

2009 ACC/Serengeti Managing Outside Counsel Survey Benchmarking Worksheet

Compare your department's performance with benchmarks from ACC members.*

▶ 1. Revenues/Company Size

Your company's 2008 worldwide revenues:
\$ _____

Using this number, the size of your company is:

Small: less than \$100 million

Medium: \$100 million to \$1 billion

Large: greater than \$1 billion.

BENCHMARK: *Small companies: 3.00%*
Medium companies: .42%
Large companies: .26%

▶ 2. Outside Legal Spending

Your 2008 spending on outside counsel fees,
expenses, and experts: \$ _____

BENCHMARK: *Small companies: \$386,000*
Medium companies: \$971,000
Large companies: \$7,000,000

▶ 3. Outside Legal Spending as a Percentage of Company Revenues

To calculate, take your response to Question 2,
divide it by your response to Question 1, and
express it as a percentage (e.g., \$1 million/\$100
million = .01 or 1%) _____%

BENCHMARK: *Small companies: 1.57%*
Medium companies: .25%
Large companies: .16%

▶ 4. Total Legal Spending as a Percentage of Company Revenues

To calculate, take your total 2008 spending on
outside counsel and your law department, divide
this number by your response to Question 1, and
express the result as a percentage (e.g.,
\$1 million/\$100 million = .01 or 1%) _____%

▶ 5. Number of Law Firms

Number of law firms your law department used in
the U.S. during 2007: _____

BENCHMARK: *Small companies: 5*
Medium companies: 8
Large companies: 25

▶ 6. Annual Change in Hourly Rates

Percentage change in your law firms' hourly rates
during 2008 compared with 2007: _____%

BENCHMARK: *Average increase of 4.7%*

▶ 7. Convergence Strategy

During the past year, has your company engaged in a
convergence strategy, i.e. reduced the number of
your primary law firms?

BENCHMARK: *Small companies: 22.9%*
Medium companies: 28.6%
Large companies: 47.3%

▶ 8. Required Retention Terms

What retention terms do you generally require?

Monthly/periodic bills: Yes/No

BENCHMARK: *Required by 95.6% of companies*

Billing formats/details: Yes/No

BENCHMARK: *Required by 66.2% of companies*

Discounts from standard hourly rates: Yes/No
BENCHMARK: *Required by 66.2% of companies*

Budgets/associated reports: Yes/No
BENCHMARK: *Required by 61.3% of companies*

No change of rates without approval: Yes/No
BENCHMARK: *Required by 58.0% of companies*

Early case assessments: Yes/No
BENCHMARK: *Required by 54.6% of companies*

Periodic written status updates: Yes/No
BENCHMARK: *Required by 53.3% of companies*

Limits on Internal Charges: Yes/No
BENCHMARK: *Required by 52.3% of companies*

No change of attorneys without approval: Yes/No
BENCHMARK: *Required by 51.5% of companies*

► 9. Required Compliance Reports

Are you required to issue monthly or quarterly reports regarding the following legal developments?

Legal Matter Status: Yes/No
BENCHMARK: *Required by 94.1% of companies*

Legal Matter Results: Yes/No
BENCHMARK: *Required by 93.1% of companies*

Legal Liability Exposure: Yes/No
BENCHMARK: *Required by 91.8% of companies*

Legal Spending: Yes/No
BENCHMARK: *Required by 89.5% of companies*

Unbilled Spending/Accruals: Yes/No
BENCHMARK: *Required by 79.0% of companies*

► 10. Specific Techniques to Control Legal Spending:

What techniques to control outside legal spending do you use, and what percentage of outside legal spending do you save?

Case/matter budgets: Yes/No
BENCHMARK: *Used by 62.3% of companies, resulting in average savings of 21.7%*

Discounted/alternative fees: Yes/No
BENCHMARK: *Used by 59.2% of companies, resulting in average savings of 16.6%*

Re-allocation of work to firms w/ lower rates: Yes/ No
BENCHMARK: *Used by 52.6% of companies, resulting in average savings of 18.1%*

Billing guidelines/spending rules: Yes/ No
BENCHMARK: *Used by 48.2% of companies, resulting in average savings of 16.6%*

Electronic bill review/auditing: Yes/ No
BENCHMARK: *Used by 38.5% of companies, resulting in average savings of 11.9%*

In-house fee/bill manager: Yes/No
BENCHMARK: *Used by 34.6% of companies, resulting in average savings of 12.2%.*

Evaluations of outside counsel: Yes/ No
BENCHMARK: *Used by 34.1% of companies, resulting in average savings of 14.6%*

Matter management systems: Yes/ No
BENCHMARK: *Used by 30.8% of companies, resulting in average savings of 6.5%*

*These benchmarks are from the **2009 ACC/Serengeti Managing Outside Counsel Survey**. The survey was conducted by Serengeti Law, whose e-billing/matter management system is used by over 100,000 in-house and outside counsel in 160 countries to exchange bills, budgets, status updates, documents and other information in one secure online system.

The full 150+ page survey report is available to ACC members at a special discount. In addition to nine years of information about how companies find, manage, and track the performance of their outside counsel, the report includes the prevailing hourly rates paid for specific types of legal work in major metropolitan areas. Additional information is available at: www.SerengetiLaw.com. Any questions may be addressed to the report author, Rob Thomas: rThomas@SerengetiLaw.com.