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Pre-Paid Legal's legacy

Ada company growing strong

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OKLAHOMA CITY – The legend goes that Harland Stonecipher, the founder of Pre-Paid Legal Services, was involved in a car wreck way back in July 1969.

Stonecipher, an insurance salesman, had auto insurance to cover the damage to his car.

He also had medical insurance to cover the cost of his hospital stay, and, the story says, he even had life insurance had the accident been fatal.

But Stonecipher had no legal coverage or protection from the legal bills that began to pile up.

And it was that incident, company spokesman George Snyder said, that led to the creation of Pre-Paid Legal Services Inc., a 12,000 associate-strong organization that takes a direct marketing approach to legal services.

Today, the company – headquartered in Ada – employs more than 700 and is traded on the New York Stock Exchange under the symbol PPD. In 2000, for the fifth year in a row, Pre-Paid Legal was listed by *Forbes* magazine as one of the 200 Best Small Companies in America.

In 2001, Pre-Paid built a new \$30 million corporate campus and, today, company officials say Pre-Paid supports more than 1.5 million members and independent associates across North America.

No, this isn't Amway meets *L.A. Law*.

But over the weekend, thousands of people – ranging from those dressed in thousand-dollar suits to more casual attire – descended on Oklahoma City for Pre-Paid Legal's annual convention.

"It's a very diverse group," said Jamie Davis, a Pre-Paid associate from Texas. "There are all sorts of people from all across the country here."

Like the thousands of other associates, Davis hopes to supplement his income through his work with Pre-Paid.

"I work full time," he said. "But sometimes I have more month than I have money. This helps fix that. This gives me a chance to get those extra



Independent Associate Jerry Pinneke browses through brochures at Fastsigns' booth at the Pre-Paid Legal Services Convention at the Cox Convention Center on Thursday. PHOTO BY MAIKE SABOLICH

things I want."

Part of the lure is the direct marketing approach.

Structured like other direct marketers, the lure for many associates is signing up new associates, who sign up new associates that, hopefully, will sign up other new associates.

"Some people call it the pyramid," Davis said. "And in some ways it is that way, but I'm also selling a professional service. I'm helping people get access for their day-to-day legal needs."

For Florida attorney Dan Mantzaris, providing that legal service is a more than a full-time job.

Mantzaris, a partner in the law firm deBeaubien, Knight, Simmons, Mantzaris & Neal LLP, said Pre-Paid is his company's biggest client.

"We probably have about 50 attorneys at our firm," he said. "And on a daily basis, I'd say we have about 25 of those attorneys that work exclusively for Pre-Paid members. Honestly, every

moment of their legal career is devoted to working for Pre-Paid members."

It seems those legal memberships are really used.

"We get calls about everything," Mantzaris said. "It's all sorts of different legal questions. And they are very much representative of the big issues in the country. Like right now, we're getting a lot of calls with regard to foreclosure matters or debt collection matters."

Still, those same issues that cause people to take advantage of their legal plan memberships are also pushing them into selling those memberships and, often, recruiting new associates.

"We're seeing more interest as a result of the economy," Snyder said. "There are many people who previously lacked opportunities."

And those associates include a diverse cross-section of humanity.

Minorities, those with physical disabilities and even some who are visual-

ly impaired, have all taken advantage of Pre-Paid's marketing system.

"Many times many residents from these groups, for whatever reason, lack the opportunities. Typically the people that work with us haven't had that opportunity in the past," Snyder said.

And the difference between Pre-Paid and other direct marketers, Snyder said, is that Pre-Paid offers a professional service to people who need it.

"The idea of selling through direct marketing came after the company was founded," Snyder said. "We're providing people access to legal services."

A point driven home by the huge stage, complete with Roman-style columns, and the message of legal access for all.

"It's all about access," Snyder said. "Access to legal services and access to economic opportunity."