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Attorney Fees

How Taser Jolted its Law Firms into Keeping Fees Low

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New practices adopted by Taser International Inc. illustrate how companies are holding the line on fees for outside counsel.

Taser adopted its new approach last year, the National Law Journal reports. General counsel Doug Klint capped outside counsel fees in litigation, grouped in several phases such as motions, discovery and trial. The company also created standardized model legal documents to be used by outside lawyers and developed standard arguments for defending abuse-of-force claims, so law firms don't have to recreate legal work.

These practices streamline litigation the way a manufacturer streamlines the production line, Klint told the legal newspaper. Law firms that haven't gone along with Taser's alternative billing methods are subjected to micromanagement and monthly meetings where work and bills are closely evaluated, Klint said.

Taser currently has 43 lawsuits pending and has resolved 82 others.

Legal consultant Pamela Waldow of Altman Weil told the National Law Journal about the get-tough practices of another, unidentified large company. Its general counsel fired its large law firms and switched to smaller regional firms, replacing billing rates of \$700 an hour with rates of \$325 to \$450 an hour, she said.

Another company, PetSmart Inc., is asking its law firms to discount hourly fees by 30 percent. General counsel and senior vice president Scott Crozier told the National Law Journal that law firms will be axed if they don't make concessions. "We expect a lot more value," he told the publication.