
LAW DEPARTMENT COST CONTROL

An Altman Weil Flash Survey of General Counsel

Conducted by
Altman Weil, Inc.

LAW DEPARTMENT COST CONTROL *FLASH SURVEY*

SECTION 1

BACKGROUND

Background & Objectives

The current economic crisis is affecting industries and markets around the world – and as corporations tighten their belts, the pinch will be felt by many law departments. This Altman Weil Flash Survey was conducted in November 2008 to learn if General Counsel are facing 2009 budget cuts and, if so, how they plan to control costs in their law departments.

Participation

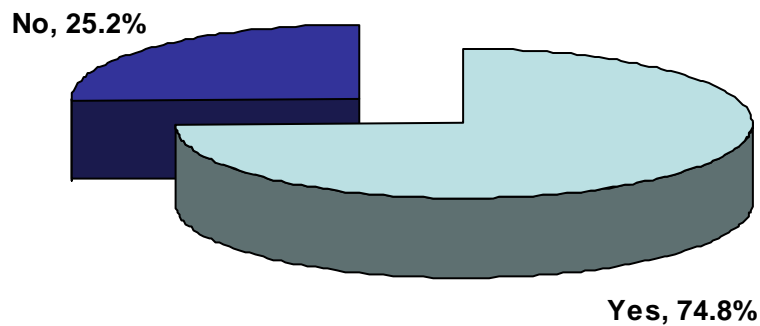
One hundred and fifteen General Counsel, 9% of the 1,292 surveyed, provided responses for this survey conducted in November 2008. The survey responses were tabulated and analyzed, including a summary of the results in Section 2 and demographic data on survey participants in Section 3.

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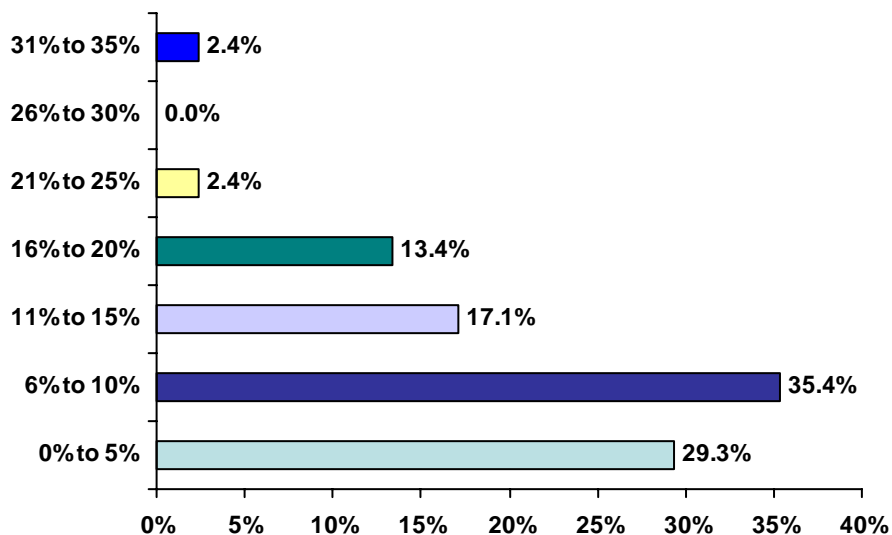
SECTION 2

SUMMARY OF RESULTS

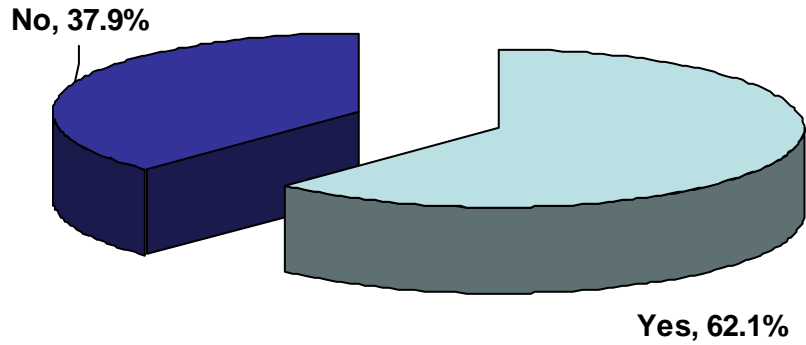
1. Is your law department facing budget cuts in 2009?



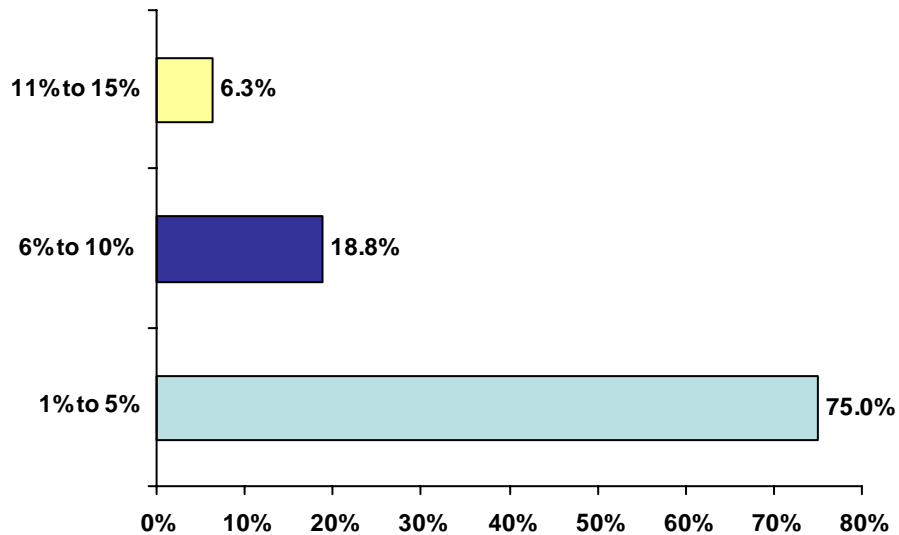
1a. If yes, what is the percentage of your 2009 budget reduction?



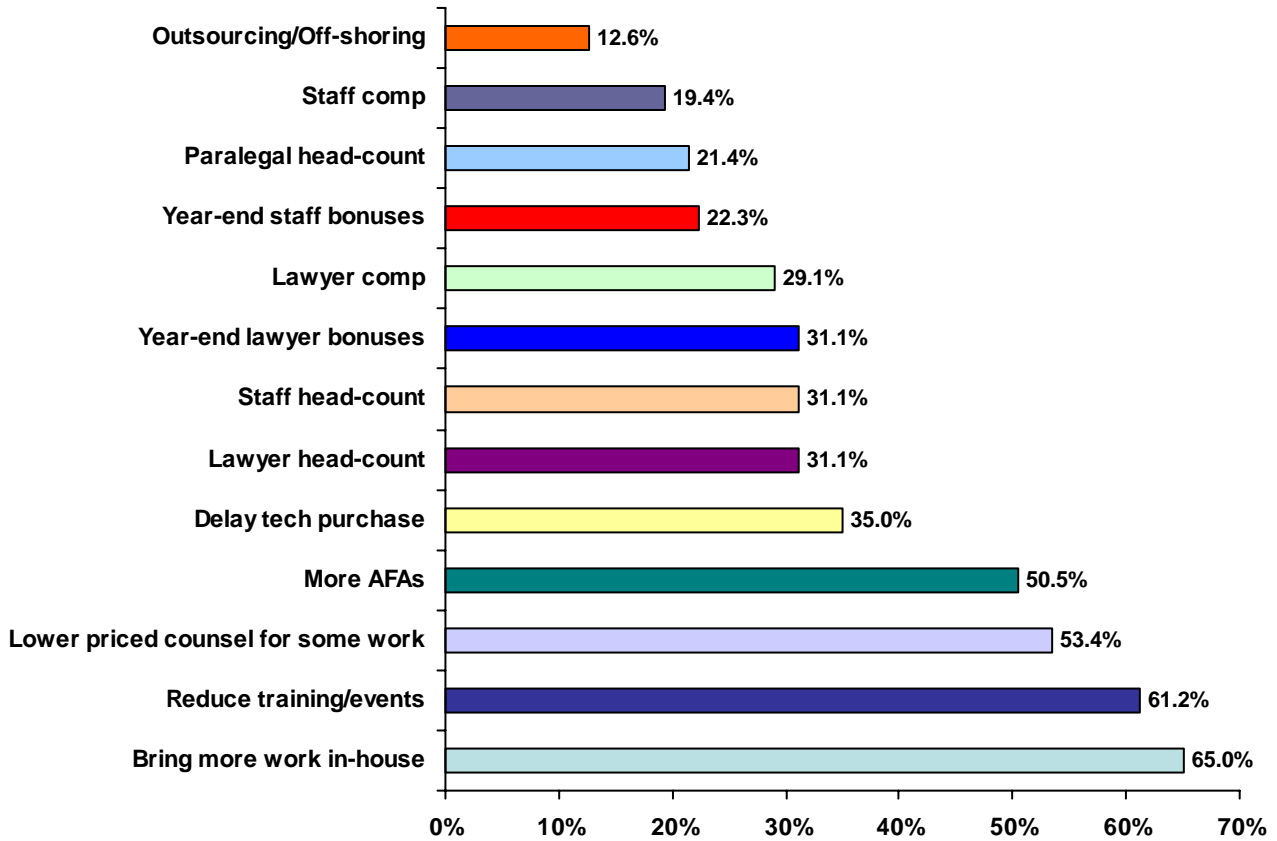
2. *If your 2009 budget will not be reduced, is your law department facing smaller increases?*



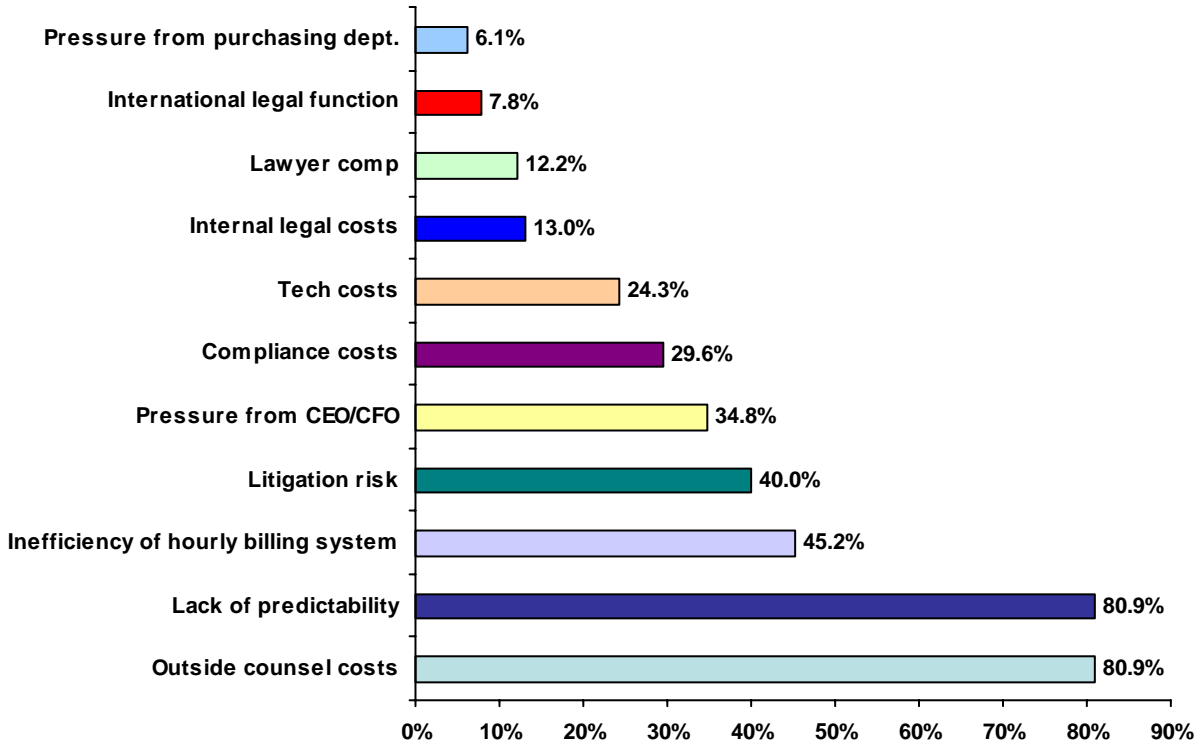
2a. *If yes, what is the percentage increase for 2009?*



3. If you are facing a budget cut or smaller increase, where/how will you make reductions? (Select all that apply)



4. For the next 12 months, what are your greatest concerns about your company's legal spending? (Select all that apply)

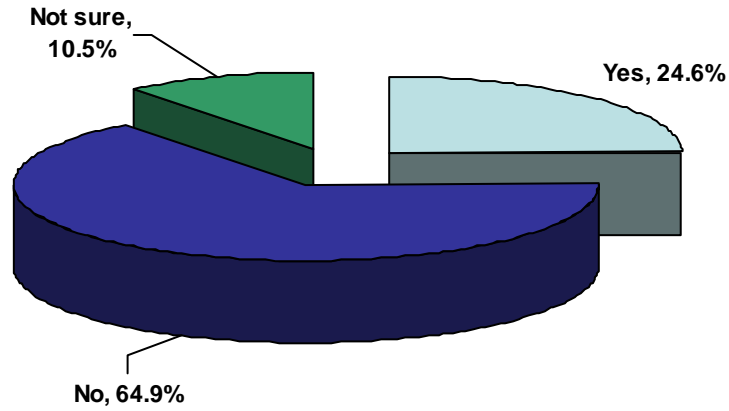


4a. Of these concerns, rank the top three: (1 being the most important)

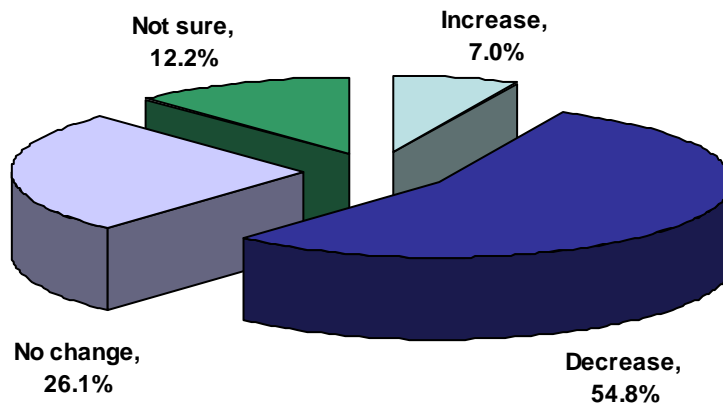
TOP 3 CONCERNS:

1. Outside counsel costs
2. Lack of predictability of legal spending
3. Litigation risk

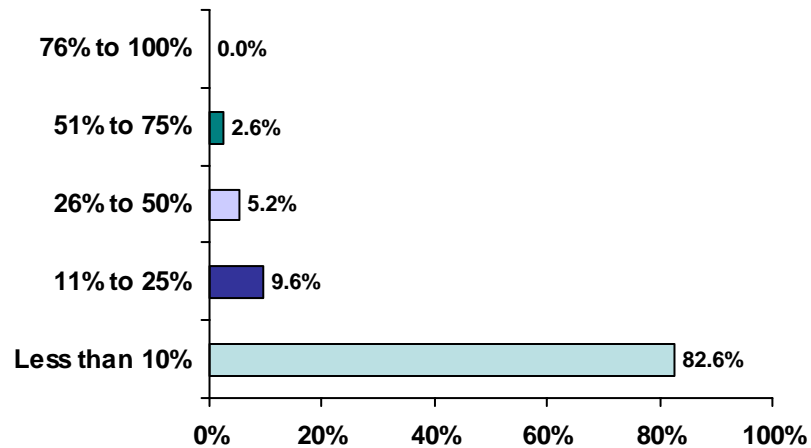
5. *Within the next 12 months, do you plan to extend your in-house legal capabilities by hiring additional lawyers?*



6. *Within the next 12 months, do you plan to increase or decrease your use of outside counsel?*



7. Using your best estimate, what percentage of your outside legal fees are spent on alternative fee arrangements? (In your estimate, please exclude not only hourly work but also discounted or blended hourly rates.)



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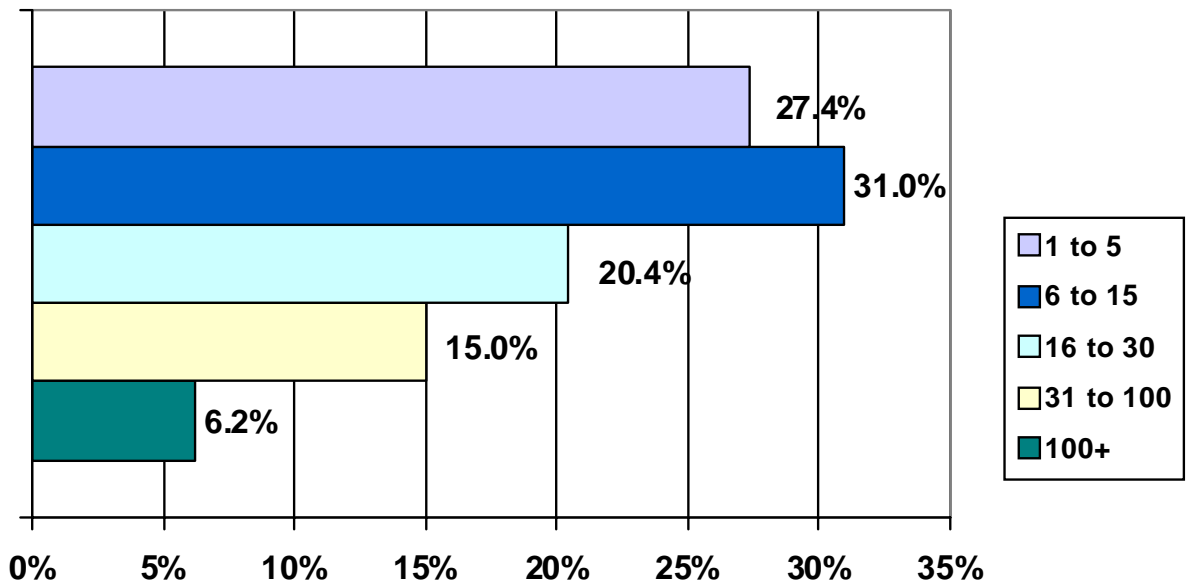
SECTION 3

SURVEY DEMOGRAPHICS

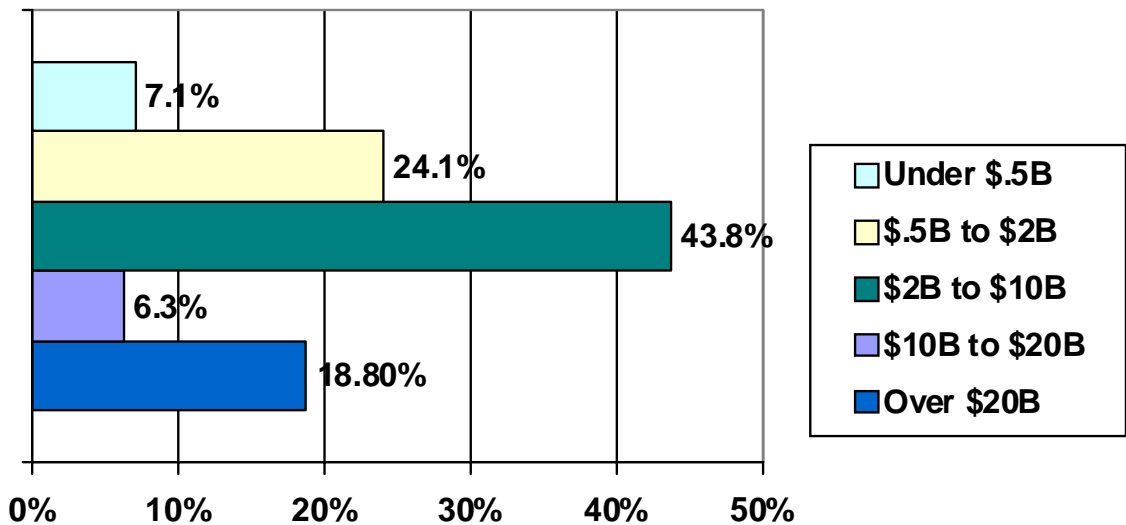
Survey Demographics

Following are the Survey demographics, which describe the responding General Counsel and their law departments.

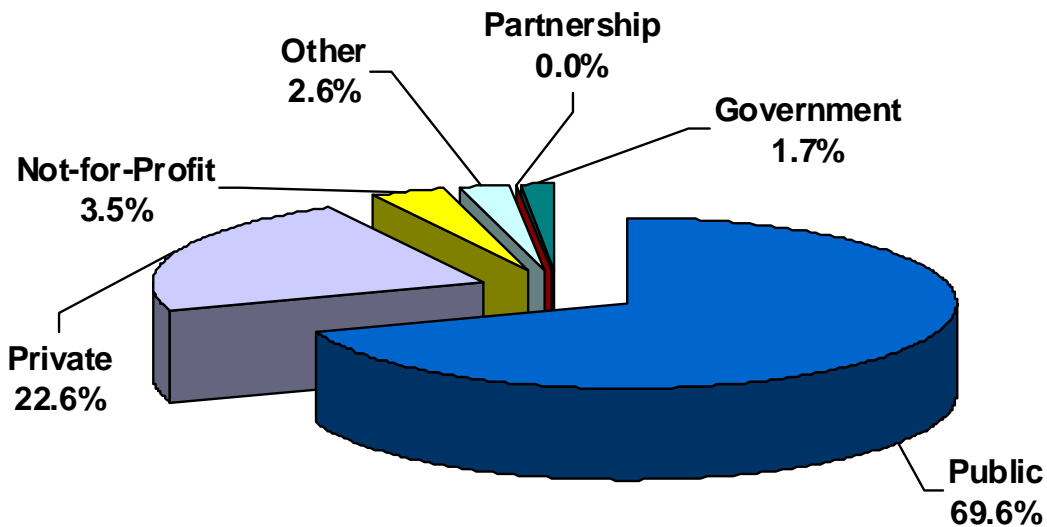
1. How many in-house attorneys are in your department (in all locations)?



2. What are your organization's annual revenues?



3. Is your organization:



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SECTION 4

ABOUT ALTMAN WEIL

About Altman Weil, Inc.

Altman Weil provides management consulting services exclusively to legal organizations. Our clients include law firms, corporate and government law departments and legal vendors of all sizes and types throughout North America, the U.K. and abroad.

We offer a full range of consulting services, backed by over 30 years of experience in the industry.

Consulting Services

For law firms:

- Mergers and Acquisitions
- Practice Management
- Management and Governance
- Compensation
- Marketing and Business Development
- Client Surveys
- Law Firm Finance
- Succession Planning

For law departments:

- Structure and Performance
- Cost Control
- Outside Counsel Management
- Client Service and Satisfaction
- Career Management and Professional Development
- Global Law Departments
- Government Law Departments

For all legal organizations:

- Leadership Development and Performance Management
- Key Person Coaching
- Paralegals and Paralegal Programs
- Retreats
- Executive Search Services
- Market Research
- Custom Surveys and Benchmarking
- Training Programs

Expert Commentary

Altman Weil consultants regularly publish articles in the legal press, including *The American Lawyer*, *National Law Journal*, *ABA Law Practice*, *ALA Legal Management*, *Law Firm Inc.*, *Corporate Counsel*, *Of Counsel*, *IBA Journal*, *European Lawyer*, *Legal Week*, and scores of other regional and local journals.

Our comments on the legal scene have appeared in major business publications including the *Wall Street Journal*, *Time*, *US News and World Report*, the *New York Times*, *USA Today*, and *The Times of London*.

Altman Weil, Inc. publishes a monthly newsletter, *Report To Legal Management*, that explores topics of current interest to law firm and law department management.

Credentials

Our principals have held directorships or board and committee positions in, to name a few:

- American Bar Association
- International Bar Association
- Association of Legal Administrators
- Legal Marketing Association
- Institute of Management Consultants
- National Association of Legal Vendors

Contact Altman Weil

Contact Altman Weil, Inc. at info@altmanweil.com, visit our website at www.altmanweil.com, or call (610) 886-2000 to learn more about our services.