

Legal FeeTM
A D V I S O R S

Expert
Services



Contents:

- ▶ Who we are
- ▶ Typical Legal Billing Disputes
- ▶ How to choose a Fee Expert
- ▶ LFA: Qualified Fee Experts
- ▶ How should a Fee Expert conduct their analysis?
- ▶ How we do it
- ▶ LFA Success Stories
- ▶ Retention Checklist
- ▶ How to get started

Who we are:

- ▶ Headed by US legal billing authority [David Paige](#), Legal Fee Advisors is a group of attorneys who prepare impeccably researched and executed expert analyses of the reasonableness of contested legal fees.
- ▶ Our work supports litigants in the public and private resolution of fee disputes. Utilizing well-accepted commercial standards, Legal Fee Advisors is capable of completing a rapid, objective analysis of disputed fees from a local and national perspective.
- ▶ David Paige, an experienced litigator and in-house counsel, has been qualified by courts in many states as a testimonial expert. Quoted in major publications such as the Wall Street Journal and Forbes on legal billing issues, he is considered one of the leading US authorities in this specialty.
- ▶ LFA's extraordinary attorney staff have reviewed hundreds of millions of dollars in fees, applying the law and standards of many states. Efficient, accurate and thorough analysis are core values.

Typical Legal Billing Disputes:

- ▶ **Commercial Fee Shifting Disputes:** Fees shifted to the “losing” party in many contracts allow the award of “reasonable” attorneys’ fees to the victor. An objective analysis of reasonableness can focus and qualify the final award, using well-accepted commercial, ethical and legal standards.
- ▶ **Insurance-Related Fee Shifting Disputes:**
 - ▶ Conflict Counsel Fees: Many jurisdictions allow insureds to shift the “reasonable” fees of their counsel to their insurer. Objective analysis of the fees of conflict counsel assures that accepted standards are applied to such fees.
 - ▶ Fees Incurred by a Self-Insured Entity: Self-insured entities may not always apply reasonable standards for retention of counsel, leaving insurers to make certain that fees are up to ethical, legal and commercial standards.

Typical Legal Billing Disputes (cont.):

- ▶ **Statutory Fee Shifting Disputes:** Statutes may allow victors to shift the fees and costs of a litigation to the losing party. Objective fee analysis ensures reasonableness.
- ▶ **Potential Fraud:** Clients sometimes discover that counsel may have charged fraudulent fees. LFA performs confidential multi-year fee audits to uncover improper billing practices, and facilitates resolution.
- ▶ **Indemnity of Fees for Directors and Officers:** It is common for corporations to bear the obligation of indemnification of directors and officers in some disputes. Objective fee analysis ensures that such fees are reasonable.
- ▶ **UK Fee Issues:** Many US clients are unfamiliar with UK billing traditions. LFA assists clients in ensuring that such fees are fair and reasonable.

How to choose a Fee Expert:

- ▶ **Background in Commercial Litigation:** The expert should have a background in commercial litigation, so that the expert can personally evaluate the fees at issue. Testifying from the expert's direct experience is compelling.
- ▶ **Previous Experience as a Testifying Expert:** Significant experience testifying as an expert on legal fees ensures that the expert's work has been subject to scrutiny. Ask: Do you believe that the expert will be convincing?
- ▶ **Familiarity with Legal and Ethical Standards:** Any legal fee expert should be intimately familiar with the ideas and concepts set forth in ethical rules and various ABA opinions concerning legal billing practices. Ask to see prior opinions to review the thoroughness of the evaluation.
- ▶ **Familiarity with Commercial Best Practices:** The expert should be familiar with current commercial best legal billing practices. *Ask: Does the expert know what most commercial clients consider to be a "fair" and reasonable fee?* This knowledge brings a level of objectivity to the analysis. By relying upon billing practices generally accepted by reasonable, similarly situated commercial clients, the expert need not rely only on their personal interpretation of what is "reasonable" on a given bill. Instead, the expert can show what an objectively "reasonable" client would pay.

LFA: Qualified Legal Fee Experts:

- ▶ Unique insight into generally accepted commercial billing practices in the United States and Internationally. LFA works with commercial clients on a daily basis to obtain compliance with reasonable billing standards. to determine “reasonableness.”
- ▶ Real world experience as practicing attorneys.
- ▶ Does not depend upon computer-based bill analysis, but instead employs careful line-by-line analysis, backed up by transparent data and analytics.
- ▶ Understands privilege, the expert process and his or her role in ensuring success.

How should a Fee Expert conduct their analysis?

Some of the most common methods:

▶ “Net” Opinion: (Overall Cost Evaluation):

The expert determines whether, in their opinion, given the nature of the underlying matter, the fees charged by the law firm as a whole were reasonable. Standing alone, this is a vulnerable practice, and is **not recommended**.

▶ Software Analysis of Bills:

Automated scans of invoices for pre-set keywords and sets of words associated with certain objectionable billing practices. **Not reliable and not recommended**.

How should a Fee Expert conduct their analysis? (cont.)

Some of the most common methods:

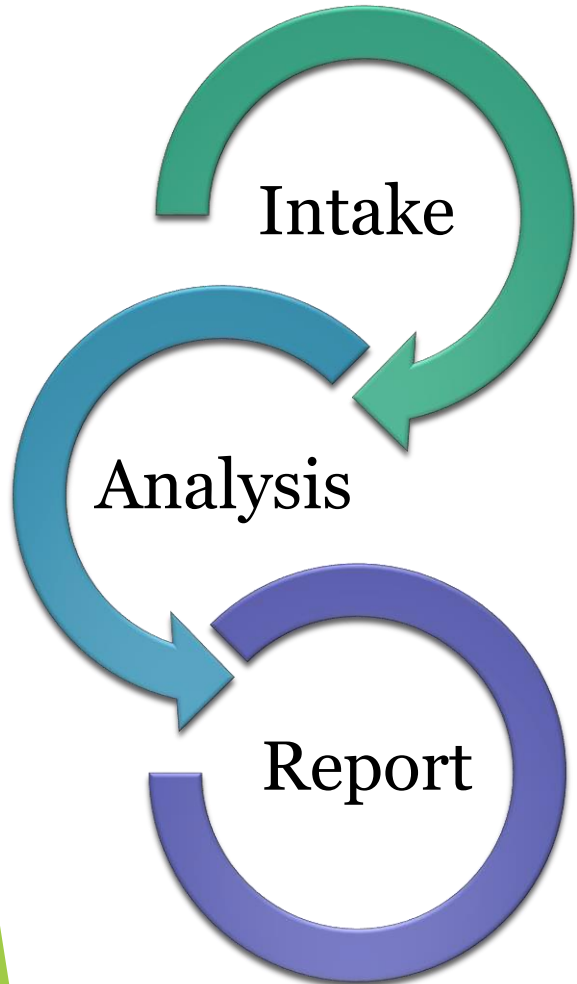
▶ Rate Analysis:

The expert reviews the rates charged by the timekeepers using objective data, and decides the reasonableness of the fees in light of those rates. This is a reasonable portion of a full analysis. >> **LFA's Method**

▶ Line by Line Analysis:

The expert conducts a line-by-line review of the fees. Line by Line Analysis enables the expert to provide a complete and objective opinion on the fees by applying legal and ethical standards, as well as generally accepted commercial standards, to every entry. >> **LFA's Method**

How we do it:



- ▶ Intake: Obtain invoices, retainer agreements, relevant court documents and prepare for analysis
- ▶ Conduct initial review of applicable case law, commercial and ethical standards
- ▶ Identify objectionable billing practices presented in bills
- ▶ Analysis: Conduct line-by-line analysis of invoices
- ▶ Objective processing of resulting data, preserving full transparency of all aspects of analysis
- ▶ Calculate total dollar and hourly values of objectionable charges and prepare metrics
- ▶ Report: Draft report detailing findings and the bases for opinions
- ▶ Final Report typically includes:
 - ▶ Detailed reporting on dollar amount of each objection and percentage compared to total fees
 - ▶ Support in the form of commercial standards, ethical opinions, and case law
 - ▶ Full back-up of billing analysis and illustrative examples

LFA Success Stories:

- ▶ LFA was hired by the General Counsel of a large distributor of home theater products who, after initial review of their invoices, felt they were being overcharged. LFA conducted an analysis of the invoices and created a report that served as the basis for discussions between the General Counsel and their outside counsel. The discussions resulted in a 20% reduction in fees and an implementation of better billing practices.
- ▶ LFA was hired by an intellectual property advisory firm after they were ordered to pay opposing counsel's fees. LFA conducted an analysis of over \$100 million in legal fees in under two months and provided expert testimony, resulting in a 25% reduction in fees.

References available upon request.

Legal Fee Expert Retention Checklist

Qualifications:

- ▶ Previous experience as testifying expert. ✓
- ▶ Background in commercial litigation. ✓
- ▶ Familiar with legal and ethical standards on legal billing practices. ✓
- ▶ Familiar with generally accepted commercial standards. ✓
- ▶ Report sample is compelling. ✓

Methodology:

- ▶ Net Opinion X
- ▶ Rate Analysis included in Line by Line Analysis ✓
- ▶ Software Analysis X
- ▶ Line by Line Analysis of fee entries ✓

How to get started:

We will be happy to discuss your unique circumstances and create a tailored solution that will quickly and successfully achieve the best results for you.

LFA can perform expert services on a flat fee basis.

Ask for a free analysis!

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Legal Fee[™]
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