

Value Practice:**Implementing an Extranet for a Corporate Law Department****Interview with Marcus Banks, Group Vice President, Litigation,
and Mary Allan, Senior Manager, Legal, Wyndham Worldwide Corporation****September 2009**

The law department at Wyndham Worldwide Corporation has deployed an extranet to facilitate its communication with the outside counsel that represent the company and to improve the ability of the in-house lawyers to manage the legal matters entrusted to them.

That extranet (the Corporate Legal Information Portal, or CLIP) was developed approximately nine or ten years ago. It is a secure extranet that utilizes Lotus Notes functionality to facilitate collaboration and information exchange between Wyndham Worldwide's in-house and outside counsel. It resides on a dedicated server and the company's lawyers are granted secure access in order to contribute material and data relevant to the matters on which they represent the company. The access is controlled by Wyndham Worldwide's law department to assure that confidential information is available only to those who need it.

Wyndham Worldwide's law department uses CLIP primarily, but not exclusively, to manage litigation. It allows two-way communication and collaboration between Wyndham Worldwide's in-house and outside counsel. By centralizing that communication, CLIP facilitates better organization of the information and other exchanges necessary for the law department to efficiently manage the company's matters.

Features and uses of the extranet

Distinct databases devoted to matters in several substantive areas, such as bankruptcy, collections and vicarious-liability cases, reside in CLIP. For a large transaction, the law department can set up a "war room" within CLIP for the necessary due diligence. CLIP contains a contract database as well as links to contact information for outside counsel and other professionals utilized by the law department.

CLIP includes **a document library that contains pleadings, judicial decisions of precedential value** to Wyndham Worldwide (whether the company was a party to the case or not), **discovery-related documents and other documents**. The company's guidelines for its outside counsel require that they use that document library to learn if a particular issue or item has already been addressed

in the context of the company's legal matters so as to avoid duplicating prior efforts and to leverage those earlier efforts and expenditures. The document library can be searched by document type and then by topic.

Initiation and management of a matter

When a matter first arises, the Wyndham Worldwide law department makes a determination whether to retain outside counsel to represent the company or, alternatively, whether to handle the matter entirely in-house. The involved business unit of the company is involved in those determinations on account of the law department's longstanding history of collaboration with its internal clients. Part of that analysis involves the in-house lawyer's evaluation of Wyndham Worldwide's posture with respect to the dispute.

After in-house Legal creates a new matter directly within CLIP, the in-house attorney sends it to outside counsel (assuming that the department has determined to utilize outside counsel) through CLIP directly, with appropriate instructions. CLIP contains a profile of each matter, including the identities of the individuals who work on it other information relating to the matter that is of interest to counsel or the clients. CLIP can send automatic reminders regarding due dates and other deadlines. CLIP is flexible enough to accommodate the needs of a wide range of matters. Because it is Web-based, attorneys can access it from anywhere, yet it includes considerable security features to protect the communications.

The matter profiles contain some "forced" fields, the completion of which may depend on how certain other fields are filled in. All communications about the matter are routed through CLIP, rather than individuals' Outlook programs, in order to collect those communications in the same electronic "neighborhood." CLIP includes a database by which the law department can collect evaluations by the company's in-house attorneys of the law firms. By bringing together on CLIP substantive information regarding each matter and information about the company's relations with its law firms, Wyndham Worldwide's law department is creating a comprehensive profile of each matter entrusted to it in order to be better able to manage all aspects of that matter and to evaluate more effectively the relative value that each firm provides to Wyndham Worldwide.

E-billing/Budgeting

While the Wyndham Worldwide law department uses an e-billing product, that product is not integrated through CLIP (integration may be implemented in the future). CLIP also does not presently include a budgeting component. The system was not designed to manage the financial aspects of the matters for which the law department is responsible, though the law department does input

into CLIP financial information and outside legal spend concerning each matter. Budgeting, forecasting and other financial exercises take place in the separate system with e-billing capability.

The use of Wyndham Worldwide's CLIP system by its outside law firms is not directly monitored by the law department through CLIP; the system does not routinely report on the firms' use of the document library, for example. The firms' invoices are reviewed to determine whether they have created material duplicative of material already resident in CLIP, however, and if the law department discovers such duplication, it reduces a firm's billings so that the company does not pay for repetitive research or work product.

The law department's guidelines for the company's outside counsel also require that the firms prepare a plan and budget for each matter for which they are retained. Firms are required to update their budgets for ongoing engagements each calendar quarter.

Extranet Contribution to Value

The Wyndham Worldwide law department and the finance teams of the company's business units have always focused on value. Because CLIP captures data regarding the expenditure and recovery associated with each matter, as well as the substantive efforts on the company's behalf by its outside counsel, CLIP enables the law department to calibrate the progress in those matters with the overall cost to the company, thus achieving a better understanding of the value of the law firms' efforts on the company's behalf.

On account of CLIP, the Wyndham Worldwide law department is able to better organize its management of disputes and litigation. In-house personnel need to spend less time searching files for needed information because the information is collected and organized within CLIP. By serving as such a filing system and by pulling together communications within the law department and between the law department and outside firms, CLIP also allows the law department to function with fewer support staff than it would otherwise need. Internal resources are more productive and therefore deliver greater value.

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