

## **Alpha & Beta Purported Partner Problem**

Alice Alpha and Bruce Beta are recent law graduates who decided to pursue their own independent law practices as solo practitioners. Alice specializes in IP law, and Bruce specializes in business tax law. While the two were dead set against forming a partnership, Bruce suggested to Alice that they would be more likely to attract new clients if they appeared to be a dignified law firm, rather than just two solos, so Bruce proposed that they share two adjoining office suites with a small reception area and a big sign between them, reading “Alpha & Beta, Attorneys at Law.” They would share the cost of printing business cards and letterhead using that name, advertisements in print and online media as “Alpha & Beta, Attorneys at Law,” specializing in “business tax and IP,” and a shared receptionist, who would direct calls to the appropriate attorney depending on what potential clients said they were looking for.

Victor Victim needed some tax advice relating to some intellectual property he had recently developed, and when he did a Google search, he saw an online ad for “Alpha & Beta, Attorneys at Law.” The ad appeared in the right margin of the Google results page; Alice and Bruce had shared the cost of “search engine optimization” to achieve this result in Google searches. When Victor noted the dual specialization in tax and IP, he was overjoyed to have found just the right law firm for him! Victor contacted the phone number in the ad, and the receptionist patched him through to Bruce. Later, when Victim visited the “Alpha & Beta” suite, he noticed Alice in the adjoining office but was directed to Bruce’s office by the receptionist.

Unfortunately, in part because Bruce knew nothing about IP, Bruce offered Victim some horribly incompetent tax advice, which led to a \$100,000 tax liability that could have been avoided with competent tax counsel. Doubly unfortunate for Victim, Bruce had offered similarly incompetent advice to several other clients and had fled to Tijuana by the time Victim’s problems manifested.

Victim asks you if he can hold Alice liable for Bruce’s malpractice. He tells you he thought partners in a law firm were required to “stand behind each other” as a matter of law, and he is confident based on the ad and their office arrangement that Alice and Bruce are partners in a law partnership.

**Does Victim have a good case against Alice?**