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FIRM NAME - OFFICERS IN DIFFERENT STATES - LAWYERS LICENSED IN DIFFERENT STATES

A law firm composed of lawyers licensed in different states may maintain offices under the same firm name in several states provided there is a resident partner licensed in each state where an office is maintained and provided that all representatives of the firm name to the public make clear the states in which the members of the firm are licensed to practice. The scope of the firm's practice is immaterial but caution must be exercised to avoid unauthorized practice by attorneys not licensed in each state.

Canons 30, 43. ABA Canon 33.

ANNOUNCEMENT CARDS - ADVERTISING

Cards announcing the opening of a Texas office and specifying a limitation of practice to law of another state are prohibited.

Canons 39, 42, 24.

QUESTIONS

A, B& C, a New Mexico law firm, consisting of A, B and C, who are licensed in New Mexico only, and D, who is licensed both in New Mexico and Texas, proposes to open an office in Texas under the firm name A, B& C with attorney D as the resident partner in Texas. The primary purpose of the Texas office is to serve the firm's Texas clients with respect to their New Mexico business but attorney D may also handle some Texas practice.

Three questions are presented: 1. Can the firm name A, B& C be used in Texas if the practice is confined to New Mexico law? 2. Can the firm name be used for the purpose of Texas practice? 3. Can announcement cards be sent concerning the opening of the Texas office specifying the limitation of practice to New Mexico law?

OPINION

1. and 2. Texas Canon 30 insofar as pertinent here provides follows:

"In the formation of partnerships for the practice of law, no person shall be admitted who is not a member of the legal profession, duly authorized to practice and amenable to professional discipline. No person shall be held out as a practitioner or member who is not so admitted. In the selection and use of a firm name, no false, misleading, assumed or trade name shall be used."

American Bar Canon 33 similarly provides in part as follows:

"Where partnerships are formed between lawyers who are not all admitted to practice in the courts of the state, care should be taken to avoid any misleading name or representation which would create a false impression as to the professional position or privileges of the member not locally admitted. In the formation of partnerships for the practice of law no person should be admitted or held out as a practitioner or member who is not a member of a legal professional duly

authorized to practice, and amenable to professional discipline. In the selection and use of a firm name, no false, misleading, assumed or trade name should be used."

This Committee held in Opinion 50 (March, 1952) that a Texas firm may not carry on its letterhead the name of a person as an *associate* until he is licensed in Texas, even though he is licensed in another state. A fortiori it would seem that a lawyer not licensed in Texas could not be a partner in a Texas firm. However, in 1953 this Committee carefully considered the multi-state firm problem in conjunction with a special committee appointed by the Board of Directors of the State Bar of Texas, and ruled in Opinion 64 as follows:

"An attorney or a law firm may list on letterheads, in directories, in Martindale-Hubbell, or any approved form of professional listing, a partner or an associate who is not licensed to practice in Texas, provided he is a licensed attorney in one or more states other than Texas, the listing is limited to the office of the firm where he is active, the listing correctly reflects his status as a partner or associate, that he is not licensed to practice in Texas, and that he is licensed in the state where he was first licensed."

Opinion 64 did not deal expressly with the firm name but that question was squarely presented in Opinion 227 (March, 1959), and the Committee there ruled that the firm name could properly include the name of a lawyer licensed in Texas and a lawyer licensed in the District of Columbia, "provided the letterheads of the firm indicate the out-of-state lawyer practices only in the District of Columbia office of the firm, and provided there is no other misleading or deceptive circumstance which would lead anyone to believe the out-of-state partner is admitted to practice law in Texas."

Opinions 64 and 227 are consistent with the ABA Opinion 256 which rules as follows:

> "There is no impropriety in listing in a law directory the professional card of a law firm, the members of which are not all admitted to practice in the state where their card is published, provided all representations of the firm name to the public make clear the states in which the members of the firm are licensed to practice."

A shadow has been cast on the foregoing decisions by ABA Informal decision C-702 (February 24, 1964) wherein the propriety of multi-state law firms consisting of attorneys from various states was again approved under ABA Canon 33, but a majority of the Committee were further of the view "that it would be improper to maintain an office in a state under a partnership name which includes the names of partners not licensed to practice in that state," citing and quoting from Drinker's *Legal Ethics*, page 205:

> "The partnership name may not include that of one not locally admitted, despite explanatory statements on the letterhead, shingle, etc., since the name, used where no such explanation accompanied it, would imply that all the named partners were locally admitted."

One member of the Committee agrees with this view.

This qualification would mean that while lawyers in different states may properly associate themselves as partners and may properly maintain offices in various states, the firm name in each state can include only the name or names of partners licensed in that state. Such a qualification is contrary to long-standing practice and we do not believe that it is required either under ABA Canon 33 or Texas Canon 30.

It is therefore the opinion of this Committee that the New Mexico firm A, B, & C may maintain a Texas office under the same firm name. with D as its resident Texas licensed lawyer, provided the letterheads, listing and all other representations of the firm name make clear which members of the firm, and associates, are not licensed to practice in Texas. (See ABA Informal Opinion No. 938XMay 7, 1966.) These conclusions are not affected by the scope of the firm's practice, i.e., whether Texas or New Mexico or both.

We caution, however, that if the firm's lawyers not licensed in Texas should become active in the Texas office there could well be a problem of unauthorized practice and a consequent violation of Canon 43 in view of Article 320a-1, ∋3, V.A.T.C.S., which provides in part that "all persons not members of the State Bar are hereby prohibited from practicing law in this state." (7-1.)

2. Cards announcing the opening of the Texas office and specifying a limitation of practice to New Mexico law are prohibited. The practice of New Mexico law does not constitute a "special branch of the profession" within the meaning of Canon 39, nor a "specialized legal service" within the meaning of Canon 42 and the distribution of such announcement cards would constitute advertising in violation of Canon 24. See Opinions 2 (December, 1946), 10 (December, 1947), 15 (December, 1948), 72 (April, 1953), 98 (April, 1954), 112 (February, 1955), 221 (March, 1959), 267 (October, 1963), and 286 (June, 1964.) (8-0.)