

REDUCING COMPLEXITY, COSTS OF LEGAL RESEARCH CRUCIAL TO LAW FIRMS' LONG-TERM SUCCESS



TOM CASE
Partner
Hennelly & Grossfeld

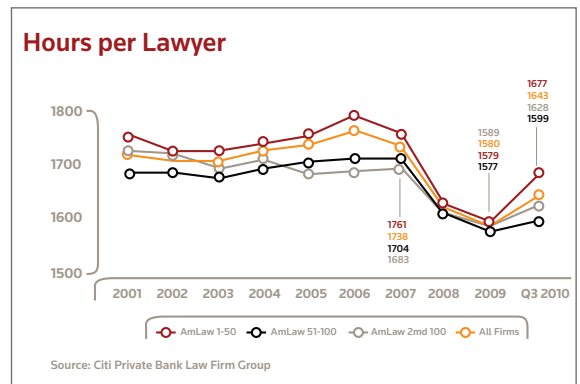
"In this economic climate, especially since the recession, the clients, especially the large and sophisticated clients, are scouring the earth to find the excellent law firms with the really good lawyers who can give them good legal work at a smaller billable rate or more efficiently."

Hennelly & Grossfeld has managed to reduce both the amount of time and the total cost of its critical legal research efforts by leveraging WestlawNext® – the award-winning legal research system from Thomson Reuters.

FOR LAW FIRMS, THE PRESSURE IS ON

The economic challenges faced by law firms in the past three years have been transformative in many aspects and have forced them to cut staff, overwork existing employees, and search high and low for new ways to save money and improve efficiencies.

An HBR Law Department Survey found that, for the first time in memory, law departments in 2009 reduced their total spending for outside counsel by 5 percent in the United States and 6 percent worldwide. This cutback reflected an overall reduction in total legal spending of respondent companies by 1 percent in the U.S. – a dramatic about-face considering total legal spending by law departments grew by an average of 7 percent a year in each of the preceding nine years.



Whether it's pressure from the clients they serve, making alternative fee arrangements work, or the Association of Corporate Counsel's (ACC) Value Challenge, traditional law firm business methodologies are changing, and clients are demanding increased value in legal services at lower costs.

General Counsel (GC) are employing a variety of strategies to control legal spend, including bringing more work in-house, pushing back on billing rates, and challenging outside counsel to consider alternative billing models.

In fact, 69 percent of U.S. law departments reported keeping more work in-house during 2009, and 71 percent expected to move more work in-house in 2010.

All of these expense management initiatives are designed to offer greater savings to the corporation and to their clients.

Beyond cost, clients are also looking for the quality and value they receive in legal services.

In September 2008, the ACC launched its milestone initiative to reconnect the cost of legal services to value: the ACC Value Challenge. Additionally, corporate counsel and accompanying law departments are using sophisticated technology, metrics, and tools such as Serengeti® to analyze outside firm performance. Firms that are exceeding the expectations of their corporate counsel are receiving additional work. Firms not meeting expectations are not only losing that GC's work, but also risk low rating exposure to potential clients.

DIFFERENTIATING SERVICE AND CLIENT VALUE WITH INDUSTRY-LEADING TECHNOLOGY

According to the findings of the 2011 Client Advisory issued by Hildebrandt® Baker Robbins and Citi Private Bank, law firms will need to differentiate themselves based on quality, efficiency, or cost in order to gain market share, keep their existing business, or win new business.

Technology is playing a crucial and leading role in redefining value between the corporate client and the law firm. This is especially true in the area of legal research technology. As legal research technology improves and advances, so too does the opportunity for a law firm to implement processes that enable them to deliver information more efficiently. The improved productivity further benefits the law firm by making it possible to take on more business. These efficiencies translate to lower legal costs to the client without compromising the value of services.

"Technology helps you do that for these clients by making things more efficient. You can get the research done quicker. You can get things out the door faster. The quality is extremely high, but the client is happy because it costs them less. Technology has the role of keeping you more efficient, keeping your services at a smaller cost for the client, and making you a competitive law firm." – Tom Case

In February 2010, the legal industry saw a dramatic leap forward in the area of legal research with the launch of WestlawNext by Thomson Reuters. According to a study by the Legal Research Center in March of 2010, researchers using WestlawNext completed research 64% faster than the preferred legal research system.

"This platform makes finding the right database a cinch," said one of the seasoned legal research veterans participating in the study. "The search method is really easy to use."

You don't have to tell that to Susan Clary, another partner at Hennelly & Grossfeld. She already gets it – and so do her clients. She insists on using WestlawNext not just for the efficiency, but to win. "For me, research is what it takes to win and litigators are all about winning. I have always been successful in convincing clients to pay for research or to convince them that they were paying less for me because the research was better and faster."



SUSAN CLARY

Partner
Hennelly & Grossfeld

"I've always considered myself a real maven of research. What I loved the most about WestlawNext is that even for someone who likes research, it takes it to a whole new level. I've gotten my associates to understand this is the fastest, this is the best, and, it's the only thing I trust. You get where you need to go and I would challenge anybody to say I could have done it faster without using WestlawNext. I don't think it's possible."



JENNIFER NICOLITZ
Law Librarian
Fidelity National Title Group

"Using WestlawNext can help a general counsel of any company save money, and I think that's what is really important right now in this economy." She also notes, "When outside counsel [such as Hennelly] use WestlawNext, we can trust that they're going to get the right answer and it's going to be the right information and at the lowest possible cost."

THE "AH-HA MOMENT"

The power to connect value to the cost of legal services is amplified when both corporate law departments *and* their outside counsel use the most current, innovative, and intuitive research technology.

Fidelity National Title Group (FNTG), the nation's largest title insurance provider, and Hennelly & Grossfeld, one of FNTG's hundreds of outside counsel firms, are using WestlawNext to drive a value-based partnership.

For Hennelly's clients, the efficiencies translate to lower bills. According to Tom Case, "The more you use WestlawNext and similar sorts of technologies that are more efficient, the more the [clients] are going to insist that you use them, because they're going to see their bills are reduced. They're going to realize that this technology helped, and they're going to say 'we want you to do it this way.'"

FROM THE CLIENT'S PERSPECTIVE

Fidelity National Title Group also uses WestlawNext and looks to partner with firms that do the same. Jennifer Nicolitz, law librarian with FNTG, uses it every day and recommends that outside counsel use it as well to control legal costs and drive results in this more challenging economic climate.

"We thought that [this research technology] would be a good fit for our legal department because we have a lot of cost-saving initiatives that are the focus of the company right now. And, given the current state of the economy, one of those [initiatives] is creating synergies and completing work faster so that our attorneys are more efficient. WestlawNext helped us do that."

BOTTOM LINE

WestlawNext's superior algorithms enable firms such as Hennelly & Grossfeld to differentiate themselves and keep pace with the evolving expectations of clients.

For law firms, tools like WestlawNext (which is also available for mobile devices including smartphones and tablet PCs) make attorneys more efficient, reduce billable hours they charge to clients, and enable firms to deliver better advice or work product faster than any other legal research product on the market. For clients, this is a win on multiple fronts because it guarantees better results in less time and at a lower cost.

"... You can do more work at a lower cost for the client, which makes the client happy. You'll get more work from that client." – Tom Case

For law firms, the ability to deliver high-quality results faster, and control legal costs, means more business from existing clients and new business from new clients. The alternative – inefficient methodologies billed by the hour – is simply no longer acceptable to clients. With WestlawNext, clients can trust that they aren't being billed for inefficient research and that their outside counsel are using the most advanced legal search engine to deliver the right result, quickly and cost-effectively.

Hear more about what Tom Case, Susan Clary, Jennifer Nicolitz, and other customers are saying about WestlawNext at <http://Customers.WestlawNext.com>.