

Table of Contents

CHAPTER 1. INITIAL INVESTIGATION AND HANDLING OF LITIGATION

- § 1:1 Scope of chapter
- § 1:2 Choice of counsel
- § 1:3 Initial case review
- § 1:4 The ‘We’re going to be sued’ meeting
- § 1:5 Review of restrictions on the lawsuit
- § 1:6 —Service of process
- § 1:7 —Personal jurisdiction
- § 1:8 —Subject matter jurisdiction
- § 1:9 —Statute of limitations and laches
- § 1:10 —Forum
- § 1:11 —Alternative dispute resolution
- § 1:12 —Ripeness doctrine
- § 1:13 —Miscellaneous restrictions on lawsuits
- § 1:14 Checklist—Early measures to defeat or deflect lawsuits
- § 1:15 Early decisions on venue and forum
- § 1:16 Motions for provisional remedies
- § 1:17 —Retaining outside counsel
- § 1:18 —Reacting to motions for interim relief
- § 1:19 Guarding against early mistakes
- § 1:20 —Typical circumstances
- § 1:21 —Preventive measures
- § 1:22 Dealing with the litigation’s effect on customers, the trade and press
- § 1:23 —Informing customers, coventurers and the trade
- § 1:24 —Dealing with the press
- § 1:25 Dealing with coparties and witnesses
- § 1:26 Determining whether the litigation can be stopped at this point
- § 1:27 Obtaining further time to respond to the lawsuit
- § 1:28 Initial fact investigation of the lawsuit’s allegations
- § 1:29 —The need for promptness
- § 1:30 —Who should conduct the investigation
- § 1:31 —Protecting privileges
- § 1:32 —The risk of creating writings
- § 1:33 —Obtaining information from plaintiff’s attorney
- § 1:34 —Informal discovery and pre-suit discovery
- § 1:35 —Collecting documents
- § 1:36 —Should written witness statements be taken

- § 1:37 —Obtaining information on the adverse party
- § 1:38 Exploration of potential counterclaims, cross-claims and setoffs
- § 1:39 Exploration of potential third-party claims
- § 1:40 Review of insurance coverage and indemnification rights
- § 1:41 —Review of insurance coverage possibilities
- § 1:42 —Indemnity rights against third parties
- § 1:43 Shielding assets
- § 1:44 Calendaring crucial deadlines
- § 1:45 Checklist—Initial handling of a lawsuit
- § 1:46 The system for receiving notice of new lawsuits
- Appendix 1A. Sample Memo Notifying Concerned Persons of New Lawsuit
- Appendix 1B. Preventive Steps to Avoid Harmful Acts by Company Employees
- Appendix 1C. Advance Preparation Package for Defense Against Prospective Injunctions
- Appendix 1D. Joint Defense Agreement

CHAPTER 2. ANALYZING CASE RISKS AND GOALS

- § 2:1 Scope of chapter
- § 2:2 The purpose of a case analysis
- § 2:3 —Strategies for outside counsel
- § 2:4 —Strategies for in-house counsel
- § 2:5 Who should conduct the case analysis
- § 2:6 Factors in analyzing case risks
- § 2:7 —The underlying facts
- § 2:8 —How much does the other side know?
- § 2:9 —Damage potential
- § 2:10 —The court, judge and jury
- § 2:11 —Comparing the main witnesses and documents on both sides
- § 2:12 —Applicable law
- § 2:13 —Parties to the case
- § 2:14 —Opposing counsel
- § 2:15 —Cost of the litigation
- § 2:16 —Setting of precedent
- § 2:17 —Stoppage or hindrance of business
- § 2:18 —Risk of adverse facts emerging
- § 2:19 —Risk of public disclosure of unfavorable or harmful information

TABLE OF CONTENTS

- § 2:20 —Risk of internal disruption or embarrassment
- § 2:21 —Other reasons the case is important
- § 2:22 Regulatory problems presented by the litigation
- § 2:23 Special considerations when the government is the adversary
- § 2:24 Checklist—Risk factors to analyze
- § 2:25 Analyzing potential counterclaims
- § 2:26 —Searching out available counterclaims
- § 2:27 —Analyzing their strength
- § 2:28 —Determining whether to assert counterclaims
- § 2:29 Creating a written case analysis
- § 2:30 Setting goals for the case
- § 2:31 —The process of setting goals
- § 2:32 Converting goals into a case plan
- § 2:33 —Contents of case plans
- § 2:34 Thirteen sample discovery plans

CHAPTER 3. RETENTION OF OUTSIDE COUNSEL

- § 3:1 Scope of chapter
- § 3:2 Major rules in choosing outside litigation counsel
- § 3:3 —Choose counsel based on your case goals
- § 3:4 Aligning case goals with panel and portfolio strategies
- § 3:5 Major rules in choosing outside litigation counsel—
Choose the lawyer, not the firm (usually)
- § 3:6 —The ideal solution—Partnering between outside
counsel and client
- § 3:7 Partnering in a data-driven, technology-enabled
environment
- § 3:8 Major rules in choosing outside litigation counsel—
Spreading work among several firms
- § 3:9 Convergence programs and panel counsel
- § 3:10 Factors in choosing litigation counsel
- § 3:11 —Whether an emergency exists
- § 3:12 —Fees and fee arrangements
- § 3:13 —Past experience with counsel
- § 3:14 —Particular attorneys who will work on the case
- § 3:15 —Time commitment to case
- § 3:16 —Experience in handling similar cases
- § 3:17 —Prominence in this field of law
- § 3:18 —Local prominence or influence
- § 3:19 —Comparing prospective counsel to the adversary
counsel
- § 3:20 —Counsel’s ideas on handling case

- § 3:21 —Litigation style and flexibility
- § 3:22 —Counsel provided by insurer
- § 3:23 —Other factors
- § 3:24 Use of alternative legal service providers (ALSPs) and hybrid staffing models
- § 3:25 Technology, cybersecurity, and data privacy in counsel selection
- § 3:26 Metrics, reporting, and performance management
- § 3:27 ESG, diversity, and reputational considerations
- § 3:28 Factors in choosing litigation counsel—Lists of approved counsel
- § 3:29 Beauty contests and bidding for cases
- § 3:30 —Conducting beauty contests
- § 3:31 —Checklist—Steps in conducting beauty contests
- § 3:32 —Responding to requests for proposals
- § 3:33 —Bidding on price and reverse auctions
- § 3:34 Interviewing prospective outside counsel
- § 3:35 Loaned associates
- § 3:36 Sharing counsel with codefendants
- § 3:37 Cost savings in repetitive-type lawsuits
- § 3:38 —In-house paralegal, expert witness and other support services
- § 3:39 Opportunities and pitfalls in retaining an unfamiliar law firm
- § 3:40 Using outside supervising and monitoring counsel
- § 3:41 Retaining counsel in distant locales
- § 3:42 Special considerations for counsel in plaintiff cases
- § 3:43 When should company counsel be one of the counsel of record
- § 3:44 Client guidelines for outside attorneys
- § 3:45 —What influence do they have
- § 3:46 —Topics covered
- § 3:47 Issues in drafting retainer agreements
- § 3:48 Sample retainer agreement
- § 3:49 Getting new counsel started on a case
- § 3:50 Outside counsel’s start-of-case work plan
- § 3:51 Integrating new practices without over-complexity

CHAPTER 4. INNOVATIVE POSSIBILITIES IN PRICING ARRANGEMENTS

- § 4:1 Scope of chapter
- § 4:2 Factors to consider in arriving at pricing arrangements
- § 4:3 —Predictability of case and fees
- § 4:4 —Importance of case

TABLE OF CONTENTS

- § 4:5 —Type of case
- § 4:6 —Risk of either side being grossly disappointed in the fee outcome
- § 4:7 —Adjusting risks and rewards between counsel and client
- § 4:8 —Past experience between client and outside counsel
- § 4:9 —Law firm marketing goals
- § 4:10 —Enabling comparison among different outside counsel
- § 4:11 —Manner of billing
- § 4:12 Whether to discard hourly pricing
- § 4:13 —Risks and benefits of going away from hourly pricing
- § 4:14 —Clients' pricing goals
- § 4:15 —Outside counsel's pricing goals
- § 4:16 Pros and cons of various pricing methods
- § 4:17 —Hourly fee
- § 4:18 —Checklist—Options in using hourly fee pricing
- § 4:19 —Blended hourly fee
- § 4:20 —Task-based pricing
- § 4:21 —Contingency fee
- § 4:22 —Part hourly, part contingency
- § 4:23 —Fee caps
- § 4:24 —According to budget
- § 4:25 —Various forms of fixed fees
- § 4:26 Pros and cons of portfolio and program pricing
- § 4:27 Pros and cons of various pricing methods—
Contingency fee with hourly component
- § 4:28 —Straight discount
- § 4:29 —Volume discount
- § 4:30 —Advance or prompt payment discount—Interest on fees
- § 4:31 —Advice-only retainer
- § 4:32 —Pro bono and other free arrangements
- § 4:33 —Performance bonuses
- § 4:34 —Value pricing
- § 4:35 —Target fees
- § 4:36 Collars and other hybrid risk-sharing mechanisms
- § 4:37 Changing pricing arrangements in mid-case
- § 4:38 Impact of AI and automation on litigation pricing

CHAPTER 5. LITIGATION COST CONTROL AND COST REDUCTION

- § 5:1 Scope of chapter
- § 5:2 Two different principles: cost predictability and cost reduction

- § 5:3 The prime cost-control method—Concurrence between company counsel and outside counsel
- § 5:4 —Ways to work toward concurrence
- § 5:5 Analyzing the relative benefit of various litigation costs
- § 5:6 —Costs vary in importance
- § 5:7 —Expensive litigation activities
- § 5:8 —Bargain litigation activities
- § 5:9 —Where costs don't equal benefit—The prime cost-cutting targets
- § 5:10 Attacking discovery costs
- § 5:11 —The three costly discovery activities
- § 5:12 —15 techniques that cut discovery costs
- § 5:13 Dealing with noncounsel costs
- § 5:14 Eliminating most reimbursement items
- § 5:15 Reimbursements billed on a percentage basis
- § 5:16 Cost controls that can be established at the beginning of a case
- § 5:17 —Retention of counsel
- § 5:18 —Changing the fee arrangement
- § 5:19 — —The attack on the hourly rate basis
- § 5:20 — —Alternative fee pricing
- § 5:21 —Locking in fee rates
- § 5:22 —Billing policy guidelines
- § 5:23 —Case staffing
- § 5:24 — —The alternative of handling cases in-house
- § 5:25 — —Using outside counsel and outsourcing
- § 5:26 — —Cross-staffing
- § 5:27 —Budgeting for litigation cases
- § 5:28 — —Should a budget be used
- § 5:29 — —Types of budgets
- § 5:30 — —The process of developing a budget
- § 5:31 — —Checklist—Creating a case budget
- § 5:32 — —Operating under a budget
- § 5:33 Cost controls that can be instituted during a case
- § 5:34 —Litigation's "carrying cost"
- § 5:35 —Monitoring costs along the way
- § 5:36 —Electronic billing and fee analysis
- § 5:37 —Controlling tasks
- § 5:38 —Controlling litigation styles
- § 5:39 —Cost-shifting possibilities
- § 5:40 Checklist—Methods of cost control
- § 5:41 Billing disputes
- § 5:42 Litigation-prevention audits

TABLE OF CONTENTS

- Appendix 5A. Budget Task Categories
- Appendix 5B. Uniform Task-Based Management System
Litigation Code Set

CHAPTER 6. REPORTING ON AND STAYING ABREAST OF CASES

- § 6:1 Scope of chapter
- § 6:2 Information essential to case management
- § 6:3 Establishing a reporting system by outside counsel
- § 6:4 Essentials of good case reporting
- § 6:5 —Provides information for short- and long-term planning
- § 6:6 —Provides cost information
- § 6:7 —Is done regularly
- § 6:8 —Gives advance warning of highly adverse results
- § 6:9 —Does not add significant cost
- § 6:10 —Provides information in the needed detail
- § 6:11 —Is in quickly retrievable form
- § 6:12 —Shows intelligent analysis
- § 6:13 Contents of regular reporting by outside counsel
- § 6:14 —Status of case
- § 6:15 —Evaluation of strength of case
- § 6:16 —Upcoming litigation events
- § 6:17 —Progress toward case goals
- § 6:18 —Present and predicted cost
- § 6:19 —Current plan to conclude case
- § 6:20 —Other desired information
- § 6:21 —Illegal conduct discovered
- § 6:22 Computer assistance in managing case information—
Case management software
- § 6:23 *[Reserved]*
- § 6:24 *[Reserved]*
- § 6:25 Client collaboration platforms
- § 6:26 Efficient communication links between inside and
outside counsel—Ethical rules on e-mail
confidentiality and copying clients on e-mails
- § 6:27 —Extranets and intranets
- § 6:28 Electronic billing

CHAPTER 7. SUPERVISION OF THE LITIGATION EFFORT

- § 7:1 Scope of chapter
- § 7:2 Major principles in supervising cases
- § 7:3 —Focus on the main goals

- § 7:4 —Get to the make-or-break points early
- § 7:5 —Evaluate the case’s progress frequently
- § 7:6 —Avoid unnecessarily increasing costs
- § 7:7 —Select an acceptable cost level
- § 7:8 —Inefficiencies are inherent in the litigation system
- § 7:9 —In-house counsel has the final say
- § 7:10 —Sensitive or important cases merit special treatment
- § 7:11 —Establish a disaster warning system
- § 7:12 —Choose a workable communications system early
- § 7:13 Alternatives for in-house counsel’s involvement
- § 7:14 When company operating managers are in charge
- § 7:15 The “settle everything” and “fight everything” techniques
- § 7:16 Quarterly strategy and progress sessions
- § 7:17 Changes in a case’s circumstances
- § 7:18 Maintaining quality in the lawyering efforts
- § 7:19 Tradeoff of different litigation styles
- § 7:20 Staying within budget
- § 7:21 Shifting costs to the adverse party
- § 7:22 Checklist—Methods of shifting fees
- § 7:23 Problem situations that arise
- § 7:24 —Between in-house and outside counsel
- § 7:25 —Unexpected bad facts
- § 7:26 —Changes in client’s goals or viewpoint
- § 7:27 Postcase evaluation and postmortems
- § 7:28 End-of-case report by outside counsel
- § 7:29 Managing electronic discovery
- § 7:30 —The scope of electronic discovery
- § 7:31 —Electronic discovery issues
- § 7:32 —Management techniques in electronic discovery

CHAPTER 8. ISSUES UNIQUE TO PLAINTIFF CASES

- § 8:1 Scope of chapter
- § 8:2 How managing plaintiff cases differs from defendant cases
- § 8:3 —Plaintiffs set the agenda in several respects
- § 8:4 —Better presuit planning
- § 8:5 —Differences in financial planning
- § 8:6 Common mistakes in filing plaintiff cases
- § 8:7 —Not acting dispassionately
- § 8:8 —Underestimating the cost and disruption
- § 8:9 —Failure to analyze likely defenses
- § 8:10 —Failure to analyze counterclaims

TABLE OF CONTENTS

§ 8:11	—Inadequate presuit fact investigation
§ 8:12	—Failure to plan a cost-effective approach
§ 8:13	—Underestimating factual disclosures you will need to make
§ 8:14	Analyzing whether you can and should sue
§ 8:15	—Legal impediments to suing
§ 8:16	—Chances of prevailing
§ 8:17	—What recovery will be available if you win
§ 8:18	—Cost issues
§ 8:19	—Time requirements for the litigation
§ 8:20	—Potential counterclaims
§ 8:21	—Effect on business relations
§ 8:22	—Distraction of the litigation
§ 8:23	—Positions or disclosures that may be required
§ 8:24	—Looking at the big picture
§ 8:25	—Exploring alternatives to filing suit
§ 8:26	Major decisions before filing suit
§ 8:27	—Timing of the lawsuit
§ 8:28	—Scope of the complaint
§ 8:29	—Venue and court
§ 8:30	—Parties to be named as defendants
§ 8:31	—Provisional remedies
§ 8:32	—Whether to demand a jury
§ 8:33	Attempting to resolve the dispute before suing
§ 8:34	—Weighing resolution attempts against the advantage of surprise
§ 8:35	Prelawsuit planning
§ 8:36	—How much planning is useful
§ 8:37	—Monitoring further wrongful acts by defendant
§ 8:38	—Calendaring deadlines
§ 8:39	—Firming up your witnesses
§ 8:40	—Obtaining witness statements
§ 8:41	—Gathering documents
§ 8:42	—Preserving evidence
§ 8:43	Special considerations in selecting counsel
§ 8:44	—Choice of counsel
§ 8:45	—Choice of fee arrangements
§ 8:46	Special considerations in repetitive-type lawsuits
§ 8:47	—Choice of counsel
§ 8:48	—Cost issues
§ 8:49	—Other strategic considerations
§ 8:50	Budgeting issues in plaintiff cases
§ 8:51	Litigation funding agreements

CHAPTER 9. STEERING CASES TOWARD EARLY RESOLUTION

- § 9:1 Scope of chapter
- § 9:2 The importance of exit plans
- § 9:3 Exit points in a case
- § 9:4 Exit point—Early motion to dismiss on procedural or nonmerits grounds
- § 9:5 —Early motion to dismiss on the merits
- § 9:6 —Summary judgment motion or partial summary judgment motion
- § 9:7 —Motion to strike
- § 9:8 —Diversion to alternative dispute resolution
- § 9:9 —Motion for judgment on the pleadings
- § 9:10 —Mid-case settlement or partial settlement
- § 9:11 —Interpleader or tendering of defense
- § 9:12 Non-court exit—Business deals
- § 9:13 —Trade or public pressure
- § 9:14 Written exit plans
- § 9:15 Exit strategies—Why do cases end?
- § 9:16 —Your timing
- § 9:17 —Controlling the pace
- § 9:18 ADR strategies—Arbitration
- § 9:19 —Mediation
- § 9:20 —Med-arb
- § 9:21 —Private judging
- § 9:22 —Mini-trials
- § 9:23 —Summary jury trials
- § 9:24 —Summary bench trials
- § 9:25 —Early neutral evaluation
- § 9:26 Exit strategies—Enlisting the judge’s help
- § 9:27 Strategies for cases that must go to trial
- § 9:28 —High-low damages agreements

CHAPTER 10. MANAGING SETTLEMENT NEGOTIATIONS

- § 10:1 Scope of chapter
- § 10:2 Preparing for settlement negotiations
- § 10:3 —How the subject of settlement is raised
- § 10:4 —The when of settlement negotiations
- § 10:5 —Should negotiations be preceded by an offer by one side
- § 10:6 —Suspending litigation during negotiations
- § 10:7 —Determining the amount of settlement offers and

TABLE OF CONTENTS

	demands; methods of payment; cost-of-defense offers
§ 10:8	—Staking out your positions
§ 10:9	—Getting settlement authority
§ 10:10	—Protecting privileges
§ 10:11	—Prenegotiation strategy conference
§ 10:12	Selecting your side’s participants for negotiations
§ 10:13	—Should negotiations be part of or separate from the litigation
§ 10:14	—Litigation attorneys
§ 10:15	—Company representatives
§ 10:16	—Specialists and settlement counsel
§ 10:17	—Insurer’s representative
§ 10:18	—Those who should not be present
§ 10:19	Different settlement forums available to you
§ 10:20	—Informal discussions
§ 10:21	—Concurrent “back door” negotiations
§ 10:22	—Telephone or fax
§ 10:23	—In-court settlement conferences
§ 10:24	—Party-initiated in-court conferences
§ 10:25	—Mediation
§ 10:26	—Mini-trials and other ADR techniques
§ 10:27	Key points in analyzing how to achieve settlement
§ 10:28	—Impediments to settlement
§ 10:29	— —Other side’s misevaluation of case
§ 10:30	— —Other side’s having no settlement goals
§ 10:31	— —Your client not wanting to spend money on settlement
§ 10:32	— —Your client not having money to spend
§ 10:33	— —Other side having no need to settle now
§ 10:34	— —Dispute among people on the other side
§ 10:35	— —Your client wanting vindication
§ 10:36	— —Other side wanting vindication
§ 10:37	— —Other side wanting to risk long odds at trial
§ 10:38	— —Animosity between litigators
§ 10:39	— —Dollar positions too far apart
§ 10:40	— —Erratic or indecisive judge
§ 10:41	— —Lack of information about lawsuit
§ 10:42	— —Other side caught up in untested theories
§ 10:43	— —Other side’s indecisiveness
§ 10:44	— —Other side’s unreadiness for negotiations
§ 10:45	— —Other side’s suspicions about concealed facts
§ 10:46	— —Current litigation battles
§ 10:47	— —Other side’s attorney blocking settlement
§ 10:48	— —Opposing counsel’s ability to collect fees

- § 10:49 — —Other side has an offensive underway
- § 10:50 — —Dispute over tangible property
- § 10:51 — —Other disputes or situations external to the litigation
- § 10:52 — —Other side on a crusade
- § 10:53 — —Other side having incurred high legal fees
- § 10:54 — —Connection to parties' trade competition
- § 10:55 — —Other side's need to save face
- § 10:56 — —One party needing a litigation victory
- § 10:57 —Nonmonetary consideration
- § 10:58 —Other side's goals
- § 10:59 —Financial positions and offers
- § 10:60 —Precedent of a settlement
- § 10:61 —Whom does the passage of time help
- § 10:62 —Might the parties have a future relationship
- § 10:63 —Multiparty-case settlements
- § 10:64 The different situation in mediated negotiations
- § 10:65 Role of insurance in settlements
- § 10:66 Tax effects of settlements
- § 10:67 Manner of reaching agreement
- § 10:68 —Oral agreements are typical
- § 10:69 —Memorializing in-court or mediated settlements
- § 10:70 Terms to include in settlement agreements
- § 10:71 —Necessary and optional terms
- § 10:72 — —Parties to agreement
- § 10:73 — —Date
- § 10:74 — —Recitals
- § 10:75 — —Recital of consideration
- § 10:76 — —Payment
- § 10:77 — —Dismissal of action
- § 10:78 — —Entry of judgment
- § 10:79 — —Releases
- § 10:80 — —Matters excluded from agreement
- § 10:81 — —Covenant not to sue
- § 10:82 — —Other actions to be taken
- § 10:83 — —Other conditions to effectiveness
- § 10:84 — —Other representations and warranties
- § 10:85 — —Future disputes
- § 10:86 — —Confidentiality and non-disparagement
- § 10:87 — —Joint statement
- § 10:88 — —Release of unknown claims
- § 10:89 — —Governing law
- § 10:90 — —Indemnity
- § 10:91 — —Resolution of disputes over settlement agreement

TABLE OF CONTENTS

§ 10:92	— —Attorneys' fees
§ 10:93	— —Court approval
§ 10:94	— —No other intended beneficiaries
§ 10:95	— —Binding effect
§ 10:96	— —Other necessary acts
§ 10:97	— —Tax characterization of payment
§ 10:98	— —Disposition of documents and other things
§ 10:99	— —Advice of counsel
§ 10:100	— —Non-reliance on other party's representations and assumption of risk
§ 10:101	— —Severability
§ 10:102	— —No admission of wrongdoing
§ 10:103	— —Material breach
§ 10:104	— —Possibility of bankruptcy
§ 10:105	— —Authority to execute agreement and nonassignment
§ 10:106	— —Attachments
§ 10:107	— —Headings for reference only
§ 10:108	— —Closing conference
§ 10:109	— —Integration clause
§ 10:110	— —Execution of counterparts
§ 10:111	— —Signatures
§ 10:112	— —Checklist—Terms in settlement agreement
§ 10:113	— —Risk of leaving unresolved issues open
§ 10:114	— —Risk of creating new duties
§ 10:115	— —Provisions for dealing with future disputes
§ 10:116	— —Terms for payment of money
§ 10:117	— —Structured settlements
§ 10:118	— —Multiparty agreements
§ 10:119	Unilateral releases
Appendix 10A. Sample Settlement Agreement	
Table of Laws and Rules	
Table of Cases	
Index	