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An Introduction to the Minnesota Minority Corporate Counsel Program

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Minnesota is embarking upon its own offshoot of the highly successful American Bar Association's ("ABA") Minority Counsel Demonstration Program. Like the ABA program, the Minnesota Minority Corporate Counsel Program (MMCCP) is designed to improve the opportunities for minority lawyers to become outside counsel for corporations and government agencies. This article discusses the origin, the mechanics, and the benefits of the MMCCP.

Origin

In the late 1980s the ABA recognized that minorities were underrepresented in the legal profession. Lawyers in the bar who had passionately argued for equal opportunity for all persons in virtually every sector of our American society realized that the Bar had failed to meet this goal. As a result, the ABA adopted Goal IX: "To promote the full and equal participation in the profession by minorities and women." In addition, the ABA created the Commission on Opportunities for Minorities in the Profession and charged it with providing the leadership necessary for fulfilling Goal IX.

As one of its first steps the Commission started the ABA Minority Counsel Demonstration Program. Under this program corporations, government agencies, majority law firms, and minority law firms have joined together to increase the number of minority lawyers providing legal services to corporations and government agencies.

According to a recent article in *The American Lawyer*, in 1988 ten corporations made a year long commitment to give work to at least one of the 21 minority firms on the ABA list. After two years 90 companies are sending business to 49

black, Hispanic and Asian law firms.¹ The program also focuses on steering work towards minorities in major firms. A staff member of the Commission notes that corporations "have communicated their satisfaction with the work that's been done for them [by minority counsel] to other corporations and to their own subsidiaries."² For example, Ford Motor Company has signed up five of its subsidiaries.³

The ABA model has been implemented around the country. To date, there are minority counsel programs in Michigan, Massachusetts, Pennsylvania, Washington, Texas, and now Minnesota.

Mechanics

Developed by the Minnesota Minority Lawyers Association and endorsed by the Minnesota State Bar Association,⁴ the Minnesota Minority Corporate Counsel Program also consists of four categories of participants: corporations, majority law firms, government agencies, and minority law firms. The corporate and governmental participants agree to increase the number of minority lawyers retained locally. Additionally, corporations and government agencies are encouraged to urge their retained majority law firms to assign their work to the firm's minority lawyers and to refer their conflict of interest work to minority law firms.

Participating majority firms agree to provide substantial responsibility to their minority lawyers and increase the total number of minority lawyers employed in their firms. Furthermore, they agree to refer conflict of interest cases to minority law firms. Majority and minority law firms are also encouraged to enter into joint ventures and develop co-counsel relationships.

Benefits

The Minnesota Minority Corporate Counsel Program will benefit all of its participants. Corporate and governmental participants will expand their pool of potential outside counsel. Utilizing the services of minority law firms will also help corporations and government agencies reduce their legal expenses because minority law firms in Minnesota tend to be smaller with lower overhead expenses and lower billable rates than majority law firms.

Participating majority law firms will also receive concrete benefits. First, the MMCCP will enhance their ability to compete for governmental outside counsel positions. For example, several years ago the *National Law Journal* reported a story about a majority San Francisco law firm that lost a lucrative contract with the city's Redevelopment Agency because the firm failed to meet the city's affirmative action requirements. The majority firm had no minority lawyers on staff. Although no law mandated that companies or majority law firms doing business with the city hire minorities, the city policy had been to include an affirmative action requirement in outside contracts.⁵

Second, it is becoming essential for majority law firms to employ minority lawyers to remain competitive for large corporate clients. Corporations are beginning to look for law firms that mirror the complex make-up of the marketplace that they now serve. The growing interdependence of countries and corporations engaged in international trade and commerce demands that a diverse pool of legal talent be readily available. That is particularly true for corporations seeking to do business in the rapidly de-

veloping commercial centers in Latin America, Asia, and Africa. Furthermore, the number of minority executives and in-house counsel in majority corporations and government agencies is increasing. These executives tend to be sensitive to the absence of minority lawyers in majority law firms. In sum, it is no longer acceptable for majority law firms to say that they "cannot find any qualified minorities" or "had a minority once and he or she did not work out."

Participating majority firms will receive additional benefits from joint ventures and co-counsel relationships with minority law firms. For example, if a minority law firm has a large litigation or transactional matter that requires outside resources or expertise, the minority firm will likely associate with a majority law firm.

It is important to note that the MMCCP, like its ABA model, is not a set-aside program for minority lawyers. The MMCCP does not advocate measuring the performance of minority lawyers by standards which are different from non-minority lawyers. Minority law firms participating in the ABA Demonstration Program provide the same quality legal services as majority law firms at competitive rates. The MMCCP gives minority lawyers an opportunity to provide legal services in an area from which they have traditionally been excluded. Quality and cost are typically focal points in the provision of legal services. The MMCCP does not attempt to shift this focus.

Need

The Minnesota Minority Corporate Counsel Program is designed to help solve some very real problems. The employment difficulties faced by minority lawyers are well documented. Many minority lawyers are sole practitioners. Some minority lawyers have established

general practices with other minority attorneys. However, only a small percentage of minority lawyers are employed in majority law firms, corporate law departments, or in government agencies. For example, a study published by the *National Law Journal* indicated that minority lawyers were underrepresented in the nation's 250 largest law firms in proportion to their share of the population. Researchers found that the "typical 200-attorney firm" averaged three Black, two Hispanic, and two Asian-American lawyers. In addition, more than half of the law firms surveyed had no Black partners; 76 percent had no Asian-American partners; and 79 percent had no Hispanic partners. Minority attorneys accounted for only 1,544 of the 32,598 associates reported in these law firms.⁶

The Twin Cities Committee on Minority Lawyers in Large Law Firms recently completed a study on the number of minority lawyers working for Twin Cities law firms employing 15 or more attorneys. According to the study, the 46 largest firms in the Twin Cities employed only 43 minority lawyers out of 2,585. Twenty-seven firms had no minority attorneys and only 3 had minority partners.⁷

Too often, large majority firms have declined to hire minority lawyers because of the belief that their corporate clients would not entrust significant legal matters to a minority lawyer. By participating in the Minnesota Minority Corporate Counsel Program, corporations and government agencies can dispel this myth in Minnesota and make it clear that they want more minority lawyers working on their legal matters.

Conclusion

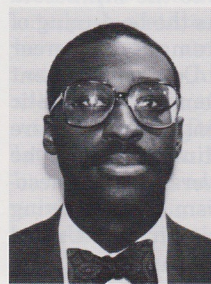
There are sound business reasons why all of Minnesota's corporations, law firms, and government agencies should



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participate in the Minnesota Minority Corporate Counsel Program. The program adopts a proven concept and promises to benefit all of its participants. The MMCCP also presents an excellent opportunity to exploit what Minnesotans do best — take a good idea and show the country how to make it better. ■

¹Duff, *Minority Outreach Program On The Road To Success*, THE AMERICAN LAWYER, May 1990, at 34.

²*Id.*

³*Id.*

⁴The Minnesota State Bar Association's Board of Governors passed a unanimous resolution endorsing and supporting the Minnesota Minority Corporate Counsel Program on May 5, 1990.

⁵Bishop, *Lack of Minorities Costs Firm; San Francisco Cancels Lucrative Contract*, THE NATIONAL LAW JOURNAL, June 27, 1983, at 6.

⁶Weisenhaus, *Still A Long Way To Go For Women, Minorities; White Males Dominate Firms*, THE NATIONAL LAW JOURNAL, February 8, 1988, at 1.

⁷Twin Cities Committee on Minority Lawyers in Large Law Firms Report on Minority Lawyers in Large Law Firms (Winter 1989).

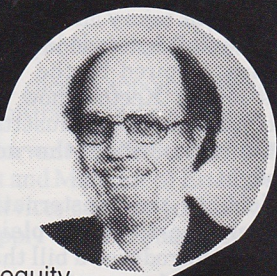
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