

NALFA,

**A Practice Group of
Attorney Fee Experts**

NALFA

**35 East Wacker Drive
Suite 922**

Chicago, Illinois 60601

312.854.7157 - Main

312.854.7158 - Direct

www.thenalfa.org

terry@thenalfa.org

As a professional association under section 501(c)(6) of the U.S. Internal Revenue Code, NALFA acts as the governing body for the attorney fee and legal billing profession. As a 501(c)(6) organization, NALFA devotes itself to advancing the lines of business and the professional interests of the attorney fee and legal billing professional community.

Our standard for analyzing and evaluating attorney fees is reasonableness. Members of our Attorney Fee Practice Group observe proven methodologies and adhere to the proper standard of reasonableness. Our mission is to help ensure quality and reliability throughout the attorney fee and legal billing profession.

FAQ's

What is the attorney fee practice area?

The attorney fee practice is a new and growing practice area within the legal profession. The attorney fee practice is a highly specialized, niche practice area that covers a range of underlying cases where attorney fees are at issue. The attorney fee practice includes 4 areas of concentration: court awarded attorney fees, attorney fees in insurance coverage litigation, attorney fee dispute litigation, and mediating and/or arbitrating attorney fee disputes.

What is the Attorney Fee Practice Group?

The Attorney Fee Practice Group is a first-of-its-kind practice group specifically devoted to attorney fee issues. Our Attorney Fee Practice Group is a national practice group of qualified attorney fee experts, fee dispute arbitrators, and legal bill auditors who are retained by law firms and appointed by courts when attorney fees are at issue.

What is the difference between attorney fee experts and legal bill auditors?

Attorney fee experts provide expert opinion on the reasonableness of attorney fees. Legal bill auditors provide a breakdown (i.e. tables, charts, summaries) of legal tasks performed in legal invoices.

When should I retain an attorney fee expert?

Generally, it is considered a litigation best practice to retain a fee expert on multi-million dollar attorney fee requests. On routine fee matters, of less than \$1 million, fee-seeking attorneys can serve as their own fee experts. But on large scale attorney fee and legal billing matters, you should retain an attorney fee expert early in the process.

The work required to provide a meaningful review and in-depth analysis may take several weeks.

Why should I retain a NALFA fee expert?

As fact-finders, judges have relied on, and often cited our fee experts favorably in their rulings. NALFA fee experts can provide a fee-seeking attorney or fee-challenging attorney with the prevailing market knowledge and the comprehensive, in-depth, and sophisticated analysis required to succeed.

What type of reports and opinions can your attorney fee experts provide?

Our fee experts provide court-qualifying expert reports, opinion, and testimony on, among other things:

- **Reasonable, Prevailing Hourly Rates**
- **Reasonableness of Hours Billed**
- **Customary Law Firm Billing Practices**
- **Billing Judgment**
- **Amount at Stake in the Underlying Case vs. Amount of Legal Fees Spent**
- **Novel, Complex, or Unusual Legal Issues in the Underlying Case**
- **Successful Results Obtained for the Client**
- **Skill, Experience, and Reputation of the Law Firm**
- **Efficient Litigation Management Practices**

How will NALFA assist me in finding the right fee expert for my case?

NALFA provides a step-by-step and case-specific approach to finding the right fee expert. First, we gather background information on the nature of the attorney fees at issue. Second, we search our database to find the right fee expert most favorable for your case and within the right price range. Next, we arrange a conference call with the fee expert to discuss your case in further detail.

How does NALFA assist courts in large, complex fee disputes?

NALFA provides courts with our qualified fee expert's biographical background, including CV, biography, case summaries, and contact information upon request. Our fee experts are appointed as Special Masters to assist courts by providing an

independent and objective analysis regarding the measurable variables of reasonable attorney fees.

How have courts responded to NALFA fee experts?

Some of our fee expert's courtroom successes include:

Attorney fee expert and NALFA member **Brand Cooper** identified nearly \$2 million in unreasonable attorney fees and costs for non-prevailing defendants. The California court agreed with Cooper's analysis and cited his expert report and opinions several times in its ruling: "Cooper calculated that 2,798.7 hrs of the total 4,937.6 hours in the case were 'block billing'. That is nearly 57% of the time entries. The court will apply an across-the-board 15% reduction in requested fees (after other deductions) based on this impediment to the reasonableness review."

Attorney fee expert and NALFA member **Ken Moscaret** successfully testified to a Los Angeles Superior Court judge that over \$9 million in fees and costs was reasonable compensation for a major Los Angeles law firm involved in handling a large, complex underlying litigation. Among his expert opinions, Mr. Moscaret emphasized that there was a rational cost-benefit relationship between the economic value at stake in the underlying litigation versus the legal fees expended.

Attorney fee expert and NALFA member **Bruce Meckler** testified (by sworn statement) regarding the reasonableness of legal fees and expenses incurred by Freeborn & Peters, LLP counsel for Brown & Brown, Inc., in *Brown & Brown, Inc. v. M. Munawar Ali*, Case No. 07 C 2893 in the United States District Court for the Northern District of Illinois, Eastern Division. In rendering its decision on the reasonableness of the legal fees incurred, the Court substantially adopted Mr. Meckler's opinions.

NALFA's Attorney Fee Practice Area

Members of our Attorney Fee Practice Group are retained by some of the nation's top law firms to provide expert reports and opinions on the reasonableness of attorney fees in high-stakes attorney fee disputes. Our fee experts are retained in 4 key areas, where attorney fees are at issue:

Supporting or Challenging Attorney Fee Requests

In many areas of litigation (i.e. ERISA, intellectual property, class action) attorney fees and expenses are awarded by the court. Most of these cases are the result of "loser pays" fee-shifting provisions. Fee-shifting provisions are becoming increasingly common in state and federal statutes as well as in contractual agreements.

Our fee experts are retained by attorneys to both support or challenge attorney fee requests. Our fee experts work with both prevailing and non-prevailing parties. Our fee experts provide expert reports and opinions so prevailing law firms can recover their attorney fees. Our fee experts are also retained by non-prevailing parties to challenge prevailing party fees and expenses.

Attorney Fees in Insurance Coverage Litigation

Attorney fee and billing disputes often arise out of the insurance tripartite relationship, where you have a third-party payer (i.e. insurance carrier). In fact, the question, “who pays the legal bills?” is often a source of litigation.

Our fee experts work with both policyholder law firms and insurance defense law firms. Our attorney fee experts are retained by both sides to defend billing rates and billing practices in insurance recovery cases. In addition, some our fee experts are often hired by major insurance carriers to establish systems and programs to better manage defense fees and costs.

Attorney Fee Litigation

In legal malpractice claims, attorney fee litigation occurs when a law firm sues a former client to collect unpaid legal fees or when a former client sues a law firm for overbilling. Given the expense of litigation, the attorney fees at issue are usually millions of dollars.

Our attorney fee experts are retained to testify for and against law firms on the reasonableness and necessity of their fees and billing practices. Our fee experts provide expert reports, opinions, and testimony on the range of factors that determine reasonable attorney fees and proper billing practices.

Mediate/Arbitrate Attorney Fee Disputes

Attorney fee disputes often result from a breakdown in the attorney-client relationship. Mediation and/or arbitration is the quickest, simplest, and most cost effective way to resolve large, complex attorney fee disputes.

Our fee dispute arbitrators are uniquely qualified to resolve large, complex attorney fee disputes through a private arbitration or mediation process. Our fee experts have the skills and experience to sit down with both parties and settle a high-stakes fee dispute in a cost effective and confidential manner.