

Successful Partnering Between Inside and Outside Counsel

American Corporate Counsel Association and West Group, 2000.
6,032 pp. Four loose-leaf volumes, four disks of forms, index. \$350.
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Reviewed by Lloyd A. Semple



When the West Group asked me to review a new publication entitled *Successful Partnering Between Inside and Outside Counsel*, I assumed they would send a single volume, dealing primarily with garden-variety marketing initiatives by law firms to potential corporate clients in a competitive legal environment. What I received instead was a four-volume, 80-chapter, 6,032-page treatise covering every conceivable aspect of the complex relationship between inside and outside counsel. The publication is a remarkable joint effort of the American Corporate Counsel Association and West Publishing Company and will long be considered the definitive work on the subject. As chairman of my firm, I have asked each of our practice group leaders to acquire a working knowledge of the extensive index and to use the publication as an essential resource tool. I am sure it will be of equal value to chief legal officers and the members of legal departments of corporate America.

The first thing that strikes the reader is the extraordinary quality of the authors. The editor-in-chief is Robert L. Haig, a senior litigation partner with Kelly, Drye and Warren in New York. He previously edited a resource book used widely in our firm, *Business and Commercial Litigation in Federal Courts*. Haig and the West Group assembled a veritable Who's Who in American law as contributors. Among them are general counsels of many of the largest companies in the United States and the leaders of major law firms. Through their collective experience, they present an informative analysis of 73 subjects,

starting with pre-litigation management and avoidance and ending with special issues relating to real estate law.

Second, and as important, is the breadth and depth of the information contained in the four volumes. This was a massive undertaking, containing a wealth of information for improving the relationship between inside and outside counsel and enhancing cost-effective representation. The subjects covered include, among others, selecting outside counsel, optimizing the number of outside counsel through convergent and partnering strategies, fee arrangements, engagement letters, bench-marking and evaluation, conflicts, diversity, and opinion letters.

The treatise also discusses partnering in the litigation process, including pre-litigation management and avoidance, pleadings and pre-trial motions, discovery and information gathering, and trial preparation and presentation.

And finally, there are six case studies: the Dupont Legal Model for Strategic Partnering; an Acquisition Done at High Speed; Outsourcing of the Telcordia Legal Contract Function; a National Litigation Program; the Wal-Mart Approach to Litigation; and the Ford Motor Company Changing the Law of Punitive Damages through Litigation, complete with a Memorandum for summary judgment. Throughout, the information pre-

sented evenly balances the interests of inside lawyers, on the one hand, and outside lawyers on the other.

After the biographies of the various authors, the reader will find the well-organized and informative index covering over 275 pages. It serves as a useful road map to the publication and is presented in typical West style. A unique feature of the publication is the Practice Check List included toward the end of each chapter, which provides an accessible summary of the chapter with cross references to the major issues discussed by the authors.

In addition, over 200 model forms are included to cover documentation related to the subjects, such as engagement letters, request for qualification, outside counsel evaluation, responses to RFPs, and yes, the dreaded termination letter. There are also model plans for budgeting transaction and litigation engagements. Perhaps the most helpful innovation is the presentation of all of these forms on time-saving computer disks. I tried them and they gave me the ability to call up any form in the publication and complete it, or modify it, as I found appropriate. All in all, for a work of this size and complexity, *Successful Partnering Between*

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Inside and Outside Counsel is surprisingly user friendly.

As an aging transactional lawyer, now burdened with the duties of law firm management, I was drawn to two chapters covering quite different subjects. The first was an extraordinarily well-written and well-organized chapter entitled "Transactions," written by Harold S. Barron, senior vice-president, general counsel and secretary of Unisys Corporation, Michael D. Goldman, chairman of Potter, Anderson & Carroon L.L.P., Wilmington, Delaware, and his partner, Scott E. Waxman.

The chapter focuses on methods for achieving successful partnering between inside and outside counsel in the context of a "transactional practice," which the authors appropriately describe as encompassing most business matters that are not litigation. It starts with the methodology for assembling a team containing all necessary professional skill sets. The importance of establishing lines of communication and chains of command is emphasized, as is identifying the strengths and weaknesses of the team members and understanding each player's role at the outset.

The authors spend considerable time addressing the application of technology to the relationship of inside and outside counsel in transactional matters. The chapter contains valuable practical advice for using e-mail, cyber meetings, virtual private networks, and other cutting-edge applications. Finally, the authors bring home the point that all members of the client organization's negotiating team must be aligned and prepared to speak with one voice. The chapter is loaded not only with sound theory, but many practical tips for both inside and outside counsel.

When I put my law firm leadership hat on, I was drawn to the chapter on billing practices, which I am learning, can be the source of communication breakdowns between our firm and our clients, who are often the general counsels of large business entities. This chapter was authored by Richard E. Mulroy, Jr., general counsel of the MONY Group; Lawrence J. Fox, partner and former managing partner of Drinker Biddle & Reath L.L.P.; and Jonathan P. Bellis, who leads the Law Firm and Law Department Consulting

Group of PriceWaterhouseCoopers. The authors start by noting that while billing may appear to be a mundane topic, it is the heart of the relationship between law firms and law departments. If it is not done properly, there are consequences, and most are not good for law firms.

While the authors do cover many of the traditional basics of billing and stress the requirement that the process must foster dialogue and communication about the cost and value of legal services, I was pleased that the great bulk of the chapter covered other issues. These include management benefits, in terms of budgeting and accountability, derived from task-based billing and using the uniform task-based management system. It is also clear that the uniform task-based management system and electronic billing are closely linked. There is extensive discussion of paperless billing through electronic links between the law firms and clients, permitting

legal departments to efficiently and accurately assess the value of the services rendered. It also becomes a tool in the management of current legal assignments and the accumulation of data bases to permit accurate budgeting and bench-marking for future legal assignments. Finally, the authors discuss alternative fee arrangements, the ethical issues that come to bear in the billing process, and the third-party legal audit.

Obviously space does not permit a review of the entire publication. I have chosen these two chapters as representative of the quality and experience of the authors, the diversity and balance of the subject matter, and the very current and practical nature of the information. I cannot imagine a well-run law department or law firm without *Successful Partnering Between Inside and Outside Counsel*/being on the shelf and frequently used. ◆

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