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2010 ACC/Serengeti Managing Outside Counsel Survey



Some of the most useful information for in-house counsel comes from colleagues in other law departments. Since 2001, we have conducted a survey that collects the latest information regarding how law departments are managing their work with outside counsel, a top priority identified by ACC members. This survey includes detailed information about the terms of the relationship, techniques used by in-house counsel to get control over spending, compliance reporting, and other important management information. Now in its tenth year, the annual survey report has analyzed the experiences of more than a thousand law departments, and has been used by many more to improve the management of their legal work.

To assist you with your collection of data to respond to this survey, you can print out a complete copy of the survey questionnaire by going to: www.serengetilaw.com/survey.

Your information will be kept confidential, with results reported only in aggregate, unidentified form. If you complete the survey by June 30, you will receive a complimentary copy of the thirty page Executive Summary Report by e-mail when it is released at the ACC annual meeting.

Any questions can be addressed to Rob Thomas at Serengeti Law (425-732-5518). Information and articles regarding past years' reports are available at: www.SerengetiLaw.com. We appreciate Serengeti's efforts in collecting and summarizing this data for the past 10 years, and we thank you for contributing your time to this valuable project.

Frederick J. Krebs, President

Instructions: It should take approximately 20 minutes to answer all of the questions. You can see the percentage of the survey completed at the top of each screen. If you need to stop in the middle, simply click on the command at the bottom of the screen—your responses will be saved and a link will be sent to you by email so that you can re-start where you stopped. *(Please note: In the event that you do not receive the e-mail, you should verify that it hasn't been blocked by your company's email spam filters. The email would have the following "From" address: SurveyHelp@netreflector.com)*

Before hitting the "Next" button to move to the next screen, please make sure that your responses are correct, as you will not be able to go back to change them.

TO BE COUNTED, THIS SURVEY MUST BE COMPLETED ON OR BEFORE JUNE 30, 2010.

Your Name:

question.

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2010 ACC/Serengeti Managing Outside Counsel Survey

What is the main business of your company?

- Agriculture
- Banking/Securities/Financial Services
- Computer/Electronic Manufacturing
- Consumer Products/Retail
- Construction
- Education/Universities
- Energy
- Entertainment, Media, Communications
- Forest Products & Paper
- Food and Beverage
- Health Care
- Information
- Insurance/Risk Management
- Manufacturing (other)
- Metal/Machinery Manufacturing
- Non-profit/Trade Association
- Petroleum/Chemical Manufacturing
- Pharmaceutical
- Professional/Scientific/Technical Services
- Real Estate
- Software/Internet
- Transportation
- Telecommunications
- Utilities
- Wholesale/Retail Trade
- Other (please specify)

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2010 ACC/Serengeti Managing Outside Counsel Survey

Worldwide Company Revenue in 2009 (in U.S. dollars)

Please enter numbers only (no commas, decimal points, or dollar sign)

To confirm, the annual revenue entered above is stated in:

Please select one of the following:

- Thousands
- Millions
- Billions
- N/A

Number of in-house attorneys in your Law Department

- 0 to 1
- 2 to 10
- 11 to 50
- 51 to 100
- over 100

Do you believe that Law Department attorney staffing will increase, decrease or stay the same for 2010?

Select one of the following

- Increase Decrease No Change
-

What is your estimate of the percentage increase or decrease?

Total in-house Law Department expenditures during 2009, including salaries, benefits, and overhead (do not include outside counsel fees, or liability payments):

Please enter numbers only (no commas, decimal points, or dollar sign)

To confirm, the amount entered above is stated in:

Select one of the following

- Thousands
- Millions
- N/A

Did Law Department expenditures increase, decrease or stay the same in 2009 (as compared to 2008)?

Select one of the following

- Increase Decrease No Change
-

What was the percentage increase or

decrease?

Do you believe that Law Department spending will increase, decrease or stay the same for 2010?

Select one of the following

Increase Decrease No Change

What is your estimate of the percentage increase or decrease?

Total outside counsel expenditures during 2009, including fees, expenses and expert fees:

Please enter numbers only (no commas, decimal points, or dollar sign)

To confirm, the amount entered above is entered in:

 Thousands Millions N/A**Did outside counsel expenditures increase, decrease or stay the same in 2009 (as compared to 2008)?**

Select one of the following

Increase Decrease No Change

What was the percentage of increase or decrease?

Do you believe that your outside counsel expenditures will increase, decrease or stay the same for 2010?

Select one of the following

Increase Decrease No Change

What is your estimate of the percentage increase or decrease?

Approximate number of law firms used by the company in 2009 for matters in the U.S. and outside of the U.S.**(if a firm is used both domestically and internationally, please count only in domestic category)**

Domestic

International

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Do you believe that the number of law firms that you will use in 2010 will increase, decrease or stay the same?

Domestic

Select one of the following

Increase Decrease No Change

What is your estimate of the percentage increase or decrease?

International

Select one of the following

Increase Decrease No Change

What is your estimate of the percentage increase or decrease?

During 2009, approximately how many different company legal matters/cases were handled by outside counsel?

Please enter numbers only (no commas)

Please rank the top five most pressing business issues facing your Law Department. (Choose 5 Only; rank the top 5, with 1 being the most pressing issue)

- | | | |
|---|---|---|
| Reducing outside legal costs | <input type="text" value="Choose one"/> | - |
| Keeping apprised of/reporting on company activities that may have legal implications | <input type="text" value="Choose one"/> | - |
| Too much work for too little resources/legal budget issues | <input type="text" value="Choose one"/> | - |
| Keeping management apprised of legal developments | <input type="text" value="Choose one"/> | - |
| Staying apprised of changes in the law | <input type="text" value="Choose one"/> | - |
| Demonstrating the value of the law department | <input type="text" value="Choose one"/> | - |
| Finding good outside counsel | <input type="text" value="Choose one"/> | - |
| Technology (to improve internal efficiency of law department and work with outside counsel) | <input type="text" value="Choose one"/> | - |
| Convergence (reducing number of outside firms) | <input type="text" value="Choose one"/> | - |
| Reducing in-house legal costs | <input type="text" value="Choose one"/> | - |
| Recruiting/training staff | <input type="text" value="Choose one"/> | - |
| Attracting and retaining good in-house counsel | <input type="text" value="Choose one"/> | - |
| Other | <input type="text" value="Choose one"/> | - |

If "Other", please describe

0% . 100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Compliance

How often is your Law Department required to report on:

	Monthly	Quarterly	Annually	Never
Legal Spending - billed/paid	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Legal Spending - unbilled/accruals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Legal Liability - exposure/reserves	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Status of major legal work	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Results/Settlements/Judgments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Is your Law Department also required to report on material changes to the above information between regular reporting periods?

Yes No

0% . 100%

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Is there a specific time period (number of days) within which material legal developments must be reported? Yes No

0% . 100%

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Time limit to report (days)

0% . 100%

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Is your Law Department required to certify that its reporting system has no material deficiencies in its internal controls?

Yes No

How do you usually collect required reporting information from your outside counsel (Rank 1-5 with 1 being most common)?

By Phone	<input type="text" value="Choose one"/>
Correspondence/reports	<input type="text" value="Choose one"/>
E-mails	<input type="text" value="Choose one"/>
In bills	<input type="text" value="Choose one"/>
Shared Matter Management System	<input type="text" value="Choose one"/>

How does the information that you receive from outside counsel populate your reporting system?

Check all that apply

Select all that apply

- Manual re-entry into spreadsheet/database
- Directly from outside counsel into shared matter management system
- Other (please specify)

What types of internal controls does your Law Department use to ensure that such reporting is current, accurate, and auditable?

Check all that apply

Select all that apply

- Scheduled requests to outside counsel
- Reminders if required information not provided
- Refusal of bills/payment if required information not provided
- Verification that all data is correctly entered into spreadsheets/databases
- Verification of all formulas in spreadsheets/databases
- Maintain audit trail of all modifications to information, including person and date
- Other (please specify)

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2010 ACC/Serengeti Managing Outside Counsel Survey

Law Firm Selection, Retention, and Termination

What specific terms do you generally require, or plan to use, when you retain outside counsel?

	Currently Use	Plan to Use
Required monthly/periodic bills	<input type="radio"/>	<input type="radio"/>

Preparation of budgets and associated reports	<input type="radio"/>	<input type="radio"/>
No change of assigned attorneys without approval	<input type="radio"/>	<input type="radio"/>
Periodic written matter updates	<input type="radio"/>	<input type="radio"/>
Discounts from standard hourly rates	<input type="radio"/>	<input type="radio"/>
Preparation of early case assessment (risks and potential resolution strategies)	<input type="radio"/>	<input type="radio"/>
Billing formats/details	<input type="radio"/>	<input type="radio"/>
Limits on internal charges, including copies, faxes, phone, online research, secretary, clerk time, other expenses	<input type="radio"/>	<input type="radio"/>
No change of rates without approval	<input type="radio"/>	<input type="radio"/>
Travel expense rules	<input type="radio"/>	<input type="radio"/>
Restrictions on press releases and public statements	<input type="radio"/>	<input type="radio"/>
No representation of competitors	<input type="radio"/>	<input type="radio"/>
Client ownership of work product	<input type="radio"/>	<input type="radio"/>
Adherence to company policy regarding use of alternative dispute resolution	<input type="radio"/>	<input type="radio"/>
End of matter assessments	<input type="radio"/>	<input type="radio"/>
Technology requirements	<input type="radio"/>	<input type="radio"/>
Adherence to diversity policy	<input type="radio"/>	<input type="radio"/>
Required use of specific vendors (e.g. court reporting services)	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>

Do you require outside counsel working on your matters to have a minimum level of experience?

Yes No

0%

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

How many years of experience do you require?

Select one of the following

1 2 3 4 5 6 7 8 9 10 >10

0%

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

During 2009, did some outside counsel work in your offices under special arrangements with their law firms (Secondments)?

Select one of the following

- Yes
 No

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Please enter the total number of hours worked by all such attorneys in 2009.

Please enter whole numbers only (no decimals or commas)

Did outside counsel work at reduced rates?

Select one of the following

- Yes No

Did your company hire any such attorneys to join your Law Department?

Select one of the following

- Yes No

Do you intend to have a similar number during 2010?

During the coming year, do you expect to have more, fewer, or about the same number working in your law department?

- More Fewer About the same

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Do any of your law firms discount bills for early payment?

- Yes No

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

What percentage of your law firms offer discounts for early payment?

Please enter whole number only (no decimals or commas)

What is the most common discount percentage?

Please enter whole number only (no decimals or commas)

What are the most common terms (number of days to pay)?

Please enter whole numbers only (no decimals or commas)

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

During 2009, did your Law Department issue any RFP's (requests for proposal/competitive bids) for work performed by outside counsel?

Select one of the following

Yes No

0% .

100%

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Total number of RFP's issued

Total number of responses received

0% .

100%

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During the coming year, do you expect to issue more, fewer, or about the same number of RFP's to law firms?

Select one of the following

More Fewer About the same

During the past year, has your Law Department engaged in a general strategy of convergence, (i.e. reducing the number of law firms you work with on a regular basis)?

Select one of the following

Yes No

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

What was the percentage decrease in the number of your law firms as a result of convergence?

Please enter whole numbers only (no decimals or commas)

How would you rate your convergence process?

Exceeded our expectations Met our expectations Did not meet our expectations

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Does your Law Department conduct periodic written evaluations of your outside counsel?

Select one of the following

- No
 Monthly
 Quarterly
 Annually
 Other (please specify)

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

With what percentage of your outside counsel do you discuss your evaluations?

Please enter whole number only (no decimals or commas)

0% .

100%

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During 2009, was there a decrease in the value of the work performed by at least some of your outside counsel given the cost of their services?

Select one of the following

Yes No

0% .

100%

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What percentage of your outside counsel provided less value for the fees charged?

Please enter whole numbers only (no decimals or commas).

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

During 2009, did you provide any specific suggestions to outside counsel for increasing the value of their services?

Select one of the following

Yes No

0% .

100%

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What were your suggestions?

What percentage of the outside counsel to whom you provided such suggestions implemented your suggestions to increase the value of their services?

Please enter whole numbers only (no decimals or commas).

0% .

100%

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During 2009 did you terminate any relationships with law firms?

Yes No

0% .

100%

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Please rank the top five reasons (Choose 5 Only; rank the top 5, with 1 being the most pressing issue)

- | | |
|-------------------------------------|---|
| Lack of responsiveness | <input type="text" value="Choose one"/> |
| Too high fees for value of services | <input type="text" value="Choose one"/> |
| Poor quality work product/results | <input type="text" value="Choose one"/> |
| Communication/personality issues | <input type="text" value="Choose one"/> |
| Inefficiencies of attorney/law firm | <input type="text" value="Choose one"/> |
| Attorney changed firms | <input type="text" value="Choose one"/> |
| Delayed or missed deadline | <input type="text" value="Choose one"/> |
| Billing issues | <input type="text" value="Choose one"/> |
| Convergence | <input type="text" value="Choose one"/> |
| Non-practical advice | <input type="text" value="Choose one"/> |
| Law firm changed attorney on matter | <input type="text" value="Choose one"/> |
| Conflicts – Business | <input type="text" value="Choose one"/> |
| Conflicts – Ethics | <input type="text" value="Choose one"/> |
| Other | <input type="text" value="Choose one"/> |

If "Other", please describe

0% . 100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Outside Counsel Fees

Did your outside counsel hourly rates increase, decrease or stay the same in 2009 (compared to 2008)?

Select one of the following

Increase Decrease No Change

0% . 100%

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What was the percentage increase/decrease for 2009?

Please enter whole numbers only (with no decimals or commas)

0% . 100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Do you anticipate that your outside counsel hourly rates will increase, decrease or stay the same for 2010?

Select one of the following

Increase Decrease No Change

0% . 100%

2010 ACC/Serengeti Managing Outside Counsel Survey

What percentage increase/decrease do you estimate for 2010?

Please enter whole numbers only (with no decimals or commas)

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

During 2009, approximately what percentage of total spending with outside counsel was covered by the following fee arrangements?

(total should equal 100%)

Standard hourly rates	<input type="text" value="0"/>
Discounts from standard hourly rates	<input type="text" value="0"/>
Blended hourly rate	<input type="text" value="0"/>
Fixed fee/matter	<input type="text" value="0"/>
Retainer for work during a certain period	<input type="text" value="0"/>
Contingency fee, dependent upon result	<input type="text" value="0"/>
Other	<input type="text" value="0"/>
Remaining value	<input type="text" value="100"/>

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

For what types of work do you generally consider alternative fee arrangements (other than hourly rates and discounts from hourly rates)?

Select all that apply

- Do not use alternative fee arrangements
- All matters
- High potential of liability
- High potential recovery
- Large business transactions
- Smaller matters - litigation
- Smaller matters - business transactions
- Matters where it is requested by outside counsel
- Routine/repetitive matters
- Other (please specify)

How much resistance is there to alternative fee arrangements within your company?

One a scale of 1 to 5, with 1 being "no resistance" and 5 being "a great deal of resistance".

1 - No Resistance 2 3 4 5 - Great Deal of Resistance

How much resistance is there to alternative fee arrangements from outside counsel?

One a scale of 1 to 5, with 1 being "no

resistance" and 5 being "a great deal of resistance".

1 - No Resistance 2 3 4 5 - Great Deal of Resistance

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Controlling Spending

Do you require budgets from outside counsel for any current matters?

Select one of the following

Yes No

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

For approximately what percentage of all of your current matters being handled by outside counsel do you require budgets?

Please enter whole numbers only (with no decimals or commas)

In approximately what percent of the following types of matters being handled by outside counsel do you generally require budgets?

Please enter whole numbers only (with no decimals or commas)

Litigation

Business transactions

Intellectual property/patent

Regulatory

Immigration

Other

If "Other, please enter the type of work

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

How frequently do you reduce outside counsel bills for the following types of unauthorized work?

	Never	Occasionally	Frequently
Startup work/file review	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Office conferences	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Overstaffing at hearings, meetings, etc.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Trivial phone calls, conversations, activities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Administrative work/file/organization	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

How often do you reduce outside counsel bills for the following types of unauthorized expenses (including charges that exceed your guidelines)?

	Never	Occasionally	Frequently
Word Processing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Courier/delivery charges	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Photocopies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Facsimile	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Phone	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Online Research	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Local Travel	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Meals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

How often do you reduce outside counsel bills for other reasons?

	Never	Occasionally	Often
Bill exceeds the budget/agreed plan	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Unauthorized hourly rates/rate increases	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Unauthorized personnel/personnel who don't add value	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bill amount exceeds the value	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Duplicate invoices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Time billed to wrong matter	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Do you currently require your outside counsel to provide UTBMS (Uniform Task-Based Management System) TASK and ACTIVITY codes for any billing time entries?

Yes No



0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

For what percentage of your matters do you require UTBMS task and activity codes?

Please enter whole numbers only (with no decimals or commas)

0% .

100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Which of the following methods to control outside legal spending do you use, and approximately what percentage of total outside legal spending do you save with each?

Please enter whole numbers only (with no decimals or commas)

Case/Matter Budgets

Electronic bill review/auditing

In-house fee/bill manager

Third-party bill auditor

Matter management system/reports

Internal databases/reports

Discounted/alternative fees

Billing guidelines/spending rules

Evaluations of outside counsel

Re-allocation of work to firms with lower rates

Other

If "Other" please describe the type of method

0% . 100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Technology

Which in-house technologies (not a hosted Internet-based solution) do you use, or plan to use in the next year, to manage your work with outside counsel?

Matter Management Software (internal, not an Internet hosted solution)

Select one of the following

Use Plan to Use Neither

0% . 100%

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Please select all internal (non-Internet based) system vendors that apply

- Bridgeway
- CaseTrack
- LawTrac
- LexisNexis
- Mitratach
- Prolaw
- Other (please specify)

0% . 100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Spreadsheet or database

Spreadsheet or database Use Plan to Use Neither

0% . 100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Select all that apply

- Excel
- Access
- Other (please specify)

0% . 100%

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Hosted Internet Solutions

Combined matter management/e-billing system Use Plan to Use Neither

0% . 100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Select all that apply

- Bridgeway
- Mitratach
- Serengeti
- Tymatrix
- Other (please specify)

Percent of your law firms connected

0% . 100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Hosted Internet Solution

Separate electronic billing system Use Plan to Use Neither

0% . 100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Select all that apply

- Allegiant
- Bridgeway
- CounselLink
- Datacert
- DCI
- LawTrac
- Legal Bill
- Tymetrix
- Other (please specify)

Percent of your law firms connected

0% . 100%

2010 ACC/Serengeti Managing Outside Counsel Survey

Internet Hosted Solutions

Separate shared matter management system (law firms connected)

Use Plan to Use Neither

0% . 100%

2010 ACC/Serengeti Managing Outside Counsel Survey

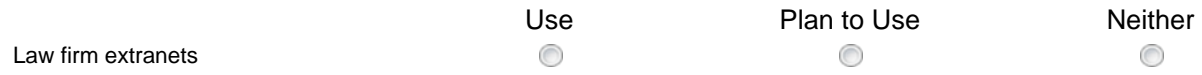
Select all that apply

- Bridgeway
- CSC
- LawTrac
- Mitratach
- Sharepoint
- Other (please specify)

Percent of your law firms connected

0% . 100%

2010 ACC/Serengeti Managing Outside Counsel Survey



0% . 100%

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