



# CASE STUDY

DL&Co

**Taking their Alternative Fee  
Arrangement System to New  
Levels with AltFee**

## INTRO

DL&Co. is a 25 person law firm located in Vancouver, British Columbia, Canada. DL&Co. made the move to an alternative fee structure in March of 2020, and their desire to take their AFA system and expand it to new levels is what led them to AltFee's software. Ultimately, they were looking for software that allowed their entire team, regardless of experience level, to more successfully scope and price their client's projects in a collaborative way.



## DL&CO'S STORY

DL&Co's founder has practiced law for over 40 years, starting in BigLaw and becoming a partner before transitioning to founding two small/medium-sized boutique law firms thereafter. As his experience in the industry expanded over the years, he began to experiment with different alternative fee arrangement types with his clients and soon began to see some of the incredible benefits that resulted from these experiences. The benefits he was starting to see and the positive change he could now envision for the future impacted all three of the major stakeholders:

1. **Clients** would have certainty in pricing;
2. **Lawyers and legal professionals** would work in an environment where the number of hours was not the primary driver of their financial contribution; and
3. **Law firms** would become more profitable.

As March 2020 came around and the impact of COVID was becoming more clear, DL&Co. made the decision to transition the firm to providing an alternative fee option for every project in order to provide their clients with certainty during these uncertain times.



## THE CHALLENGE

DL&Co. was operating under their AFA system for around one year, when they started to realize that there were opportunities for significant gains on many levels if they had the right tool to act as the foundation of their AFA system. They had identified a number of things which they thought could assist them in obtaining those gains, including having:

- one central location for all things pricing related, including a breakdown of their project types and the common factors that should be considered with those projects
- the ability to constantly update their project guidelines based on recent learnings
- improved collaboration amongst team members
- improved team member experience as a result of being part of an innovative client-centric environment
- an easy-to-access record of all projects previously priced for their clients
- improved efficiencies by transitioning away from a manual system to purpose-built software
- software that would facilitate more asynchronous collaboration and mentorship, which would in turn provide team members with more confidence when it came to scoping and pricing projects using alternative fees

## WHY DL&CO CHOSE ALTFEE

DL&Co. had built a functioning manual AFA system, and now it was time to take it to a new level. AltFee's software works great for law firms just getting started with AFAs, but it also works very well with law firms who are looking to improve upon their established processes - that was the circumstance at DL&Co. Ultimately, DL&Co. committed to using AltFee's software to build a scalable, efficient, more profitable and powerful system around AFAs. As described by DL&Co.'s COO "systems and efficiencies are priorities for the firm and AltFee's software achieves both"; the focus of the firm to improve in these areas made AltFee the right solution for them to take it to that next level.



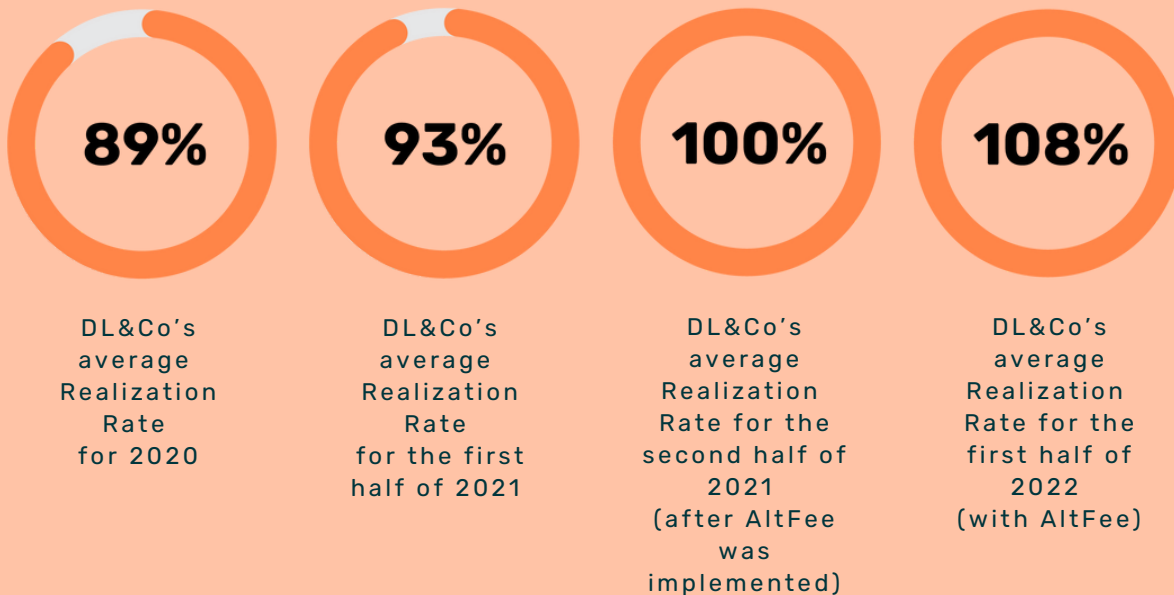
## ALTFEE'S SOLUTION

DL&Co. realized it would take a bit of time to transition from their current AFA system over to AltFee's software, including making AltFee's software the foundation of their system. The management of DL&Co. worked with the team at AltFee to roll out AltFee's software and onboard additional users, bringing the entire team onto the platform expeditiously. The implementation of new software always involves commitment from the customer, and AltFee's goal is to make the implementation process as effortless as possible - in the words of one of the DL&Co.'s legal professional users: "AltFee's team has been great to work with, very quick response time and always ready to help."

## THE RESULTS

After adopting AFAs and using AltFee's software, the results began speaking for themselves:

### REALIZATION RATES<sup>1</sup> WENT UP 21%!



<sup>1</sup> Realization Rate = Number of billable hours invoiced / Number of hours worked



## RESULTS CONT'D

### RATIO OF CASH COLLECTED TO BILLED FEES<sup>2</sup> UP OVER 7%!



DL&Co's Ratio of  
Cash Collected to  
Billed Fees for 2020



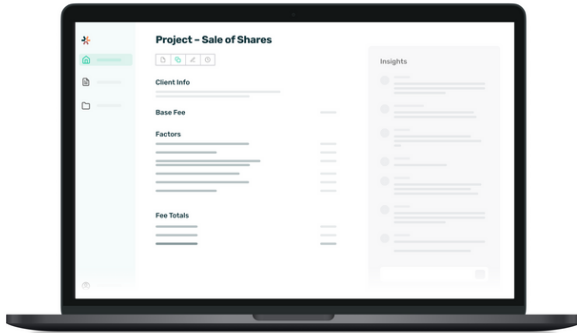
DL&Co's Ratio of  
Cash Collected to  
Billed Fees for 2021

- DL&Co. team members have increased confidence when it comes to pricing - less experienced team members are better equipped to take the lead on pricing client projects.
- DL&Co. has been able to show their clients the commitment level they have to provide them with agreed upon pricing upfront, by investing in technology focused on being the solution to this challenge.
- Efficiencies connected to their AFA system have improved dramatically, as well as their focus on improving precedents.
- The firm's ability to continually improve based on recent learnings asynchronously freed up all team members to focus their efforts on more billable work.

<sup>2</sup> Ratio of Cash Collected to Billed Fees = Total cash received during year / total amount invoiced during year



## WHAT THE DL&CO TEAM ARE SAYING ABOUT ALTFEE



“From my experience using the platform, AltFee allows you to manage clients’ expectations throughout a project. By providing a clear scope of work and fixed fees, clients understand the scope of the project and the costs. It is an important legal project management tool and eliminates those difficult conversations around time-cost and efficiency, so that the team can focus on the important issues and provide effective solutions.”

-DL&Co. Lawyer

“The insights have been a helpful feature to provide comments to others using the same guideline at a later date.”

-DL&Co. Paralegal

“As part of the management team, what I love is being able to provide a level of organization and support around pricing for the staff, especially for our junior lawyers and paralegals. Having the resources available in AltFee to price a project and then collaborate so we are learning each time creates a level of confidence with pricing that we didn’t have before. Systems and efficiencies are priorities for the firm and this achieves both.”

-DL&Co. Management Member

“Adding guidelines and the level of customization is fantastic; being able to use the AltFee guidelines as a tool to assist with creating our own firm-wide guidelines and provide us with factors that might be useful for our firm as well (or at least spark discussion about other factors when creating the guideline) has been very helpful.”

-DL&Co. Paralegal

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