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Compelling Research. Compelling Results.

Lust for Litigation: Changes, Trends and Opportunities

September 14, 2010

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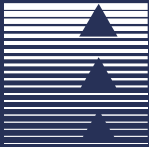


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The 6 Things You Need to Know About Litigation

1. More matters = new hiring opportunities for law firms
2. Flat spending will squeeze law firm billing rates
3. Resolution rates are soaring—speak fluent settlement to catch your client's ear
4. Client service and satisfaction drive litigation hiring decisions—outranking depth, reputation and legal skills by a margin of 2 to 1
5. 35.6% of litigators have mastered the art of making more money using AFAs
6. 14.3% of companies control 80% of litigation spending
 - › These companies spend nearly 30 times more on litigation than other large organizations

Source: BTI's Annual Study of Corporate Counsel 2010



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BTI's Methodology and Approach

Comprehensive, Multi-Tiered Analysis of More than 300 New Interviews

- ◆ 240+ corporate counsel and in-house litigation counsel
 - Targeted, in-depth interviews on litigation
 - 18% of the Fortune 100
 - Average revenue of \$14.4 billion
 - Median revenue of \$3.1 billion
- ◆ Litigation leaders at large and mid-sized law firms
 - 37% of the AmLaw 100
 - 27.2% of the AmLaw 101-200
- ◆ BTI's proprietary database of current and future trends in litigation
 - Over 2,500 interviews with corporate counsel
 - Nearly 10 years in-depth analysis of the legal industry
 - 25+ years of experience:
 - Analyzing best practices
 - Market opportunities
 - Client relationships with professional services firms

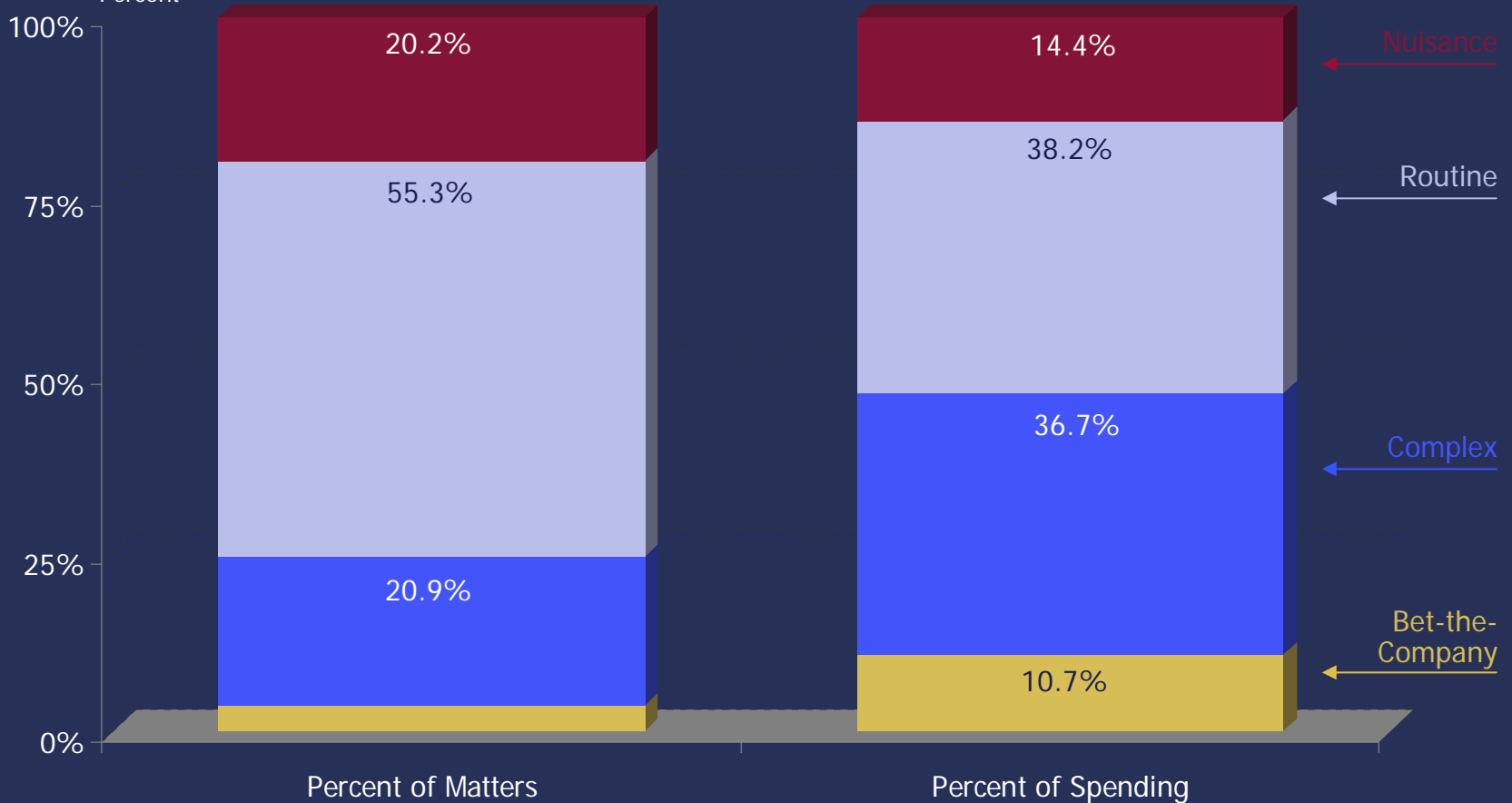


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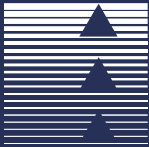
Bet-the-Company and Complex Work Account for 1/4 of Litigation Matters, but 50% of Spending

Breakdown by Matter Type

Percent



Source: BTI's Annual Study of Corporate Counsel 2010



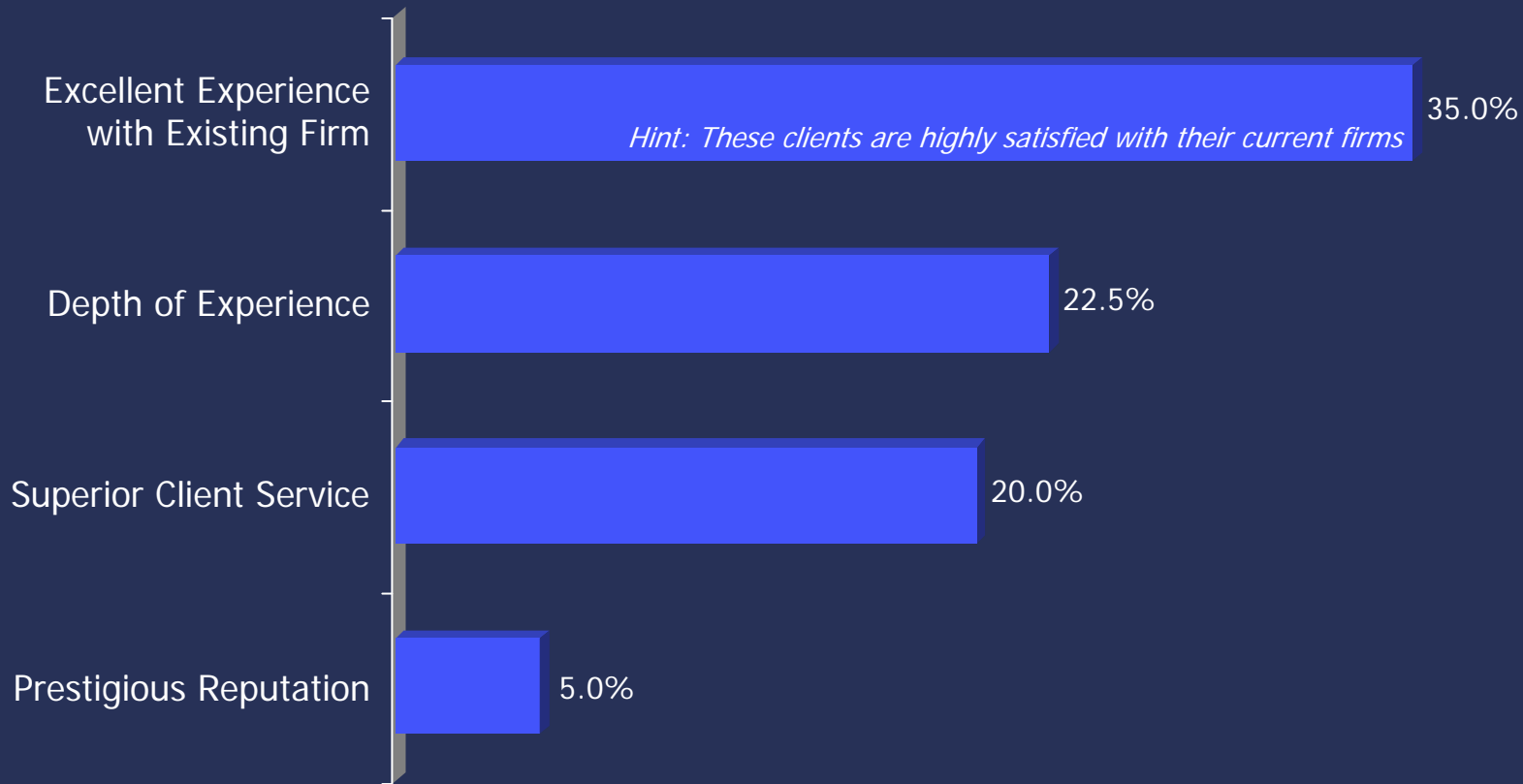
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Where to Get the Work: Bowl Over Your Existing Clients and Out-Service Your Competitors

When is the last time you hired a law firm for a litigation matter?
What made this law firm stand out above all others?

Why Corporate Counsel Hire Law Firms

Percent of Corporate Counsel



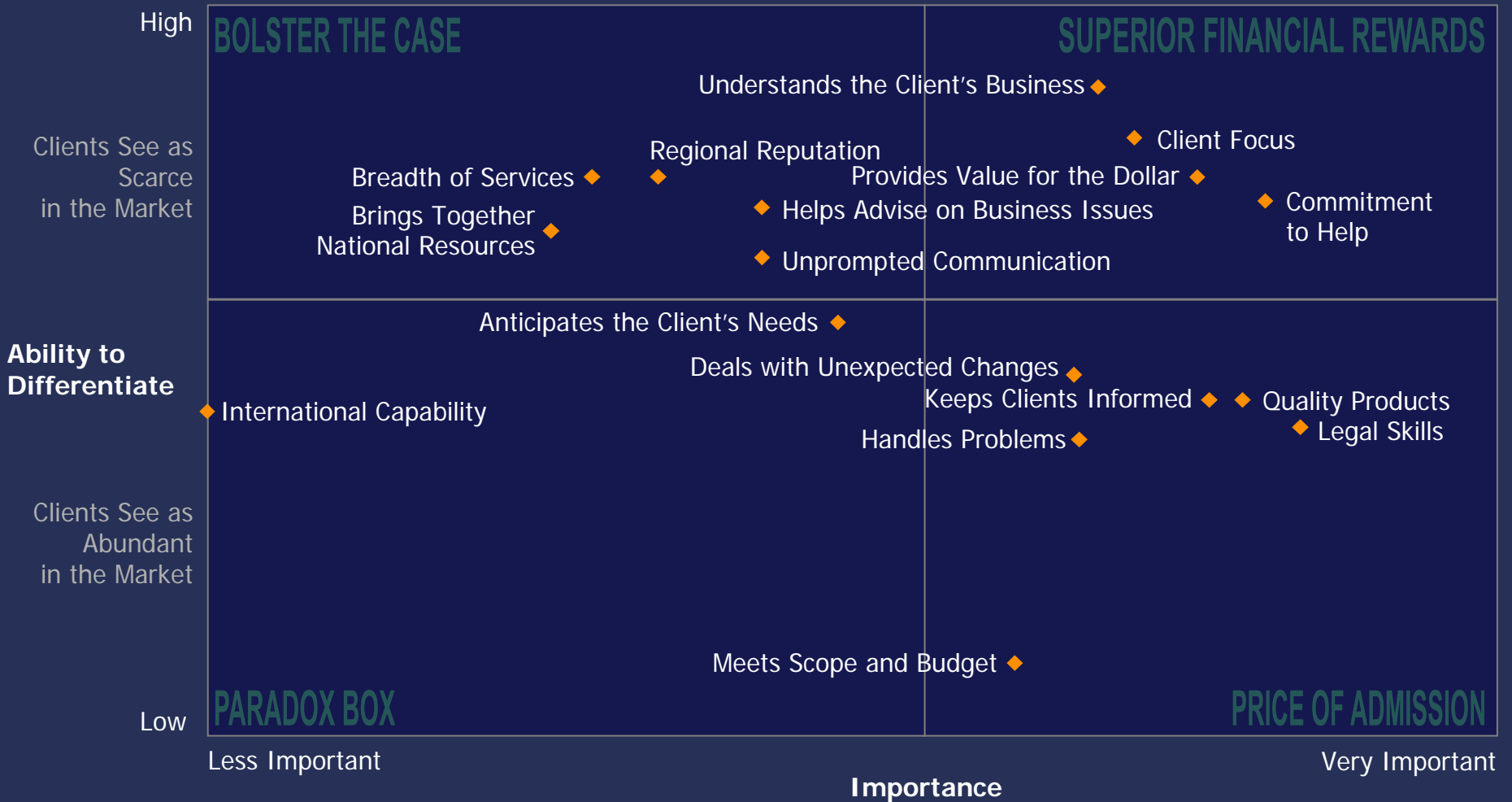
Note: Chart does not add up to 100%. Responses smaller than 5% excluded.

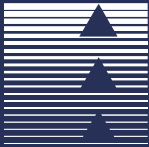
Source: BTI's Annual Study of Corporate Counsel 2010



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17 Activities to Develop Superior Client Relationships





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Jones Day Leads Client Recommended Law Firms for Litigation; Recommendations Leading Indicator of Future Work

Could you tell me which firm you would recommend for litigation to someone else in your industry?

The Most Recommended Law Firm for Litigation

- ◆ Jones Day

Prominently Recommended Law Firms for Litigation

- ◆ Foley & Lardner
- ◆ Fulbright & Jaworski
- ◆ Gibson, Dunn & Crutcher
- ◆ Littler Mendelson
- ◆ Reed Smith
- ◆ Sidley Austin
- ◆ Thompson Hine

Strongly Recommended Law Firms for Litigation

- ◆ Alston & Bird
- ◆ Bingham McCutchen
- ◆ Bradley Arant Boult Cummings
- ◆ Bryan Cave
- ◆ Crowell & Moring
- ◆ Fisher & Phillips
- ◆ Howrey
- ◆ Kelley Drye & Warren
- ◆ Kirkland & Ellis
- ◆ Latham & Watkins
- ◆ McDermott Will & Emery
- ◆ Morgan Lewis
- ◆ Ogletree, Deakins, Nash, Smoak & Stewart
- ◆ Seyfarth Shaw
- ◆ Sherman & Howard
- ◆ Skadden, Arps, Slate, Meagher & Flom

Source: BTI's Annual Study of Corporate Counsel 2010



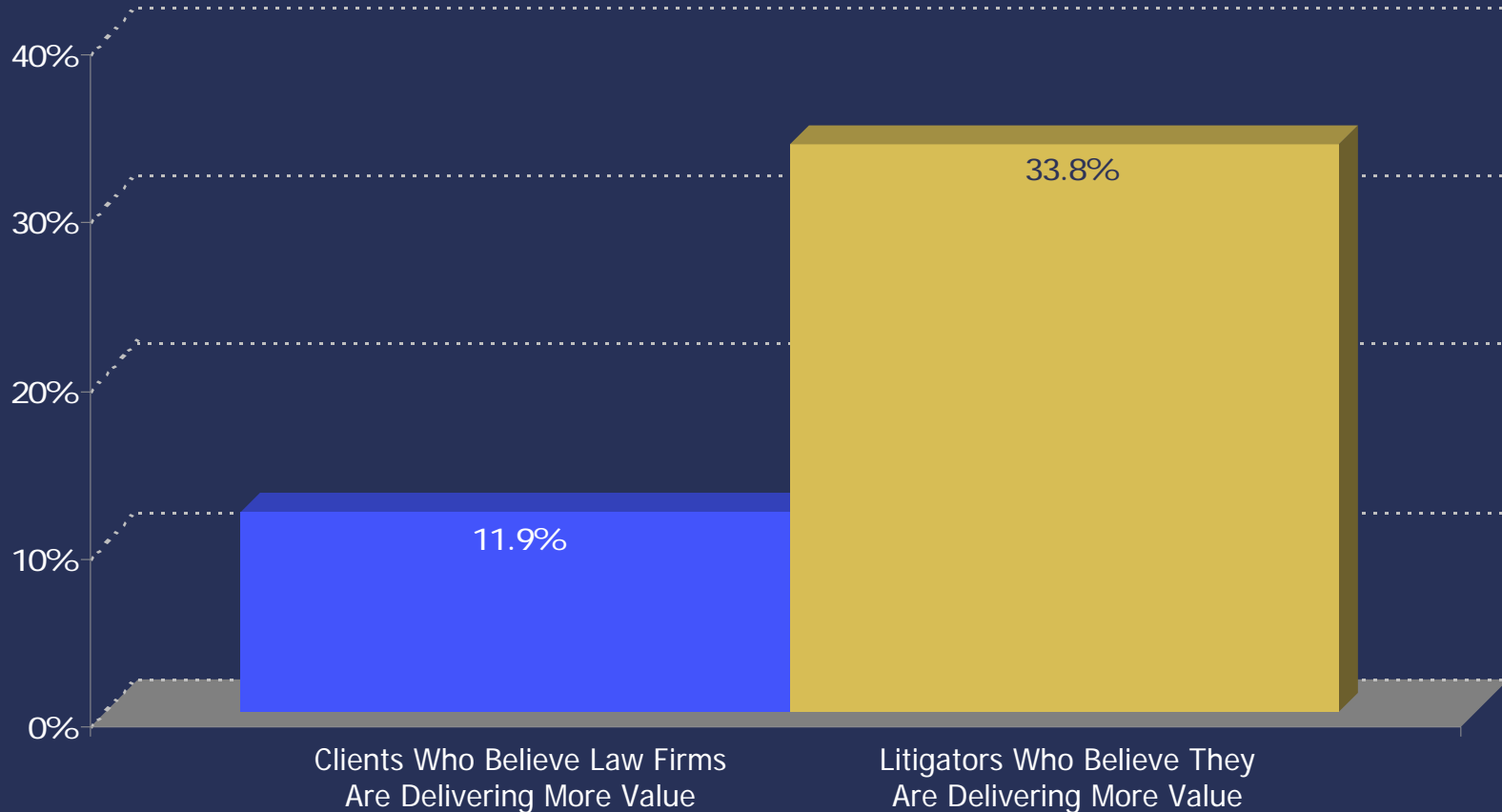
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Clients Blind to Law Firm Changes

How has the role of outside counsel in litigation changed in the past 12 to 18 months?

How Outside Counsel Have Changed

Percent of Corporate Counsel and Litigation Practice Leaders



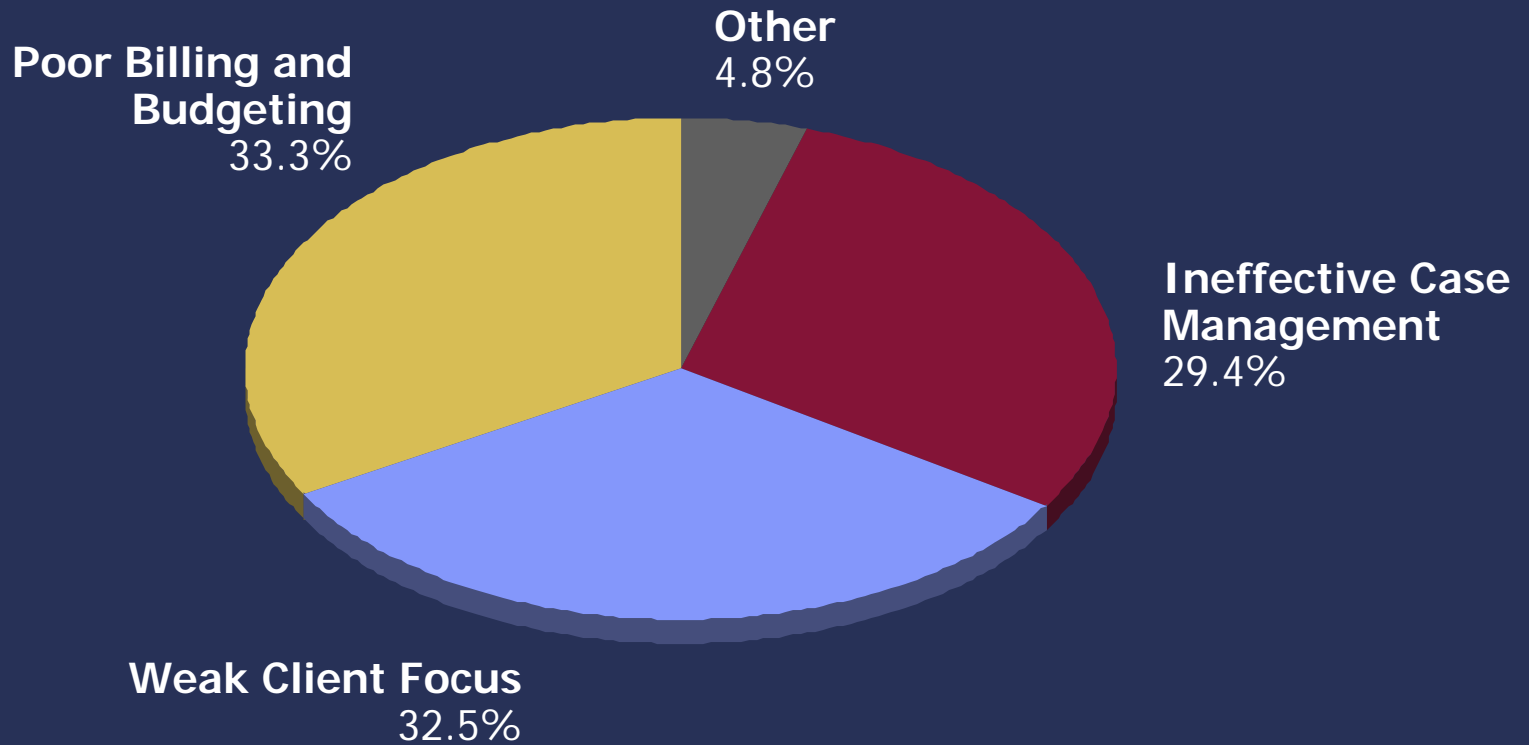
Sources: BTI's Annual Study of Corporate Counsel 2010
BTI's Study with Litigation Practice Leaders 2010



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Driving Clients Crazy

What is the one thing that your outside counsel does that just drives you crazy?



Source: BTI's Annual Study of Corporate Counsel 2010



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Direct Client Feedback: What Drives Clients Crazy?

What is the one thing that your outside counsel does that just drives you crazy?

"It annoys me greatly when they
up the bill with low value items.
If something doesn't actually have business value,
it shouldn't be billed for."

Senior Counsel, Leading High Tech Organization

"When they go off on a detour
with their *pet issues*
...and incur costs I did not authorize.
It is my decision, not theirs, to take risks."

General Counsel, Fortune 500 Entertainment Giant

Source: BTI's Annual Study of Corporate Counsel 2010



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The BTI Fearsome Foursome: Most Feared Litigation Firms

Which firm would you really rather not see as lead opposing counsel in a litigation case?

The BTI Fearsome Foursome

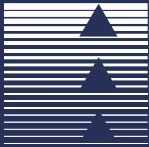
- ◆ Kirkland & Ellis
- ◆ Latham & Watkins
- ◆ Quinn Emanuel
- ◆ Skadden

Awesome Opponents

- ◆ Ahmad, Zavitsanos & Anaipakos
- ◆ Akin Gump
- ◆ Alston & Bird
- ◆ Bartlit Beck
- ◆ Boies, Schiller & Flexner
- ◆ Cooley Godward Kronish
- ◆ Fisher & Phillips
- ◆ Fulbright & Jaworski
- ◆ Gibson, Dunn & Crutcher
- ◆ Goodwin Procter
- ◆ Greenberg Traurig
- ◆ Haynes and Boone
- ◆ Holland & Knight
- ◆ Jenner & Block
- ◆ Jones Day
- ◆ Lavin, O'Neil, Ricci, Cedrone & DiSipio
- ◆ Lynch, Cox, Gilman & Goodman
- ◆ Milberg
- ◆ Morgan Lewis
- ◆ Munger, Tolles & Olson
- ◆ Patton Boggs
- ◆ Sidley Austin
- ◆ Stanley Law Firm
- ◆ Susman Godfrey
- ◆ Vinson & Elkins
- ◆ Wachtell, Lipton, Rosen & Katz
- ◆ Williams & Connolly
- ◆ The Wolk Law Firm

The Fine Print: We asked more than 240 General Counsel and in-house Litigation Heads which law firms they would least like to see as opposing counsel. The majority of clients named, unaided, the law firm members of The BTI Fearsome Foursome. The remainder selected other firms, listed here as The BTI Awesome Opponents.

Source: BTI's Annual Study of Corporate Counsel 2010



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Order Your Copy Today to Get Complimentary Access to Unpublished Insights

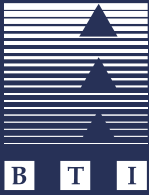
What Else You'll Find in The BTI Litigation Outlook 2011

- ◆ Law firms clients say are best for Securities, Employment, IP and Product Liability Litigation
- ◆ The best growth opportunities by industry and company size
- ◆ What The New World of Litigation looks like and how to position your firm for higher revenue and profits per partner
- ◆ The role of AFAs, what clients want and how law firms are using them to their advantage

...and more!

Order by this Friday, September 17th and you will get a complimentary copy of additional insights into Litigation including:

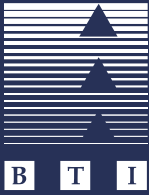
- BTI's analysis of the Three Waves of Value
- Clients' unmet needs in litigation
- Use of contract attorneys



About BTI

How BTI Helps Our Clients

1. The most powerful, high-impact and actionable client surveys
 - > Proven call to action for partners
 - > Convince attorneys to embrace change
 - > Proven metrics linked to profits and growth
 - > Metrics linking partner and firm performance
 - > Detailed road map for business development
 - > Measure against 17 activities client say drive relationships
2. Robust client service excellence initiatives
3. Compelling strategic assessments
 - > Market share gains and losses
 - > Client relationship strength and stature
 - > Client service performance



About BTI: BTI Custom Research and Services

BTI's In-Depth Client Surveys for Law Firms

- ◆ Conducted over 130 independent client research initiatives for law firms
- ◆ Interviewed over 6,000 clients
- ◆ Helped our clients boost relationships from \$600,000 to more than \$14,000,000 annually
- ◆ Work with law firms with 6 to 600 partners

BTI can help you develop high impact client research initiatives—
email or call Michael B. Rynowecer or Marcie L. Shunk

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