

To Law 2.0 and Beyond The Shape of Things to Come

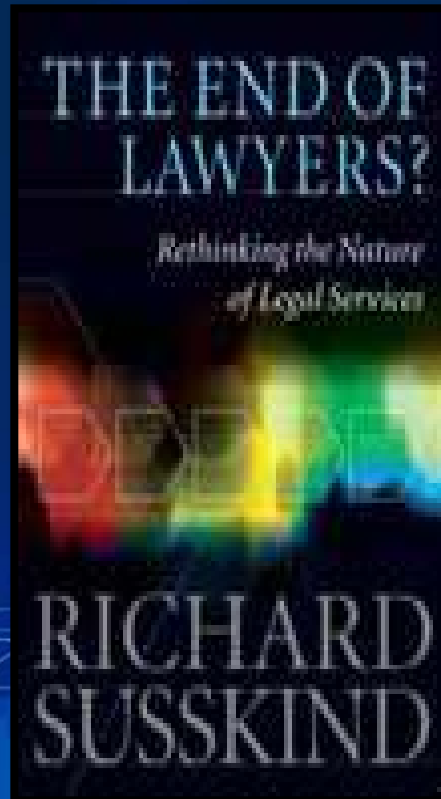
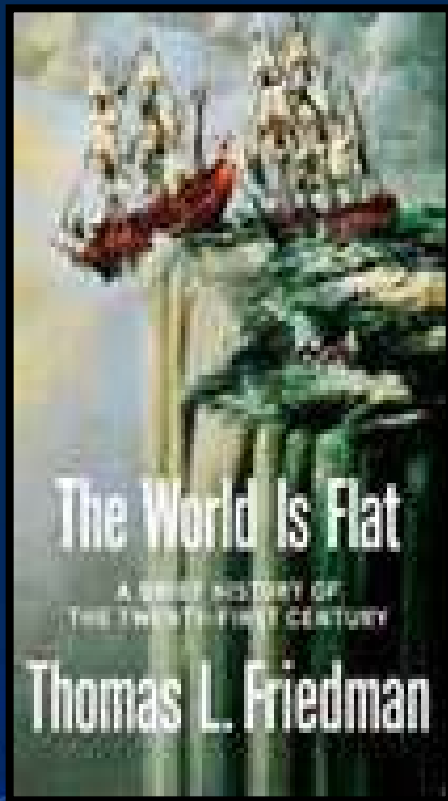
Jeffrey W.Carr
FMC Technologies



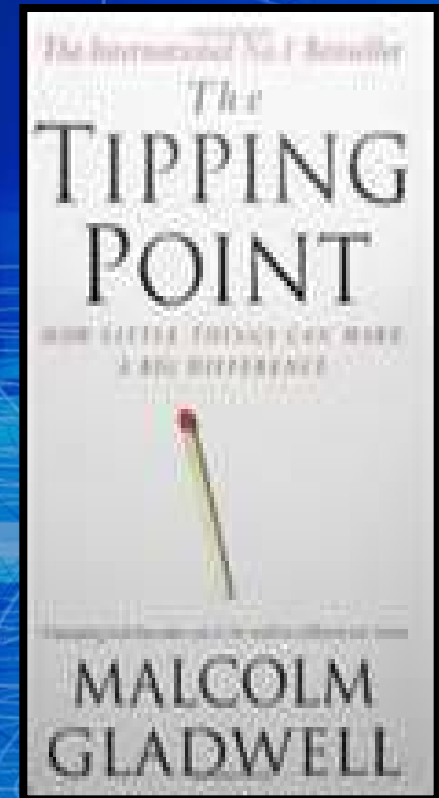
Innovative Technologies, Creative Solutions



Or ...



Or ...



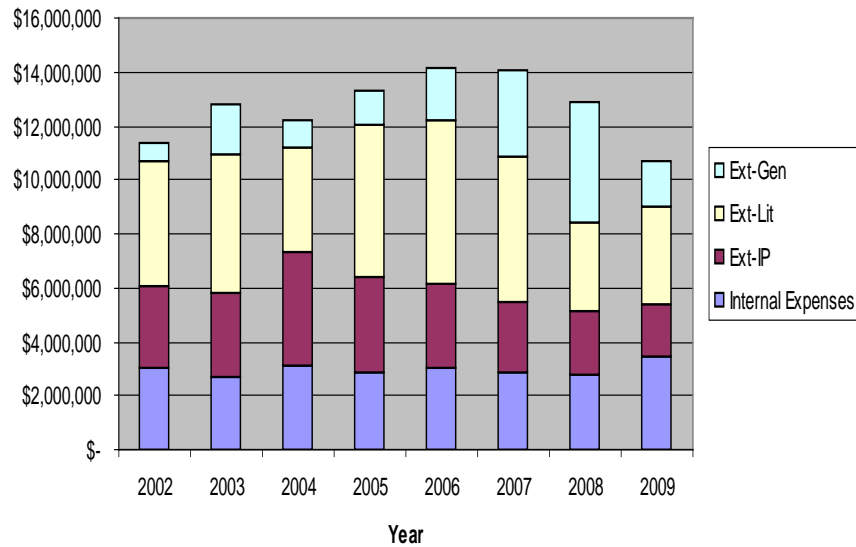
Innovative Technologies, Creative Solutions

FMC Technologies

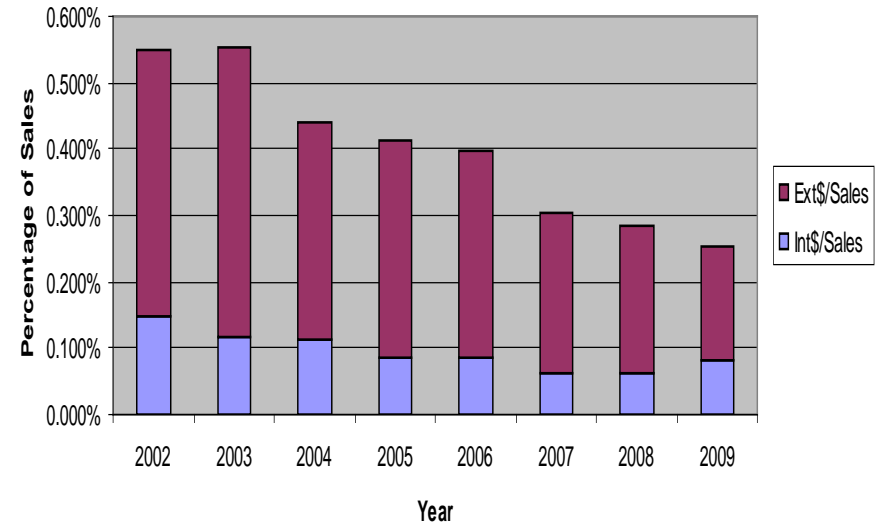
Total Legal Expenses Increased -- Now Trending Down

But Decline as % of Sales

Legal Expenses



Legal Expenses



Performance Benchmarking

Category	FMC Technologies	Mean	Median
Exp/\$Rev	0.284%	0.865%	0.497%
Int/\$Rev	0.061%	0.215%	0.131%
Ext/\$Rev	0.222%	0.609%	0.302%
Lit/\$Rev	0.117%	0.297%	0.214%
IP/\$Rev	0.083%	0.095%	0.11%
Total Legal/\$Rev	0.330%	1.174%	0.809
Avg In-House \$/Hr	\$167	\$212	\$197
Avg Ext Cnsl \$/Hr	\$250	\$400	\$385
Attny/\$B	2.86	6.78	6.85
Legal Heads/\$B	3.96	8.92	6.66

Our Vision

- **We are not lawyers.**
- **We are business people with legal training forged into a cohesive legal team committed to the success of FMC Technologies through focused effectiveness, relentless efficiency, constant improvement, creative disruption and unyielding integrity.**



Our 1^o Law™ Tool Box

- Integrated matter management – Serengeti
- Performance based pay – ACES
- Early case assessment – Decision Pro
- Streamlining process – P-Card, Serengeti, Sharepoint
- Driving Performance – Meaningful metrics & Snapshot
- Delivery/Execution – Project & monthly MPR
- Leveraging internal knowledge – Sharepoint
- Leveraging external knowledge – Legal On Ramp
- Leveraging resources – “Cook Book”; Guidelines
- Leveraging time/space – Webex; Telepresence
- Continuous Improvement – L²A²

The Matrix

<p>I Urgent Important</p>	<p>II Not Urgent Important</p>
<p>III Urgent Not Important</p>	<p>IV Not Urgent Not Important</p>

The Circle



Lessons Learned

Avoid

Manage/Resolve
Efficiently



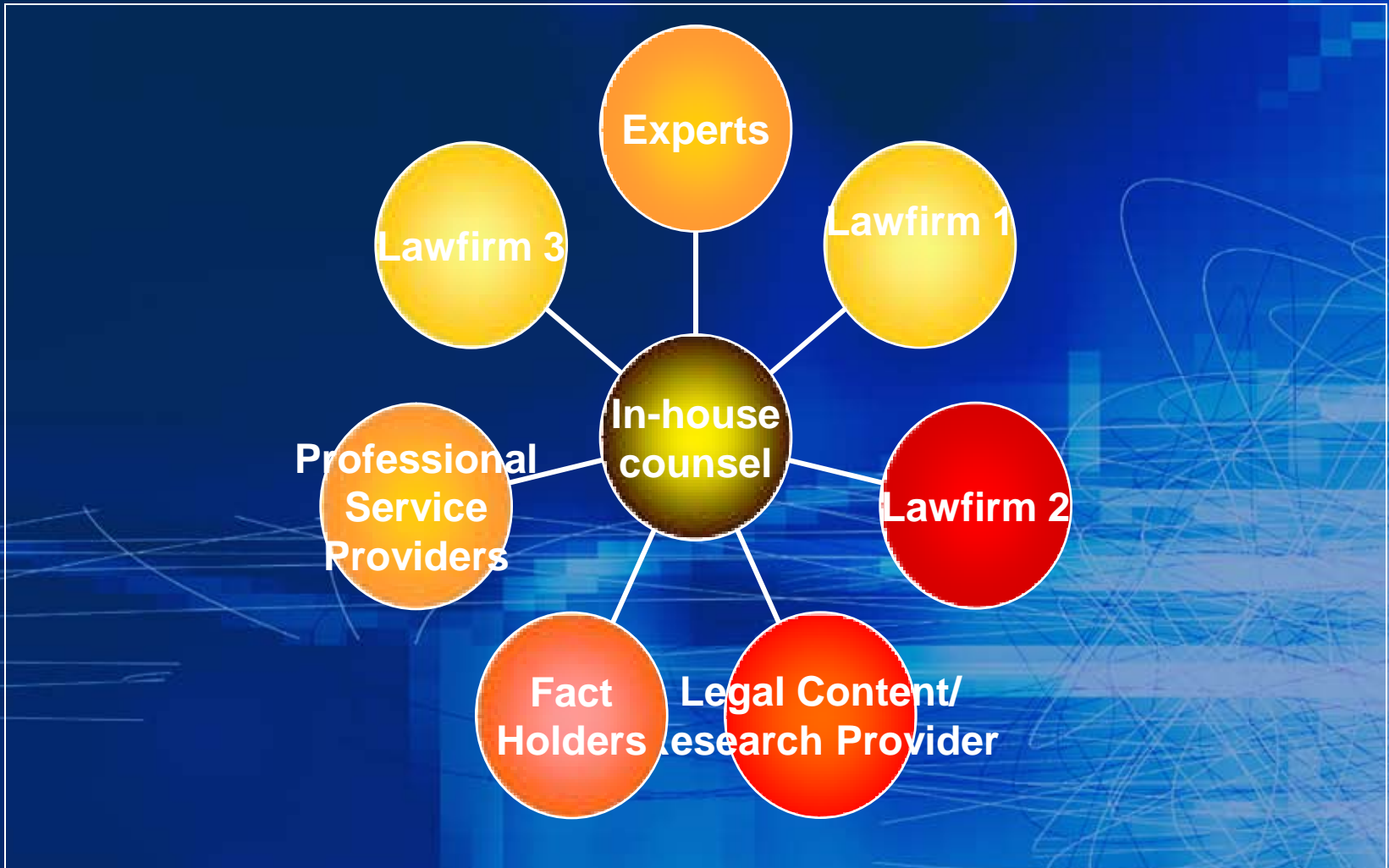
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FMC Technologies

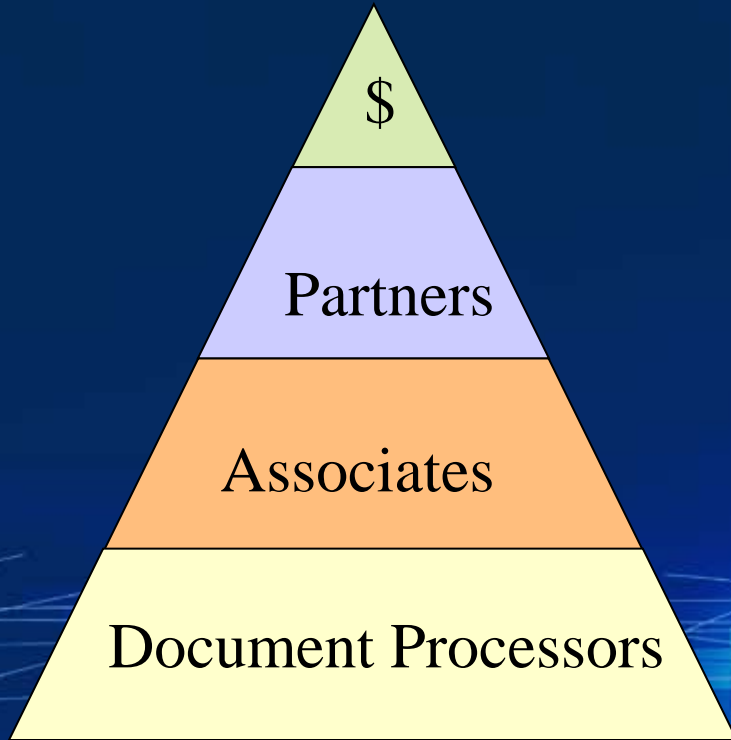
The Arrow



The Atom



The Pyramid and the Funnel



VS.

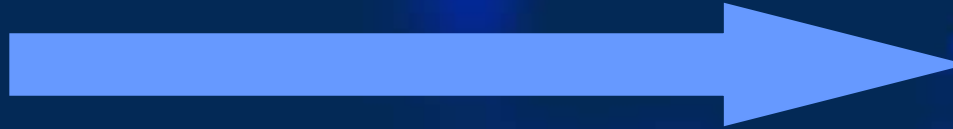


Volume Centric
Focus on Hours or
\$/page

Value Centric
Focus on leverage or
key info

The Arrow – Redux

Marginal costs of delivery reduce



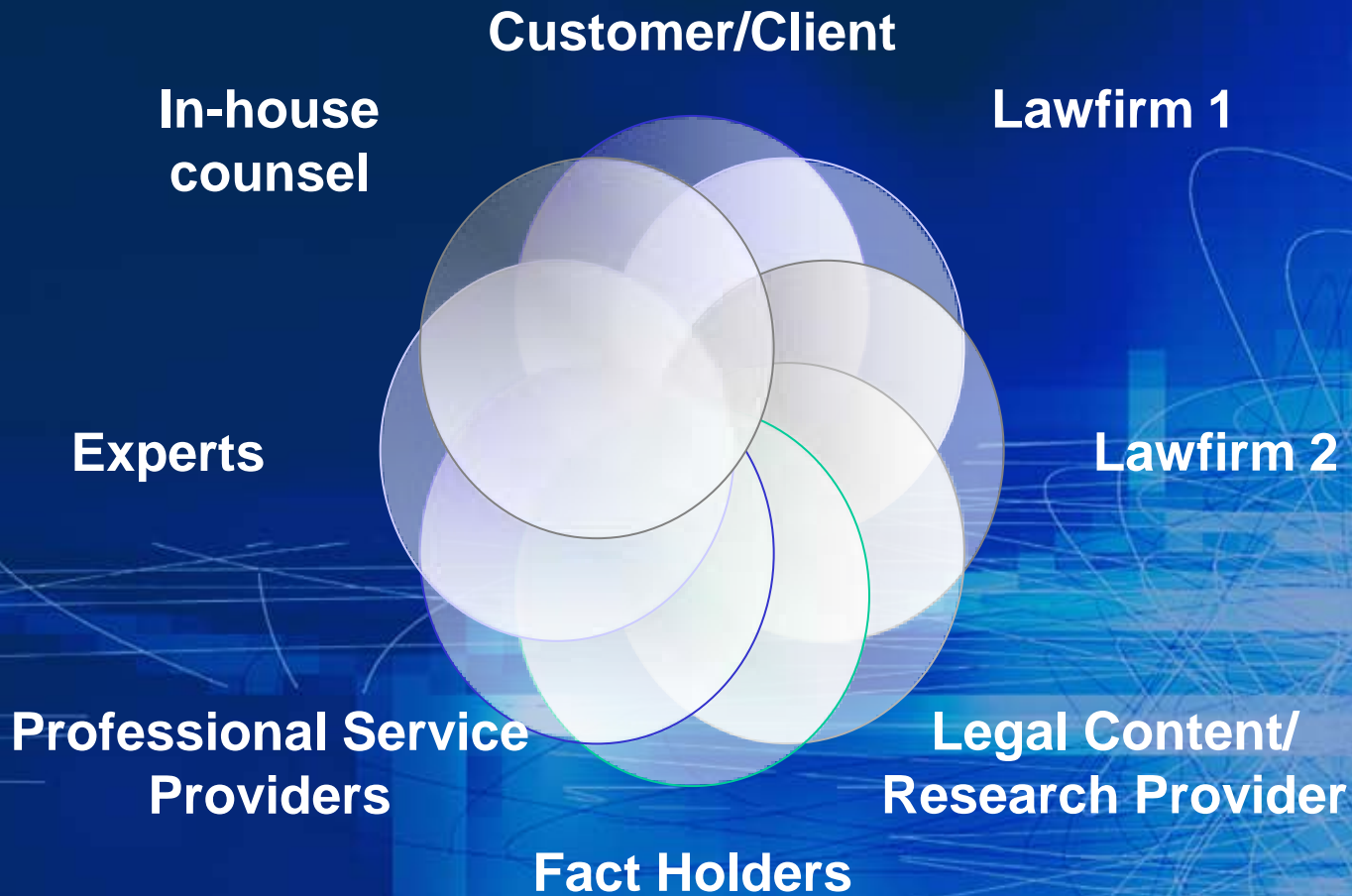
Hourly billing

Fixed fees

Commodity
pricing, tending
towards zero

Source: R Susskind – “The End of Lawyers?”

The Cloud

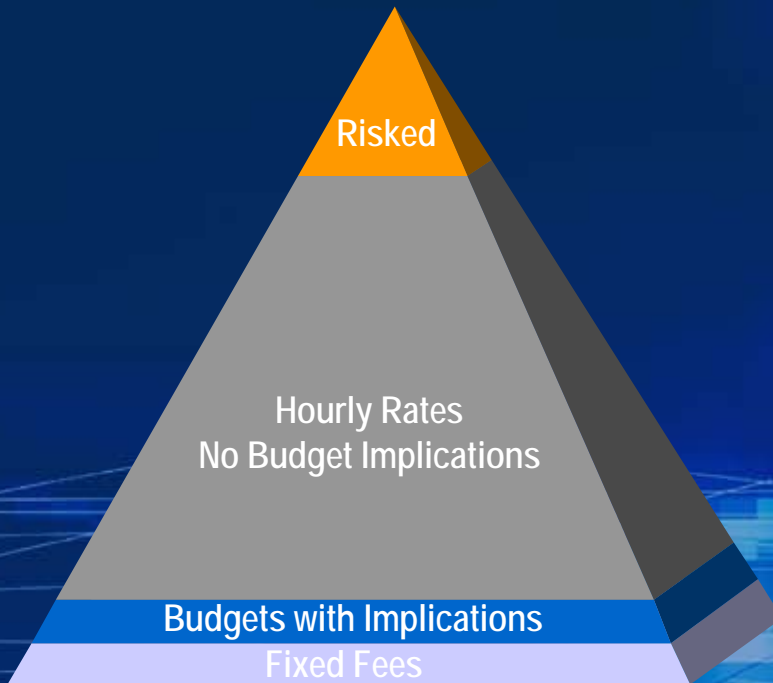


The Matrix Revisited

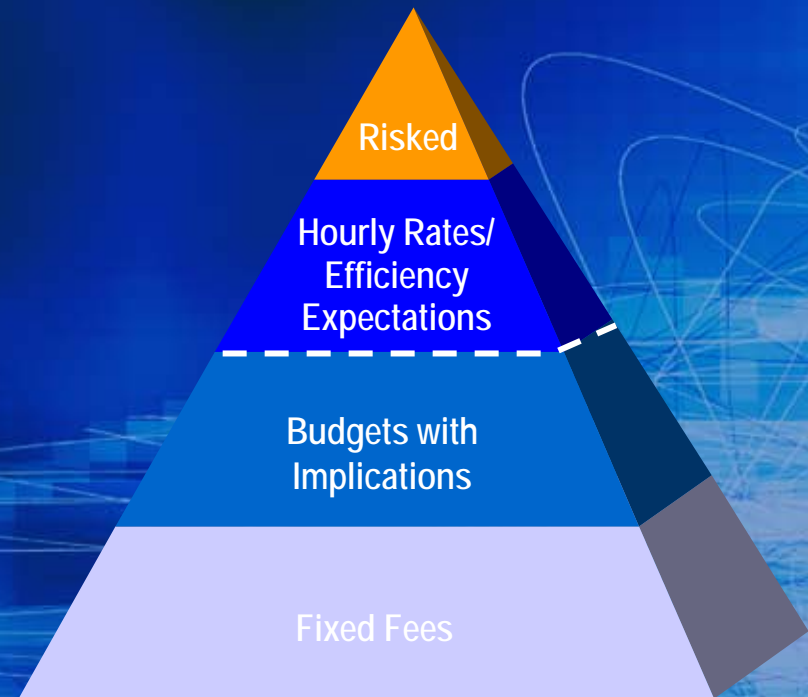
I Advocacy	II Counselling
III Process	IV Content

The Pyramid – Stacked AFA's

Recent



Future



The AFA Table

- **Variable** *(aka Non-Transformational)*
 - Discounts
 - Blended Rates
 - Freezing Rates
 - Budgets w/o Implications
- **Value** *(aka Transformational)*
 - Fixed Fees
 - Budgets with Implications
 - Risk Sharing
 - Efficiency Expectations

The Arrow -- Again

Decide

- We need to reconnect legal services to value

Discuss

- What does that mean?
- What do we want?
- Who must be involved?

Design

- Value-focused tools
- Platforms
- Bridges and alliances
- Continuous improvement

Define

- Goal
- Measurement
- Re-discuss
- Refine

Deploy

- What do we do?
- How do I start?
- Multiple vectors
- Mentors and Sensei

The FMC Litigation Value Challenge

Legal OnRamp - Home - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address http://www.legalonramp.com/lor/index.php

Legal OnRamp

Home Content **Community** Collaboration Partner Services Support My Menu carrj Logout

Home

FMC Technologies 1st Law Litigation Value Challenge

We're pleased to announce the **FMC Technologies 1st Law Litigation Value Challenge**. The following introduction by Jeff Carr presents this challenge and invites your participation. An overview article describing FMC's approach from the ACC Docket can be found in the [FMC Technologies Law Litigation Value Challenge Group](#) along with other documents describing the Challenge.

"Here at FMC Technologies, we're constantly working to improve our processes and quality and to provide better value to our customers. If you share our objective of pioneering innovative ways to avoid,... [Readmore](#)

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OnRamp Discussions

[Re: Boo Hoo for the Partners I...](#)
Only when the GCs who purchase the services of the AMLAW 200 stop dri...
[Pamela Woldow](#) May-04-09 20:11

[An Open Letter to General Cou...](#)
Clients tend to think about winning or losing cases, and for that rea...
[jeemakowitz](#) May-04-09 11:04

[Re: A Future View of BioLaw by...](#)
Change is many things, but above all, it is certain. If one subscrib...
[Patrick Lamb](#) May-04-09 08:50

[Re: Kilpatrick Stockton Lawyer...](#)
Some good thoughts here. I recommend Carl Horn's book, LawyerLif...
[Stuart Mauney](#) May-03-09 15:17

[Re: The Future Of Law?](#)
Anthony: If the rowing analogy is

My Profile

Jeffrey Carr
[Invite Colleagues](#)

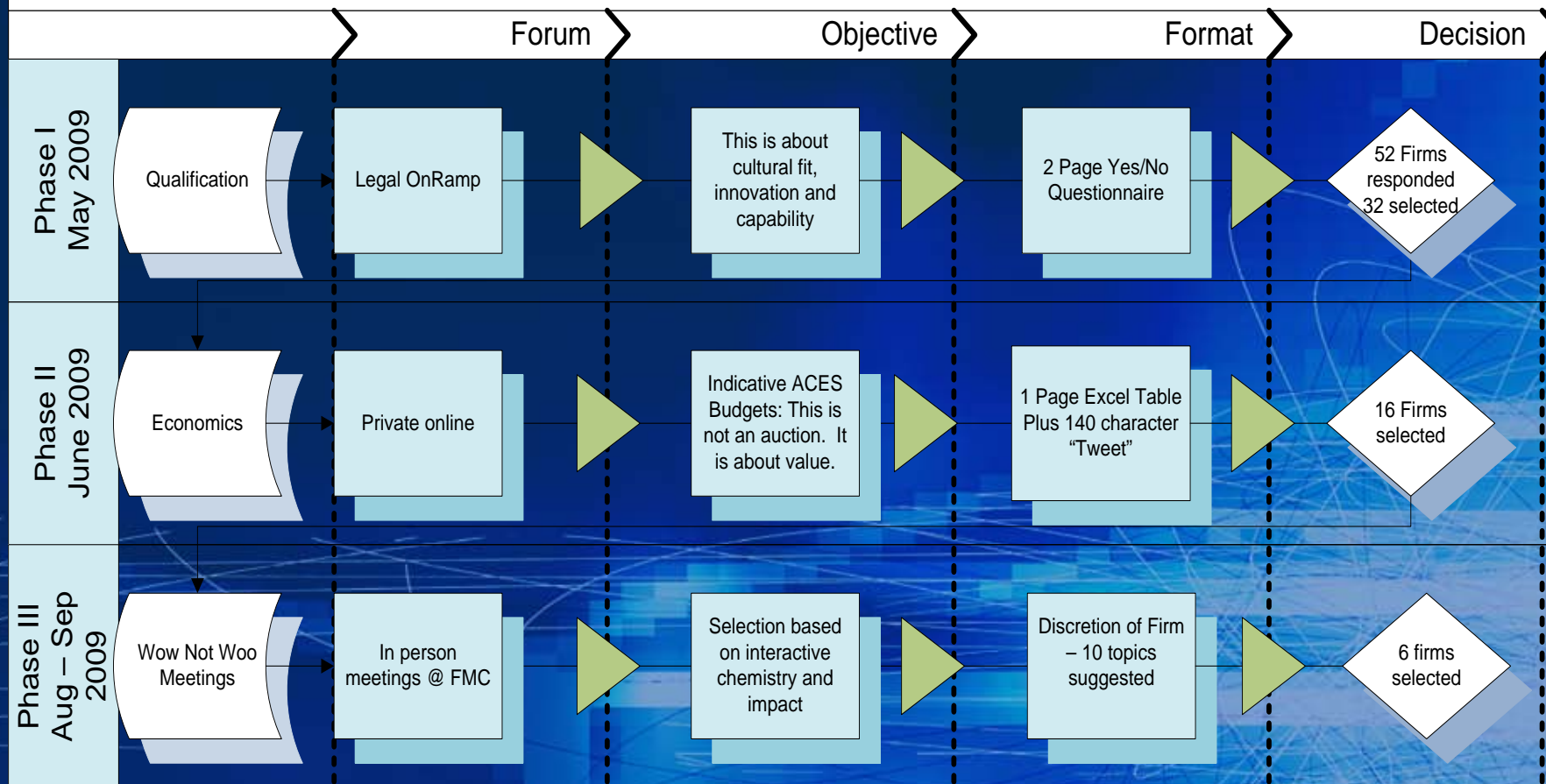
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OnRamp Alerts:
You've been invited to:
[Incisive Media NYC May 20-21 Law Firm Business Development Forum](#)

Done, but with errors on page.

start | Shape of things to co... | ACES Tool box 6-200... | Legal OnRamp - Hom... | 5:56 AM

1° Law Litigation Value Challenge



The Challenge - Phase 2

CaseTypeStatswithFirm-non conf.xls [Compatibility Mode] - Microsoft Excel

Home Insert Page Layout Formulas Data Review View Add-Ins

Normal Page Layout Page Break Preview Custom Views Full Screen

Zoom 100% Zoom to Selection

New Window Arrange All Freeze Panes

Split Hide View Side by Side Synchronous Scrolling Reset Window Position

Save Workspace Switch Windows

Macros

A26 fx Default ACES budget = typical disposition without materially abnormal circumstances

Firm Competency (Rank 1-11)			Type of Case	# Cases**	Average of Duration-Days	Average of Total Fees and	Average of Total Matter
Firm _____	Products Liability/Personal Injury _____	Contracts & Commercial - Defendant					
Name _____	Commercial/Contracts _____	Contracts & Commercial - Plaintiff					
e-mail _____	Complex Commercial _____	Employment					
Telephone _____	Patent Infringement _____	Intellectual Property - Defendant					
	Trademark Infringement _____	Intellectual Property - Plaintiff					
	Mass Tort _____	Mass Tort					
	Employment/Labor _____	Personal Injury - Property Damage					
	Securities Class Action _____						
	White Collar Crime _____	* For period 2003-2008					
	Environmental _____	** # Closed Cases = arbitrated and filed litigation					

Complete data in yellow cells

Firm Data Proposal

Firm Name	Type of Case	# Cases Handled	Average of Duration-Days	Resolved within 180 days	Cases Taken to Verdict	Default ACES Budget
	Contracts & Commercial - Defendant	0	0	0	0	0
	Contracts & Commercial - Plaintiff	0	0	0	0	0
	Employment	0	0	0	0	0
	Intellectual Property - Defendant	0	0	0	0	0
	Intellectual Property - Plaintiff	0	0	0	0	0
	Mass Tort	0	0	0	0	0
	Personal Injury - Property Damage	0	0	0	0	0
		0	0	0	0	0

Default ACES budget = typical disposition without materially abnormal circumstances

Sheet1 Sheet2 Sheet3

Ready Average: 0 Count: 86 Sum: 0 74%

Start Google Outlook Carr Costs Quality durin... One Degree Law Litigatio... Microsoft Excel - Case...

10:16 AM

The Challenge – Phase 3

- **33 firms invited to use Twitter and send a “Tweet”**
 - 140 characters or less
 - What makes you different?
 - Why should we meet you?
- **16 firms invited to “Wow not Woo” Face of Face Meetings**
 - Format up to firm
 - **Memorable moments**
 - Poem
 - Video of the making of the tweet
 - Role play of intake meeting
 - Process mapping

The Decision

- **The Team**

- **Beirne Maynard**
- **Fulkerson**
- **Littler**
- **Seyfarth**
- **Summit**
- **Sutherland**
- **Valorem**
- **Womble**

- **The Structure (TBD)**

- **Plan A**
 - JV to leverage capability
- **Plan B**
 - Shark Tank (mini-RFPs)

Your Future

This?



Or This?



“If you dislike Change, you’re going to dislike Irrelevance even More.”

US Army Chief of Staff, Gen. Eric Shinseki



Innovative Technologies, Creative Solutions

