



2012 Billing Rate & Associate Salary Survey ^{plus} (BRASS ^{plus}) *Initial Release*

Data Form Instructions

Data Form Due Date: *April 13, 2012*
Report Distribution Date: *May 31, 2012*

NEW in 2012:

The 'Management Trends Report' (MTR) is now a standard Report offering in this release. It includes graphical firm and group representations of select key metrics spanning up to five-years. The Report is ideal for practice group and office leaders who want a high-level picture of their responsible attorneys as it relates to rates, discounting and utilization.

This year, the BRASS^{plus} Initial Release will incorporate Partner Permanent Capital Balance information into the Partner and Associate Compensation & Capital (PACC) Report. In addition, the PACC Report includes compensation and other demographic data for Partners.

The collection of Law School Class Year data will now also include the classifications for both Of Counsel and Staff Attorneys.

Meaningful survey results are dependent upon participants providing comparable information. We ask that all participants follow the Data Input Guidelines provided within the Data Form, and in greater detail within these Instructions, to the fullest possible extent.

The timekeeper gender & race columns of data will be used exclusively for the Cultural Awareness and Inclusion Scorecard (CAIS).

*A data extraction software application is available to all firms using Elite or Aderant/CMS time and billing systems. Developed in conjunction with our alliance partner, Lexis-Nexis - Redwood Analytics, it is the **preferred method** for collecting data for submission to the Survey.*

*Each Data Form submission received will be reviewed by a Survey Staff member for accuracy, summarized by office and practice group, and sent back to participants for their approval **PRIOR** to final submission to the Survey.*

Please review and specify your comparison group selections within the Comparison Group Listing available for download on the PwC Survey website at www.pwc.com/lfsurveys.

Send your completed data submission along with your report selections via email to: pwc.law.firm.survey@us.pwc.com. If you have any questions, please contact a Survey Staff member at: (703) 918-3077.



Table of Contents

Form	Description	Page	
General Information			
	NEW in 2012	2	
	Survey Webcasts	2	
	Benefits to Participation	2	
	Participation Disclaimer	3	
	Data Submission Options	4	
	Guidelines for Submitting Data with International Offices	5	
	Participation Fee Schedule	6	
	Ordering Comparison Group Reports	8	
Definitions of Timekeeper Classifications			
	Equity Partners	9	
	Non-Equity Partners	9	
	Contract Partners	9	
	Associates	10	
	Contract Associates	10	
	Senior Attorneys	10	
	Staff Attorneys	11	
	Of Counsel.....	11	
	Lobbyists	12	
	Specialists.....	12	
	Litigation Support.....	12	
	Patent Agents.....	12	
	Paralegals	12	
	Case Clerks.....	12	
	Law Clerks/Trust Accountants	12	
Instructions by Form			
	Form 1: General Information	13	
	Form 2: Associates and Sr. Attorney Benefits Information.....	13	
	Form 3: Reporting Information by Office	13	
	Form 4: Reporting Information by Practice Group.....	14	
	Form 5: BRASS ^{plus} Initial Release Data Input.....	14	
Definitions of the PwC Practice Groups.....			22
Frequently Asked Questions.....			25
Help	Survey Staff Mailing Address, Hotline, Fax Number, Website, Email Address	27	



NEW in 2012

As a direct result of Survey participant feedback and the impact of the current economic environment, the Initial Release of the 2012 BRASS ^{plus} offers the following changes to better assess today's legal market:

- The 'Management Trends Report' (MTR) is available with this Release. This new report includes graphical firm and group representations of select key metrics spanning over a five-year period. The report also provides potential performance improvements if your firm achieves select milestones.
- Partner Permanent Capital Balance information will be incorporated into the Partner and Associate Compensation & Capital (PACC) Report. In addition, the PACC Report includes compensation and other demographic data for Partners.
- The collection of Law School Class Year data will now also include the classifications for both Of Counsel and Staff Attorneys.

Survey Webcasts

The following three distinct webcasts will be offered to all participants (or prospective participants):

- **'Overview of the BRASS ^{plus} Webcast:** Designed to provide an overview of the benefits to participating in this Survey release.
- **'Understanding the Comparison Group Offerings' Webcast:** Designed to provide participants with a better understanding of the different types of comparison groups that are available.
- **'Review of a BRASS ^{plus} Report' Webcast:** Designed to walk-through a standard Survey report to showcase the multitude of statistics provided to our participants.

A separate email invitation will be sent approximately a week to 10 days prior to each scheduled webcast date. The invitation will include any instructions needed to attend along with a request to RSVP to the webcast.

We encourage participants to invite any member of your firm (including Practice Group Leaders or those involved in the rate-setting process) to attend these valuable teleconferences. Please note that each participant's identity will be anonymous to the other participants joining the webcasts.



Benefits to Participation

The PwC 2012 BRASS ^{plus} will provide your firm with the most current billing rate information available to properly assess the legal market – both on a geographic and practice group level – within a challenging economy.

By participating, your firm will receive these **Key Benefits**:

1) Access to Billing Rate Information from the Nation's Largest & Most Profitable Law Firms – Last year, our participants included nearly 75% of the largest, most profitable law firms.

2) Three Distinct Billing Rate Benchmarks – The BRASS ^{plus} collects information on three distinct billing rates – standard rate, worked (agreed-upon) rate and effective (billed) rate. This feature allows participants to benchmark the billing rates that many firms realize due to client pressures.

3) Availability of Benchmarking Key Revenue Metrics by Practice Group – Many law firms acknowledge the importance of managing revenue by practice group, in addition to geographic location.

Not only can participants select benchmarking Reports by the size of their national practice, but also through ordering 'Practice Area by Location' Reports which combine the location of the attorneys with the area of law practiced.

4) Ability to 'Customize' Comparison Groups to Fit Your Firm's Needs – Participants can choose to benchmark their individual offices and practice groups to over 1,000 standard geographic comparison groups and 200 standard practice area comparison groups.

Additionally, many participants opt to create custom comparison groups from a list of their peers/competitors to fit their individual firm needs.

5) A Win-Win Time Investment to Cost Proposition – The time necessary for participation is minimized with our data extraction tool, which for many participants, is as easy as a download of information from their financial systems.

We strongly believe that the investment to participate is significantly more beneficial to the firm, compared to the alternative of compiling and analyzing information obtained from other labor-intensive sources.

Participation Disclaimer

The benchmarking information contained within the PwC BRASS ^{plus} Report complies with recommendations made by outside counsel during their annual review of the Surveys relative to current antitrust laws. While we are confident that the data supporting the Surveys have been properly summarized, no opinion is expressed regarding the fairness of the results.



The PwC Law Firm Survey results are highly confidential. They are intended for the internal business management of participating law firms, and to support internal benchmarking and decision-making needs. As such, all data contained in the reports are to be made available only to partners and designated employees of your firm, and should not be made available to any third parties.

PwC does not condone the use of this data by participants in a court of law or any public forum that would either make the information available to non-participants or identify or expose participating law firms to other participants or non-participants.

Data Submission Options

Meaningful Survey results are dependent upon Survey participants providing comparable information. Therefore, we ask all participants to follow these instructions to the fullest possible extent.

Participants have the following *two* options for submitting data to the 2012 BRASS^{plus} Initial Release:

- The **Data Extraction** software application was developed in conjunction with our alliance partner, Lexis-Nexis - Redwood Analytics. This option is the *preferred method* for collecting data, and consists of a stand-alone, client application that can be run on any PC at your firm.

Your firm must have Elite or Aderant/CMS time and billing system running on a Microsoft SQL Server in order to use this application. There is no additional cost associated with using the data extraction tool. A key advantage to using this data submission option is that timekeeper classifications and practice group mappings from your firm to the Survey will be preserved for use in future Survey releases.

The Data Extraction Tool application can be downloaded directly to your PC from the website <http://www.lexisnexis.com/redwood-analytics/pwc/surveys/>.

IMPORTANT: *All data extracted from this tool will reside on your firm's PC and at no time will any member of LexisNexis-Redwood Analytics have access to your individual firm's data. In addition, the completed data submission will be sent directly to a PwC Law Firm Survey Staff member.*

- The **Detail Data Form** is a spreadsheet-based data collection form which streamlines the data collection process.

The Detail Data Form can be accessed and downloaded from our Survey website at www.pwc.com/lfsurveys.

Every Data Form submission received, regardless of which method is used, will be reviewed by a Survey Staff member for accuracy, summarized by office and practice group, and sent back to participants for their approval **PRIOR** to final submission to the Survey.



Guidelines for Submitting Data with International Offices

To ensure the consistency of data submitted across multiple countries we ask that law firm participants follow the following guidelines.

Submitting Data for ALL Survey Participants

- International office data for ALL offices submitted to the Survey should be reported in USD.

Currency Exchange Rate

We ask that all firms use the interbank rate posted on OANDA (www.oanda.com) to convert values submitted to the Survey.

Exchange Rates to be used for the Initial Release of the 2012 BRASS^{plus} Data Values
(obtained from www.oanda.com/convert/fxhistory)

GBP Exchange Rates:

Data Column	Period	Exchange Rate (USD to GBP)	Exchange Rate (GBP to USD)
Standard Bill Rate	1/1/11	0.6450	1.5500
Standard Bill Rate	1/1/12	0.6432	1.5536
Average Standard Rate	1/1/11 - 12/31/11	0.6235	1.6039
Average Worked Rate	1/1/11 - 12/31/11	0.6235	1.6039
Average Effective Rate	1/1/11 - 12/31/11	0.6235	1.6039
Fees Billed	1/1/11 - 12/31/11	0.6235	1.6039
Annualized Base Salary	1/1/12	0.6432	1.5536
Partner Compensation (for FYE 12/31)	1/1/11 - 12/31/11	0.6235	1.6039
Bonus Awarded	1/1/11 - 12/31/11	0.6235	1.6039

Partner Compensation*

We ask that all firms use the interbank rate posted on OANDA (www.oanda.com) to convert Partner Compensation values submitted to the Survey as of the last day of your firm's most recent fiscal year end.

London Comparison Groups in the Final Survey Reports

All participants will have the option to receive London comparison groups in USD or GBP. PwC will use the exchange rates outlined above when converting all values submitted to the Survey.

Treatment of UK-Trainees

The timekeeper title of 'trainee', as used in the UK law offices, should be reported as a law clerk/trust accountant for Survey purposes. The law school class year is not required for this type of timekeeper classification.



Treatment of UK-Non-Partner Attorneys & Law School Class Year Reporting

(e.g., Post Qualification Experience (PQE))

Only those non-partner attorneys who are 'qualified', should be reported as an associate, staff attorney or senior attorney for Survey purposes. Please refer further to the Instructions for further definitions of each classification of non-partner attorney.

The first year of qualification (PQE1) is typically considered law school class year 2011; second year of qualification (PQE2) would be 2010, etc.

Treatment of UK-Partner Law School Class Year Reporting

(e.g., Post Qualification Experience (PQE))

Any partner whose data is being submitted to the Survey should have a law school class year. Any years practicing as a 'trainee' should be excluded.

Participation Fee Schedule

The cost for participation in the 2012 BRASS^{plus} Initial Release includes a base participation fee plus incremental fees for offices and/or practice groups where comparison groups have been ordered.

An invoice will be issued subsequent to report distribution. We ask that Survey participants do not prepay their participation fees, as applicable sales tax may be added.

Base Participation Fee:

BRASS^{plus} participants will receive a base participation fee of **\$1,750** that **includes three comparison group reports** for your individual offices or practice groups. Each participant will also receive one **Management Summary Report (MSR)** for every three to five comparison groups ordered for an individual office or practice group. A firm does not need to be a member of a comparison group to order it and see their values presented and ranked against the group.

Additional Standard Comparison Group Fees:

All additional comparison groups ordered (above the three included with your base fee) will be billed according to the scale outlined below. The pricing strategy is designed to provide discounts to law firm participants who purchase volumes of comparison groups.

Additional standard comparison groups, regardless of report type, will be billed at:

1 thru 10 Comparison Groups	\$350 each
11 thru 20 Comparison Groups	\$300 each
21 thru 30 Comparison Groups	\$225 each
31+ Comparison Groups	\$150 each



"Custom" or "Peer" firm comparison groups do not qualify for volume discount pricing.

For example:

If a firm purchases 25 comparison groups, the first three are included in the base participation fee of \$1,750. The first additional 10 comparison groups will be billed at \$350/each; the second additional 10 comparison groups will be billed at \$300/each, and the remaining 2 additional comparison groups will be billed at \$225/each.

Therefore, the total participation fee would be \$8,700 ($\$1,750 + (10 \times \$350) + (10 \times \$300) + (2 \times \$225)$).

Custom Comparison Groups:

Participants can also choose to create custom comparison groups for their individual offices or practice groups, provided the criterion for participation in the group adheres to all current antitrust laws.

Custom comparison groups are \$350 each, plus a \$100 custom group surcharge.

'Report Export' Spreadsheet:

Participants can choose to order a spreadsheet (in .xls format) that will consist of a 'data export' of the comparison group statistics provided in the Final Reports *ordered*. The group statistics from each comparison group ordered by the firm will be displayed as a separate worksheet within the spreadsheet. Your firm's data for each office and practice group submitted to the Survey will be included in a separate worksheet.

The cost for this supplementary spreadsheet, regardless of the number of comparison groups ordered, is \$350.

*This reporting option **does not** include the individual firm data of the participants in the comparison group; it only contains the individual firm data for the firm ordering the comparison group.*

Partner and Associate Compensation & Capital (PACC) Report:

Participants will be billed \$350 for each PACC comparison group report. A firm does not need to be a member of a comparison group to order it and see their values presented and ranked against the group.

Management Trends Report (MTR):

Participants can choose to order an MTR for any of the comparison groups ordered with their standard participation fees. The supplemental cost for each MTR is \$350 per comparison group.



If your firm would like to preview a copy of any of our 2012 Final Reports, please contact a Survey Staff member at (703) 918-3077.

Ordering Comparison Group Reports

Please review the list of anticipated Comparison Groups offered this year within the Comparison Group Listing. Participants can choose from a wide range of standard Comparison Groups. Please note that your firm does not need to be a member of the group to select it and see your values presented and ranked against the group. The Comparison Group Listing can be accessed and downloaded from our Survey website at www.pwc.com/lfsurveys.

NOTE: We purposely did not include a comparison group listing for our Partner and Associate Compensation & Capital (PACC) Report. A Survey representative will discuss this reporting option with those law firms submitting Partner Compensation and Partner Permanent Capital Balance information.

As noted previously, participants can choose to create Custom Comparison Groups based on a list of their peers, provided the criterion for participation in the group adheres to all current antitrust laws. If your firm would like to 'customize' a group, please indicate that your report is 'custom' and clearly document the participation criterion (or list of peer firms) for inclusion in the Comparison Group.

Please remember to indicate if you would also like to order a 'Report Export' Spreadsheet.

A member of our Survey Team will be contacting all participants to review and finalize their report order. If you need assistance prior to our initial call, please do not hesitate to contact a Survey Staff member at (703) 918-3077 or via email at pwc.law.firm.survey@us.pwc.com.

Participants can order comparison groups by one of the following three methods:

1. List your Comparison Group choices in a note accompanying your Data Form, including any Custom Comparison Group requests or your order for the 'Report Export' Spreadsheet. Email your note to the Survey Staff at pwc.law.firm.survey@us.pwc.com.
2. Use the Comparison Group Listing to indicate your report selections for each type of report by adhering to the instructions at the top of each page. Remember to indicate any Custom Comparison Group requests or your order for the 'Report Export' Spreadsheet. Attach the completed document to an email and send it to the Survey Staff at pwc.law.firm.survey@us.pwc.com.
3. Within the Comparison Group Listing, choose from the easy selection options found in the section entitled, "How to Submit Your Firm's Comparison Group Selections". Attach the document to an email and send it to the Survey Staff at pwc.law.firm.survey@us.pwc.com.



Definitions of Timekeeper Classifications

Job Definitions for Legal Timekeepers

Equity Partners

In the Survey, the terms “Partner” and “Shareholder” are used interchangeably. Include as Partners only active Partners or Shareholders of the firm. Note that Equity and Non-Equity Partners are separated in the billing rate schedule. For the definition of Non-Equity Partners, see below.

Although certain active Partners may have fewer chargeable hours (because of administrative, recruiting, or other non-billable responsibilities) they should, nonetheless, be classified as active full-time Partners.

There may be additional participants in net income of the firm (e.g., Of Counsel, retired Partners and/or their estates) who are not active Partners and accordingly they should be excluded from the Equity Partner billing rate data.

Inactive Partners and Partners on sabbaticals or extended leave should not be included.

Non-Equity Partners

Non-Equity Partners are attorneys admitted to the partnership from Associate status or laterally from an external organization who meet the following criteria:

- They are considered to be Partners according to applicable tax regulations.
- Within the firm, they are considered to be members of a partner class designated as Non-Equity, Income, Junior, non-participating, etc.
- There is a substantive difference in the treatment of these Partners relative to Equity Partners. Evidence of such a difference might include being compensated on a salary or fixed basis, not having a vote in policy matters decided by the partnership, or not yet having a permanent capital contribution requirement.

A future change in status (including admission to the Equity Partnership) is considered likely for at least most of these Non-Equity Partners.

Contract Partners

For purposes of this Survey, Contract Partners are defined as individuals who may or may not be employees of the firm; however they are hired on an individual contractual basis. In most cases, these individuals are laterally recruited to the firm and the contractual arrangement is a transitional status that may lead to partnership.

For this timekeeper class, we will only be producing statistics in aggregate, and not by years of experience. Therefore, it is not necessary to submit a law school class year.



We recognize that the employment percentage for these timekeepers may not be readily available. If the employment percentage is not submitted, please note that we will not be able to calculate an average billable hours or an average fees billed. Therefore, omitting these additional columns of data is acceptable for these timekeepers.

Associates

Associates are non-Partner level lawyers, or law school graduates who are members of the bar, who normally perform legal services on behalf of clients, and who are on the Partner track. Do not classify as Associates lawyers not performing legal services or non-lawyer (staff) employees even though they may perform some legal services. Also, do not classify Of Counsel attorneys as Associates unless your firm uses the title Of Counsel for an Associate equivalent class of attorneys.

If your firm deferred any associates, please adjust the class year appropriately to reflect the year that the associate will be 'tracked' within your firm.

Summer Associates and law students hired on a temporary or part-time basis should not be included in the Associates category.

Contract Associates

For purposes of this Survey, Contract Associates are defined as individuals hired on a part-time or contractual basis, usually to satisfy a special demand (e.g., to staff a large non-recurring matter or to be a technical resource). They are typically employed by another company that specializes in temporary assistance for law firms, or are individuals with whom your firm has a direct contractual agreement for a specific period of time or in support of a specific matter or transaction.

For this timekeeper class, we will only be producing statistics in aggregate, and not by years of experience. Therefore, it is not necessary to submit a law school class year.

We recognize that the employment percentage for these timekeepers may not be readily available. If the employment percentage is not submitted, please note that we will not be able to calculate an average billable hours or an average fees billed. Therefore, omitting these additional columns of data is acceptable for these timekeepers.

Senior Attorneys

Senior Attorneys are non-Partner level attorneys who are typically characterized by one of the following descriptions:

- An experienced attorney who has been placed in a position beyond the Associate track, but not yet at the Partner level (an interim step before Partner).
- An experienced lateral attorney who can anticipate admission to the partnership in the near future.



- An experienced attorney who is no longer on the Partner track and is not a likely candidate for a future change in status, but who continues to perform complex and non-routine legal services on behalf of clients. An experienced attorney who has a high degree of expertise in a specific legal area and is expected to produce a high level of billable hours.

Many law firms use the term 'Counsel' to refer to this Survey classification of attorney.

Staff Attorneys

Staff Attorneys are non-Partner level attorneys, or law school graduates, who will shortly become members of the bar, who normally perform legal services on behalf of clients, but who are typically NOT on a Partner track. Other characteristics of Staff Attorneys may include:

- Work assignments/matters that can be characterized as more routine or less complex.
- Lower compensation than similarly tenured Associates or Senior Attorneys.
- Limited chance for a future change in status.

Of Counsel

The staff classification Of Counsel has many different applications among law firms. For Survey purposes, Of Counsel attorneys are non-Partner level attorneys whose status with the firm is typically one of the following:

- A retiring Partner or a retired Partner who retains a position of authority within the firm, but who does not continue to bill at the rate of full time attorneys.
- An attorney who previously held a high profile position in industry or government and is not expected to produce a high level of billable hours.

If your firm uses the Of Counsel title for attorneys and their role in your firm does not match the Survey's definitions for Of Counsel, then they should be reassigned to the Survey's other attorney categories (Equity Partner, Non-Equity Partner, Contract Partner, Associate, Contract Associate, Senior Attorney or Staff Attorney) that best fits each situation.



Job Definitions for Non-Legal Timekeepers

Lobbyists

Lobbyists are individuals who receive compensation for the purpose of acting directly to affect legislation or a rule. They are paid comparably to Senior Attorneys or Junior Partners. They may have legal training but are not practicing in the legal arena.

Specialists

Specialists are staff members who provide a service or a non-legal expertise for the firm. They generate revenue with billable hours and are paid comparably to Associates or Senior Attorneys. They may have legal training but are not practicing in the legal arena.

Litigation Support

Litigation Support staff collect, analyze, investigate and produce data-related documents for litigation cases.

Patent Agents

Patent Agents are staff members whose responsibility includes obtaining and protecting the intellectual property rights of clients.

Paralegals

Paralegals are not Attorneys, Law Clerks or Case Clerks, but are staff whose service is of a specialized legal nature that could be billed to clients (generally on an hourly basis). Staff members with other job titles whose primary responsibility is to perform chargeable client service (usually on an hourly basis) should be categorized as Paralegals.

In prior Survey releases, these timekeepers were referred to as Legal Assistants.

Case Clerks

Case Clerks, also referred to as Document Clerks, are employees who are under the direct supervision of Paralegals or Attorneys. A Case Clerk performs such tasks as document numbering and alphabetizing, labeling folders, filing and any other task that does not require substantive knowledge of the transaction or litigation.

Law Clerks/Trust Accountants

Law Clerks include law students employed during the school year on a part-time basis to perform legal services that may or may not be billed. Law students employed on a full-time or part-time basis during the summer months to perform similar legal services (frequently referred to as Summer Associates) are also considered Law Clerks.

Trust Accountants include fiduciary, estates, and other accounting or clerical staff who are involved in the administration of the firm's estates and trusts practice, but who may not charge for their time on an hourly basis.



Form 1 – General Information

This form contains general information about your law firm. The Firm ID Number is the four-digit PwC issued number assigned to you by the Survey Staff (if unknown, please leave blank). Please be sure to provide the required firm contacts for final report distribution and questions regarding information submitted to the Survey (including e-mail addresses).

Date of Last Change

Billing rate increases have been classified into three categories:

- Partner Billing Rates
- Associate/Senior Attorney Billing Rates - Scale based
- Associate/Senior Attorney Billing Rates - Lock-Step/Class Year based.

Please indicate the month ('mm') and year ('yyyy') of your last billing rate and Associate/Senior Attorney salary change for the data reported at January 1, 2012. For those firms submitting partner compensation data, please include the fiscal year-end date for the time period of data submitted.

In addition, please indicate the month ('mm') and year ('yyyy') of the effective date for your attorney promotions.

Form 2 – Associates and Sr. Attorney Benefits Information

This form contains questions pertaining to the non-compensatory benefits that your firm offers its Associates and Senior Attorneys. Based on your responses to Questions 1 a-h, Questions 2 through 6 request additional detailed information.

*We are not attempting to collect any information regarding the proportion of benefits that your firm pays for these benefits. We are only collecting information on the **types** of non-compensatory benefits that your firm currently offers.*

Form 3 – Reporting Information by Office

Please list all locations in which the firm currently maintains offices, including offices whose data will not be reported to the Survey. Offices that will be reported to the Survey should appear first in the listing. Indicate the office(s) for which data will be submitted to the Survey with a "Yes" in the "Data Reported" column.

We strongly encourage Multi-Office firms to submit data for all domestic and international offices – regardless of the size of the office.



Form 4 – Reporting Information by Practice Group

Indicate the practice group(s) for which data will be submitted to the Survey with a “Yes” in the “Data Reported” column.

A broad definition of the type of work included within each defined practice group can be found on page 22 of these instructions.

A firm is not required to submit data for all of the practice groups listed on this form. Any number of the defined practice groups can be submitted, depending upon the needs of the firm.

Firms may choose to submit practice group information for select timekeepers (e.g., only Partners).

Form 5 – Billing Rate & Associate Salary^{plus} – Data Input

Please provide **detailed information by individual timekeeper** for the columns of data requested. To ensure anonymity, please do not provide timekeeper names.

Except as otherwise noted, include all timekeepers employed by the firm any time during the period 1/1/11 through 12/31/11.

There are 19 columns of data input for each timekeeper on Form 5. Each column of data – from left to right on the spreadsheet - is described below in detail, and in a summary form on the “Guidelines” tab of the Data Form.

- **Column 1 – Practice Group Code #** - The values input should be numeric, and must correspond with the practice group codes listed on Data Form 4.

A broad definition of the type of work included within each defined practice group can be found on page 22 of these instructions.

- **Column 2 – Office Location Code #** - The values input should be numeric, and must correspond with the location codes listed on Data Form 3.
- **Column 3 – Timekeeper ID#** - The values input can be numeric, alphabetic, or a combination of the two. Each individual timekeeper must have his/her own **unique ID#**. To ensure anonymity, please do not provide timekeeper names.



- **Column 4 – Timekeeper Classification** - Responses must correspond to one of the following 15 Survey-defined timekeeper classifications. A definition of each classification can be found beginning on page 9 of these instructions.
 - Equity Partner
 - Non-Equity Partner
 - Contract Partner
 - Associate
 - Contract Associate
 - Senior Attorney
 - Staff Attorney
 - Of Counsel
 - Lobbyist
 - Specialist
 - Litigation Support
 - Patent Agent
 - Paralegal
 - Case Clerk
 - Law Clerk/Trust Accountant

- **Column 5 – Promoted/Terminated** - Please indicate if an attorney was promoted (effective 1/1/12) by reflecting one of the "promoted to" classifications indicated below:
 - P - Equity Partner
 - P - Non-Equity Partner
 - P - Associate
 - P - Senior Attorney
 - P - Of Counsel

- If a timekeeper left your firm anytime during the period 1/1/11 to 12/31/11, please indicate as such by placing "Terminated" in the space provided.

The 'Terminated' designation is now mandatory as we will be reporting on this metric in the Final Reports

It is not necessary to indicate that a summer law clerk has been terminated as it is assumed that this is a temporary position within the firm.

- **Column 6 - Gender** - This column of data input will be used for compiling statistics reported exclusively in our Cultural Awareness & Inclusion Scorecard (CAIS).

Responses should correspond to one of the following:

- Male
- Female
- Restricted



- **Column 7- Race** - This column of data input will be used for compiling statistics reported exclusively in our Cultural Awareness & Inclusion Scorecard (CAIS).

Report the race only for those timekeepers based in the US. Please exclude the race for any timekeeper practicing in an international office.

Responses should correspond to one of the following:

- African American/Black
 - American Indian/Alaska Native
 - Asian
 - Hispanic/Latino
 - Native Hawaiian/Pacific Islander
 - Other
 - Restricted
 - Two or more races
 - White
- **Column 8– Employment Percentage (1/1/11 – 12/31/11)** - Report the **annual average** full-time equivalent value (fte) for each timekeeper. For example, a timekeeper that works 50% of the time during the year equals 0.50 full-time equivalents; 50% can represent working half days for the entire year or working full-time for one-half of the stated 12-month period.

*To ensure the comparability of the final results, please **do not** compute a full-time equivalent value (fte) based on the calculation of billable hours worked or other variations of the instructions outlined above.*

Adjust the employment percentage (fte value) appropriately for employees on sabbatical, leave of absence, or paternity/maternity leave. While they are expected to return, generating revenue while they are gone is with the active employees. **Therefore, participants should report values based on a 'working fte' versus a 'paid fte'.**

Per-timekeeper statistics are included in the Final Reports. Therefore, it is imperative that all participants provide an accurate value for each timekeeper based on an average annual full-time equivalent.

A full-time equivalent value can be established by averaging a periodic staff total within the year. The average annual full-time equivalent value for each timekeeper should be reported as a percentage to the nearest hundredth (i.e., 0.15, 1.00, etc.).

- **Column 9 – Standard Billing Rate (as of 1/1/11)** - The values input should be numeric and reported in whole numbers. Submit values for all timekeepers employed at your firm as of January 1st, 2011.

If multiple rates are assigned, the billing rate used should be either a weighted average (by the number of hours charged at each rate) or the highest non-premium rate.



Do not input a standard billing rate value for any timekeeper who left your firm prior to 12/31/2011.

Do not input a standard billing rate value for any timekeeper who started with your firm after 1/1/2011.

- **Column 10 – Standard Billing Rate (as of 1/1/12)** - The values input should be numeric and reported in whole numbers. Submit values for all timekeepers employed at your firm as of January 1st, 2012.

If multiple rates are assigned, the billing rate used should be either a weighted average (by the number of hours charged at each rate) or the highest non-premium rate.

Do not input a standard billing rate value for any timekeeper who left your firm prior to 1/1/2012.

- **Column 11 – Average Standard Rate (1/1/11 – 12/31/11)** - The values input should be numeric and reported in whole numbers. Submit values for all timekeepers employed at your firm **any time** during the stated 12-month period.

The average standard rate is computed for each timekeeper by taking the standard value of fees billed (not the actual fees billed) for the period 1/1/11 through 12/31/11 divided by the corresponding billable hours worked. The standard value of fees billed is calculated as the billable worked hours multiplied by the corresponding standard rate at the time the work was performed.

If the timekeeper joined your firm after 1/1/11, please calculate the Average Standard Rate for the period of time employed at your firm.

If it is determined that the Average Standard Rate calculated for a timekeeper who was only at your firm for a portion of the period is anomalous, then please exclude the data value.

If your financial system does not easily calculate the average standard rate values, please leave the fields blank.

An example of the calculation is included on page 19.

- **Column 12 – Average Worked Rate (1/1/11 – 12/31/11)** - The values input should be numeric and reported in whole numbers. Submit values for all timekeepers employed at your firm **any time** during the stated 12-month period.

The Average Worked Rate is computed for each timekeeper by taking the value of billable time worked (excluding costs) for the period 1/1/11 through 12/31/11 divided by the corresponding billable hours worked. The value of billable time worked is calculated as: total billable hours worked multiplied by the average client billing rate.

Exclude all anomalies and contingency work in calculations.

If the timekeeper joined your firm after 1/1/11, please calculate the Average Worked Rate for the period of time employed at your firm.



If it is determined that the Average Worked Rate calculated for a timekeeper who was only at your firm for a portion of the period is anomalous, then please exclude the data value.

If your financial system does not easily calculate the Average Worked Rate values, please leave the fields blank.

An example of the calculation is included on page 19.

- **Column 13 – Average Effective Rate (1/1/11 – 12/31/11)** - The values input should be numeric and reported in whole numbers. Submit values for all timekeepers employed at your firm **any time** during the stated 12-month period.

The Average Effective Rate is computed for each timekeeper by taking the actual value of amount billed (excluding costs) for the period 1/1/11 through 12/31/11 divided by the corresponding billable hours worked (regardless of when they were worked).

Exclude all anomalies and contingency work in calculations.

If the timekeeper joined your firm after 1/1/11, please calculate the Average Effective Rate for the period of time employed at your firm.

If it is determined that the Average Effective Rate calculated for a timekeeper who was only at your firm for a portion of the period is anomalous, then please exclude the data value.

If your financial system does not easily calculate the Average Effective Rate values, please leave the fields blank.

An example of the calculation is included on the following page.



Example:

For the period 1/1/11 through 12/31/11. All hours worked in this example are chargeable ("billable") hours.

Firm Rates:

Standard Rate @ 1/1/11	\$200
Standard Rate @ 7/1/11	\$210
Standard Rate @ 1/1/12	\$225
Discounted Rate 1	\$180
Discounted Rate 2	\$170

Billable Hours Worked (corresponding to the actual fees billed during the period regardless of when they were worked)

At Standard Rate (for the period 1/1/11 through 6/30/11)	700
At Standard Rate (for the period 7/1/11 through 12/31/11)	800
At Discounted Rate 1 (for work performed through 6/31/11)	200
At Discounted Rate 2 (for work performed after 6/31/11)	100
Total Billable Hours Worked	1,800

Hours Written Off	100 (@ Std. Rate @ 1/1/11)
Hours Billed	1,700

Actual Fees Billed: \$341,000 $(\$200 \times 700) + (\$210 \times 800) + (\$180 \times 200) + (\$170 \times 100) - (\$200 \times 100)$

- a) The **Standard Rate** for timekeeper 'X' at 1/1/12 is \$225/hour
- b) The **Average Worked Rate** for timekeeper 'X' during the period 1/1/11 – 12/31/11 is calculated as:

$$(\$200 \times 700) + (\$210 \times 800) + (\$180 \times 200) + (\$170 \times 100) / 1,800 = \$201/\text{hour}$$

- c) The **Average Effective Rate** for timekeeper 'X' during the period 1/1/11 – 12/31/11 is calculated as:

$$\$341,000 / 1,800 = \$189/\text{hour}$$

- d) The **Average Standard Rate** for timekeeper 'X' during the period 1/1/11 – 12/31/11 is calculated as:

$$((\$200 \times 700) + (\$210 \times 800) + (\$200 \times 200) + (\$210 \times 100)) / 1,800 = \$205/\text{hour}$$

- **Column 14 – Billable Hours Worked (1/1/11 – 12/31/11)** - Submit values for all timekeepers who were at your firm *any time* during the 12-month period.

Values input should include all time charged as client work for the period of 1/1/11 to 12/31/11, whether billed or not billed. **Exclude** chargeable hours for pro bono work, work for employees of the firm (unless billed), work that is never expected to be billed, and firm management.



- **Column 15 – Fees Billed (1/1/11 – 12/31/11)** - Submit values for all timekeepers who were at your firm **any time** during the 12-month period.

Responses are computed as the value of time billed, after adjustments, including any write-ups and write-downs for the period of 1/1/11 to 12/31/11. The fees billed during this period can reflect time incurred in a previous twelve-month period.

The fees billed should **not** include a reduction for payments on-account. Do not include any hard or soft disbursements billed.

- **Column 16 – Law School Class Year** - Values should be submitted for all attorneys, including Partners, Associates, Senior Attorneys, Staff Attorneys and Of Counsel.

Values are numeric and input in 'yyyy' format. Values should be less than or equal to year 2011.

The Law School Class Year should reflect the actual number of years the attorney has been practicing law. Therefore, in some instances where there has been an interruption, a deferral, or an attorney is given "credit", and tracked with another law school class, the year reported should be adjusted accordingly.

NEW in 2012 - Include the Law Class School Year for Staff Attorneys and Of Counsel timekeeper classifications.

- **Column 17 – Associate & Senior Attorney Base Salary (as of 1/1/12) and Partner Compensation (for the most recent FYE)** – Submit values for Associates & Senior Attorneys and both Partner classifications (Equity and Non-Equity).

All compensation values provided for both Partner classifications should be the total of the ordinary income (loss) and guaranteed payments received in the most recent fiscal year end, e.g., lines 1 and 4 under Section III of the Partner's most recent K-1 statement.

If your firm is a PC, the partner compensation value reported should be the partners "gross" wages.

Submit values for all full-time Partners who were at your firm for the entire one-year period as of the most recent FYE.

If a Partner joined your firm during the most recent FYE, do not submit a compensation value for the given Partner.

Submit base salary values only for those Associates & Senior Attorneys who were at your firm as of January 1st of the stated year.

All base salary values provided for Associates & Senior Attorneys must be annualized and reported as of January 1, 2012.

Values submitted should be numeric and reported in whole numbers. All values for international attorneys should be reported in U.S. dollars.



- **Column 18 – Associate & Senior Attorney Bonus Awarded (1/1/11 – 12/31/11)** – Only submit values for Associates and Senior Attorneys.

Include a bonus value for only those Associates and Senior Attorneys who were at your firm as of January 1, 2012.

Values submitted should be numeric and reported in whole numbers. All values for international attorneys should be reported in U.S. dollars.

Include the amount of the bonus awarded to an Associate during the specified period – even if the bonus was paid to an Associate in a subsequent period, e.g., January 2012.

Do not annualize the bonus if it was performance driven; annualize the bonus if it was ‘lock-step’. Include the following *types* of bonuses: performance-based, signing, stipends, longevity, and clerkship.

- **Column 19 – Partner Permanent Capital Balance (as of 12/31/2011) - NEW in 2012** - The values input should be numeric and reported in whole numbers. All values for international partners should be reported in U.S. dollars.

Permanent capital balance can consist of a mixture of actual out-of-pocket contributions made by partners and undistributed firm earnings to be held indefinitely.

Do not include property assets or undistributed earnings that are to be distributed at a predetermined point in the next few months. If you do not require partner permanent capital, please leave the field blank.

Professional corporations should determine shareholder capital balances on a cash basis to the shareholders.

Capital balances should consist of the shareholders' cost of all common and preferred stock purchased, increases to paid-in capital, as well as retained earnings that will be held for working capital purposes for at least one year.



Definitions of the PwC Practice Groups

Outlined below is a broad definition of the practice groups defined by the PwC BRASS ^{plus}.

Practice Group	Definition
Administrative / Regulatory / Legislative	Attorneys in this practice assist clients on the laws and legal principles governing the administration and regulation of city, county, state and federal government agencies.
Antitrust	Attorneys in this area practice in areas that protect trade and commerce from unlawful restraint and monopolies or unfair business practice.
Banking/Finance	Attorneys in this practice area typically assist individuals and companies engaged in all aspects of the Banking industry, such as providing legal assistance during financial transactions, including the legal ramifications, tax consequences and the effect of pertinent government regulations. In addition, many attorneys in this practice area also provide legal representation to clients attempting to resolve disputes with their financial institution.
Bankruptcy	Attorneys in this area counsel clients on insolvency, creditors' and debtors' rights, reorganization, workouts, negotiations and liquidation of assets.
Communications	Attorneys in this practice represent and counsel local, long distance, and wireless providers before state and federal regulatory agencies on both domestic and international matters. They also help Internet, e-commerce, and other technology-based businesses with state and federal regulatory, transactional and related corporate needs.
Corporate	Attorneys in this practice focus on the legal methods of obtaining an official charter or articles of incorporation from the state for an organization or business, the legal ramifications of such an organization/business, the laws that govern business operations and others that deal with the day-to-day operations of a corporation.
Crime	Attorneys in this practice represent a person or business for acts that have been classified as a crime, initiated by the state or federal government through a prosecutor.
Employee Benefits	Attorneys in this practice advise private and public sector employers concerning all aspects of employee benefits such as qualified retirement plans, welfare benefits, stock-based compensation techniques and executive compensation arrangements.
Energy / Utilities	Attorneys in this practice provide legal counsel, contract and regulatory services, negotiation assistance and litigation services to energy and utility industries.
Environmental	Attorneys in this area provide advice regarding regulations from the Environmental Protection Agency, mandated clean-up activities, and land contamination disputes.
Government Relations	Attorneys in this area work to introduce or influence legislation that has a direct effect on its business or professional associations. Lobbying / Public Policy is another name for this practice group.
Healthcare	Attorneys in this area represent hospitals, physicians, healthcare professionals, patients and other health related entities including nursing homes, pharmaceutical companies, medical high tech corporations, home health care, HMO's, surgical centers and utilization review centers.



Practice Group	Definition
Immigration	Attorneys in this practice provide advice regarding issues such as obtaining a U.S. work visa or other type of visa, obtaining a green card, naturalization, immigrating to the U.S. for education, international adoption, and gaining asylum in the U.S.
Insurance Defense	Attorneys in this practice area deal with the state statutes and Federal laws governing the insurance business and the peripherals of the industry.
Intellectual Property (non-Litigation)	Attorneys in this area usually have degrees in a 'hard science' such as engineering, biology, chemistry, medicine computer science and physics. Attorneys are engaged in drafting, submitting and acquiring copyright or trademarks rights and applications.
Intellectual Property Litigation	Attorneys in this area are involved in litigation related to patent, trademark or other intellectual property cases to protect those assets.
International Law	Attorneys in this practice area focus on the rules and principles of general application dealing with the conduct of states and of international organizations and with their relations, as well as with some of their relations with persons, natural or juridical.
Labor / Employment	Attorneys in this practice cover all facets of the legal relationship between employers, employees, and employee labor unions.
Litigation (non-IP)	Attorneys in this practice area assist with all the legal steps involved in settling a controversy between two or more parties before, during and after the actual trial for either civil or criminal cases, not including Intellectual Property.
Maritime	Attorneys in this practice area specialize in the laws governing navigation and shipping, insurance, maritime contracts, salvage and injury disputes involving commercial or pleasure vessels.
Mergers & Acquisitions	Attorneys in this area represent clients on activities by which they legally unify ownership of assets. Transactions include acquisitions and sales of public and private companies; acquisitions and dispositions of divisions and business units; asset purchases/dispositions; purchases and sales of minority and controlling stock positions; taking clients private; leveraged buyouts; joint ventures and hostile and negotiated tender and exchange offers.
Product Liability	Attorneys in this area handle cases concerning the legal responsibility of a manufacturer or trader for making or selling a faulty product.
Public Finance	Public finance law refers to legislation and regulations relating to the financial activities of government or public sector organizations. Public finance laws govern the funding and administration of specific governmental activities including the sale and purchase of various types of bonds.
Real Estate	Attorneys in this area handle cases involving land, and all of the natural resources and permanent buildings on it. These types of cases would include zoning, property, redemption, mortgages tenancy, warranty deeds, land trusts, foreclosures, deeds and assessments.
Securities	Attorneys in this area deal with shares of stock, bonds and debentures issued by corporations and governments to evidence ownership and terms of payment of dividends or final pay-off.
Taxation	Attorneys in this practice area advise and assist in tax issues and investments.
Technology	Attorneys in this practice focus on scientific technology involving the production or use of devices especially in the fields of electronics and computers.



Practice Group	Definition
Trusts & Estates	Attorneys in this practice regularly deal in the fields of wills, trusts, probate and estate planning, including potential tax implications and legalities.
Other	Attorneys that practice in all legal areas other than those detailed above.



Frequently Asked Questions

Outlined below is a quick guide that responds to the frequently asked questions our Survey Staff receives about participation in the BRASS^{plus} Initial Release.

Question	Response
How long does it take to complete the data form?	Generally, one to two days, including a review period. It largely depends on your firm's financial systems.
If a timekeeper has more than one classification during the year, how should they be reported?	All timekeepers should be reported according to our defined classifications as of the date 12/31/11. If a timekeeper had a status change effective on the date 1/1/12 – please use Column 5, Form 5, to indicate as such.
How is the Law School Class Year reported?	The law school class year should reflect the actual number of years the attorney has been practicing law. Therefore, in some instances where there has been an interruption, a deferral, or an attorney is given “credit”, and tracked with another law school class, the year reported should be adjusted accordingly.
Should employees who were terminated prior to January 1, 2012 be included?	Unless otherwise noted, please include all timekeepers at your firm any time during the period 1/1/11 through 12/31/11. Please exclude the standard billing rates and base salary values (e.g., leave them blank) for these timekeepers, and adjust the employment percentage accordingly.
If a member of the staff works with multiple practice groups, such as Case Clerks, Law Clerks, etc., should they be classified as 'Other' in the practice areas?	If a timekeeper does not work in one practice group for a majority of their workload (e.g. >50%) then classify them as 'Other'.
How is anomalous data defined? And, if there is anomalous data, should that individual's entire record be excluded or just the anomalous data?	Anomalies are hard to define. For any timekeeper whose rate (or other metric) significantly exceeds or falls below the next closest value for a timekeeper, then it should be excluded. Although - if the partner is a rainmaker and they can command a significantly higher rate - then it should be kept in. Only exclude if there are extenuating circumstances around the anomaly. Please omit only the value that is an anomaly, and not the timekeeper.
Should timekeepers who do not record a lot of hours, but do record billable hours such as a timekeeper who does research in the library, be eliminated from the Survey?	Do not include these timekeepers.
What columns of data should be filled out for Law Clerks?	All columns except law school class year, base salary, bonus and the new 6-month statistics.
Should the Billable Hours Worked column be entered in hours or dollars?	Please enter as hours.
Should only non-contingent hours be included or all hours?	Please include all hours.
Do you want the whole year as FTE, i.e., hired October 1 - would be .25?	Correct example, whole year FTE, rounded to the nearest hundredth.



<p>For Of Counsel attorneys who are paid like they are full-time, but aren't really working that many billable hours, what is the correct way to handle them when calculating their employment percentage?</p>	<p>We ask that firms report the employment percentage based on their attendance. So if they are generally working F/T and are being compensated on an F/T basis, then please report their FTE as 1.00. We understand that Of Counsel attorneys and many managing partners don't work as many billable hours as others, however their contribution to the firm should still be reflected as one FTE.</p>
<p>How do you handle an individual who changed practice groups in the middle of 12-month period? For example an attorney switched from Corporate to Banking/Finance on 7/1/11. Should they be reported in the 2 separate groups along with statistics corresponding to the time in each and report Standard Billing Rate effective 1/1/12 with Banking? Or should he be recorded entirely in Corporate or Banking?</p>	<p>We usually advise law firms that a timekeeper should only be assigned to one practice group - where they work the majority of the time or which are a they are in as of 12/31/11 - which, in this case, would be in Banking. However, if a firm feels that there would be a material difference in their overall practice group data, then we treat this situation similar to the treatment of status changes. For example, include two separate lines for the timekeeper, with the proper fte allocation and other corresponding data, but do not duplicate the timekeeper ID#. An additional character can be included on the timekeeper ID. For example, #2272a and #2272b.</p>
<p>Standard Rates in some firms are often times actually Discount Rates in others.</p>	<p>The standard billing rate is the rate that your firm assigns to each timekeeper - generally at a specified time during the year. If a timekeeper applies a discount to his/her rate, then that is generally only for a specific matter or client, and will come into the calculation of the worked rate.</p>
<p>Should the fees billed be per billing timekeeper or working timekeeper? In other words, if a working attorney worked on the matter, should the billing credit still be given to the billing timekeeper, or should this survey reflect the time billed for the working timekeeper?</p>	<p>Fees billed should be the working attorneys, not the billing attorney.</p>
<p>If a large contingency matter will impact the effective billing rate value and fees billed, should these numbers be excluded?</p>	<p>For the contingency matter, please exclude the numbers in your calculation of your average worked rate and average effective rate, but include them in your fees billed for the timekeeper.</p>
<p>If it is difficult to break out Litigation non-IP vs. IP, can everyone be placed under non-IP and just make a note that some hours are worked under IP?</p>	<p>Yes.</p>
<p>In the survey results, if a Total Firm report shows that a firm is not a member of the group when the firm is located in that city, what is the explanation?</p>	<p>For geographic reports, firms submit their offices individually so that they can pinpoint to a particular city. We pull in only that city's data, or just the principal office and not the Total Firm because that is an aggregate of all of the offices. So the report is really just saying that your aggregate firm's info is not a member of the group.</p>
<p>Are the standard billing rates averages weighted by billable hours or are they a simple (unweighted) average?</p>	<p>They are an unweighted average.</p>



Help



Please contact the Law Firm Survey Staff if any questions arise concerning your participation in the Survey.

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