



## Survey of Legal Holds Practices in Global 1000 Companies Released by CGOC and Huron Consulting Group

Shows Impact of Process and Software on Reducing Risk and Cost

**Mountain View, CA and Chicago, IL – October 15, 2008** – CGOC, a practitioners' forum focused on records retention and preservation practices, and Huron Consulting Group (NASDAQ: HURN), a leading provider of financial and operational consulting services, today released the results of a first-of-its-kind survey on legal holds and e-discovery practices of Global 1000 companies.

The survey entitled *Benchmark Survey on Prevailing Practices for Legal Holds in Global 1000 Companies* focused on corporate practices for preserving information in litigation, identifying custodians of data, communicating legal holds, interviewing custodians, and collecting potentially relevant data. The companies surveyed had annual revenue ranging from \$5 billion to more than \$150 billion, and were in the biotechnology, chemical, energy, financial services, insurance, manufacturing, pharmaceutical, and high tech sectors. The findings highlight the changes in processes and technology within these companies and the methodologies used to issue legal holds, manage preservation, and conduct e-discovery.

“Increasingly, the vast majority of e-discovery risk can be linked to the legal holds process,” said Jim Mitchell, managing director, Huron Consulting Group. “Corporations and their law departments continue to work to mitigate risk and reduce costs while at the same time they must manage their data effectively and accurately. Difficulties in preservation continue to increase due to the diversity, ever-increasing volume, and scrutiny of data. Corporations are telling us they can't afford not to address this process.”

Given key legal decisions in recent years and the amendment of Federal Rules of Civil Procedure for electronic discovery, companies have increasingly formalized their legal holds process and are more routinely and consistently issuing legal holds as new matters arise. This increase has led to a rapid growth in the number of open legal holds and a significant impact on corporate data management practices corresponding to the number of legal matters companies have – these holds involve substantial detail about the individuals and systems with potentially relevant information that must be tracked and actively managed, often over matter lifecycles of five or more years. A majority of companies surveyed reported an average of 980 new matters initiated each year, with approximately 5100 open matters at any given time across all industries. Matter types include commercial litigation, government investigations and inquiries, intellectual property disputes, government contract disputes, subpoenas, EEOC claims, employee “slip-and-falls,” and mass tort litigation.

“Companies are issuing far more holds to larger custodian pools and managing a growing mountain of electronic data, and the advantages of using legal holds software to reduce the level of effort required and associated risk are clearly

demonstrated in this report,” said Deidre Paknad, CGOC founder and CEO of PSS Systems. “Legal departments using legal holds software are able to efficiently manage and monitor their holds process which reduces legal risk, but just as importantly, it enables the company to retain and manage far less data which reduces cost and flows straight to the bottom line.”

**Key findings in the survey included:**

- Companies are issuing far more holds and are issuing holds across a greater percentage of open matters and matter types.
- Reminders and confirmations of compliance are routinely used as an integral component of the legal hold process.
- Accurately scoping the individuals and systems with custody of data is complex and difficult at the outset of any case.
- 100% of respondent companies had improved their process and methodologies and had systematized aspects of it.
- 80% of respondent companies issued legal holds for every matter, while 20% used risk and case analysis to determine which matters required legal holds.
- The use of automated legal holds solutions enables more thorough, consistent processes in those companies that employ them.

The survey also showed that while many companies had formal hold policies in place for many years, even those companies have experienced difficulty addressing the expanding requirements and volume of legal holds. As recently as two years ago, managing legal holds in the typical Global 1000 company involved only a few matters with a few custodians and little or no electronic data. Today, managing legal holds involves thousands of matters with tens of thousands of custodians and millions of gigabytes of collected information.

As a result of this intensified scrutiny and increased volume of data, the survey found that many companies turn to legal holds software to ease the burden of issuing and managing legal holds and collecting the associated large amounts of data. The use of automated legal holds solutions plays a significant role in reducing both cost and risk and enables more thorough, consistent processes in companies who utilize them. Of the companies surveyed, approximately 84% used Atlas LCC legal holds software, while 14% used Access databases and Excel spreadsheets or developed their own system.

The CGOC and Huron Consulting Group’s *Benchmark Survey on Prevailing Practices for Legal Holds in Global 1000 Companies* is available at [www.cgoc.com](http://www.cgoc.com) and [www.huronconsultinggroup.com](http://www.huronconsultinggroup.com). Findings of the survey will also be presented and discussed at a webinar hosted by the CGOC and Huron Consulting Group on October 30, 2008 from 10 – 11 am PST (12 – 1 pm CST). For registration details, please visit the web sites mentioned above.

## About CGOC

CGOC, the Compliance, Governance and Oversight Council, is a community of experts in retention, preservation and privacy. Its charter is to create a forum in which legal and compliance executives can get the insight, interaction, and information they need to make good business decisions. Established in 2004, it fills the critical practitioners' gap between EDRM and The Sedona Conference. CGOC offers corporate litigation, discovery, and records management leaders and practitioners with educational seminars, benchmarking surveys, group workshops, an annual Summit and retreat, white papers by expert faculty, a professional networking web site, and regional working groups. Learn more at [www.cgoc.com](http://www.cgoc.com).

## About Huron Consulting Group

Huron Consulting Group helps clients effectively address complex challenges that arise in litigation, disputes, investigations, regulatory compliance, procurement, financial distress, and other sources of significant conflict or change. The Company also helps clients deliver superior customer and capital market performance through integrated strategic, operational, and organizational change. Huron provides services to a wide variety of both financially sound and distressed organizations, including Fortune 500 companies, medium-sized businesses, leading academic institutions, healthcare organizations, and the law firms that represent these various organizations. Learn more at [www.huronconsultinggroup.com](http://www.huronconsultinggroup.com).

## About PSS Systems

PSS Systems is the leading provider of legal holds and retention management solutions. Its Atlas software suite helps companies manage legal holds and collections, and develop enterprise retention management programs that address diverse global requirements efficiently to reduce cost and risk. PSS Systems CEO, Deidre Paknad, is the founder of CGOC. Learn more at [www.pss-systems.com](http://www.pss-systems.com).

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