



THE COWEN GROUP

2010

**Fifth Annual
Litigation Support
Salary Study**

The Cowen Group's Annual Salary Study
Fifth Edition (2010)

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It should come as no surprise that the economic recession kept salaries in check for litigation support and eDiscovery professionals during 2010. However, the salary data alone paints an incomplete picture. The Cowen Group's Quarterly Trends Survey revealed that workload has been up significantly for the last five consecutive quarters. This surge in workload means forward-thinking executives should be preparing for increased hiring and a corresponding rise in salaries in 2011.

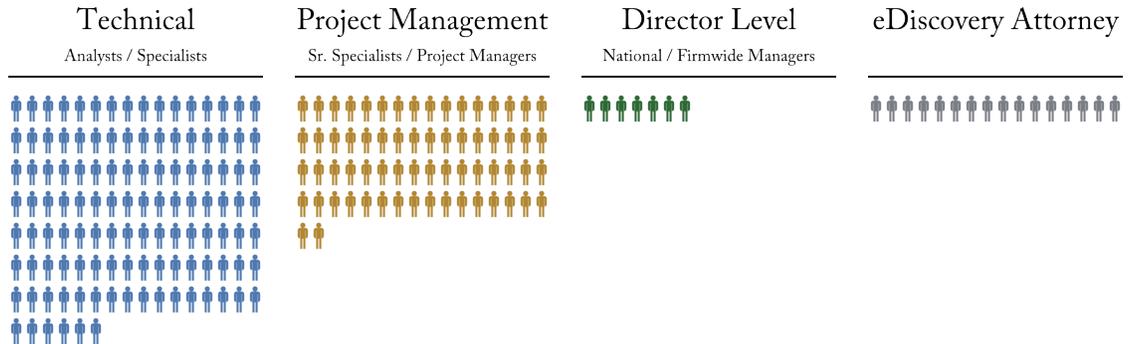
Many who responded to The Cowen Group's 2010 Salary Study indicated that they are handling increased workloads because they have landed new cases and existing but stalled cases have resumed. Workload, hours worked, and new matters are all up significantly compared with 2009. This is encouraging news for law firms, vendors, and consultants, as it indicates that the eDiscovery industry is emerging from the recession.

To handle this increased workload, 60% of responding firms indicated they are planning to grow their litigation support departments and eDiscovery practice groups in early 2011. Firms can only do more with less for so long. Staffs that were whittled down as much as possible during the worst of the recession found themselves working at or beyond max capacity this year.

PRIOR STATE: WORKLOAD IN 2010

Added Work from New Cases		39
Resumed Work on Stalled Cases		34
Recent Reductions in Headcount		5

205 NEW POSITIONS



The Cowen Group’s 2010 Salary Study revealed that law firms will create at least 205 new positions during the first six months of 2011. The survey does not include hiring at major corporations or service providers, and thus that number is likely to be conservative for the industry as a whole. In our opinion, the number of new positions could approach 320 in the next six months.

Because the marketplace is not training and developing new candidates quickly enough, the demand for experienced professionals will soon exceed the supply. This mirrors the trend experienced by the eDiscovery industry during the boom years of 2005 - 2008.

Managers seeking to remain competitive need to be aware of the impact that this increased hiring will have on their ability to attract and retain the best and brightest litigation support and eDiscovery talent - attorneys, non-attorneys, and technologists alike. Success in this new marketplace will require an understanding of where these skilled candidates are coming from and what it will cost to retain their services.

Where will candidates come from?

Due to recessionary budget constraints, most law firms did not invest in eDiscovery training over the last two years and effective training programs for new litigation support and eDiscovery professionals have only just begun to appear. These new professional training programs have not yet contributed significantly to the number of available candidates. Thus, the supply of experienced talent remains markedly insufficient to meet growing demand.

Salaries have essentially remained flat since 2008, as the demand for eDiscovery professionals has more or less matched the supply. However, that status quo is now changing as law firms experience a renewed increase in litigation.

Software and service vendors have been one of the primary training grounds for technology and project management professionals since the emergence of the eDiscovery industry. In 2011, top- and mid-tier firms will continue to pull these experienced employees from their ranks. However, these vendors do not supply the “pedigree” demanded by most leading law firms. Thus, career-minded professionals coming from support companies are well advised to gain experience at a mid-tier law firm before transitioning to a top firm. Likewise, those working for mid-level law firms will find it valuable to gain additional experience at a top-tier support firm before moving up to the marquee-level law firm.

For purposes of this analysis, the designation “top-tier” does not necessarily reflect the size, revenue, or AmLaw ranking of a given firm. Rather, it reflects a firm’s commitment - on an ongoing and regular basis - to make investments in people, process, and technology so as to create an optimal environment for career growth, satisfaction, and reward.

What does this mean for you?

We believe there will be significant upward pressure on salaries at all levels. As the demand for talent increases while the supply remains static, skilled professionals will once again be able to command increasingly lucrative compensation packages. Based on The Cowen Group’s 2010 Salary Study, expect to see salary increases of at least 5 % across the board; for more experienced specialists, project managers, and directors, increases will likely be 10 to 15%.

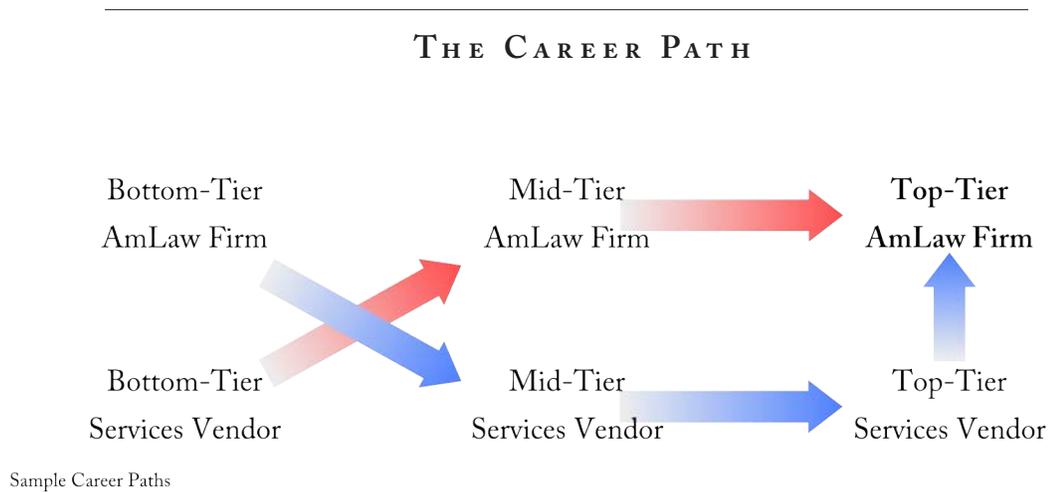
In this climate, lateral moves will become increasingly rare; it will take more than a slight salary increase or a better business card to lure the best and the brightest. Experienced and talented professionals will be reluctant to make career moves without the opportunity for upward mobility, added responsibility, and future development, along with salary increases.

Top-tier firms that have already made investments in people, process, and technology will likely have the budgets necessary to attract and retain this top talent. Ultimately, such firms will be successful in recruiting the best and brightest candidates—those that can bring instant

value to their organization. Marquee firms will most likely continue to recruit experienced eDiscovery and litigation support professionals from mid-level firms and top-tier vendors by luring them with premium salaries and career development opportunities. In short: the best will get better.

Small and mid-market firms will find it increasingly difficult to attract top talent unless they are willing and able to compete with the higher salaries and training and development opportunities offered by top-tier firms. Small and boutique firms will likely find it more advantageous to outsource larger portions of their eDiscovery projects in 2011. Expect to see these firms developing new and/or deeper strategic partnerships with legal technology vendors in the coming months. As a result, eDiscovery vendors will see an increase in business. Law firms and vendors will be competing for the same pool of talent, and thus vendors will need to make sure their salary and compensation levels are competitive in order to retain strategic personnel.

Technical professionals may find it less challenging to move from vendor to vendor and then transition to a top tier law firm, as this talent pool tends to be less attorney and client-facing.



What's next?

Although many industry observers have projected a dramatic reduction of legal professionals in the next few years, all of our data indicates that Litigation Support Departments and eDiscovery Practice Groups will continue to grow -- this year, next year, and beyond. Many firms, both large and small, are seeking to add eDiscovery practices in order to remain competitive and/or add new sources of revenue. Law firms attempting to move to a solution model of delivering services will need to make significant investments in people, process, and technology in the coming months. These trends, combined with the fact that the technology is still rapidly evolving, mean that demand for experienced talent will continue to exceed supply. In fact, the gap between supply and demand is projected to widen.



Law firms, corporations, and vendors are hiring talent in this market at an accelerating rate—that is undeniable. Armed with this salary information, executive leaders will be able to make strategic moves, plan budgets accordingly, and remain competitive.

As our industry matures and we have a better understanding of process and technology, our number one challenge will be finding the right people at the right time to execute the strategic and tactical vision set forth by management. The focus here will not be on “How” but on “Who”.

Executive leaders need to be mindful of these trends if they hope to attract and retain the best possible professionals. Without them, it will be increasingly difficult to compete in the evolving eDiscovery industry.

David Cowen

LITIGATION SUPPORT / eDISCOVERY ANALYST

2010 Median National Salary			Change Since 2009		
\$ 68,500			Up 3%		
West	Central	East	West	Central	East
\$58,000	\$59,000	\$70,000	Up 1%	Up 4%	Up 3%

LITIGATION SUPPORT SPECIALIST

2010 Median National Salary			Change Since 2009		
\$ 93,000			Up 2%		
West	Central	East	West	Central	East
\$91,000	\$87,000	93,000	Same	Up 6%	Up 1%

eDISCOVERY PROJECT MANAGER

2010 Median National Salary			Change Since 2009		
\$ 117,500			Up 2%		
West	Central	East	West	Central	East
\$101,000	\$96,000	\$119,000	Up 1%	Up 4%	Up 3%

REGIONAL LITIGATION TECHNOLOGY COORDINATOR

2010 Median National Salary

\$ 138,000

West **East**
\$125,000 \$140,000

Change Since 2009

Up 2%

West **East**
Same Up 4%

NATIONAL LITIGATION SUPPORT MANAGER

2010 Median National Salary

\$ 170,000

West **Central** **East**
\$150,000 \$137,000 \$178,000

Change Since 2009

Up 3%

West **Central** **East**
Same Up 4% Up 4%

FIRMWIDE DIRECTOR OF EDISCOVERY

2010 Median National Salary

\$ 278,000

West **Central** **East**
\$240,000 \$240,000 \$285,000

Change Since 2009

Up 4%

West **Central** **East**
Same Up 7% Up 4%

* In addition to these salary figures, The Cowen Group collects detailed job descriptions from AmLaw firms year-round. For the most current and complete details for these and other titles, please contact us directly: (212) 661 0025 or info@cowengroup.com

About This Study

The Cowen Group Salary Study is designed to provide executive leaders with a regular snapshot of salary levels and trends within the litigation support industry. Results are shared publicly in order to encourage community discussion, help departments build business cases and budgets for personnel needs, and provide professionals with the inside industry intelligence required to make optimal career decisions.

Currently in its fifth year, The Cowen Group Salary Study surveys senior department leaders, key attorney partners, and human resources professionals at AmLaw 200 firms to acquire empirical data on compensation for professionals providing litigation support and electronic discovery services. The 2010 survey was distributed to a representative of each AmLaw 200 firm and prompted responses from 68 unique firms—34% of the total market. This study remains the most comprehensive analysis of salary and compensation trends within the litigation support and eDiscovery profession. Results are supported through a series of interviews with industry leaders and professionals and compared against real-time hires facilitated by The Cowen Group's staffing team.

About The Cowen Group

The Cowen Group provides premier recruiting and staffing services to litigation support, electronic discovery, and legal technology departments at AmLaw 200 Firms, Fortune 500 companies, and leading legal service vendors. Since 2005, The Cowen Group has placed more than 350 eDiscovery and litigation support professionals and attorneys, in addition to providing management consulting and advisory services.

In an effort to help clients and candidates make informed hiring and career decisions, The Cowen Group shares industry research on compensation, workload, hiring, and technical investment trends. Our series of nationwide roundtable discussions provides a forum for exploring these trends along with other critical emerging issues, with peers and colleagues from corporate law departments and major law firms.

