

ACC WEB SEMINAR ON ELECTRONIC BILLING

MARCH 30, 2005

QUESTIONS FROM PARTICIPANTS

Because there was not enough time to respond to all of the questions that were emailed by participants during the session, this document provides responses to the questions that were not discussed.

Law Firm Participation/Reaction

1. We are concerned that e-billing and the increased scrutiny over invoices will hurt our relationships with our law firms—please comment.
2. How resistant are the law firms to receiving mandatory billing guidelines? Do they try to charge you for the IT technical support to implement the system?
3. How do you handle a firm that can't or won't participate in the electronic billing process? Do your companies manually convert the bill to an electronic bill (for purposes of overall tracking)?
4. Isn't it an issue for law firms that various clients may be using different systems? What share of the market do the various systems have?
5. Can you talk a little about the connection/network/infrastructure that the law firms must be connected to or logged into?

Implementation

6. How long from purchase point to up and running does the average size law department take?
7. What types of data do most small law departments already have? What happens with information in existing law department spreadsheets and databases—is there a way to get them into the system?
8. We have been using electronic billing through another vendor with one of our primary firms. We are having problems getting the lawyers to view their invoices electronically. They still like the hard copy. Are you experiencing the same problems and if so, how do you handle them?
9. How many countries are represented in your customer law firm base?

E-Billing Requirements/Functionality

10. Do you have to use UTBMS codes or other billing codes to do electronic billing? If so, are you experiencing any pushback from the law firm timekeepers?

11. How do you handle bills in foreign currencies?
12. How about bills from 3rd-party vendors of the law firms i.e. court reporting services, arbitration services, etc. Do those bills get electronically transmitted as well and thereby get into the system?
13. What does the system flag automatically?
14. Describe all of the steps in the review process for an electronic bill.
15. What if we don't agree with entries on the bill? Is there a mechanism for disapproving entries?
16. Do all of the presenters' companies use the system for all types of Legal billing (i.e. Litigation, Corporate, etc)?
17. How does the system help in identifying layering by outside counsel?

Budgeting and Matter Management

18. What types of budgeting capabilities does the system have? Can it track budget performance down to the matter level?
19. What reporting data can be gleaned from the system to enable better outsourcing decisions (which firms to use)?
20. How does e-billing help with the preparation and prosecution of patents? Does it track invoices by patent docket numbers, subcases, and also types of expenses?
21. Do law departments track other matters in the matter management system that don't require outside counsel?
22. How do the members of the panel track legal expense v. settlement payments?

Costs/Savings

23. When you say that \$24,000/yr. is the typical cost for a small law department, how do you define "small"?
24. The 5-15% savings, what is that based on? Is there a reduction in fees?
25. Are there any additional fees apart from implementation and yearly maintenance/support fees?
26. What criteria are used to determine the cost of your service?

Other

27. All of our legal costs are reimbursed by our parent company in Japan. We have to provide backup (receipts, etc.) to get reimbursed. With electronic billing, how do we obtain and provide the necessary backup?
28. What happens when two law firms merge? Does the new merged firm have to be re-

- [implemented?](#)
29. [Some law departments have been forced to migrate to a new matter management system because the existing vendor discontinued that line of business \(e.g., Hummingbird's Corporate LawPack\). So, what happens if Serengeti \(or other e-billing vendors\) decide to stop supporting their e-billing products at some point down the road?](#)
30. [All the participants on the panel selected Serengeti -- what other products did they review/consider?](#)

ANSWERS TO PARTICIPANT QUESTIONS

1. We are concerned that e-billing and the increased scrutiny over invoices will hurt our relationships with our law firms—please comment.

Law firms generally do react negatively to systems that require attorneys to provide UTBMS task and activity codes, charge the law firm, require firms to customize their time and billing systems to produce a non-standard invoice format, or automatically reduce or reject bills without reasonable cause. Firms are not opposed to systems that review invoices for appropriate factors (e.g. changes in hourly rates, clear violations of billing guidelines, etc.). However, many systems impose audit rules that are dubious and generate an inordinate number of “false positives.” For example, some systems can be setup to automatically reject a time entry if the time entry contains a certain word. These types of systems produce many false positives, which in-house attorneys are either not allowed to override, or which are so time consuming to review that in-house counsel don't bother to weed out the true violations from the false positives. This can create a serious burden on the law firms to deal with all of the alleged violations.

Consequently, it is critical that you consult with your firms about the types of systems that they are using with other clients, and to ask them which ones they prefer. You may be pleasantly surprised at the number who are already doing electronic billing with other clients, and the significant differences they have experienced depending upon the vendor.

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2. How resistant are the law firms to receiving mandatory billing guidelines? Do they try to charge you for the IT technical support to implement the system?

We are not aware of any law firm that has attempted to charge a Serengeti Tracker law department for IT technical support to implement the system. The only requirement to use Serengeti Tracker is a computer with Microsoft Windows and a Microsoft Internet Explorer web browser. Also, unlike most other systems, Serengeti Tracker does not require specific invoice formats.

With respect to other systems, law firm resistance depends upon the types of requirements that are imposed. Law firms generally expect reasonable and clear limitations on expenses, such as photocopy and fax charges. They are more resistant to vague limitations, such as no permitted conferences among team members which in many cases may be necessary. There has been significant resistance to electronic billing systems that automatically reject bills based upon what law firms perceive to be arbitrary criteria to reduce fees, regardless of the value of the work performed. It is therefore important to talk with law firms who are using a system that you are evaluating to assess their reactions to the auditing/billing guidelines and bill rejection criteria.

Moreover, if a system requires the customization of LEDES, special billing codes, databases of timekeepers and rates, or other special work, this may become an issue. Such costs are becoming a larger concern as more law firms are being required to submit electronic bills. If you do not want to face such potential costs, and delays in implementation, it is important to select a system that accepts standard LEDES bills, has a practical non-LEDES option, does not require special billing codes, and does not have other significant law firm setup requirements. Law firms that are using multiple systems should be able to help you identify those that are easiest to use, and that involve the least ongoing time and cost.

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3. How do you handle a firm that can't or won't participate in the electronic billing process? Do your companies manually convert the bill to an electronic bill (for purposes of overall tracking)?

All of your law firms should be able to submit bills electronically if you select an electronic billing vendor that does not require special formats, codes, or charges. If there are a small number of your firms who aren't already doing electronic billing, it is likely that many of their competitors are. Recently, one of our corporate law departments had a firm that indicated they were not interesting in electronic invoicing. The corporate law department reviewed the Tracker Worldwide Directory of Firms, found several other firms in the same city with the same practice areas that were already billing on Serengeti Tracker, and shared that fact with the law firm. The law firm quickly changed its approach, and indicated it too would be willing to submit invoices electronically. Obviously, it is easier to overcome such law firm concerns if the electronic billing vendor does not require them to make significant changes to their systems, or pay to submit electronic bills.

However, if the law department does occasionally receive paper bills from law firms or other vendors that you want to post, the system should permit the law department to provide the billing data, designate whether the bill has been paid or needs to be approved and transmitted to the A/P system, and upload a scanned copy of the paper bill to the system.

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4. Isn't it an issue for law firms that various clients may be using different systems? What share of the market do the various systems have?

As we discussed during the presentation, electronic billing is becoming a bigger issue for law firms as more corporate clients require it. They are becoming more concerned with the fees charged by some vendors (around \$3,000/client/year or 2% of the billed amounts), as well as customized billing formats and codes required by some vendors (Serengeti is committed to following the standards set forth by LEDES). To maximize your chances of having all of your law firms on the same system, and not dealing with additional charges coming through your legal bills, it is important to select a vendor that does not make life difficult or expensive for your law firms. It is therefore a good idea to ask your primary firms about the electronic billing vendors that they have used, and which ones they prefer.

We are not aware of a source for data regarding the market share of various electronic billing vendors. We have heard that the General Counsel Roundtable has recently issued reports for its members that evaluate electronic billing and matter management systems, including data collected from their members. Serengeti currently has more than 3,000 in-house counsel at over 75 companies managing their legal work on the system with their over 6,000 law firms. These firms are all searchable in Serengeti Tracker's Worldwide Directory of Firms. In fact, we work with all of our customers prior to signing a contract to review the firms that the law department uses to see how many of them are already invoicing through Serengeti Tracker. In most cases the average is about two-thirds.

It is always a good idea to ask for a current customer list from vendors to assess whether they are widely accepted in the profession. While you're at it, you might want to find out how many companies have stopped using a system, and talk with some of them as well.

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5. Can you talk a little about the connection/network/infrastructure that the law firms must be connected to or logged into?

To work on Serengeti, all users (both law firm and law department) need a computer with a Windows operating system, an Internet connection, and Internet Explorer 6.0 or higher. They can log in from anywhere that they have Internet access. The system controls access and role security down to the individual matter level. There are no other hardware or software requirements.

Some other systems require a "key" to be able to login, which generally means that they can only login from one computer. This may not be an issue for law firm billing personnel in a simple electronic billing system. However, it can be a significant issue for in-house counsel and for law firm attorneys in a shared matter management system, when people who are traveling or working from home need to access the system from multiple locations.

6. How long from purchase point to up and running does the average size law department take?

It varies widely depending upon the vendor. At a legal conference last year, a well-known company complained that it had taken over a year to start electronic billing with less than half of its law firms. Serengeti connects most law departments in about two months, including all of their law firms. As was discussed during the presentation, American Express with its LawPack data conversion, many international law department offices, and hundreds of law firms took just under three months to implement Serengeti.

There are several reasons why Serengeti Tracker implementations take on average two months:

- All firms that are currently using Serengeti Tracker are listed in the Tracker Worldwide Directory of Firms. You connect to your firms by selecting the your firms from the Directory.
- Because Serengeti Tracker has an intuitive interface, many users can start using the system without any training at all. If users want training, it only takes one hour, and they can be trained in that time on all of the functionality in the system.
- Law firms and vendors can generate invoices in LEDES and non-LEDES formats, making it simple for them to start billing electronically.

7. What types of data do most small law departments already have? What happens with information in existing law department spreadsheets and databases—is there a way to get them into the system?

With respect to matter information, most law departments have some form of spreadsheet or database in which they are tracking their spending, and often other types of information as well (matter types, current status, results, etc.). You need to determine whether the e-billing/matter management systems that you are considering have corresponding fields to hold the data that you have collected and want to continue to track. If so, the vendor can tell you whether there is an automated way to convert and upload your data. Serengeti has performed such conversions for many law departments, from simple spreadsheets to complex databases, such as the LawPack database described by American Express during the seminar.

In addition, every law department has a list of law firms and vendors. Some systems require you to manually enter all of that information into the system (or you have to pay the e-billing system to enter that information, get the firm connected, etc.). Serengeti Tracker

provides the Tracker Worldwide Directory of Firms, which as of this time has over 6,000 firms and vendors in more than 125 countries. These are firms that are already on the Serengeti Tracker system with another law department, and new firms are being added every day. Consequently, you "drag & drop" your firms from the Tracker Worldwide Directory into your Tracker panel, and you are instantly ready to begin working with them.

Moreover, law departments coming onto the system find that about two-thirds of their firms are already in the Tracker Worldwide Directory. This is one of the reasons why law departments complete implementations of 100% of their firms in two months (as discussed in the presentation, AMEX took three months, which is typical of the largest law departments). If a firm is not in the Tracker Worldwide Directory, all you need to add that firm is their name, country, state (for U.S. firms), and the name and email of the firm's administrator.

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8. We have been using electronic billing through another vendor with one of our primary firms. We are having problems getting the lawyers to view their invoices electronically. They still like the hard copy. Are you experiencing the same problems and if so, how do you handle them?

Occasionally, in-house counsel will express an initial preference to work with paper bills, which can be printed from the Serengeti Tracker system if necessary. However, that is rare, and law departments on Serengeti Tracker law departments report that virtually all lawyers are approving invoices online.

To maximize use, it is important to carefully select a system with an intuitive interface that will be easily used by even the most computer-resistant lawyers. On Serengeti, it only takes a couple of minutes to show the lawyer how much easier it is to review bills online, and how doing so helps the entire law department better track its spending. Moreover, Serengeti Tracker provides tools that make the review process easier and faster. For example, the system automatically compares the invoice to the budget. In short, to be successfully implemented, an electronic invoicing and matter management system must be similar to the iPod and Google in rescuing the user from complexity. It is therefore essential to test drive any system with the most technologically challenged members of your law department to assess their reaction to the functions and interface.

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9. How many countries are represented in your customer law firm base?

Serengeti has law firm users in more than 125 countries. These users, their firms, and other information such as experience, practice areas, and jurisdictions are searchable in the Tracker Worldwide Directory of Firms.

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10. Do you have to use UTBMS codes or other billing codes to do electronic billing? If so, are you experiencing any pushback from the law firm timekeepers?

Background: The Uniform Task-Based Management System specifies "UTBMS task and activity codes," which are codes for fee line items, and "UTBMS expense codes," which are codes for expense line items.

With respect to UTBMS task & activity codes, some vendors do require UTBMS task and activity codes (i.e. a bill can't be submitted unless every fee line-item has a task AND activity code). Others accept such coding but do not require it. During the past year, there have been several articles in the in-house counsel press discussing why the use of the UTBMS billing codes has not caught on (e.g., "Staying Power," **Corporate Counsel** magazine, April 2004, pp.78-83). Annual surveys of ACC members indicate that only about 5% of the ACC law departments require UTBMS codes from any of their law firms--and one-fourth of those that actually admit that they don't use the data they receive. In general, companies who have tried using UTBMS codes report that: (1) the data that they receive is not useful, except to analyze a large volume of very similar matters; and (2) the time necessary to collect and analyze the data does not result in sufficient measurable gains.

Law firms are also pushing back on the amount of time necessary for their lawyers to designate a task and activity code for each time entry, particularly when their clients do not seem to use the data and they see no benefit for this work. Moreover, many law firms will merely delegate the task down to staffers, who may not apply the codes accurately, further reducing any value provided by the codes.

For the reasons described above, Serengeti does not require UTBMS task & activity codes (although the system does accept such codes if provided). Our philosophy is that the most effective and efficient way to manage outside counsel is through budgets and tracking of results. Law firms focus their energy on achieving expected results within an agreed upon budget, rather than figuring out the trick words and codes to bypass imprecise audit rules.

Law departments on Serengeti can, however, require UTBMS expense codes. The UTBMS expense codes are much different than the UTBMS task and activity codes, because they are easily generated by law firm billing systems without lawyer involvement. Moreover the audit rules are straightforward (for example, the charge for photocopies can't exceed \$0.10 per page). Therefore, the UBMS expense codes generally provide a practical way to collect data regarding expenses, and to audit for compliance with billing guidelines.

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11. How do you handle bills in foreign currencies?

In Serengeti, each user selects a currency preference into which all bills, budgets, and other financial information are automatically converted. That user's reports are also presented in their currency of preference, no matter what currency the bills were originally submitted in. Also, different users in the law department can each have different currency preferences, permitting an attorney at a branch office in Singapore to review bills/spending reports converted to Singapore dollars, while the home office reports covering worldwide spending are in U.S. dollars. The law department selects the frequency of currency conversion updates, which is done automatically by the system.

In addition, the system tracks value added taxes separately because such taxes are often reimbursed. This permits inclusion or exclusion of such amounts when creating spending reports.

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12. How about bills from 3rd-party vendors of the law firms i.e. court reporting services, arbitration services, etc. Do those bills get electronically transmitted as well and thereby get into the system?

Yes, this is another reason that companies generally need an electronic billing system that includes an easy-to-use non-LEDES option. Most non-law firm vendors have billing systems that cannot generate LEDES (which is a standard for law firm bills). Law departments on Serengeti are currently processing electronic bills from accounting firms, trademark agents, expert witnesses, agents for service of process, copy services, and other vendors. There is also flexibility for the law department to manually post an occasional paper bill that is received, a scanned copy of which can be uploaded. These features permit the law department to have complete reports that reflect all spending related to their legal work, and to eliminate a separate paper system.

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13. What does the system flag automatically?

Serengeti's system automatically catches violations of the standard LEDES requirements in a LEDES bill (e.g. missing required fields), duplicate bills, math errors, new timekeepers on a matter, changes in hourly rates, violations of billing guidelines, and spending exceeding budget for the month, fiscal year, and since the beginning of the matter (if there is a matter budget).

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14. Describe all of the steps in the review process for an electronic bill.

Different systems provide various processes. The following describes the bill review

process in Serengeti Tracker.

When a bill is submitted by a law firm, it is checked for errors, completeness, duplicates etc. and rejected with a specific explanation if there is a problem. Once the bill is accepted, it comes up on the Serengeti dashboard of the first reviewer, with an email alert if the user has requested one. Many law departments have the first reviewer (which we call a "billing guideline reviewer") resolve audit violations and check other basic issues before the bill is sent on to the first attorney reviewer. The system automatically routes a bill through the approval chain of reviewers for a specific matter until final approval is obtained, capturing comments and revisions along the way. Additional approvers with higher levels of spending authority may be designated to receive only bills exceeding certain thresholds. Also, the Serengeti system can be set up to route the invoice to users who are specifically responsible for checking the accounting code allocations of a specific bill to make sure that the defaults for the matter are acceptable for a given bill. When the bill is finally approved, it goes into an A/P approval file and to the appropriate A/P system (s) for payment. The A/P file includes all of the approval data and an electronic copy of the bill. The approved/rejected/modified bill also goes back to the law firm with any modifications and comments.

Each bill reviewer can check the audit violations caught by the system and resolve them either before or after looking at the bill. When reviewing the bill, the reviewer can make line item adjustments and comments, which are captured by the system and recalculated. The reviewer can change the format of the bill for ease of review, looking at the activities chronologically, seeing each timekeeper's work grouped together, checking biggest charges first, etc. Comments can be designated as only for law department reviewers, or for the law firm. The reviewer can also check summary data regarding the bill, including comparisons with the budget (for the month, fiscal year, and since the beginning of the matter), staffing levels (partner vs. associate vs. paralegal time) and other summary data. If appropriate, a bill can also be approved or rejected with a single click, at which point it moves to the next approver, or off to A/P for payment.

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15. What if we don't agree with entries on the bill? Is there a mechanism for disapproving entries?

In Serengeti you can make an adjustment on any line item of the bill, including comments (designated as either internal or to the firm) and adjustment of the approved amount for that line item (or reducing it to zero if appropriate). The system captures all changes and recalculates the bill. This is in addition to audits that the system automatically runs for new timekeepers, changes in rates, and violations of billing guidelines.

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16. Do all of the presenters' companies use the system for all types of Legal billing (i.e.

Litigation, Corporate, etc)?

Yes, all of the companies use the Serengeti system to track all of their different types of legal work, both internal and with outside counsel, including litigation, transactional, intellectual property, and corporate governance.

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17. How does the system help in identifying layering by outside counsel?

Assuming that “layering” refers to the staffing levels in a matter, Serengeti’s system provides a summary of the amount of time by timekeeper, as well as the relative allocations of time/ spending for each category of timekeeper: partner, associate, and paralegal. This permits the bill reviewer to verify whether the allocation of work and staffing levels are consistent with what was expected for the specific project.

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18. What types of budgeting capabilities does the system have? Can it track budget performance down to the matter level?

Serengeti’s system does track budgets down to the matter level, either by time period (month or months) or by litigation phase. Once a budget is approved by the client, all electronic bills are automatically compared with the budget, so that clients can see spending vs. budget for the month, year-to-date, and since the beginning of the matter. The entire history of budgets for a matter is retained, permitting comparisons of prior versions. The client can lock a budget, or permit changes to past and/or future time periods, subject to client approval.

In addition to traditional uses, some companies are using budgets to replace purchase orders, accruals for unbilled amounts, and other workflows. Reports show actual/budget performance for any time period for specific types of matters, outside counsel, in-house counsel, etc. so that clients can assess predictive accuracy and developing problem areas. Law departments using a combination of budgets and electronic billing report that this approach provides a practical way to set reasonable expectations and control outside legal spending.

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19. What reporting data can be gleaned from the system to enable better outsourcing decisions (which firms to use)?

Basic electronic billing systems allow you to compare spending on fees/expenses for specific types of matters to determine whether certain outside counsel are above or below averages. Some may also allow comparisons of staffing models (partner/associate/ paralegal), hours to resolve a matter, and other information from the electronic bills.

Systems like Serengeti that have electronic invoicing with matter management in one system permit comparisons not only of fees/expenses, but also results achieved (e.g. settlement amounts paid and/or received), the time necessary to resolve matters, predictive accuracy (for fees/expenses, time to resolve, and results), lessons learned, and subjective performance evaluations of outside counsel (achievement of client's goals, efficiency, etc.). Evaluating law firms' fees and expenses, together with the results achieved and their predictive accuracy (based on data that the law firms provide through the matter management system), furnishes the most comprehensive information for better outsourcing decisions.

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20. How does e-billing help with the preparation and prosecution of patents? Does it track invoices by patent docket numbers, subcases, and also types of expenses?

Systems that offer only e-billing generally cannot provide any information specifically relevant to the preparation and prosecution of patents. Also, there is not a uniform and widely accepted coding system for fees or expenses to be able to separate out patent preparation from prosecution, or the various types of expenses.

However, systems that combine matter management with e-billing such as Serengeti Tracker can provide that type of information. For example, in October 2005, Serengeti Tracker will be releasing Tracker version 7.0 that will allow users to create a budget and track spending by the following patent categories:

- Preparation Phase
- Prosecution Phase
- Post-Allowance Phase

This will enable law departments to create baselines for each of these categories without the law firm having to code time entries (Serengeti Tracker has similar phased-budgeting for litigation matters as well).

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21. Do law departments track other matters in the matter management system that don't require outside counsel?

Basic electronic billing systems generally track only those matters involving outside counsel who are submitting bills. Systems that combine electronic billing with matter management generally allow law departments to track both matters involving outside counsel and internal matters being handled by the law department, so that reports can include all of the company's legal work.

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22. How do the members of the panel track legal expense v. settlement payments?

Electronic billing systems generally do not track outcomes such as settlement payments, unless they are made through a law firm. Combined e-billing/matter management systems like Serengeti do provide for the tracking and reporting of results, including the phase, date, type of resolution, and amounts paid and received.

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23. When you say that \$24,000/yr. is the typical cost for a small law department, how do you define “small”?

For purposes of Serengeti pricing, a small law department has up to roughly 20 in-house users, 50 law firms, and 150 active matters at any one time being managed with outside counsel. There are no additional charges to law firms, and no additional charges for ongoing services such as support, maintenance, and upgrades.

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24. The 5-15% savings, what is that based on? Is there a reduction in fees?

The savings referred to by most consultants are generally writedowns in legal bills from better bill review and bill audits. The savings reported by law departments in the ACC/Serengeti survey are savings in outside legal spending, which in addition to bill writedowns could include budgets, sending more work to firms that are most efficient, using billing data to negotiate alternative fees, and other savings. These savings estimates generally do not include the time savings for the law department from not having to manage paper bills, enter data into internal systems, and create reports, which can be significant. You can download a tool to estimate your return on investment from an electronic billing/matter management system, using your own assumptions about potential savings, at: www.serengetilaw.com/Tracker/ReturnOnInvestment.htm.

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25. Are there any additional fees apart from implementation and yearly maintenance/support fees?

For Serengeti, there is an implementation/setup fee and a monthly service fee, which includes all in-house and law firm users, as well as all ongoing maintenance, support, and upgrades. The only other potential charge is for converting and uploading historical information, instead of manually copying that information into Serengeti. Serengeti will provide a fixed quote for database upload as well, after examining the database(s) to be converted. There are no other charges for Serengeti Tracker.

Unlike most electronic billing vendors, Serengeti does not impose any charges on law firms

(these fees range from around \$3,000/client/year or 2% of the billed amounts for each firm). Many law firms have told us that if they are charged by a system, they find a way to pass on the charges to the corresponding corporate law department, either directly or indirectly. Consequently, to estimate the true cost of a system, you should add in any law firm costs to arrive at your total system cost—or ask the vendor for a price that would require no charges to law firms. In addition, charging law firms generally leads to delayed and partial implementations. Finally, with any vendor, you should determine whether there is any variable pricing to you or your law firms that will change with the number of users, number of firms, amount of bills being processed, etc., and whether there are any extra charges for upgrades, maintenance, and support.

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26. What criteria are used to determine the cost of your service?

In setting its implementation and fixed monthly service fees, Serengeti considers company estimates of the following: law department users, law firms (domestic and foreign), active matters (both internal and with outside counsel), average number of bills processed/mo., and annual legal spending as an indicator of overall level of activity/inactivity. The cost of any database conversion is dependent upon the size, complexity, and completeness of the database.

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27. All of our legal costs are reimbursed by our parent company in Japan. We have to provide backup (receipts, etc.) to get reimbursed. With electronic billing, how do we obtain and provide the necessary backup?

Some e-billing systems like Serengeti Tracker allow law firms to include an electronic copy of receipts. Tracker will keep the electronic copy of backup receipts with the electronic bill for online review by your parent company, eliminating the need to send them paper bills and receipts each month. If your parent company prefers to review the bills, spending reports, etc. in Japanese yen, each user can set a currency preference, which is the currency into which all financial information is converted by the system for that user. In addition, if the parent company doesn't want to login to Serengeti Tracker, you can send them .zip files with all invoices, receipts, etc., which they can easily save or print.

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28. What happens when two law firms merge? Does the new merged firm have to be re-implemented?

Some systems require that the new law firm information (users, contact information, positions, etc.) be manually re-entered into your system, and that new users IDs be issued to everyone in the new merged firm. Some systems also do not merge the historical spending information from the two firms into the new firm. By contrast, Serengeti has tools

that automate the merger of law firms in the system, so that neither the law firm nor the law department has to do any extra data entry, and so that all historical data is retained. Given the increasing frequency of law firm mergers, this is a significant issue to explore with a prospective vendor.

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29. Some law departments have been forced to migrate to a new matter management system because the existing vendor discontinued that line of business (e.g., Hummingbird's Corporate LawPack). So, what happens if Serengeti (or other e-billing vendors) decide to stop supporting their e-billing products at some point down the road?

As was mentioned during the web seminar, migration from discontinued systems like LawPack is possible by mapping and uploading the existing data to a new system, which is what American Express did when it moved from LawPack to Serengeti. It is critical to determine whether a system that you are considering permits the law department to do periodic exports of data to your own database, which provides insurance if the vendor should terminate its service. In addition, vendor contracts should specifically describe the vendor's obligations to deliver the customer's data in a structured format if the relationship is ever terminated, so that the law department has what it needs to restart in a new system.

Obviously, the best solution is to avoid a forced migration to a new system by selecting a vendor that is committed to the long-term delivery of the service, and whose success is proven in the marketplace. Due diligence should include an analysis of the diversity of the vendor's current customer base, growth, financial stability, revenue versus the number of employees to support the service, and whether the vendor is involved in other businesses. Another very important consideration is whether the vendor is owned or controlled by another entity (e.g. a parent company, venture capitalists, major owners, banks, or other creditors), who may at any time decide to pull out of the business because it is not sufficiently profitable, or does not meet their other priorities. LawPack is a good example of why such due diligence is important.

One of the most important indicators of future stability of a system is whether there is a broad and growing base of satisfied customers who will continue to support the service and encourage others to use it. The ACC small law department listserve and reports by the General Counsel Roundtable regarding electronic billing and matter management vendors are good sources of information about which systems other law departments are using, and whether they will continue to use them.

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30. All the participants on the panel selected Serengeti -- what other products did they review/consider?

Prior to selecting Serengeti, the panel members considered the following other vendors:

Abacus
Bridgeway (eCounsel and Secretariat)
CLS/Summit Law Dept. Suite
Corprasoft
DataCert
Examen
INSLAW, Inc.
LAWTRAC
Legal Files
Mitrstech
Time Matters
TLEX
Tripoint
Tymetrix

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