts

2. Client Acquisition
    a. Marketing
        i. Digital:
            1. Google Ad Words
            2. LSA's
        ii. Mass Marketing:
            1. Television
            2. Radio
    b. Brand Formation
        i. Website
        ii. Google Business Page:
            1. Reviews
                a. Seek them out
                b. Make it easy for clients
                    i. Birdseye/other review services
        iii. AVVO/Directories
    c. Community Involvement
        i. Boards

        ii. Legal Associations
        iii. Volunteer Opportunities
        iv. Sponsorship Opportunities
    d. Referral Network
        i. Bar Associations to find Attorneys
        ii. Open House
        iii. Direct Contact
        iv. Conferences

    e. Building Expertise
        i. Find a niche and master it
        ii. Teach the niche area:
            1. Seminars/NBTI
            2. Tech schools
            3. Trade organizations
        iii. Write on niche area:
            1. Local paper
            2. Local Bar Newsletter
            3. State Bar Publication

3. Workflow Optimization/Balancing Running Firm with Legal Work
    a. 80/20 Rule
        i. Go through cases regularly to determine which fall within the 20%
        ii. Learn to Decline non-profitable cases:
            1. You never regret the case you turn down
        iii. Reminders/ weekly list:
            1. List all deadlines on the list
            2. Outlook calendar reminders
            3. Case management software reminders
    b. Outsource Intelligently
        i. Accountant/Bookkeeper:
            1. Two signature wet ink rule
        ii. Payroll/HR

        iii. Web Design/Update
        iv. IT services
    c. Prioritize Running the Business
        i. Calendar time to work on it daily
        ii. Set your economic goals and check your progress:
            1. Cash receipts reports
            2. Expense reports
        iii. Set your professional goals and check your progress:
            1. Peer recognition
            2. Speaking engagements
            3. Case results
            4. Appellate decisions
    d. Balance case work and running business
        i. Case selection. Volume v. Quality
        ii. Always Be closing:
            1. What kind of law do you practice?
            2. What kind do you need?
        iii. Hobbies as business building opportunities:
            1. Evan and Pickleball

4. Cost Effective Technology
    a. Trial Pad one time cost for easy-to-use case presentation
    b. Birdseye or other review service.
    c. IT vendor
    d. Case management software
    e. AI/Chat GPT
        i. Understand limitations:
            1. Excellent for letter/email drafting
            2. Decent for drafting pleadings
            3. HORRIBLE FOR LEGAL RESEARCH AND WRITING
                a. Mata v. Avianca, Inc./citations to non-existent cases
                b. DRG response motion to dismiss

7/15/24 –XXX– Did we hear anything from Rockford Mutual?

- Response received/lawyer retained.

10/8/24 – XXX – Post-accident Aspirus records sent to Atty XXX on 9/23/24. Have we heard anything?

- Response received.

2/24/25 – XXX – Did we hear back from WI Mutual re: demand?

- Response received.

6/18/25 – XXX – Deadline to serve S&C.

6/27/25 – XXX -Demand sent to Zurich via email on 5/28/25. Have we heard a response?

- 7/11/25 – Response received per DRG.

6/30/25 – XXX – Demand emailed to Sedgwick on 5/29/25. Did we get a response?

- Suit filed.

- Note: S&C needs to serve when Dixon gives the go ahead.

7/2/25 – XXX – Answer to S&C due.

7/7/25 – XXX – SF answer to complaint due on Sat., July 5.

- Motion to Dismiss filed.

7/14/25 – XXX – Amendments to Pleadings due.

7/31/25 – (ext from 6/30/25) XXX – Did we hear back from Am Fam re: UIM demand (emailed on 5/30/25)? Note: the litigation adjuster asked for extension to respond.

8/22/25 – XXXX – Def. Response to RTA, Rogs and Rpds due.

- RTA response received; 1 week extension granted for the rest of the discovery.

8/25/25 – XXX – Answer due to Progressive.

8/29/25 – XXX – SOL.

- Amended S&C filed; Need to serve after parties' answer.

9/1/25 – XXX – Deadline to Answer the cross-claim of Lab Corp/Amended Cross-Claim of UMR.

9/2/25 – XXX – This is 2-weeks from the date Badger Mutual Ins co. filed Complaint for declaratory judgment. Do we need to answer?

9/8/25 – XXX – Deadline to serve Amended Summons and Complaint (filed 6/10/25).

9/9/25 – XXX – Reply to Motion to Strike due.

9/18/25 – XXXX – Mediation statement due to XXX.

9/19/25 – XXX (Oconto Cty matter) – Deadline to amend pleadings.

9/24/25 – XXX – Deadline to file NOA of Healthcare records.

9/27/25 – XXX – Deadline for Plaintiff to respond to Defendant's 2nd set of discovery.

9/29/25 – XXX– Deadline for contacting mediator.

9/30/25 – XXX – SOL.

10/8/25 – XXX – Deadline to file NOA of Healthcare provider records and bills.

10/8/25 – XXX – Deadline to serve S&C.

10/15/25 – XXXX (Oconto Cty matter) – Plaintiff's Experts with reports due.

10/30/25 – XXXX -Discovery deadline.

10/31/25 –XXX – Deadline to serve S&C is Sunday, 11/2.

11/3/25 - XXX- SOL.

12/25/25 – XXX – SOL.

2/27/26 – XXX – SOL.

3/4/26 – XXX – SOL.

4/24/26 –XXXX – SOL.

7/2/26 – XXX – SOL.

7/7/26 – XXX – SOL.

7/26/26 – XXX – SOL.

Chart of Accounts List

| Description | | | | Account # |
|---|---|---|---|---|
| ASSETS | | | | 100.00 |
| | CURRENT ASSETS | | | 105.00 |
| | | CASH | | 110.00 |
| | | | CHECKING - bank account | 110.01 |
| | | | TRUST - bank account | 110.02 |
| | | | E-BANKING TRUST - bank account | 110.03 |
| | | TOTAL CASH | | 110.99 |
| | | MISC RECEIVABLE | | 111.00 |
| | | PREPAID INCOME TAX | | 111.01 |
| | | NOTES RECEIVABLE | | 111.02 |
| | | PREPAID INSURANCE | | 111.03 |
| | | PREPAID WAGES | | 111.04 |
| | TOTAL CURRENT ASSETS | | | 115.00 |
| | FIXED ASSETS | | | 120.00 |
| | | FURNITURE- FIXTURES-EQUIPMENT | | 120.01 |
| | | TELEPHONE SYSTEM | | 120.02 |
| | | COMPUTER EQUIPMENT | | 120.03 |
| | | COMPUTER SOFTWARE | | 120.04 |
| | | LEASEHOLD IMPROVEMENTS | | 120.05 |
| | | DEPRECIATION FURN - FIX - EQUI | | 120.11 |
| | | DEPRECIATION TELEPHONE SYSTEM | | 120.12 |
| | | DEPRECTIATION COMPUTERS | | 120.13 |
| | | DEPRECIATION COMPUTER SOFTWARE | | 120.14 |
| | | DEPRECIATION-LEASEHOLD IMPROVE | | 120.15 |
| | TOTAL FIXED ASSETS | | | 120.99 |
| | MISCELLANEOUS ASSETS | | | 130.00 |
| | INVESTMENTS | | | 130.01 |
| | Advance - Case expense | | | 130.03 |
| TOTAL ASSETS | | | | 140.00 |
| | | | | |
| LIABILITIES & EQUITY | | | | 200.00 |
| | LIABILITIES | | | 210.00 |
| | | PAYABLES | | 220.00 |
| | | | TRUST FUNDS PAYABLE | 220.01 |
| | | | MISCELLANEOUS PAYABLE | 220.02 |
| | | | FLEX PLAN PAYABLE - Medical | 220.03 |
| | | | FLEX PLAN PAYABLE - DENTAL | 220.04 |
| | | | Flex Plan Payable - Vision | 220.15 |
| | | | E-Banking Trust Funds Payable (CC) | 220.10 |
| | | TOTAL PAYABLES | | 220.99 |
| | | EMPLOYER TAX LIABILITY | | 230.00 |
| | | | FEDERAL & FICA TAX PAYABLE | 230.01 |
| | | | STATE WITHHOLDING TAX PAYABLE | 230.02 |
| | | Total Employer Tax Liability | | 230.99 |
| | | 401(K) CONTRIBUTIONS PAYABLE | | 231.00 |
| | | ROTH 401K Contribution | | 235.00 |
| | | FEDERAL INCOME TAX | | 232.00 |
| | | STATE INCOME TAX | | 232.01 |
| | TOTAL LIABILITIES | | | 250.00 |
| | EQUITY | | | 300.00 |
| | | SHAREHOLDERS' ACCOUNTS | | 310.00 |
| | | | COMMON STOCK | 310.01 |
| | | | TREASURY STOCK | 310.02 |
| | | | UNREALIZED GAIN/LOSS IVEST | 310.03 |
| | | TOTAL SHAREHOLDERS' ACCOUNTS | | 310.99 |
| | | RETAINED EARNINGS | | 330.00 |
| | TOTAL EQUITY | | | 340.00 |
| Total Liabilities & Equity | | | | 340.99 |

| | | | |
|---|---|---|---|
| (P/L Heading) | | | 400.00 |
| INCOME | | | 410.00 |
| | FEES | | 410.01 |
| | INTEREST | | 410.04 |
| | DIVIDENDS | | 410.05 |
| | MISCELLANEOUS INCOME | | 410.06 |
| | RENTAL INCOME | | 410.08 |
| | GAIN (LOSS) ON SECURITIES | | 410.09 |
| | GAIN (LOSS) ON FIXED ASSETS | | 410.10 |
| TOTAL INCOME | | | 410.99 |
| EXPENSES | | | 500.00 |
| | CASE EXPENSE | | 510.00 |
| | | CASE EXPENSE - TRAVEL/MOTEL | 510.01 |
| | | CASE EXPENSE - TRAVEL AIR | 510.02 |
| | | CASE EXPENSE - MEALS | 510.03 |
| | | CASE EXPENSE - MILEAGE/PARKING | 510.04 |
| | | CASE EXPENSE - DEPOSITIONS | 510.05 |
| | | CASE EXPENSE - FILING FEE | 510.07 |
| | | CASE EXPENSE - MEDICAL RECORDS | 510.08 |
| | | CASE EXPENSE - PROFESSIONAL SV | 510.09 |
| | | CASE EXPENSE - DELIVERY SERVICE | 510.10 |
| | | CASE EXPENSE - COPIES (VENDOR) | 510.11 |
| | | CASE EXPENSE - SERVICE FEES | 510.12 |
| | | CASE EXPENSE - WITNESS FEES | 510.13 |
| | | CASE EXPENSE - ONLINE RESEARCH | 510.14 |
| | | CASE EXPENSE - TRIAL EXPENSE | 510.15 |
| | | CASE EXPENSE - ROOM RENTAL | 510.16 |
| | | REFUND CREDIT BALANCE | 510.17 |
| | | CASE EXPENSE - Miscellaneous | 510.18 |
| | | CASE EXPENSE - Adjustment Open Cases | 510.90 |
| | TOTAL CASE EXPENSE | | 510.99 |
| | OFFICE EXPENSES | | 520.00 |
| | | RENT | 520.01 |
| | | UTILITIES | 520.02 |
| | | OFFICE SUPPLIES | 520.03 |
| | | EQUIPMENT, COMPUTERS (not Software) | 520.04 |
| | | SOFTWARE SUBSCRIPTIONS | 520.05 |
| | | EQUIPMENT LEASES | 520.06 |
| | | COPIER MAINTENANCE/COPIES | 520.07 |
| | | COMPUTER MAINTENANCE & REPAIRS | 520.08 |
| | | PROFIT SHARING ADM FEES | 520.09 |
| | | TELEPHONE | 520.10 |
| | | POSTAGE | 520.11 |
| | | INTEREST | 520.12 |
| | | PROPERTY & CASUALTY INSURANCE | 520.15 |
| | | MALPRACTICE INSURANCE | 520.16 |
| | | PERSONAL PROPERTY & USE TAX | 520.17 |
| | | SUBSCRIPTIONS | 520.18 |
| | | ACCOUNTING AND LEGAL SERVICES | 520.19 |
| | | BOOKS & PERIODICALS | 520.20 |
| | | INTERNET | 520.21 |
| | | BEVERAGES | 520.22 |
| | | EMPLOYEE RELATIONS | 520.23 |
| | | MISCELLANEOUS EXPENSES | 520.24 |
| | | BUILD-OUT EXPENSES | 520.25 |
| | | DEPRECIATION EXPENSE | 520.26 |
| | | BANK CHARGES | 520.27 |
| | | FURNITURE AND CARPETING | 520.29 |
| | | TRAINING & DEVELOPMENT | 535.01 |
| | | FEDERAL INCOME TAX | 520.30 |
| | | HRA | 520.32 |

| | | | | |
|---|---|---|---|---|
| | | | Office Maintenance | 520.34 |
| | | | Shred-It | 520.36 |
| | | | Temp Office Staff | 520.38 |
| | | | PENALTY FEES | 520.39 |
| | | | HR Services | 520.40 |
| | | | STATE INCOME TAX | 520.41 |
| | | TOTAL OFFICE EXPENSES | | 520.99 |
| | | MARKETING | | 530.00 |
| | | | ADVERTISING - PRINT AND NEWS | 530.01 |
| | | | ADVERTISING - TELEVISION | 530.02 |
| | | | ADVERTISING - RADIO | 530.03 |
| | | | ADVERTISING - DIRECTORIES | 530.04 |
| | | | ADVERTISING - INTERNET | 530.08 |
| | | | PUBLIC RELATIONS | 530.05 |
| | | | DONATIONS/CONTRIBUTIONS | 530.06 |
| | | | CLIENT RELATIONS | 530.07 |
| | | TOTAL MARKETING EXPENSES | | 530.99 |
| | | TRAINING AND DEVELOPMENT | | 540.00 |
| | | | SEMINARS - OFFICE | 540.01 |
| | | | SEMINARS - abc | 540.12 |
| | | | SEMINARS - xyz | 540.13 |
| | | | DUES - OFFICE | 540.50 |
| | | | DUES - abc | 540.51 |
| | | | DUES - xyz | 540.52 |
| | | TOTAL TRAINING/DEVELOPMENT | | 540.99 |
| | | SALARIES | | 550.00 |
| | | | SALARIES-SHAREHOLDERS/DIRECTOR | 550.01 |
| | | | SALARIES-ATTORNEYS | 550.02 |
| | | | SALARIES-SUPPORT STAFF | 550.03 |
| | | TOTAL SALARIES | | 550.99 |
| | | BENEFITS-SHAREHOLDERS/DIRECTOR | | 560.00 |
| | | | SOCIAL SECURITY TAX | 560.01 |
| | | | FEDERAL UNEMPLOYMENT TAX | 560.02 |
| | | | STATE UNEMPLOYMENT TAX (WI) | 560.03 |
| | | | WORKERS COMPENSATION INSURANCE | 560.04 |
| | | | LIFE & DISABILITY INSURANCE | 560.05 |
| | | | GROUP HEALTH INSURANCE | 560.06 |
| | | | PENSION & PROFIT SHARING | 560.07 |
| | | TOTAL SHAREHOLDERS BENEFITS | | 560.99 |
| | | BENEFITS-ATTORNEYS | | 570.00 |
| | | | SOCIAL SECURITY TAX | 570.01 |
| | | | FEDERAL UNEMPLOYMENT TAX | 570.02 |
| | | | STATE UNEMPLOYMENT TAX | 570.03 |
| | | | WORKERS COMPENSATION INSURANCE | 570.04 |
| | | | LIFE & DISABILITY INSURANCE | 570.05 |
| | | | GROUP HEALTH INSURANCE | 570.06 |
| | | | PENSION & PROFIT SHARING | 570.07 |
| | | TOTAL BENEFITS-ATTORNEYS | | 570.99 |
| | | BENEFITS-STAFF | | 580.00 |
| | | | SOCIAL SECURITY TAX | 580.01 |
| | | | FEDERAL UNEMPLOYMENT TAX | 580.02 |
| | | | STATE UNEMPLOYMENT TAX | 580.03 |
| | | | WORKERS COMPENSATION INSURANCE | 580.04 |
| | | | LIFE & DISABILITY INSURANCE | 580.05 |
| | | | GROUP HEALTH INSURANCE | 580.06 |
| | | | PENSION & PROFIT SHARING | 580.07 |
| | | TOTAL BENEFITS-STAFF | | 580.99 |
| | TOTAL EXPENSES | | | 600.00 |
| | INCOME TAX | | | 600.01 |
| | Bad Debt | | | 600.03 |
| PROFIT (LOSS) | | | | 610.00 |