



Models & Structures

Litigation Technology Operations
at AmLaw 200 Firms

SNAPSHOT

The Cowen Group

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What we learned about

Law Firm Clients & Internal Services

We asked law firms whether they had conducted a client litigation profile and to describe the relative sophistication of their clients' eDiscovery knowledge and capabilities. 40% of respondents had not conducted such a client landscape. Clients are willing to pay for very different eDiscovery and litigation support services depending upon their relative levels of sophistication and knowledge in eDiscovery matters.



Sophisticated
in-house eDiscovery knowledge and capabilities



Sophisticated
knowledge, but limited internal capacity



Emerging
in-house eDiscovery knowledge and capabilities



Limited
in-house eDiscovery knowledge and capabilities

All / Many
of respondent firms' clients reflect this characteristic

11%

23%

15%

51%

Some
of respondent firms' clients reflect this characteristic

51%

64%

45%

30%

Few
of respondent firms' clients reflect this characteristic

36%

11%

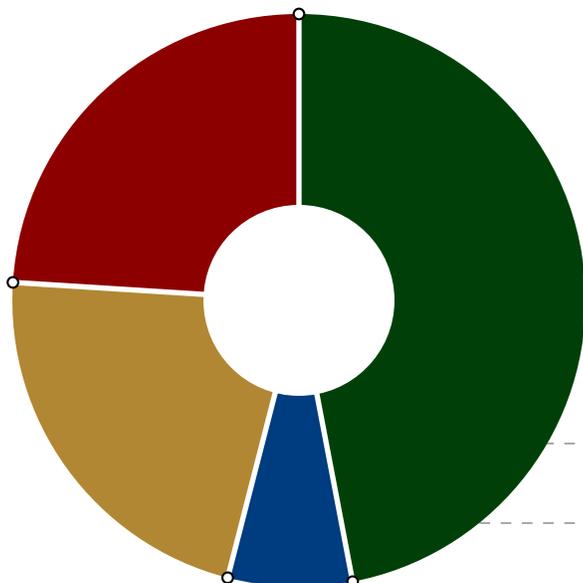
34%

15%

None
of respondent firms' clients reflect this characteristic

4%

4%



We asked law firms to describe their model for providing litigation support services. The total cost of ownership, flexibility of service, and ultimate cost of eDiscovery are important factors in a firm's ability to provide the right type of support to their clients, today and in the future.

47%

Litigation support services provided through an **Internal Team**

0%

Litigation support services provided through an **External Team**

7%

The decision to use internal or external resources is **Based on Predictable Thresholds & Metrics**

22%

Litigation support services provided through a **Mix of Internal and External Resources**

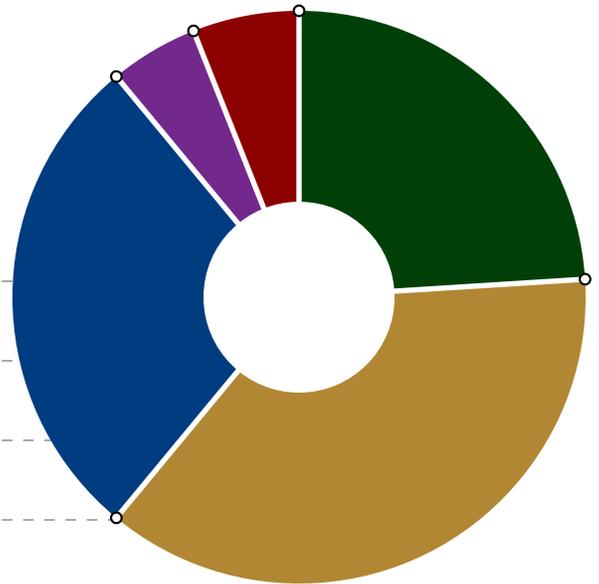
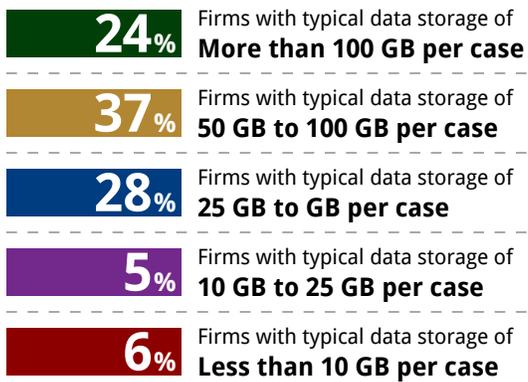
24%

The decision to use internal or external resources is **Made on a Case-by-Case Basis**

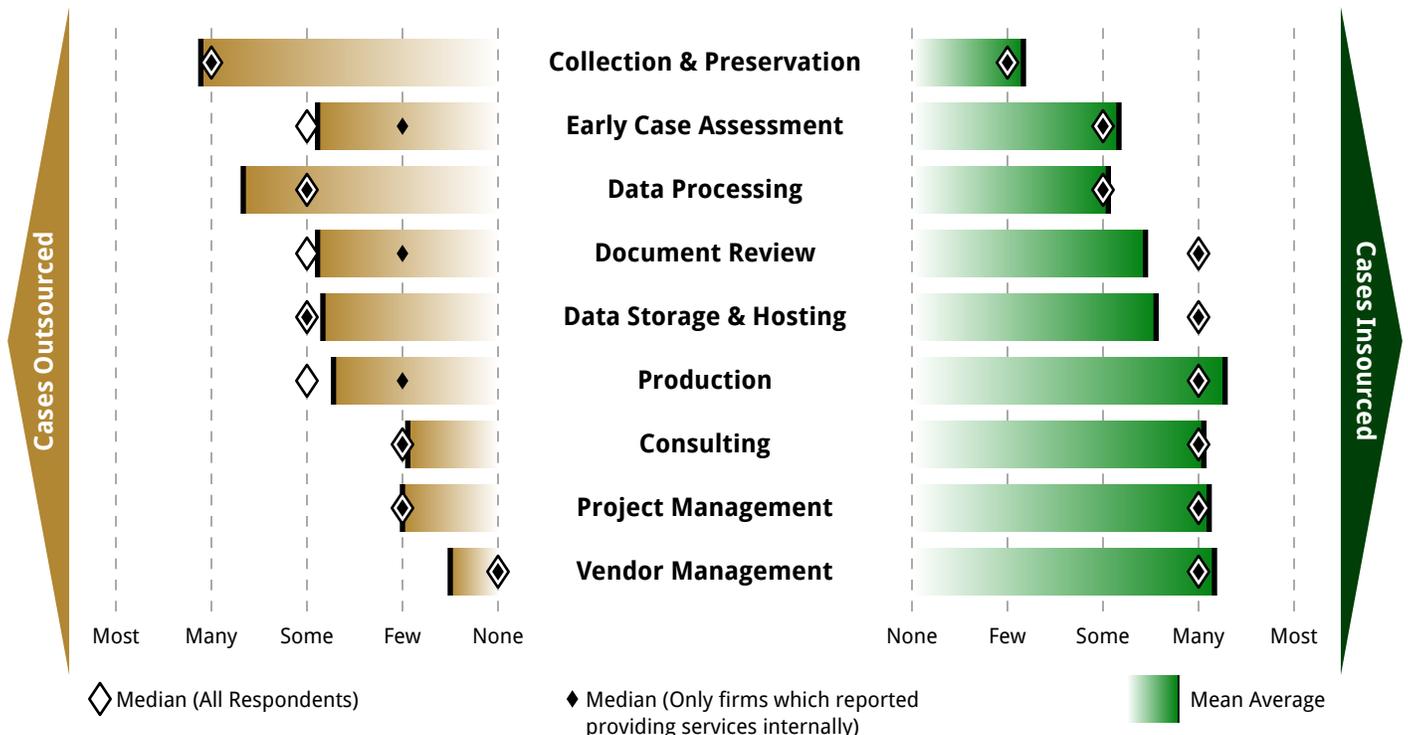
What we learned about

Law Firm Capabilities & Capacities

We asked law firms to describe the average amount of ESI involved in their litigation matters. Capacity is a critical consideration, regardless of model. Is your firm prepared to handle the growing volume of electronic data for both bet-the-company litigation as well as more "bread-and-butter" cases?



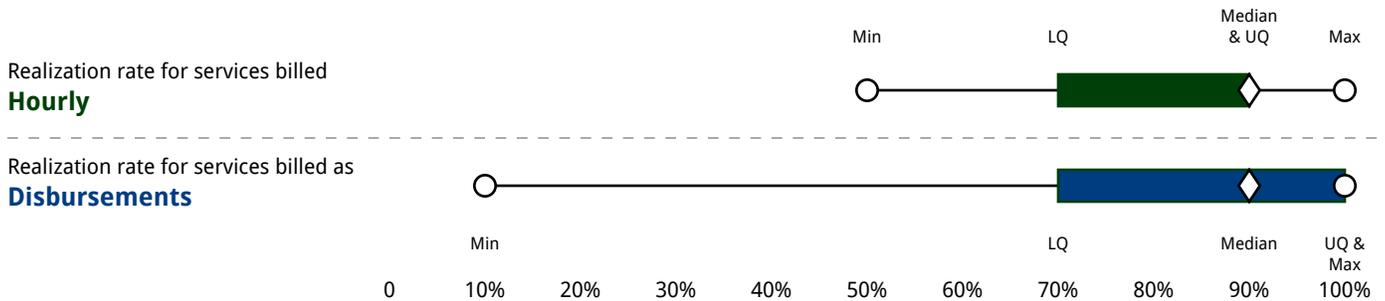
We asked law firms to describe how they insource and outsource eDiscovery work. Responses demonstrate that firms are looking for ways to balance many diverging needs: support the growing data volumes of "bread and butter" cases, provide strategic guidance to emerging clients, and integrate internal capabilities with external partnerships in order to meet expectations of more sophisticated clients.



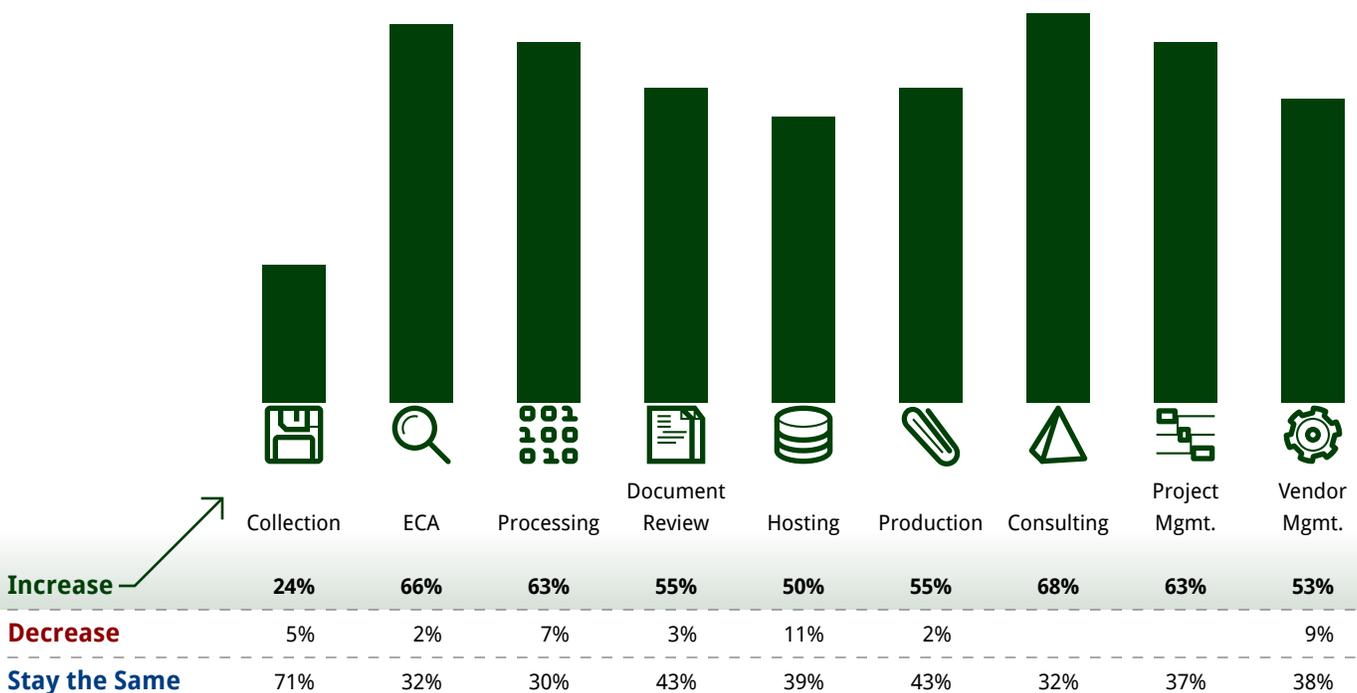
What we learned about

Law Firm Billing & Investments

We asked law firms to describe their realization rates for services billed hourly and by disbursement. Firms report experiencing pressure by clients to control costs, and an unwillingness by some firm attorneys to charge for services. In spite of this, few firms bill by disbursement (42%) and firms report a 90% median realization rate for both types of billing. Understanding billability is a critical component when making new investments in people, process and technology.



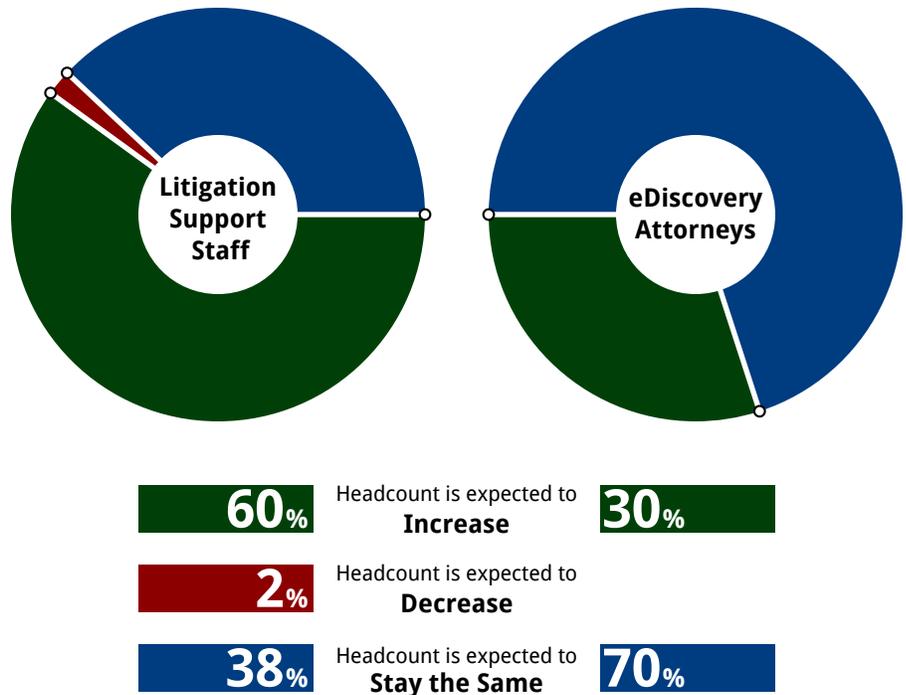
We asked law firms to describe their planned investments in litigation support and eDiscovery services over the next six months. On average, firms are investing in 7 of the 10 categories, with consultative services, Early Case Assessment, data processing and project management being the top priorities.



What we learned about

Roles in eDiscovery & Lit. Support

We asked law firms to describe their planned investments in headcount over the next six months. With over 60% of firms adding litigation support positions and 30% of firms adding eDiscovery attorneys, we anticipate 150-250 openings at major law firms. We expect a special emphasis on project managers and legalists given responses to other questions.



Law firms are responding to their varied and diverging client needs by building flexibility into their model. This expanded flexibility requires innovative business thinking, technical sophistication, and elevated legal judgment — an evolution that creates opportunities for talented professionals that can meet with clients, architect unique solutions, and coordinate communication between large and varied case teams. Firms are making investments in consultative talent, new tools, and deeper, more strategic vendor relationships.

Who on your team is ready to sit down with sophisticated clients and tell them how your system fits with their workflow, or with unsophisticated clients and help them weigh the cost and risk alternatives of different eDiscovery strategies?

Are you making the right people investments to meet your clients' expanding demands?

If 1-2 of your people left to join a growing department, would you be forced to outsource work that your clients would rather you have done internally?

If you would like a copy of the full report from this survey at no cost, please contact us at info@cowengroup.com