

### 4 February 2021

# First4Lawyers set to launch law firm to help injured motorists navigate government reforms

<u>First4Lawyers</u>, the UK's largest independent legal marketing collective, today unveils plans to launch its own law firm to support injured people who face being unrepresented in claims arising from road traffic accidents (RTAs) after the whiplash reforms are introduced in May.

First4InjuryClaims will deal solely with RTA claims. Only a minority (up to 10,000 a year) of enquiries received by First4Lawyers relate to RTAs and these will now be handled by the law firm. First4Lawyers' marketing efforts will be focused on maximising enquiries across medical negligence, EL, PL and OL work for the sole benefit of its panel member firms.

The reforms mean that people with whiplash-type injuries lasting for up to two years and worth less than £5,000 will not be able to recover the cost of using a lawyer from the negligent driver's insurer.

The difficulties with navigating the new online litigant in person portal, as well as the experience of financial misselling claims, indicate that many injured people will likely still want help.

But with compensation slashed under the reforms, the margins will be too small for law firms to carry on in the field unless they can handle huge volumes.

Yet innocent people will still be injured by the negligence of drivers and, even without marketing for them specifically, First4Lawyers' market presence and marketing around generic injury search terms means it will continue to receive enquiries. It is important to First4Lawyers' brand promise to continue offering consumers support and the company has concluded that setting up its own law firm, keeping the costs and profits within the same group, is the only feasible way to do this.

The alternative business structure (ABS) is a start-up that should be ready to begin work in early summer, subject to Solicitors Regulation Authority approval. It will be a separate company within the group with its own management and operations team.

For the past year, First4Lawyers has retained PI operations specialist Tony Walker to advise on its post-reform business strategy. Having previously worked for Walker Morris, Minster Law and Pure Legal in management roles over a legal career spanning 26 years, Tony has joined First4Lawyers on a fixed-term contract. He is joined this week by Lee Hamilton from National Accident Law where he held positions as Head of Portal and Senior Technical Manager, to build the business, which will initially have up to 12 staff in the company's Huddersfield head office.

First4Lawyers has pledged to its member firms that First4InjuryClaims will not handle any other type of injury claim, although in time it could look at similar, fully digitally-enabled, high-volume, low-margin work in non-injury areas of legal practice. It will handle RTAs that fall outside the new regime too because of the difficulty of picking out many higher-value claims at an early stage.



Qamar Anwar, First4Lawyers' managing director, says: "Some of our member firms have told us they are leaving RTA altogether, while others may offer a limited service, assisting claimants through the portal for a small fixed fee, but without offering advice and guidance. A number have still to decide.

"But one thing we know for sure is that post-reform RTA work will offer limited revenue opportunities and very small margins.

"We have never wanted to set up a law firm, but First4InjuryClaims has been born out of necessity. It ensures we are in the best possible position to utilise the First4Lawyers brand for the benefit of our panel firms, who remain at the heart of our business strategy."

#### **Ends**

## For further information, please contact:

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## **About First4Lawyers**

For 12 years, First4Lawyers has been the driving force behind successful personal injury and clinical negligence law firms. Operating as a genuine marketing collective, the firm's exacting standards consistently deliver quality claimants to its panel member law firms.

High-impact marketing campaigns, including a recently launched multi-million pound "Second to None" TV advertising campaign, a vigorous approach to vetting and customer service, delivered by an expert customer team, and a guiding principle to deliver a truly ethical and effective service for claimants seeking access to justice, ensures First4Lawyers is the most trusted brand in the claims market.

The company is a seven-time winner at the Personal Injury Awards, and a double-winner at the Modern Claims Awards. The company operates a zero-tolerance policy on fraud.

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