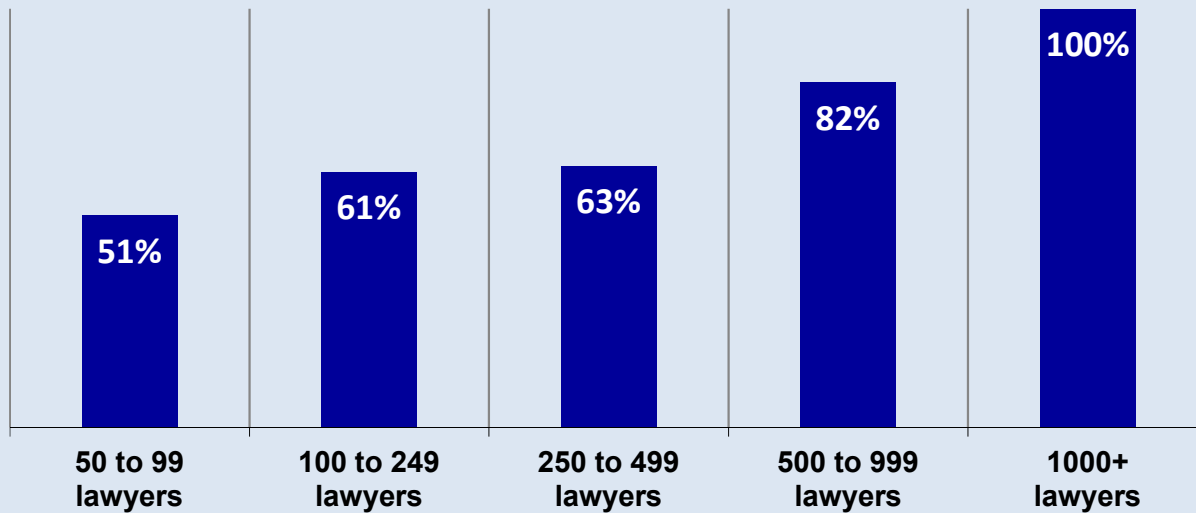


# Pricing 2019: Rate Increases, Discounts, Alternative Fees

## AGGRESSIVELY INCREASED RATES



In the last few years, has your firm increased billing rates more aggressively specifically to improve firm profitability?

Approximately what percentage of your firm's legal fees come from...

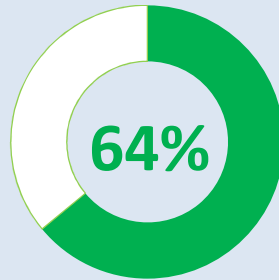
	DISCOUNTED HOURLY RATES	NON-HOURLY RATES
50-99 lawyers	11% to 20%	6% to 10%
100-249 lawyers	21% to 30%	6% to 10%
250-499 lawyers	41% to 50%	11% to 15%
500-999 lawyers	31% to 40%	11% to 15%
1,000+ lawyers	More than 50%	16% to 20%

RATE ADJUSTMENTS

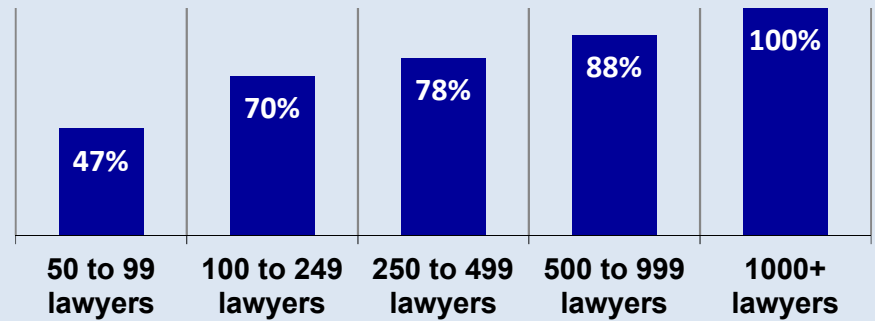
# Pricing 2019: Collaborating with Clients

IS YOUR LAW FIRM:

Collaborating with clients on creative alternative fee options

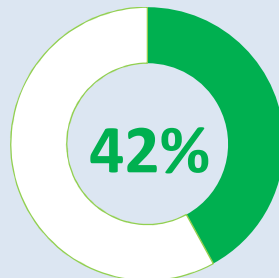


ALL FIRMS

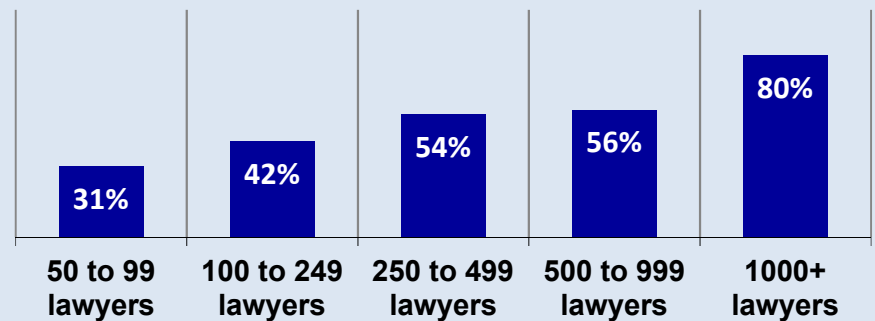


IS YOUR LAW FIRM:

Training lawyers to talk with clients about pricing

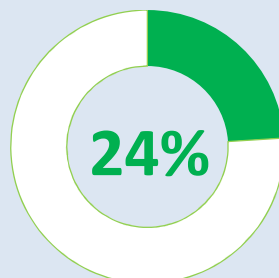


ALL FIRMS

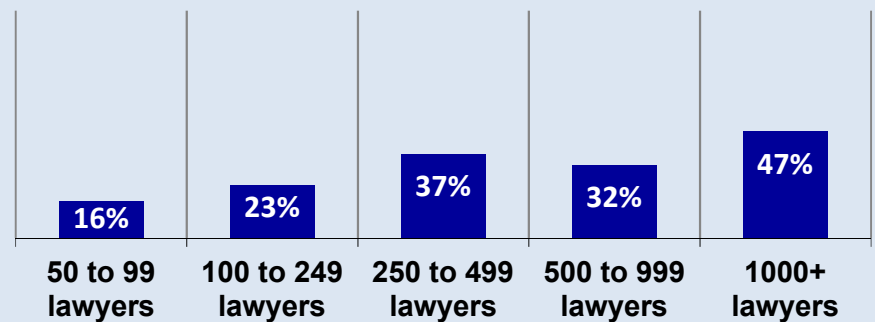


IS YOUR LAW FIRM:

Identifying each client's unique pricing preferences



ALL FIRMS



# Pricing 2019: Justifying Rate Increases

We asked Managing Partners:

If challenged by a client, how would you justify your firm's most recent rate increases?

“Cost of attracting and retaining top tier talent.”

“Costs of keeping up with technology.”

“Occupancy expenses, personnel and health insurance.”

“Our rates might be higher, but the bills to the client might not be because of increased efficiency.”

“We also offer AFAs.”

“Focus should be on the overall cost of the project, not the hourly rate.”

“We are confident that our increases are well within the range of our peer firms.”

“Increased use of innovation – technology or process.”

“Even at a higher rate, our attorneys can perform the work more competently than a less specialized firm.”

We recommend that firms pursue rate increases where they can get them – *and be ready to justify the reasons for the increase.*

Your lawyers must be able to demonstrate increased value to justify a price increase, not just point to increased costs or to other firms that raised their rates too. Rate increases should be tied to demonstrable improvements in service delivery and value delivered, in ways that clients can directly experience and measure.

— 2019 Law Firms in Transition