

Press Release

Legal outsourcing specialist announces Top 10 Trends for 2010

Research finds that India is the largest legal outsourcing location, but faces increased pressure from emerging competitors

FOR IMMEDIATE RELEASE – 10 December 2009 – INDIA remains the top destination for Legal Process Outsourcing (LPO), according to research by leading LPO consultancy Fronterion.

As revealed in the *Top 10 Trends for Legal Outsourcing in 2010*, market research carried out by Fronterion has found that more than 85 percent of LPO vendors are located primarily or exclusively in India.

However, increasing interest in South Africa will make it India's leading competitor for legal outsourcing in 2010, especially for law firms in the UK, which benefit from concurrent time zones, shared cultural affinity and a maturing vendor landscape. While currently a minority percentage of LPO vendors are based mainly or entirely in South Africa, South Africa and the Philippines will continue to build on their positions as prominent offshore destinations.

Fronterion's *Top 10 Trends for Legal Outsourcing in 2010* provides an insider's guide to the changing dynamics set to impact the legal outsourcing field in the coming year. As the leading international management consultancy advising law firms and corporate counsels on outsourcing options, Fronterion is in a unique position to comment on the industry.

Other market-changing developments to emerge in the *Top 10 Trends for 2010* include: the rise of LPO as an attractive alternative career path for legal professionals as pay and prestige increase; increased transparency around the LPO industry, including possible additional ethical guidance from industry bodies such as the American Bar Association; and a shift in the role of the lawyer from providing pure legal advice to managing the procuring of a number of different legal functions both within and outside the traditional law firm structure.

Fronterion managing principal, Michael Bell comments: "The year 2010 will be an exciting and watershed year for outsourced legal services. The economic volatility over the past year has caused legal professionals to step back and genuinely assess how they are providing and procuring legal services for their organizations. In 2010, legal outsourcing will be an increasingly important factor in these decisions."

The *Top 10 Trends for Legal Outsourcing in 2010* are, in brief:

- 1) **A dynamic legal landscape.** Economic pressures and the changing regulatory environment will continue to put pressure on organizations to turn to outside vendors.
- 2) **Alternative legal delivery.** Traditional delivery of legal services are unbundled allowing firms to offer clients new, streamlined services and create greater efficiencies.
- 3) **Shift in focus.** Legal organizations will take a more strategic approach to their outsourcing arrangements as opposed to an ad hoc, cost-focused approach.

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4) **Expanded work flow.** Projected increases in litigation and rising economic activity will prompt organizations to source more work to LPO vendors.

5) **A proving opportunity.** In 2009, legal outsourcing caught the media limelight. 2010 will be the acid test for the legal outsourcing industry, when it must prove its value to new consumers.

6) **Engagement structures.** For 2010, the primary avenue for law firms and corporate legal teams to participate in outsourcing arrangements will be through third-party vendors and virtual captives.

7) **Emerging sourcing destinations.** The leading LPO location India, will face competition from emerging nations like South Africa and the Philippines.

8) **Dynamic vendor landscape.** Increased competition as traditional business process outsourcing (BPO) providers ramp up their LPO capacity. Mid-size LPO providers face a choice between consolidation and specialisation.

9) **Talent development and migration.** As legal outsourcing vendors gain prominence in 2010, they will have much greater access to talent as more lawyers consider outsourcing as a genuine career path.

10) **Industry transparency.** 2010 will mark an increased focus on transparency that will result in more efficient markets and heightened credibility of legal outsourcing initiatives for both buyers and vendors.

For full details of the *Top 10 Trends for Legal Outsourcing in 2010* see www.fronterion.com/TenFor2010.

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Fronterion is the premier international management consulting firm exclusively focused on advising law firms and corporate counsels on outsourced legal services. Fronterion clients, primarily based in the US and UK, include a variety of sizes and practice specialties. As the first organization to bring a highly structured approach to the assessment of offshore legal outsourcing vendors, Fronterion has helped clients tackle an array of outsourcing challenges and achieve transformational benefits through outsourced legal services. A strict adherence to independence from vendor firms ensures Fronterion's objectivity in all client reporting.

For more information about Fronterion contact mediarelations@fronterion.com, +1 (312) 473 – 4887. Additional resources are available at www.fronterion.com.