

**TABLE OF CONTENTS**

SURVEY PARTICIPANTS.....	7
THE QUESTIONNAIRE.....	8
SUMMARY OF MAIN FINDINGS.....	13
Characteristics of the Sample.....	13
Use of HoldBack Arrangements.....	13
Offering of Pre-Paid Legal Services.....	14
Statistics on the Degree of Discount Offered on Pre-Paid Deals.....	14
Percentage of Revenues Accounted for By Alternative Fee Arrangements .....	15
Percentage of Clients that Propose Alternative Fee Arrangements.....	15
Law Firm Spending on Reports, Seminars and other Information Resources on Alternative Pricing	15
Impact of Corporate Procurement or Purchasing Departments .....	16
Fixed or Capped Fee Arrangements .....	17
CHARACTERISTICS OF THE SAMPLE .....	18
Table 1.1 How many partners does your law firm have?.....	18
Table 1.2 How many partners does your law firm have? Broken out by Country .....	18
Table 1.3 How many partners does your law firm have? Broken out by Number of Partners .....	18
Table 1.4 How many partners does your law firm have? Broken out by Number of Total Employees .....	18
Table 1.5 How many partners does your law firm have? Broken out by the source that accounts for the highest share of firm revenues .....	19
Table 2.1 How many employees does your organization have?.....	19
Table 2.2 How many employees does your organization have? Broken out by Country .....	20
Table 2.3 How many employees does your organization have? Broken out by Number of Partners .....	20
Table 2.4 How many employees does your organization have? Broken out by Number of Total Employees .....	20
Table 2.5 How many employees does your organization have? Broken out by the source that accounts for the highest share of firm revenues.....	21
HOLDBACKS.....	22
Table 3.1 Has your firm ever used a pricing practice known as a holdback arrangement under which clients withhold a pre-defined percentage of fees and then pay this percentage, or not pay it, according to their level of satisfaction with how a legal matter is concluded? .....	22
Table 3.2 Has your firm ever used a pricing practice known as a holdback arrangement under which clients withhold a pre-defined percentage of fees and then pay this percentage, or not pay it, according to their level of satisfaction with how a legal matter is concluded? Broken out by Country.....	22

Table 3.3 Has your firm ever used a pricing practice known as a holdback arrangement under which clients withhold a pre-defined percentage of fees and then pay this percentage, or not pay it, according to their level of satisfaction with how a legal matter is concluded? Broken out by Number of Partners.....22

Table 3.4 Has your firm ever used a pricing practice known as a holdback arrangement under which clients withhold a pre-defined percentage of fees and then pay this percentage, or not pay it, according to their level of satisfaction with how a legal matter is concluded? Broken out by Number of Total Employees.....23

Table 3.5 Has your firm ever used a pricing practice known as a holdback arrangement under which clients withhold a pre-defined percentage of fees and then pay this percentage, or not pay it, according to their level of satisfaction with how a legal matter is concluded? Broken out by the source that accounts for the highest share of firm revenues .....23

Table 4.1 Is your firm currently using any holdback arrangements in its billing? .....24

Table 4.2 Is your firm currently using any holdback arrangements in its billing? Broken out by Country .....24

Table 4.3 Is your firm currently using any holdback arrangements in its billing? Broken out by Number of Partners.....24

Table 4.4 Is your firm currently using any holdback arrangements in its billing? Broken out by Number of Total Employees.....24

Table 4.5 Is your firm currently using any holdback arrangements in its billing? Broken out by the source that accounts for the highest share of your firm revenues .....25

Table 5.1 If the firm has used holdbacks, on current and past arrangements, about what percentage of billings are held back? .....26

Table 5.2 If the firm has used holdbacks, on current and past arrangements, about what percentage of billings are held back? Broken out by Country .....26

Table 5.3 If the firm has used holdbacks, on current and past arrangements, about what percentage of billings are held back? Broken out by Number of Partners .....26

Table 5.4 If the firm has used holdbacks, on current and past arrangements, about what percentage of billings are held back? Broken out by Number of Total Employees .....27

Table 5.5 If the firm has used holdbacks, on current and past arrangements, about what percentage of billings are held back? Broken out by the source that accounts for the highest share of firm revenues .....27

Table 6.1 How likely would you be to consider such arrangements in the future?.....28

Table 6.2 How likely would you be to consider such arrangements in the future? Broken out by Country .....28

Table 6.3 How likely would you be to consider such arrangements in the future? Broken out by Number of Partners.....28

Table 6.4 How likely would you be to consider such arrangements in the future? Broken out by Number of Total Employees.....29

Table 6.5 How likely would you be to consider such arrangements in the future? Broken out by the source that accounts for the highest share of your firm revenues .....29

PRE-PAID DISCOUNTS.....31

Table 7.1 Has your firm ever offered a pre-paid deal through which clients are granted some form of discount in exchange for pre-payment for a certain number of hours of legal work to be performed in the future?.....31

Table 7.2 Has your firm ever offered a pre-paid deal through which clients are granted some form of discount in exchange for pre-payment for a certain number of hours of legal work to be performed in the future? Broken out by Country .....	31
Table 7.3 Has your firm ever offered a pre-paid deal through which clients are granted some form of discount in exchange for pre-payment for a certain number of hours of legal work to be performed in the future? Broken out by Number of Partners.....	31
Table 7.4 Has your firm ever offered a pre-paid deal through which clients are granted some form of discount in exchange for pre-payment for a certain number of hours of legal work to be performed in the future? Broken out by Number of Total Employees.....	32
Table 7.5 Has your firm ever offered a pre-paid deal through which clients are granted some form of discount in exchange for pre-payment for a certain number of hours of legal work to be performed in the future? Broken out by the source that accounts for the highest share of your firm revenues .....	32
Table 8.1 Approximately what percentage of your current cases involve such an arrangement?.....	33
Table 8.2 Approximately what percentage of your current cases involve such an arrangement? Broken out by Country.....	33
Table 8.3 Approximately what percentage of your current cases involve such an arrangement? Broken out by Number of Partners.....	33
Table 8.4 Approximately what percentage of your current cases involve such an arrangement? Broken out by Number of Total Employees.....	34
Table 8.5 Approximately what percentage of your current cases involve such an arrangement? Broken out by the source that accounts for the highest share of firm revenues?.....	34
Table 9.1 What is the discount that you have offered on pre-payment arrangements? .....	35
Table 9.2 What is the discount that you have offered on pre-payment arrangements? Broken out by Country.....	35
Table 9.3 What is the discount that you have offered on pre-payment arrangements? Broken out by Number of Partners.....	35
Table 9.4 What is the discount that you have offered on pre-payment arrangements? Broken out by Number of Total Employees.....	36
Table 9.5 What is the discount that you have offered on pre-payment arrangements? Broken out by the source that accounts for the highest share of firm revenues? .....	36
Percentage of Income Derived from Alternative Fee Arrangements.....	39
Table 10 About what percentage of your firm's revenues in each of the following years would you say come from alternative fee arrangements?.....	39
Percentage of Clients that Propose Alternative Fee Arrangements.....	46
Table 11.1 About what percentage of your clients have proposed some form of alternative fee arrangement? .....	46
Table 11.2 About what percentage of your clients have proposed some form of alternative fee arrangement? Broken out by Country .....	46
Table 11.3 About what percentage of your clients have proposed some form of alternative fee arrangement? Broken out by Number of Partners .....	46
Table 11.4 About what percentage of your clients have proposed some form of alternative fee arrangement? Broken out by Number of Total Employees .....	47

Table 11.5 About what percentage of your clients have proposed some form of alternative fee arrangement? Broken out by the source that accounts for the highest share of firm revenues.....	47
Spending (in \$US) on Preparations for Alternative Pricing .....	48
Table 12 Approximately how much has the firm spent over the past three years on seminars, studies, new staff and consultants to research, develop and evaluate new pricing models? (WE ARE SEEKING A 3-YEAR CUMULATIVE TOTAL NOT A ONE YEAR AVERAGE) in \$US .....	48
Table 13.1 Has your firm ever done any research to determine the price elasticity or price sensitivity of demand for its services? .....	56
Table 13.2 Has your firm ever done any research to determine the price elasticity or price sensitivity of demand for its services? Broken out by Country.....	56
Table 13.3 Has your firm ever done any research to determine the price elasticity or price sensitivity of demand for its services? Broken out by Number of Partners.....	56
Table 13.4 Has your firm ever done any research to determine the price elasticity or price sensitivity of demand for its services? Broken out by Number of Total Employees.....	57
Table 13.5 Has your firm ever done any research to determine the price elasticity or price sensitivity of demand for its services? Broken out by the source that accounts for the highest share of firm revenues.....	57
Contingency Fees .....	58
Table 14.1 Has your firm ever worked on the basis of contingency fees through which you earn a percentage of a settlement or judgement? .....	58
Table 14.2 Has your firm ever worked on the basis of contingency fees through which you earn a percentage of a settlement or judgement? Broken out by Country .....	58
Table 14.3 Has your firm ever worked on the basis of contingency fees through which you earn a percentage of a settlement or judgement? Broken out by Number of Partners.....	58
Table 14.4 Has your firm ever worked on the basis of contingency fees through which you earn a percentage of a settlement or judgement? Broken out by Number of Total Employees .....	59
Table 14.5 Has your firm ever worked on the basis of contingency fees through which you earn a percentage of a settlement or judgement? Broken out by the source that accounts for the highest share of firm revenues.....	59
Influence of Corporate Purchasing, Procurement and other Departments Tasked with Cost Control.....	60
Table 15.1 For about what percentage of your clients would you say that corporate or other institutional procurement or purchasing departments are involved in choosing and evaluating your law firm and its performance? .....	60
Table 15.2 For about what percentage of your clients would you say that corporate or other institutional procurement or purchasing departments are involved in choosing and evaluating your law firm and its performance? Broken out by Country .....	60
Table 15.3 For about what percentage of your clients would you say that corporate or other institutional procurement or purchasing departments are involved in choosing and evaluating your law firm and its performance? Broken out by Number of Partners .....	60
Table 15.4 For about what percentage of your clients would you say that corporate or other institutional procurement or purchasing departments are involved in choosing and	

evaluating your law firm and its performance? Broken out by Number of Total Employees .....	61
Table 15.5 For about what percentage of your clients would you say that corporate or other institutional procurement or purchasing departments are involved in choosing and evaluating your law firm and its performance? Broken out by the source that accounts for the highest share of firm revenues.....	62
Percentage of Revenues from Fixed or Capped Fee Arrangements .....	64
Table 16.1 About what percentage of the revenues at your firm derive from fixed or capped fee arrangements? .....	64
Table 16.2 About what percentage of the revenues at your firm derive from fixed or capped fee arrangements? Broken out by Country .....	64
Table 16.3 About what percentage of the revenues at your firm derive from fixed or capped fee arrangements? Broken out by Number of Partners .....	64
Table 16.4 About what percentage of the revenues at your firm derive from fixed or capped fee arrangements? Broken out by Number of Total Employees .....	65
Table 16.5 About what percentage of the revenues at your firm derive from fixed or capped fee arrangements? Broken out by the source that accounts for the highest share of firm revenues.....	65
Which phrase best describes your views on alternative fee arrangements? .....	73
Table 17 Which phrase best describes your views on alternative fee arrangements? .....	73
Table 17.1.2 Which phrase best describes your views on alternative fee arrangements? Broken out by Country.....	73
Table 17.1.3 Which phrase best describes your views on alternative fee arrangements? Broken out by Number of Partners.....	73
Table 17.1.4 Which phrase best describes your views on alternative fee arrangements? Broken out by Number of Total Employees.....	74
Table 17.1.5 Which phrase best describes your views on alternative fee arrangements? Broken out by the source that accounts for the highest share of firm revenues? .....	74