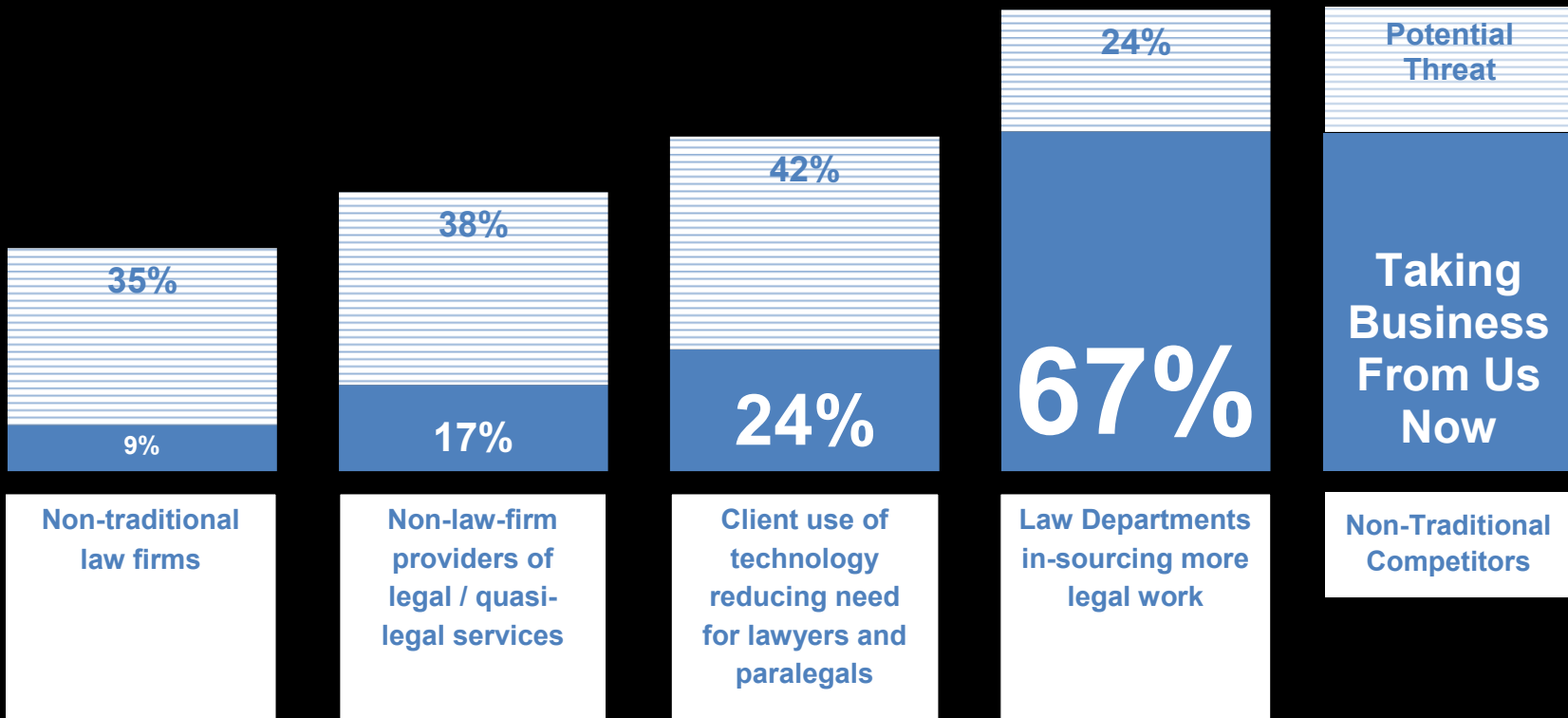


Q:

Aside from your traditional law firm competitors, is your firm losing any business to non-traditional providers of legal services?



New Kinds of Competition

Eighty-three percent of law firm leaders say they believe competition from non-traditional service providers is a permanent change in the legal market. Those competitors are already taking business from law firms according to the survey. And the biggest bite being taken is by clients themselves.

Sixty-seven percent of law firms say they are currently losing business to corporate law departments that are in-sourcing legal work, and another 24% of firms see this as a potential threat going forward. Clients may not be asking for change – but they are showing law firms that they can and will take alternative measures themselves to achieve greater efficiency and economy. In other words, if clients can't buy it from law firms, they'll build it themselves.

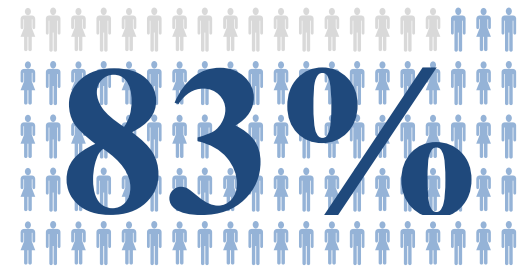
The second largest 'non-traditional' threat to law firm business is clients' use of technology tools that reduce the need for lawyers and paralegals. Twenty-four percent of law firms are currently losing work to client technology solutions and another 42% see this as a potential threat to their firms' business.

Non-law-firm providers of legal and quasi-legal services are taking business from 17% of law firms in 2015, and another 38% see those non-firm vendors as a potential competitive threat. Non-traditional law firms are having the least impact on traditional law firm businesses. Only 9% of firm leaders say they are losing business to that sector.

As law firms consider the competitive marketplace, they must beware of looking only at other law firms. The greatest market disruptors typically come from without, and in 2015 there are a number of significant new market forces moving to disrupt the law firm status quo.

About the 2015 Law Firms in Transition Survey

Conducted by Altman Weil in March and April 2015, the *Law Firms in Transition Survey* polled Managing Partners and Chairs at 797 US law firms with 50 or more lawyers. Completed surveys were received from 320 firms (40%), including 47% of the 350 largest US law firms. The full survey is available online at: www.altmanweil.com/LFiT2015.



83% of law firm leaders
think competition from
non-traditional (including
non-lawyer) service providers
will be a permanent trend.