

Controlling litigation costs

No cookie-cutter approach exists to saving court costs or legal fees. **Interviewed by Jason Lloyd**

While it may seem counterintuitive to have your attorney be one of the first respondents following a catastrophic incident at your facility, that may be the best method of cost control. Companies throughout the nation have used the services of law firms with immediate response capabilities to quickly analyze liability, damage and governmental issues.

“Getting counsel involved at an early stage not only provides protection for the company, it also integrates a cost-savings approach for the long run,” says attorney Brad Wright, practice manager for the Risk Management and Product Liability practice groups at Roetzel & Andress LPA. “The first 48 hours after a catastrophic incident are the most critical for ensuring that all bases are covered from the standpoint of the company.”

It also ensures that your company is protected should future litigation result from the incident. By conducting an early evaluation, a company can more effectively protect itself and control litigation costs.

Smart Business spoke with Wright about how companies can control litigation expenses.

How can a company control litigation costs?

In addition to early evaluation of claims and cases, it is important to retain a specialist in a particular area of the law to eliminate the learning curve.

Another key factor is hiring an attorney who takes the time to become extremely familiar with the company's operations. If your attorney knows the business inside and out, he or she can more effectively represent your interests, acting as a business partner who understands the company's business, philosophy and goals.

Additional cost savings come from the appropriate legal staffing of cases. Not every case requires the services of a senior partner. Assigning particular aspects of the matter to an associate or paralegal may be a more cost-effective allocation of time and resources.



Brad Wright

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What are the keys to better managing cases?

Effective case management involves implementing early case assessment, technology, proper staffing expectations, an agreed-upon litigation plan and open communication between the company and attorney. A company should be actively involved in the handling of its lawsuit.

This ensures that the attorney and the client are on the same page with regard to both case management and litigation expenses.

How can litigation budgets and revenue help?

Many large companies throughout the country are requiring that litigation budgets be set and reviews be scheduled with their attorney at the early stages of the matter. This allows the client to fully understand what costs will be associated with that type of litigation or what alternate approaches may be considered.

This also allows clients — in conjunction with their attorneys — the opportunity to determine what course of action they want

to pursue on the matter. Many companies have begun to participate in pre-litigation mediation and other forms of alternative dispute resolution that reduce litigation costs and still resolve their matters.

What are the benefits of pre-litigation mediation?

Pre-litigation mediation allows a client the opportunity to assess the potential for resolution of a matter before spending a significant amount of time and energy in the discovery and court phases of litigation. More and more companies are seeking this alternative in catastrophic injury and damage cases.

Keep in mind that litigation not only involves the cost of counsel, it usually takes the focus away from employees and business operations. Again, if counsel has obtained all of the information following the catastrophic incident, pre-litigation mediation should not fail for lack of information.

Are there any cookie-cutter methods of controlling costs insofar as each company is different?

There is no one approach or resource to control costs in every situation. Counsel's familiarity with the company will enable both the client and counsel to effectively establish methods that best address the suit, given the circumstances of the case.

Costs are not solely limited to the expenses incurred by the attorney. They also include the ultimate cost to resolve the action. Both of these components should be considered in determining what methods a company should implement.

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