

# 2010 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 2009 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: 2.00%*  
*Medium companies: .53%*  
*Large companies: .33%*

## ▶ 2. Outside Legal Spending

Your 2009 spending on outside counsel fees, expenses, and experts: \$ \_\_\_\_\_

BENCHMARK: *Small companies: \$247,500*  
*Medium companies: \$1,270,500*  
*Large companies: \$10,000,000*

## ▶ 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: .94%*  
*Medium companies: .30%*  
*Large companies: .21%*

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

To calculate, take your total 2009 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 2009: \_\_\_\_\_

BENCHMARK: *Small companies: 4.5*  
*Medium companies: 10*  
*Large companies: 43.5*

## ▶ 6. Annual Change in Hourly Rates

Percentage change in your law firms' hourly rates during 2009 compared with 2008: \_\_\_\_\_%

BENCHMARK: *Average increase of 1.5%*

## ▶ 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: 17.9%*  
*Medium companies: 33.3%*  
*Large companies: 41.2%*

## ▶ 8. Required Retention Terms

What retention terms do you generally require?

**Monthly/periodic bills:** Yes/No

BENCHMARK: *Required by 93.8% of companies*

**Discounts from standard hourly rates:** Yes/No

BENCHMARK: *Required by 74.7% of companies*

**Billing formats/details:** Yes/NoBENCHMARK: *Required by 70.2% of companies***No change of rates without approval:** Yes/NoBENCHMARK: *Required by 68.5% of companies***Budgets/associated reports:** Yes/NoBENCHMARK: *Required by 64.6% of companies***No change of attorneys without approval:** Yes/NoBENCHMARK: *Required by 63.5% of companies***Early case assessments:** Yes/NoBENCHMARK: *Required by 59.6% of companies***Periodic written status updates:** Yes/NoBENCHMARK: *Required by 59.0% of companies***Limits on Internal Charges:** Yes/NoBENCHMARK: *Required by 57.9% of companies*▶ **9. Required Compliance Reports**

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

**Legal Matter Status:** Yes/NoBENCHMARK: *Required by 96.1% of companies***Legal Spending:** Yes/NoBENCHMARK: *Required by 91.6% of companies***Legal Matter Results:** Yes/NoBENCHMARK: *Required by 91.0% of companies***Legal Liability Exposure:** Yes/NoBENCHMARK: *Required by 88.2% of companies***Unbilled Spending/Accruals:** Yes/NoBENCHMARK: *Required by 83.7% 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/NoBENCHMARK: *Used by 64.0% of companies, resulting in average savings of 26.9%***Discounted/alternative fees:** Yes/NoBENCHMARK: *Used by 61.2% of companies, resulting in average savings of 23.9%***Billing guidelines/spending rules:** Yes/ NoBENCHMARK: *Used by 51.1% of companies, resulting in average savings of 21.9%***Re-allocation of work to firms w/ lower rates:** Yes/ NoBENCHMARK: *Used by 45.5% of companies, resulting in average savings of 18.5%***Electronic bill review/auditing:** Yes/ NoBENCHMARK: *Used by 42.7% of companies, resulting in average savings of 22.2%***In-house fee/bill manager:** Yes/NoBENCHMARK: *Used by 34.3% of companies, resulting in average savings of 15.0%***Matter management systems:** Yes/ NoBENCHMARK: *Used by 31.5% of companies, resulting in average savings of 14.5%***Evaluations of outside counsel:** Yes/ NoBENCHMARK: *Used by 29.8% of companies, resulting in average savings of 14.3%*

\*These benchmarks are from the **2010 ACC/Serengeti Managing Outside Counsel Survey**. The survey was conducted by Serengeti Law, whose e-billing/matter management system is used by over 120,000 in-house and outside counsel in 180 countries to exchange bills, budgets, status updates, documents and other information in one secure online system.

The full 170+ page survey report is available to ACC members at a special discount. In addition to ten 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](http://www.SerengetiLaw.com). Any questions may be addressed to the report author, Rob Thomas: [rThomas@SerengetiLaw.com](mailto:rThomas@SerengetiLaw.com).