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Virtual Offices Offer Lawyers Prestige of Manhattan at Fraction of the Cost

By Laura Haring, New York Law Journal

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Kareem El-Heneidi said he founded Manhattan Virtuals for clients who want the benefits of a Manhattan office without the burden of high rents.

NYLJ/Rick Kopstein

Kareem El-Heneidi, president of Manhattan Virtuals, clients want the prestige that comes with a Manhattan office but they also want to avoid high real estate costs.

Attorneys make up a "significant percentage" of the company's "hundreds of clients," Mr. El-Heneidi said in an interview. Approximately 20 percent of new customers, he said, are from the legal profession, with the virtual set-up appealing particularly to solo and small firm attorneys.

Even attorneys who already have an office in Manhattan use the company's service for its prize offering: a 212 phone number. All 212 numbers have been assigned for many years, Mr. El-Heneidi said, but he bought a large amount of the phone numbers 10 years ago. A phone number preceded by the famous area code is offered on Ebay for hundreds of dollars.

When a potential client dials the Manhattan number of The Mitzel Group, the client may think he is talking to a lawyer in the firm's advertised Broad Street office.

But when senior partner Lisa Liu picks up the phone, she is more likely to be answering from an office in San Francisco's financial district, not New York's.

The Mitzel Group is one of a growing number of law practices using Manhattan Virtuals, a company that helps clients establish a Manhattan presence by offering them a New York City phone number and address. According to

Manhattan Virtual clients are offered a New York City address in either midtown or the financial district, and access to conference rooms for a certain number of hours each month, depending on which package they choose. Mail can be picked up at the New York City location or forwarded to their actual offices.

Ms. Liu, who once lived in New York and has numerous clients here, said the 212 number was the selling point for Manhattan Virtuals.

"When clients see the 212 number and the New York address, it does definitely provide them with some confidence that we're going to take care of them," Ms. Liu said.

She said she uses another virtual office service, Regus, which provides her firm with a Broad Street address and office space.

David Birdoff of the Law Offices of David C. Birdoff also uses Manhattan Virtuals' phone service, which he says offers convenience for his clients who can call one number to reach any of the attorneys in his group. While Mr. Birdoff and one other associate have offices in Manhattan, the four other attorneys in the group are located in Brooklyn, Westchester and Nassau Counties.

"All these people are located geographically in different boroughs, but clients nevertheless get the feeling they are working with a much larger entity than two attorneys sitting here," Mr. Birdoff said.

Mr. Birdoff says the group arrangement, facilitated by Manhattan Virtuals, has "enabled us to handle at least one-third more cases than we could have handled if we just were by ourselves."

Cathryn A. Harris is a Long Island solo attorney who also works as of counsel at civil rights firm the Law Office of Frederick K. Brewington in Hempstead and as a hearing officer for Nassau County's Section 8 program. She said she started using Manhattan Virtuals about a year ago after sharing office space in Manhattan, which "was cluttered and not professional looking and more like a bunch of students with different desks."

Her new space "gave me a much more professional look," she said, and is convenient for clients, who can meet her in Manhattan and who can reach her by phone regardless of where she is.

Ms. Harris said she lets clients know up front that the space is not her own office. "The worst would be to pretend it is my office space and to have [clients] run by and I am not there," Ms. Harris said.

"I think my clients appreciate the fact that I keep my overhead down," she added. "If I had a big fancy office [in Manhattan], they would think 'how much am I paying for this?'"

Ms. Liu also said she is clear with clients about actual location. "I tell [my clients] that I do spend most of my time in San Francisco," Ms. Liu said. "I think what they really ultimately care about is that I am good at what I do and that I'm licensed to practice in New York."

She noted that the arrangement is not good for everyone or every practice, as clients need to be "tech-saavy" and not need a lot of "physical contact with their attorneys."

Mr. El-Heneidi said his company focuses on people and businesses that do not need to be in Manhattan every day, but want to have the opportunity to meet clients here.

"They need a place to meet [clients] because they are currently meeting in Starbucks," Mr. El-Heneidi said. "This gives them a place to hang their hat for a few hours."

Benefits of the virtual arrangement, Mr. El-Heneidi said, include lower real estate costs, less commuting and travel costs, increased convenience and an overall higher quality of living.

He said one-third to half of all of his clients are "bridge and tunnel folks" from the tri-state area. Another one-third, he said, are from other areas of the U.S. and a small percentage are international.

Larry Schultis, a managing member of the Schultis Law Group which uses Manhattan Virtuals' phone and conference room services, said virtual offices are an example of how technology is changing the practice of law.

"You can do whatever works that day...When I got started in the practice of law 20 years ago, that was just unfathomable," Mr. Schultis said. "That we can, through technology, isolate ourselves from the physical world and work where it makes the most sense that day is great."

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