

CUSTOMER WHITE PAPER

# The Innovation Fund

How Palace Law is rewriting the economics of client experience by treating it like a capital investment, not a budget line item.

Most law firms send their profits to the same two places every year: partner draws and traditional marketing. Billboards, TV spots, Google Ads, the occasional rebrand. Palace Law in Tacoma, Washington has built a different financial model. Each year, managing partner Jordan Couch and his team carve out a percentage of pension annuities and recurring revenue and route it into a dedicated innovation fund. That fund pays for disciplined operational experiments, the kind most firms never run. The result is a workers comp and personal injury practice that has turned client experience into its most defensible competitive advantage.

Firm	Practice Areas	Location	Speaker
Palace Law	Workers Comp, PI	Tacoma, WA (Virtual)	Jordan Couch, Partner

**ABOUT THE FIRM**

**Palace Law**

Workers compensation and personal injury, based in Tacoma, Washington with a virtual practice statewide. Learn more at [palacelaw.com](http://palacelaw.com).

**ABOUT THE SESSION**

**March 18, 2026 webinar**

"Control the Client Chaos: The Law Firm Trust Playbook." Hosted by Case Status with Joshua Lenon of Clio. [Watch the full replay](#).

**ABOUT THE HIGHLIGHT REEL**

**The Innovation Fund excerpt**

The four hour session has been condensed into a sharable highlight reel. Each citation in this white paper links to a moment in the reel. [Watch on YouTube](#).

**THE THESIS**

"Reframing the problem. Instead of identifying the problem as our clients are calling us too much, we redefine the problem as our clients feel the need to call us too much."

Jordan Couch, Partner, Palace Law [\[5:36\]](#)

## SECTION 01 / THE INVESTMENT PHILOSOPHY

## A law firm built like a company that intends to grow.

Jordan Couch is candid about what most contingency firms do at year end: the partners drain the money. Palace Law made a structural decision years ago to stop doing that. They run the firm like a business that is trying to grow, which means leaving capital on the balance sheet on purpose.

Palace Law operates a high volume workers compensation and personal injury practice out of Tacoma, with a virtual footprint that lets them serve clients across the state. Every year, a fixed percentage of pension annuities and other recurring revenue is routed into a savings account earmarked for innovation. That account is the firm's permission slip to experiment. It is the difference between buying software when the budget allows and buying software because the financial structure was designed to make it possible.

**"When it comes to trying a new tool like Case Status, we don't have to say like, oh, if this fails, we've lost a lot of money. We had the ability to say, hey, we have this account set aside. This is going to cost us \$20,000 for an experiment here. Let's test this out and let's track it."**

Jordan Couch, Palace Law [3:26]

The discipline does not stop at funding. Before any experiment starts, the firm defines the metrics it will use to judge it. They commit to a measurement window, typically a year. They decide in advance what a functional experiment looks like and what an effective one looks like. They reinvest when the return justifies it. They walk away when it does not. This is not how most law firms make technology decisions. Most firms buy on a referral, install it on a Tuesday, and hope it sticks.

### The three pillars of the Palace Law innovation model

#### 01 / RESERVE

##### Set aside funds intentionally.

A defined percentage of recurring revenue flows into an innovation account each year. The capital exists before the idea does. Experiments do not have to fight for budget against payroll.

#### 02 / MEASURE

##### Define success in writing, in advance.

Every experiment ships with metrics. What does a functional outcome look like. What does an effective one look like. The metrics are agreed to before the experiment runs, not after.

#### 03 / ITERATE

##### Reinvest, retire, or repurpose.

A failed experiment is data. Years ago, a texting tool that nobody used was repurposed during a power outage into the automation that sends benefit check notifications. The miss became the win.

#### WHY IT MATTERS

##### Most firms never get to try.

"We don't want to be the second movers." Without a dedicated fund, every experiment competes with partner draws. That is why most firms only buy what they cannot avoid.

#### THE REFRAME THAT PAID FOR ITSELF

### From "clients are calling us too much" to "clients feel the need to call us too much."

That single shift in language sent Palace Law in a different direction. Instead of buying a tool to suppress calls, they invested in a system that removed the reason clients were calling in the first place. Proactive benefit check notifications. Stage based education. Assigned client tasks. The call volume dropped because the anxiety dropped.

## SECTION 02 / CLIENT EXPERIENCE AS COMPETITIVE ADVANTAGE

## Same day service is a thought experiment that built a real firm.

Palace Law runs a continuous internal question: what do we have to do to provide same day service to our clients. Not just hire us in a day, but already provide a service to them on day one. The answer reshaped how the firm thinks about communication, education, and the lawyer client relationship itself.

Jordan started his career in restaurants. He carries the service industry mindset into law deliberately. He noticed something in the data that most lawyers miss: the profession has a built in role reversal. Lawyers assume clients want them to call to deliver updates. The same lawyers assume clients should email them with questions. The authority figure expects voice. The client gets text. Palace Law inverted that.

**"Lawyers assume that clients want the lawyer to call them for the lawyer to give updates, but they assume that the client wants to email them to give the lawyer updates. That disconnect was really interesting to me."**

Jordan Couch, Palace Law [1:43]

### Three operating moves that compound

- 1. Education at every stage, not just updates.** When a Palace Law client moves into a new stage of their case, Case Status sends a structured notification. Inside that notification, the client gets a full explanation of the stage: what the firm will do, what the client needs to do, expected timelines, and what has to happen before the case moves forward. The client never has to call to ask "what happens next." The answer is already in their hand.
- 2. Proactive communication, especially when there is nothing to report.** Workers comp clients receive benefit checks every two weeks. They were calling Palace Law every two weeks to ask if the check was on its way. The day before, then the day after. Palace Law turned that anxiety loop into an automated text message that fires every time a check is issued. The call volume dropped sharply. The trust climbed.
- 3. Tasks make clients feel in control.** Sometimes the most reassuring update is a small ask: "please update us on your medical treatment." Assigning a task to a client makes them feel part of the case rather than a passive recipient of it. The firm gets the information it needs. The client gets agency. Both things matter.

#### Same Day

Service standard the firm holds itself to, beginning on the day a client hires Palace Law.

#### Every 2 Weeks

Benefit check notification that eliminated the firm's largest single driver of inbound calls.

#### High

Client adoption rate "shockingly high given my clientele," a population that until recently carried flip phones.

**"They even want to know that nothing is happening. Sometimes lawyers avoid calling the client to update because there is no update."**

Jordan Couch, Palace Law [2:33]

The competitive advantage is not the technology. It is the operating model. Palace Law decided that client experience is a product worth investing in, then funded it like one, then measured it like one. The technology is the lever. The discipline is the firm.

## SECTION 03 / FUTURE PROOFING THE FIRM

## Where Palace Law is taking client experience next.

Jordan sits on the Washington State Bar Board of Governors and co chairs a working group focused on access to justice for the next five years. He wrote *411 Tips for Solo and Small Firm Lawyers*, available on [Amazon](#). The same instinct that shapes his policy work shapes how he is preparing Palace Law for what comes next.

### AI THAT LEARNS THE FIRM

#### Recommended responses trained on Palace Law's voice.

The Case Status AI suggests responses, and the firm can teach it which versions to favor and which to discard. The model learns the firm's communication style and keeps clients inside the channel where the firm has visibility.

### ACCESS TO JUSTICE

#### Alternative pathways to legal service.

Washington is exploring alternatives to the bar exam and new legal service delivery models. Palace Law's operational discipline is the kind of infrastructure that lets a firm absorb those changes without breaking.

## 411 Tips

### SOLO & SMALL FIRM LAWYERS

JORDAN COUCH

### RECOMMENDED READING

#### *411 Tips for Solo and Small Firm Lawyers*

Jordan's playbook for running a modern firm. Practical advice on starting and growing a practice, mastering client service, embracing technology, and leading with purpose. [Grab it on Amazon →](#)

### THE STANDARD THE FIRM HOLDS ITSELF TO

## "Justice is feeling as though you were treated with dignity and respect by the process."

Jordan first heard the line from Judge Victoria Pratt at a Clio conference. Palace Law has built around it. Results matter, but if the firm does not communicate the result and make people feel they were treated with dignity and respect, the client never feels justice. The investment fund, the same day service standard, the stage based education, the proactive benefit check texts: every one of them serves that definition.

### BOTTOM LINE

## Client experience is not a feature. It is a balance sheet decision.

Palace Law treats client experience the way a CFO treats capital allocation. Reserve funds for it. Define what success looks like. Measure. Reinvest in what works. The firms that learn this language are building a moat that traditional ad spend will not catch.

## CITATIONS

## Source quotes with YouTube timestamps.

Each citation links to the exact moment in the highlight reel where Jordan addresses the point. For the full four hour conversation, see the [complete session recording](#).

**[1:43]** The lawyer client communication disconnect: clients want texts, lawyers want calls.

**[2:05]** The same day service thought experiment as an organizing principle.

**[2:20]** "Case Status and Clio have helped us with this providing information." Day one guidebook for clients.

**[2:33]** Clients want to know when nothing is happening.

**[3:02]** Partners do not drain the firm. Capital is reserved for innovation.

**[3:26]** The \$20,000 experiment framing for trying Case Status.

**[4:25]** Failed text messaging program reborn as benefit check automation.

**[4:55]** "An incredibly successful project that just had a huge drop in the number of calls we received."

**[5:36]** Reframing the problem: clients feel the need to call us too much.

**[6:01]** Stage based education as the heart of client experience.

**[6:14]** "You are sent a notification in Case Status that says, hey, you're entering a new stage." Built in client education.

**[6:48]** Blue collar adoption rate is "shockingly high."

**[6:52]** AI recommended responses trained on Palace Law's voice.

**[7:06]** "That was brilliant." The AI directs clients back to the Case Status app channel on its own.

**[7:32]** Judge Victoria Pratt definition of justice.

**[7:54]** Results matter, but only with dignity and respect.

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