

Axiom Expands In-House Program With Law Firm Services

By Sue Reisinger

Law360 (April 25, 2024, 4:19 PM EDT) -- Expanding on Arizona's pilot program for alternative legal services, Axiom is, for the first time, letting U.S. general counsel use its Arizona-based law firm in collaboration with its other services on large, complex projects.

That means a general counsel can hire a legal team tailored to, say, an internal investigation's needs, have law firm partner supervision and legal advice, and receive other business and technology services such as weekly status reports and project dashboards at rates typically lower than a major law firm's, according to Catherine Kemnitz, Axiom's chief strategy and development officer and its former chief legal officer.

"We're essentially bringing the capabilities of the law firm that we've been building, Axiom Advice & Counsel, alongside the large-scale capabilities of Axiom ... in the work we're doing for in-house counsel," Kemnitz told Law360 Pulse.

She now serves as managing director for Axiom Advice & Counsel, as well. Kemnitz formerly practiced at Shearman & Sterling LLP before going in-house with Thomson Reuters. She has been with Axiom for nine years and in the legal field for 23 years.

The law firm collaboration is possible under Arizona's 2021 decision to allow nonlawyers to have economic interests in law firms, in an effort to encourage innovation and to make legal services more affordable.

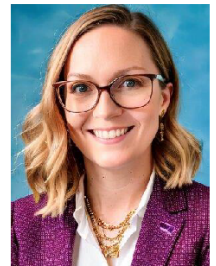
Axiom internally rolled out the concept of using its law firm on large in-house assignments earlier in April, and it announced collaborating on its first major project this week. Client confidentiality kept it from revealing details.

The service provider said it can organize and structure large projects with teams ranging from two to more than 50 lawyers and legal professionals, covering 14 practice areas, with emphasis on mergers and acquisitions, regulatory and compliance, data privacy, contracts, and labor and employment probes.

Rich Levin, head of Axiom's marketing communications, said one key is the different pricing model — paying less while getting more. While law firm billing rates continue rising at a record pace, Axiom said its rates historically are about 25% lower than local law firms because it does not follow the law firm model of high profit margins and profit sharing with partners.



Catherine Kemnitz



Heather Jacobson

"Then there's the additional technology and other services that are provided by Axiom Advice & Counsel, like quality control and dashboarding, that in my understanding law firms don't typically provide," Levin said, adding, "We've been about in-house counsel forever, and we understand how the internal teams work, and how to work with internal employees."

Kemnitz agreed, saying, "A lot of our talent is coming from the ranks of people with in-house experience ... so working with teams who have that in-house DNA and the ability to navigate, to effectively proceed with change management, is really helpful," especially when dealing with rapid regulatory changes.

She also stressed the ability of general counsel to tailor the services to specific needs, "to say I need 20 hours of a product counsel and 15 hours of a privacy counsel. Now you are really tailoring and detailing to your business enterprise and risk profile."

Heather Jacobson, who is not a lawyer and became vice president of operations at Axiom Advice & Counsel eight months ago, works with Kemnitz to help build the bridge between the alternative service provider and its law firm subsidiary. Jacobson previously led multiple consulting teams focused on the legal industry at Deloitte, UnitedLex Corp., and Consilio, with an emphasis on the relationship between corporate legal departments and law firms.

The new initiative, Jacobson said, is extremely exciting. In the past, she explained, general counsel either hired a law firm or outsourced to an alternative provider. "What we're doing here is the ability to bring those two things together. We've got the large-scale Axiom talent and now the law firm ability to bring the people, process and technology."

Levin concluded by emphasizing the innovation involved.

"This is disruptive, not the traditional partner pyramid," he said. "It's very different, [people] are watching how it works. If it's successful, that's going to be potentially impactful to the industry as people watch Advice & Counsel grow."

--Editing by Dave Trumbore.

All Content © 2003-2024, Portfolio Media, Inc.