

Attorney Bart Durham

'The Law' Meets Economies Of Scale

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By GEORGE BARKER
Business News Writer

It's mostly life's walking wounded who find their way to the Legal Clinic of Bart Durham. Up the elevator to the 17th floor of the Park Towers office building they come — the bankrupt, the lovelorn, those made halt or lame by industrial accident, the embezzlers, the drunk drivers and the robbers.

There, in the interests of business and in the pursuit of justice, Bart Durham binds their wounds and, sometimes, makes them whole.

The business of justice, Durham said this week, is thriving.

"The law is a business — different from others, but a business," Durham said. "I have adapted the economies of scale to the practice of law. Too many people want either to tar and feather me or confer sainthood upon me," Durham said. "I don't deserve either one."

Durham is 45, tall and reed-thin, with a salt-and-pepper moustache on a pensive, Don Quixote face.

He was just another former U.S. and Tennessee state prosecuting attorney cast up on the beach of private practice by shifting political winds, when in mid-1977 he decided to take advantage of newly liberalized advertising regulations. He bought a modest classified ad in the Nashville newspapers which said "UNCONTESTED DIVORCES. No children \$200. D.U.I. \$150. Bart Durham, Attorney." And the phone number.

Durham had phoned in the ad from a broom-closet sized office downtown where he shared the cost of a stenographer with another attorney.

Today, partly as result of the ad — and a steady drip of television and radio commercials — Durham has a 22-office suite. He employs six attorneys, 10 paralegal assistants and two secretaries along with a clutch of part-time accountants and private investigators. He has videotaping equipment to capture the scene of a crime or the site of an injury accident. He can use a law library or a restroom without running down the hall.

More important, his supermarket approach to a venerable craft also is flowering in other major cities. It may become the pattern of a changing manner of administering law in the long run — and, some judges fear, clutter our courts in the short term. Durham is a vice president of an association of such lawyers — tabbed for next year's presidency.

He is surprised more price-competition hasn't challenged him in Nashville.

It wasn't just Durham's ads and the accompanying publicity that did it. Durham will be the first to tell you it was the product he was advertising.

"The time had come to take the practice of law to the people who need it," he says. "The insurance companies are getting away with murder — I mean they were giving the shaft to workers in workmen's comp cases. Most workers want to please their employers and are afraid to make trouble. Too many lawyers surrender to an insurance company without a struggle. Not me."

"I love to go to court. We charge between 20 and 30 percent of what we win. But there is no charge at all if we don't bring back a judgment large enough to pay the client what he would have received without us, and our fee."

Durham now charges \$150 per uncontested, childless divorce. He gets \$195 for a simple bankruptcy. Some days, Durham says, the pace is hectic — one divorce case an hour, all day long; bankruptcy after bankruptcy, every lawyer's office occupied, the paralegals poring over their books.

Durham says he is operating at about a 15 percent profit margin.

"I guess you could say that a well-connected lawyer working as a partner in one of the more prestigious firms here in Nashville might be earning about \$60,000 a year. I would be pleased to be making that."

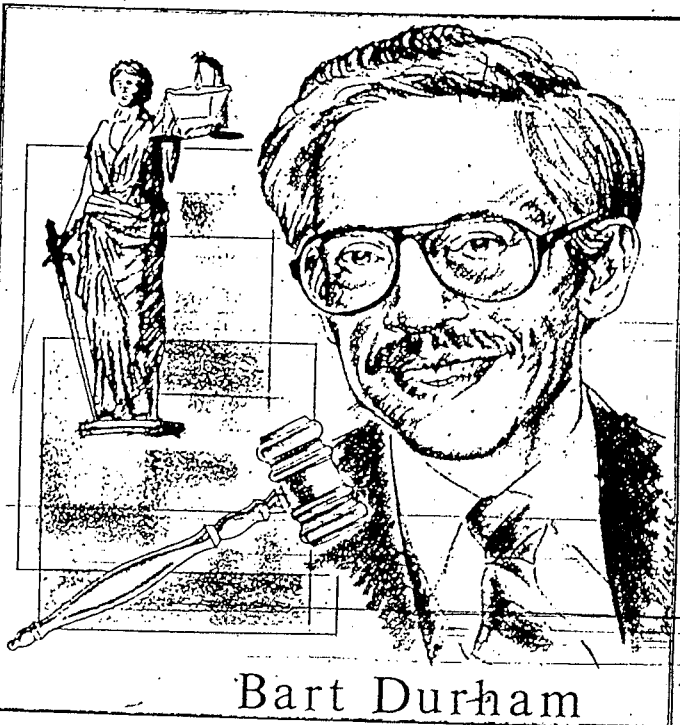
Although the kind of case which some firms don't like to bother with comprise a big part of Durham's volume — divorces, traffic cases and Durham's volume — divorces, traffic cases and the like — Durham is increasingly receptive to taking on the responsibilities of a greater number of major criminal cases. He has defended about a dozen this year — persons charged with a variety of crime from embezzling to first-degree murder.

He is now preparing a \$600,000 damage suit against the owner of West End Avenue apartment building. The suit was brought by a woman who was injured when she leaped from the third floor during a fire. She is charging that the window next to the fire escape was stuck.

As an assistant attorney general for the state he argued a case before the U.S. Supreme Court in Oct. 1972 and won, and was victorious again as a defense attorney in 1976, winning dismissal of the case against his client, accused of robbery.

"Cases like this take much time in preparation," he said, showing a thick dossier of evidence involved in an appeal of a conviction of a man now on death row. "My staff does a lot of the pretrial work. But when the case is ready, I take it to court."

Durham claims a long, strong family relationship with the law. He says he does not relish his role of maverick-lawyer — "I don't enjoy being controversial." His grandfather, Colin McKinney, was chief justice of the state Supreme Court. His



Bart Durham

father, B.C. Durham, was a pillar in Ripley's west Tennessee legal community. His wife, Sharon, is an architect.

Bartlett C. Durham III was graduated from Southern Law School in Memphis. He became an assistant U.S. attorney in Memphis, a post he held until coming to Nashville in 1968 as a prosecuting attorney in the state attorney general's office.

Even as a prosecutor, however, he showed unusual concern for the have-nots. In 1973, for instance, as assistant attorney general, he cautioned local law enforcement people against holding indigent prisoners at the end of their sentence for their inability to pay a fine. It was also Durham who came forward to tell a prisoner serving a life term that he was being freed because of irregularities in his trial.

Durham went into private practice in 1975 and was struggling to establish a profitable office when in 1977 the U.S. Supreme Court ruled on advertising for the legal business.

"At first most of the comment I got from my colleagues was negative," Durham recalls. "In court one day, the judge pointedly told somebody being charged that he ought to go out and get him one of those \$150 lawyers." He snickered

when he said it and so did the other lawyers in the courtroom."

Durham's discount approach to legal practice is still not popular with all of his peers.

"There's nothing terribly wrong with what he is doing so long as he is willing to refer a client to another attorney if a case came in that was beyond his area of expertise," said another downtown lawyer. "But I just don't see Bart giving away any business."

Durham dismisses this sort of criticism as normal competitive flak. Rather than narrowing his field — restricting it to the "leftovers" of the legal practitioners of others — Durham is mapping a campaign to go after a more affluent type of client.

"We will continue advertising the Legal Clinic," Durham said, "but we are going to start promoting another branch of our service — more oriented toward people in business. I'll call it 'Durham & Partners'."

The Legal Clinic will continue to be advertised in the newspapers and on television with spots placed around Peppy Mason reruns and on late night slots where, according to Durham "the high-anxiety, sleepless types" are watching. The Durham & Partners commercials, however, will go prime time.

New York Investment Firm Will Buy Sudekum Building

By PETE BIRD
Pratt's News Editor
Business News Editor

Nashville real estate executive Michael Tomlin today said he is preparing to sell the old Sudekum Building to a New York real estate investment firm.

Tomlin, who bought the downtown building in 1978 for \$400,000 and subsequently pumped in another \$400,000 in renovations, said he was given an offer that was too good to pass up.

Continental Properties Inc. of New York "offered me what I thought the building would be worth five years from now," he said.

But Tomlin, head of a property management and development firm that bears his name, declined to disclose the contemplated sale price, explaining that the closing is still pending.

When Tomlin bought the building, it was only 25 percent occupied and was considered one of downtown's least desirable buildings.

Today, occupancy is 96 percent. Space now coming available is renting for about \$7 per square foot per year, still well under the \$12 or more that prime downtown space is commanding, but enough to generate a positive cash flow, he said.

Continental recently paid \$69 million for buildings and land at Plus Park at Interstate 24 and Murfreesboro Road through a limited part-

nership called Nashville Corporate Center Associates.

Tomlin said Continental plans to set up a similar limited partnership to own the Sudekum Building, which Tomlin has renamed the Tennessee Building.

Limited partnerships are used to raise capital for real estate investments by distributing income and tax benefits to individual investors.

The 12-story office building and theater at Sixth Avenue North and Church Street is on the National Historic Register. As such, it offers some additional tax benefit possibilities for investors.

Continental is looking into the possibility of adding another 60,000 square feet of office space above the Tennessee Theater, Tomlin said.

The possibility that a city convention center could be built near the Ryman auditorium may have enhanced the building's appeal, he added.

Dollar Opens Lower On Europe Markets

London (UPI) — The U.S. dollar opened marginally lower on European foreign exchanges today, while gold opened up in Zurich but down in London.

The pound opened unchanged in London at \$2.3285 in quiet trading. In Frankfurt it was off at 1.9900 marks from the overnight of 1.9970 marks, in Zurich at 1.8055 Swiss francs from 1.8149 francs, and in Paris at 4.5950 francs from 4.6300 francs.

In Brussels it was down at 22.1550 Belgian francs from 22.2550 francs and in Milan at 943.62 lira from 950.70 lira.

The dollar closed at 209.00 yen, down from a

Billion Profit Sets Record

Corporate reported profit for 12 months ended

Wednesday that it is a record gain in more eased concern over

billions a year earlier. The company said return on average total capital was 10.02 percent during the quarter, up from 9.76 percent.

AT&T Chairman Charles L. Brown said quarterly earnings per share rose faster

Brown said. "Inflation remains our most troubling problem."

For the 12 months, AT&T said revenues reached \$50.2 billion, up 11.6 percent from \$45 billion in the same period a year earlier. AT&T will later report earnings for the