

Legal departments increase spend while engaging fewer vendors

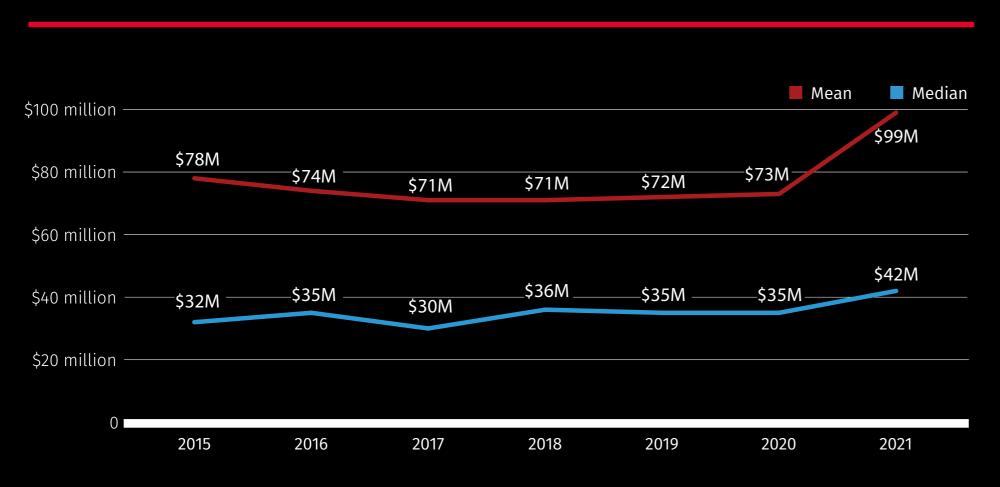
ELM Solutions

In 2020, the COVID-19 pandemic prompted significant changes to how corporate legal departments engage with outside counsel. In our <u>LegalVIEW® Insights report volume 5</u>, ELM Solutions found that legal spend began to pick up in 2021 but law firm convergence continued as a widespread trend.

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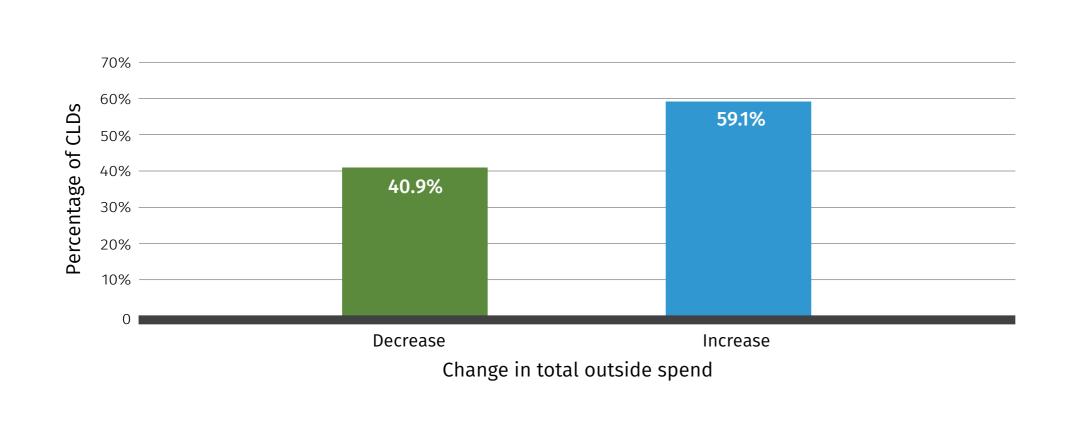


Large corporate legal departments (CLDs) spent significantly more on outside counsel in 2021 than 2020.



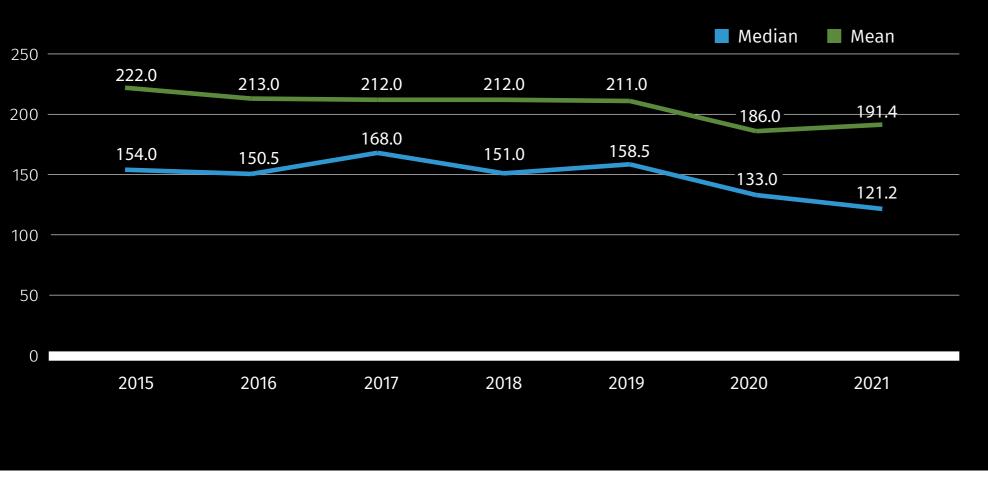
- Mean represents a 36% increase
- Median represents a 21% increase

In 2021, 59% increased their external spend, while only 41% saw a decrease in spend.



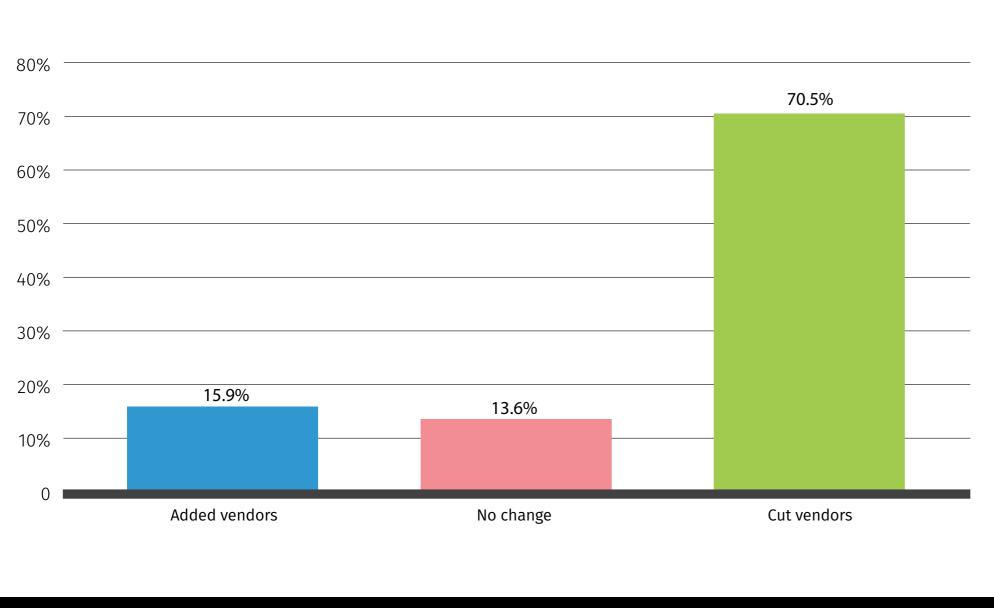


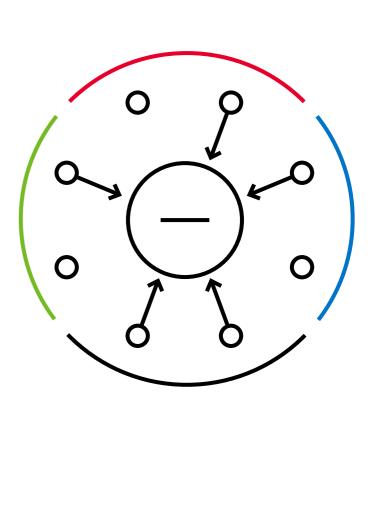
But despite higher spend, CLDs continued to reduce the number of law firms they engaged. Although the mean number of firms recovered slightly, the median dropped.



- Mean represents a 3% increase
- Median represents a 9% decrease

The number of CLDs that cut their vendors far outstrips those that added or did not change vendor count.





To learn more, download our report: <u>LegalVIEW® Insights volume 5: Trends in vendor</u>



mix and total outside spend.

Wolters Kluwer ELM Solutions is the market-leading global provider of enterprise legal spend and matter management, contract lifecycle management, and legal analytics solutions. We provide a comprehensive suite of tools that address the growing needs of corporate legal operations departments to increase operational efficiency and reduce costs. Corporate legal and insurance claims departments trust our innovative technology and end-to-end customer experience to drive world-class business outcomes. Our award-winning products include Passport®, one of the highest rated ELM solutions in the latest Hyperion MarketView™ Legal Market Intelligence Report; TyMetrix® 360°, the industry's leading SaaS-based e-billing and matter management solution; CLM Matrix, named a "Strong Performer" in the 2021 Q1 CLM Forrester Wave report; and the LegalVIEW® portfolio of legal analytics solutions based upon the industry's largest and most comprehensive legal spend database with more than \$150 billion in invoices.