

# [In-House Compensation Report: Top 30 Money-Earners](#)



Corporate legal departments can and do pay top-dollar figures to lure lawyers away from partnerships that pay millions of dollars, reports [Bloomberg Law](#).

Apple Inc.'s general counsel/senior vice president Bruce Sewell leads the list of top-paid corporate legal officers with total compensation of \$22.8 million, according to Bloomberg's research on the 500 largest U.S. companies, ranked by revenue.

"Often enough, the lawyers who choose to accept top positions in-house must forgo high salaries and take other forms of compensation – onetime bonuses, rich stock or option grants, generous pension plans, and other perks such as access to a company car or money for expensive real estate, according to a Big Law Business review of proxy statements," writes [Gabe Friedman](#).

[Read the Bloomberg article.](#)

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# [The Biglaw Firms That General Counsel Absolutely Adore](#)

An [Above the Law](#) review of a BTI Power Rankings report reports that only 33 percent of general counsel find themselves in a state of “clientopia” with their go-to law firms.

The BTI Power Rankings report was based on 960 in-depth telephone interviews that took place between March 2015 and February 2017. Jones Day topped the list.

Law360 also reviewed the report: “The biggest area in which law firms are falling short from achieving client service bliss, according to BTI President Michael Rynowecer, is that many have a lack of understanding of their clients’ businesses, something he says is becoming ‘a bigger and bigger problem.’”

[Read the Above the Law article.](#)

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## [Case Study – An Inside Look at PayPal’s ELM Implementation](#)

During the 2017 CLOC Annual Legal Operations Institute in Las Vegas, Onit and PayPal presented a session titled, “Next Generation Enterprise Legal Management (ELM): People. Process. Automation.” The speakers were Lauren Giammona, Director of

Operations, Business Affairs & Legal at PayPal, and Eric M. Elfman, founder and CEO of Onit.

Lauren outlined her implementation experience and shared her 7 key tips for selecting an enterprise legal management (ELM) vendor. *Legaltech News* wrote a [detailed article](#) summarizing the CLOC session. PayPal and Onit discussed how legal departments can provide “continuous” value to the company, drive operational improvements and allow employees to work in the systems they prefer. The session highlighted:

- The importance of process, workflow and collaboration
- How a business automation tool solves needs beyond e-billing and matter management
- Key benchmarks and metrics that drive innovation and transformation in legal operations

[Download the case study.](#)

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## [Managing Legal Risks and Cultural Issues in Cross-Border and Whistleblower Investigations](#)



AltaClaro will present a complimentary [webinar](#) focusing on managing legal and cultural risks in cross-border investigations. The event will be Wednesday, July 26, 2017, beginning at noon Eastern time.

Expert panelists Jon Abernethy (Partner, Cohen & Gresser LLP) and Andrew Curtin (Global Head of Investigations, AIG) will join AltaClaro Founder & CEO and former Deputy General Counsel of Mitsubishi UFJ Financial Group, Abdi Shayesteh, will be presenters.

In this interactive, live webcast, Abdi will moderate Abernethy's and Curtin's discussion of the following topics:

- (1) Handling multi-jurisdictional approaches to privileged communications in the aftermath of the recent U.K. decisions in Eurasian Natural Resources Corporation Ltd. and The RBS Rights Issue Litigation
- (2) Identifying potential cultural challenges and local laws that may impede an effective investigation and prevent a one-size-fits-all approach to designing internal processes and procedures within multinational organizations
- (3) Implementing best practices when preparing for and coordinating effective internal investigations across international lines

[Register for the webinar.](#)

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# Complete the 2017 Law Department Benchmarking Survey



Consilio is conducting an [online survey](#) is designed to provide law department leaders insight into comprehensive benchmarking data, legal operations and discovery best practices, and trend reporting.

Survey results provide a foundational resource for assessing law department performance, and justifying spend and staffing levels or initiative investments through peer comparison.

“Corporate law department performance is widely discussed yet infrequently measured with accuracy across industries. Legal spending, department organization, staff workload, outside counsel and vendor management, leadership priorities, client service delivery and technology are several of the areas of performance that we aim to measure, benchmark and use to identify best practices in our 2017 Law Department Benchmarking Survey,” Consilio says on its website.

Participants who complete the survey by July 15, 2017, will receive a \$25 coffee gift card.

Participants will receive the survey results report including benchmarking data at the industry and revenue segment level, Consilio reports.

[Complete the survey.](#)

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# Get the In-House Processing & Review How Tos



Zapproved has published a guide that discusses five ways to save costs and build efficiencies by bringing e-discovery processing and review in-house. The guide [can be downloaded](#) at no charge.

On its website, the company says keeping in-house e-discovery costs in check is a constant balancing act. Complex litigation and regulatory matters – along with pressure to streamline operational spending – create an often expensive e-discovery reality.

According to a study from FTI Consulting, the majority of Fortune 1000 corporations now spend \$5-10 million annually on e-discovery with 70% of the costs tied directly to document review.

The guide shows how to take charge of e-discovery by leveraging easy-to-use and secure in-house tools that minimize business risk – and maximize budgets.

- Unlock detailed tips in this guide from Zapproved to get started. It outlines six ways to slash spending and boost efficiencies. Find out how to:
- Use modern, cloud-based e-discovery software tools to bring routine e-discovery processes in-house.
- Modernize legacy systems to limit dependence on IT.

- Empower legal teams to slash expenses, improve data security and speed time to resolution.

The guide also offers step-by-step recommendations and best practices to help:

- Get insights faster by plugging in data processing tools
- Save money by reviewing routine, high-velocity matters in-house
- Improve response to internal investigations and FOIA information requests

[Download the guide.](#)

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## [3M Lawyer on Cutting More Than 250 Law Firms](#)

General counsel support is crucial for corporate legal departments that are trying to decrease the number of law firms they work with, 3M Co.'s managing counsel said, writes [Yin Wilczek](#) for [Bloomberg BNA](#).

Joseph Otterstetter, who leads his company's ongoing convergence efforts, told Wilczek that the most important step is making sure the in-house team is "aligned, starting with the general counsel. There will be resistance, I promise, and so if the general counsel isn't supportive, it's best not to even start, frankly."

3M launched its effort convergence in 2013, when it cut the

about 300 of its U.S. outside firms to about 35 to 36 firms, said Otterstetter, who also is associate general counsel of 3M. And more recently the company re-assessed the major portfolios into which it divides its legal work, he said.

[Read the Bloomberg article.](#)

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## [A 'Dramatic' Gender Wage Gap Awaits In-House Counsel](#)



The Association of Corporate Counsel released its latest in-house trends report, which revealed that a higher percentage of women's salaries were on the lower end of the salary scale than those of their male counterparts, reports [Above the Law](#).

"The survey, based on responses from 1,800 in-house counsel in 53 countries, further stated that while a higher proportion of men existed in six of seven salary bands above and beyond \$199,000, only 8 percent of male respondents actually believed that the in-house gender wage gap existed," according to reporter [Staci Zaretsky](#).

The ACC report also found that more than one-third of female respondents have had trouble finding satisfactory after an absence of six months or less. And longer absences hurt even more.



[Read the Above the Law article.](#)

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## [In-House Attorneys See 4.3 Percent Pay Hike](#)



Above the Law [reports](#) on a BarkerGilmore in-house counsel compensation report that shows in-house lawyers received average pay increases of 4.3 percent last year.

“That sounds perfectly middling, until you realize every rung of the prevailing Biglaw associate scale bests that – some years by a lot,” writes [Joe Patrice](#).

The tech industry led the way with higher salaries, bumping up 4.9 percent, while financial and manufacturing industries tied for the small hikes, just 3.7 percent. But the BarkerGilmore survey found that more respondents felt they were undercompensated compared to their peers.

[Read the Above the Law article.](#)

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# [GC Requires Outside Law Firms to Encrypt Communications](#)



The general counsel of Marsh & McLennan Companies has started requiring the company's biggest outside law firms to use an anti-hacking electronic communication technology known as Transport Layer Security, according to a report from [Bloomberg Law](#).

The report quotes Peter Beshar: "What we have done here is gone out to 12 or so of the biggest law firms on the most sensitive matters and insisted, 'You can't communicate with us other than through TLS,' and everyone has signed up by it."

Beshar identified three of the firms are Cravath, Swaine & Moore, Davis Polk & Wardwell and Gibson Dunn & Crutcher.

TLS prevents any unauthorized senders or recipients from entering and intercepting communication – protecting "data in transit" from being hacked, explains reporter [Casey Sullivan](#).

[Read the Bloomberg article.](#)

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# How to Make the Case for a Smaller Law Firm to Your Board

By [Norm Finkel](#)  
[Schoenberg, Finkel, Newman and Rosenberg, LLC](#)

The list of reasons why small law firms offer big advantages is well known—this is especially true for businesses that are mid-sized or emerging. But here’s a quick review. With a smaller law firm, seasoned attorneys are the norm, rather than the associates who typically handle day-to-day business for the big law firms. A smaller firm is a bit like the classic Avis commercial; they work harder. The attention given to the client is second to none. So, relationships between law firm and general inside counsel tend to be closer. Then, of course, there is the matter of fees; they tend to be a lot more reasonable.

**With all these advantages, why would a client opt for big law?** Let’s say a small law firm has established its credibility with a long track record of great work. The relationship between inside counsel and the partners is solid. But one day, the client says, “Sorry, we have to go with the big guys on this one.” What does that mean? Is it a rejection of all the hard work and success? Does it erase all the great progress you’ve shared over the past few years? Not really. There are a number of reasons why a client might go big. For instance, there is the matter of self-protection when a major audit is in order. If something goes wrong, no one can say it was due to the fact that a small law firm was chosen for this arduous task. Or, perhaps a case may be the subject of intense

national scrutiny. For public relations alone, the choice of a larger law firm to handle it may be most prudent, especially when internal counsel has a board of directors that must support the rationale. When such contingent factors come into play, it is no reflection on the smaller firm or general counsel and, for the most part, no threat to the established relationship. In fact, small firms have a vital role to play in cases such as a large merger or an audit, because they can bring the big law firm up to speed on day-to-day information that the larger won't have access to.

### **When it's best to bet on David rather than Goliath.**

There are cases where trust in the relationship outweighs all other factors. Here is an example. I represented a former chairman of a bank. The bank sued my client for losses it suffered on SBA loans after the 2008 meltdown. The bank had a board and an SBA loan committee—both of which approved the loans. The bank, rather than looking at its own culpability, sued the former chairman and president. Two of Chicago's large law firms were recruited to represent the bank and its board members and loan committee members. Our attorneys walked into the courtroom every day and faced an army of lawyers from multiple firms; even the judge commented on the cost of all those lawyers.

My firm litigated the case in state court and won, but we were denied legal fees. The bank appealed its loss, while we appealed the denial of fees. My client ran out of money long before the case went to trial, but we did not quit. He died tragically at the age of 65, shortly after the trial court's judgment but before the appellate court rendered its decision. We were owed seven figures by that time.

The appellate court affirmed the exoneration of my client and reversed the decision denying our legal fees and sent the case back to the trial court for a determination of our entitlement to, and amount of, legal fees. After the court determined we were entitled to fees, the bank agreed to settle the matter.

This occurred shortly before the court determined the amount of legal fees to be awarded. The family and widow were gratified by the outcome. Although we went up against two large law firms who had a client with immense resources, after a 5½-year ordeal, we won.

**The future is starting to favor the Davids, but don't write off the Goliaths just yet.**

Trends are emerging that seem to favor the mid to smaller law firms. The 2009 "Bloody Thursday" that kicked off major layoffs at some of the biggest law firms brought with it a demand for lower fees. Of course, this opened a white space opportunity for smaller, entrepreneurial firms who could deliver more for less. Not only that, but because of technology some of the advantages that once favored bigger firms have evaporated. The giants once owned the biggest libraries and best information. But now, thanks to the digital revolution, small and big alike have access to the same data. Keep in mind, smaller firms tend to be more invested in their clients. The partners are responsible for the success or failure of their business; this goes further than just filling out a time sheet for hours. A concern with cost efficiency is part of their DNA. But as for the Goliaths, as Basha Rubin put it in an article for Forbes, "I'm not arguing that all big law firms will disappear entirely. Why should they? Many provide unparalleled service; they will continue to make sense for the biggest deals. The next time I merge my multibillion dollar corporation with another multinational multibillion dollar corporation, I certainly intend to hire one." <<https://www.forbes.com/sites/basharubin/2014/07/07/big-law-big-problems-2/#210f8e75db42>>The general counsel of a Fortune 500, national health club chain that I've represented for over 35 years has repeatedly told me how much he appreciates my attention to his business and that the results he has experienced from using a smaller firm are "second to none."

**What are the takeaways for inside counsel?**

I started my career in a firm of 15 to 20 lawyers. Six months into the job, I tried my first case and won. I would never have gotten that experience at a large law firm. Recently I hired an attorney from such a firm who was working 100 hours a week and couldn't get any traction on his career. For what it's worth, my advice to internal counsel is this:

- Keep the outstanding small firm that has worked so hard to win your business
- Remind them when an audit comes up or a case with national media buzz, that leaning on the big firm is simply a matter of self protection – not a dismissal but a fact of life in business
- Promote the great work of your smaller partner law firms to your board so that they can see the value
- Remember that business, technology and culture are in a state of evolution and the best partners are the ones who keep pace

*Norm Finkel, senior partner and head of the the litigation practice at Chicago based Schoenberg, Finkel, Newman and Rosenberg, LLC.*

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## **The Artificial Intelligence Revolution and Its Impact on In-House Lawyers**

Within the next few years, we will find ourselves on the cusp of a revolution in the practice of law led by the adoption of artificial intelligence – in particular, by in-house lawyers,

according to a post at [Above the Law](#).

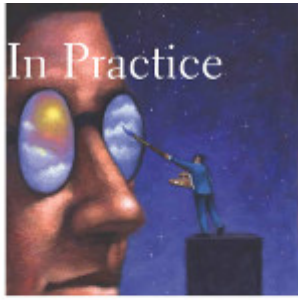
“Much like email changed the way we do business every day, AI will become ubiquitous – an indispensable assistant to practically every lawyer,” writes Sterling Miller for Thomson Reuters. “Those who do not adopt and embrace the change will get left behind. Those who do will ultimately find themselves freed up to do the two things there always seems to be too little time for: thinking and advising.”

He predicts that, as CEOs and CFOs get familiar with AI, they will expect the general counsel and legal department to keep up. “In-house lawyers who embrace AI will become more valuable to the next generation of CEOs and CFOs,” Miller writes.

[Read the Above the Law article.](#)

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**[Download: “Seeing Opportunity in Reputation Risk”](#)**



The National Association of Corporate Directors' new article, "[Seeing Opportunity in Reputation Risk](#)," explores how effective board oversight of corporate responsibility (CR) and environmental, social, and governance (ESG) strategies, practices, risk management, and crisis preparedness can not only help manage strategic risk, but also result in enhanced reputation.

**Lessons from Nature's trailblazing the Big-South, and elsewhere.**  
By Jeff Hoffman and Andrea Bonime-Blanc

The National Association of Corporate Directors (NACD) magazine is a leading source of information on the latest in corporate responsibility (CR) and environmental, social, and governance (ESG) strategies, practices, risk management, and crisis preparedness. The magazine is published quarterly and is available to NACD members and subscribers. The magazine is a valuable resource for corporate directors and executives who are interested in staying up-to-date on the latest in CR and ESG. The magazine is also a great place to learn about the latest in corporate responsibility and ESG practices, and how to implement them in your organization. The magazine is a must-read for anyone who is interested in corporate responsibility and ESG.

The article can be downloaded from the NACD site at no charge.

The following is an excerpt from this article by Jeff Hoffman and Andrea Bonime-Blanc, which appears in the March/April issue of *NACD Directorship* magazine:

*“ESG and CR are frequently not on boards’ radar. When they are, there is rarely sufficient time allocated to their discussion. There are reputation risks and value creation opportunities that can be found beyond what is normally discussed at board meetings. Unfortunately, many ESG and CR risks are unknown to the board until an incident happens and it goes public—and possibly viral. The risks around ESG and CR are generally easy to identify, mitigate, and plan around. While being prepared for the worst-case scenario may take time and effort, it will be far less painful than the alternative: negative headlines and conversations on social media.”*

[Download the article.](#)



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# Webinar: Automating Contract Management with SharePoint



Optimus BT will present a free webinar featuring a comprehensive demonstration of eContracts, an Enterprise Legal Contract Management product for SharePoint, featured in Gartner Market Guide 2017 for legal teams.

Automating Contract Management with SharePoint will be Wednesday, June 21, 2017, at 2 p.m. EDT.

The presentation also will cover why it is important to go beyond your legal contract repositories and invest in a Legal Contract Lifecycle Management solution.

Key topics covered will include:

- **Building blocks** for automating contract management and legal function within your organization.
- Possibilities presented by **Microsoft Azure and SharePoint** for Contracts management in the Cloud for processing large volume of documents, Advanced Search & Workflow.
- Demonstrate how **Optimus BT's eContracts** can help kick start this journey and address the major pain points due to lack of automation of contract lifecycle.
- Capabilities to look for while automating contract management processes.
- An example of how an IT and legal teams have benefited from automating their contract lifecycle.

[Register for the webinar.](#)

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# [MetLife General Counsel to Step Down After Beating U.S. in Court](#)

[Bloomberg reports](#) that MetLife Inc. General Counsel Ricardo Anzaldua is stepping down after he helped win a court battle that reversed the government's designation of the insurer as too big to fail.

Anzaldua will be on the job until the end of June, and he'll continue to advise Chief Executive Officer Steve Kandarian through the end of the year, the CEO said Thursday in a memo to staff.

"Under Anzaldua, MetLife was the only company to go to court to fight the designation by a government panel as a non-bank systemically important financial institution," reports [Katherine Chiglinsky](#). "General Electric Co. sold assets to shed its finance unit's SIFI status. And American International Group Inc. said that the label, which can bring increased regulation and tighter capital rules, wasn't a big deal."

[Read the Bloomberg article.](#)

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# [Download: Bringing E-Discovery to the Cloud](#)



Zapproved has published a free guide called [“Get In-House Processing and Review Howtos”](#) that can be downloaded from the company’s website.

The guide’s subtitle is “5 Ways to Slash Spending with Cloud E-Discovery,”

“Keeping in-house e-discovery costs in check is a constant balancing act,” the company says on its website. “Complex litigation and regulatory matters – along with pressure to streamline operational spending – create an often expensive e-discovery reality.”

The guide discusses:

- Use modern, cloud-based e-discovery software tools to bring routine e-discovery processes in-house.
- Modernize legacy systems to limit dependence on IT.
- Empower legal teams to slash expenses, improve data security and speed time to resolution.

The guide also offers step-by-step recommendations and best practices to help you:

- Get insights faster by plugging in data processing tools
- Save money by reviewing routine, high-velocity matters in-house

- Improve response to internal investigations and FOIA information requests

[Download the guide.](#)

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## [The Difficulty With Texting Employees During a Workplace Investigation](#)



Workplace investigations may be initiated after the employer is accused of wrongful conduct, such as permitting unlawful harassment or discrimination. While an employer may want to reach out to various employees including the alleged victim, doing so can negatively impact the ongoing workplace investigations, warns Natalie Lynch of Lynch Service Company.

Understanding the importance of objectivity while workplace investigations are underway may help the employer shield against potential liability, she advises.

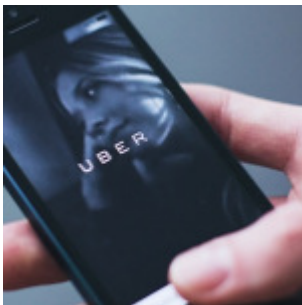
In [a post](#) on the company's website, she discusses the need for clear policies to be in place before any workplace investigation begins, how to respond to alleged misconduct, and the unique concerns that arise with text messages in the context of an investigation.

[Read the article.](#)

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## [Uber Looking for New General Counsel Amid Increasingly Dicey Legal Issues](#)



Uber has picked an interesting time to shuffle the top ranks of its legal team. points out [Johana Bhuiyan](#) at [recode.net](#).

A company email indicates that CEO Travis Kalanick said he plans to search for an external hire to fill the role. The general counsel search started after Uber moved its longtime general counsel, Salle Yoo, to chief legal officer.

Uber is facing a federal Department of Justice probe as well as a major lawsuit from Alphabet.

“Given Uber’s myriad of thorny legal issues, along with an ongoing investigation into allegations of pervasive sexism and sexual harassment, that search should be an interesting one for the company to conduct,” writes Bhuyan.

[Read the recode.net article.](#)

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## [Download: In-House Counsel's Legaltech Buyer's Guide](#)



LawGeex, a provider of an AI contract review platform for businesses, has launched [\*The In-House Counsel's LegalTech Buyer's Guide\*](#) – a free, downloadable guide that showcases more than 100 must-know technology solutions which solve the daily challenges faced by in-house lawyers.

The book includes practical advice based on dozens of interviews, real life experiences and personal recommendations from in-house lawyers and legal experts who have used technology to cut costs and reduce legal inefficiency. Lawyers came from companies including Pearson, AIG, TabTale, Travelocity, Vodafone, NetApp, Del Monte, Axalta Coating Systems, Tongal and Novartis.

The book includes:

- **60+ page practical and jargon-free** reference guide
- **100+ top technology solutions** for legal departments
- **Personal recommendations** and stories from dozens of in-house lawyers and legal experts
- Explanations of an **in-house legaltech buying journey**, including barriers to adoption, establishing and

monitoring KPIs, and more

[Download the guide.](#)

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## [Managing Partners Say Their Lawyers Are Underperforming and Slow to Change](#)

Bloomberg Law [reports](#) on a survey of nearly 400 managing partners and chairs, finding that the leaders of Big Law firms in the U.S. don't seem to be very happy with recent changes – or lack thereof – in their firms.

“In response to survey questions posed by legal management consulting firm Altman Weil, 88 percent of respondents said they have chronically underperforming lawyers, 61 percent said overcapacity is diluting their profitability, and 65 percent said their partners resist most efforts to change how to they do business,” writes [Stephanie Russell-Kraft](#). “This comes at a time when most (72 percent) law firm leaders said the pace of change in the legal industry will only continue to increase in the coming years.”

One of the findings is that business is moving in-house, and managing partners recognize that: 67.9 percent of respondents said they are already losing business to in-house legal departments.

[Read the Bloomberg article.](#)

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