



DELIVERING STRATEGIC SOLUTIONS ACCA'S 2000 ANNUAL MEETING

A. THE CHANGING FACE OF LITIGATION

B. EVOLUTION OF IN HOUSE PRACTICE

I. Young Turks in House

- No longer Sr. Partners placed in-house to funnel business "at any cost", and little oversight.
- With competitive pay and top talent - refinement of in-house practice: except financial accountability and results - and optimization of relationships with outside counsel:

1. Value billing — ABA Tasked based billing guidelines.
2. Flat-fee initiates - e.g. — Lyondell's agreement with Baker & Botts.
3. Implementation of technological efficiencies — today's topic.

II. Budget Range for In House Legal Department

- At to of 1% of Gross Annualized Revenues, with high end representing heavy I.P. (pharmaceutical) and litigation/regulatory activity (telcom).
- The Lion's share of the budget goes to Outside Counsel, predominately paid out for

Litigation.

III. Litigation Management

- **Litigation Management** is a Dynamic Collaborative process that is very fact specific, so you need as much real time data as possible - "adversary intelligence" Currently Plt's bar is active, organized, and "out organizing" the defense.
- **Client pressure re litigation:** clients still view litigation as costly, wasteful, ineffectual, unfair and an invasion of their internal operations. YOUR charge, in addition it staying within budget, is the early translation of key aspects of the litigation process:

1. Pre-Discovery - Discovery to assess exposure,
 2. Real time Access to Case File, Research, Budgetary,
- Into, Working Drafts, et al

IV. Partnering

- The opposing pressures of rising high stakes litigation and less \$ in the legal budget

have challenged corporate legal to greater efficiency.

- **"Partnering"** — a business buzz word made popular by quality guru Edward Deming — is applicable to law practice... It advocates the selection of suppliers based not solely on price, but the totality of the relationship...including timeliness of delivery, and value for the price...considerations that favor electronic integration with your outside counsel to create time and cost efficiencies.

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It is true that new technology tends to linger in the realm of the hobbyist to tinkerer before it becomes a part of the business landscape; but as you'll see the time has arrived to become a "Digital Young Turk" who understands the value of information & knows that he/she is in the **information business** as much as the **legal business**...while automation often stands for "**time is money**" (billing hours), the seminal insight is that "**insight is money**".

For the first time in history youth are an authority on an innovation central to society's development, so embrace your ID person and move forward....

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