

**Value Practice:*****Third Party Document Review and Calling All Timekeepers to the Table: Efficient and Cost-Effective Practices that Add Value******Based on Interview of a Managing Attorney of a Fortune 500 Company*****October 2009**

This Fortune 500 Company's law department's document review practices include using three preferred suppliers/third party vendors to handle first line document review. The law department is now also exploring using third party vendors for second line and privilege reviews.

The law department's practices include conducting quarterly audits of its top 10-15 law firms (by spend) to discuss issues of non-compliance with the company's Billing and Case Procedures. All discussions generally center around objective, business term related data. Substantive legal issues are left up to the company's matter attorneys to handle.

Following is additional information on each practice.

**THIRD PARTY DOCUMENT REVIEW: ON-SITE LITIGATION TECHNOLOGY CENTER AND OFF-SITE DOCUMENT REVIEW WITH OVERSIGHT BY OUTSIDE COUNSEL**

The company's law department has three preferred suppliers for conducting document review. To enhance efficiency, the law department contracts directly with the service providers—taking law firms out of the middle. At the same time, law firms handling the litigation continue to play a key oversight role.

**Selecting Service Providers:** To get started, the law department, under the direction of the Outside Legal Services Management team, identified thirteen potential service providers he was interested in evaluating and invited them to respond to a RFI/RFP. Some key aspects of the process:

- ***Identify key business requirements and desired outputs***-the law department conducted an internal exercise to determine the desired business requirements and outputs for the document review process.
- ***Develop an RFI/RFP designed to elicit information responsive to these requirements and outputs***- the law department's Managing Attorney for Outside Legal Services Management has a background in procurement and worked closely with the company's procurement department to develop an RFI/RFP tailored to the task.
- ***Identify the pool of service providers that may be potential respondents***- the Managing Attorney invited thirteen service providers to respond to the RFI/RFP.
- ***Select service providers for in-person meetings***-from the initial responses, the law department selected several service providers to invite in for more focused face-to-face meetings.
- ***Define the relationship in an engagement agreement***

**Document Review- in specific:** document review is performed in two key ways (1) on site at a Litigation Technology Center; and (2) off-site using preferred service providers with oversight by law firms handling the relevant cases.

- **Litigation Technology Center; On-site-** the company's law department transformed an off-site, warehouse-like facility into a center now called the Litigation Technology Center. Much of the first-line document review by one of its preferred providers is handled from this location. Lawyers and paralegals employed by the firm staff the center and conduct document review. Services are provided at contract lawyer rates (rather than higher, traditional associate hourly rates).
- **Traditional Model document review**—the other model for first line document review is to have the review performed at a non-company site. Using this model, third party vendors perform document review at the offices of the relevant law firm that is handling the litigation, or some other designated office space, and that firm provides oversight. Document reviewers receive detailed instructions to help guide their work.

**Benefits:** described benefits include (1) lower costs; (2) reduced cycle time; (3) enhanced efficiency—service providers are familiar with company's processes and, given concentration of work, can perform document review services efficiently and with enhanced consistency while still meeting the law department's business requirements.

#### CALLING ALL TIMEKEEPERS

Another 'value' practice implemented by the law department is to meet with firm timekeepers. For firms handling the top 10 or 15 legal matters by spend for the law department, meetings are scheduled so that the law department can clearly communicate to each firm the company's expectations regarding billing and case procedures.

Following are some of the key attributes of this practice:

- **Timekeepers must be identified and attend:** if time is submitted by an unfamiliar timekeeper, any charges will be auto-rejected.
- **Timekeepers receive unfiltered information directly from the law department:** all timekeepers hear the same message at the same time; expectations are clearly communicated; opportunity for questions to help eliminate any misunderstandings.
- **Eyeball-to eyeball and confirming nod:** meetings allow the client/law department and the timekeepers to meet face-to-face and acknowledge a two-way understanding of expectations—very powerful and helps eliminate questions and misunderstandings on the back-end.