

Fred Loya Insurance uses LexisNexis® CounselLink®
as one-stop Matter Management Platform for
collaboration with law firms.

Fred Loya Insurance

Overview

Location: El Paso, Texas

Industry: Automotive Insurance

Customer Profile: Fred Loya Insurance is licensed as an auto insurance carrier in seven states and writes more than \$400 million in premiums. The company employs more than 2,600 people, and has its own staff counsel operations in four different cities with a combined total of over 75 employees (i.e., legal assistants and legal secretaries), including 18 staff counsel attorneys.

Business Situation: For many years, Fred Loya used a very rudimentary system for managing its matter files and its law firm invoicing. After a charge from the CEO to put in place a state-of-the-art system for managing the company's litigation portfolio, the claims team spearheaded an effort to identify a matter management software system that would automate the way the company interacted with its outside law firms.

Solution: After a comprehensive market search, Fred Loya narrowed down the field of products under consideration to three leading matter management software systems. The search committee put all three products through extensive testing and, in 2006, ultimately selected LexisNexis® CounselLink® as their first-ever matter management and e-billing solution.

Benefits:

- Achievement of 17% cost savings in their legal department spending since implementing CounselLink®
- Ability to make smarter decisions about how they assign matters to outside counsel, with the use of valuable data for tracking and analyzing the performance of Fred Loya's law firms
- Delivery of reports that keep everyone accountable for litigation vs. settlement decisions, time management and other legal spending considerations
- Outstanding, ongoing technical support and customer service from LexisNexis
- Reliance on this central matter management system for the legal department provides a hub for tracking all matters throughout their lifecycle
- Use of the Law Firm Registry feature has become a powerful tool for helping Fred Loya quickly establish working relationships with qualified law firms in particular venues where they have specific needs

Product Summary:

Corporate Solutions

- CounselLink

Fred Loya Insurance started as a single-office insurance agency in El Paso, Texas, in 1974. The agency enjoyed steady growth and, in the 1990s, the Loya family decided to expand the business by working with multiple brokers that operated under their ownership. In 2000, sensing that there was a market opportunity in the Southwest for a Hispanic-owned insurer to serve Hispanic clients, the company's management team made the strategic decision to form their own insurance company.

Fred Loya Insurance is now licensed as an auto insurance carrier in seven states and writes more than \$400 million in premiums, with plans to expand sales operations in the coming year to over 21 states. The company employs more than 2,600 people and has staff counsel operations in four different cities with a combined total of over 75 employees, including 18 staff counsel attorneys.

Situation

"We had a very informal system for managing our pending matters and our law firm spending, which was basically a combination of spreadsheets and Word documents that we pieced together," recalls Edgar Meza, Vice President of Claims at Fred Loya Insurance Company. "But as we developed a strategy to help us maximize the value of services we purchased from the various outside law firms with whom we worked, our CEO tasked us with finding and acquiring the right technology to help the claims team better manage the litigation portfolio."

After some initial research and internal discussion, it became clear that the only realistic way to achieve the objective assigned by the CEO was to deploy a one-stop matter management platform. There was just no way to properly automate the management of both the work product side (case files) and the business side (law firm invoicing) by a piecemeal of more than one software product.

Meza's team had a specific goal: to find a software system that would provide them with visibility into the litigation they were managing at any given time and help them implement a sound spend management initiative in partnership with their outside counsel.

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—Edgar Meza
Vice President of Claims
Fred Loya Insurance

Solution

After narrowing down their list to three potential software products, the product search committee led by Meza viewed comprehensive demonstrations and conducted their own tests of each product. In 2006, the team selected LexisNexis CounselLink as their first matter management and e-billing system.

CounselLink enables corporate legal departments to more effectively and efficiently manage their legal spend and matters, while optimizing relationships with outside counsel. Through its flexible system configuration, CounselLink can address the unique requirements of both large and small law departments, and the LexisNexis product support teams help users maximize the benefits of the system.

“We felt like CounselLink was the best fit for our company because it was extremely flexible and adaptable to our unique needs,” said Meza. “Also, we were impressed by the reporting tools in CounselLink and were confident they would give us the data we needed in order to more effectively manage our legal spend. From day one, we envisioned CounselLink as the one-stop matter and spend management platform for our litigation portfolio.”

The LexisNexis team began working closely with Meza’s team and Fred Loya’s IT department in order to ensure a smooth and easy implementation. The Fred Loya team was up and running on the system within days.

Results

Among the benefits that Meza’s team has realized from the use of the CounselLink solution, there are five that stand out the most:

- **Tracking and analyzing law firm performance**

“We rely on CounselLink to provide us with the data we need to track and analyze the performance of our law firms,” said Meza. “This isn’t an academic exercise. We use this information to help us make smarter decisions about how we assign matters to outside counsel and we also share it with our law firm partners in order to help them find ways of doing things more efficiently.”

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—Edgar Meza
Vice President of Claims
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- **Reports that keep everyone accountable**

CounselLink also delivers insightful reports that serve to keep everyone at Fred Loya—in both the claims and litigation departments—more accountable for their decisions. This includes routine questions about how they manage their time and more complex questions about whether to litigate or settle various types of matters. The net effect is that the company is able to oversee every nickel of their legal spend.

- **Excellent customer support**

“From our very first training sessions up until today, the support we have received from the professionals at LexisNexis has been fantastic for both technical product support and ongoing customer service,” said Meza. “The team at LexisNexis really stands behind this product and it shows in the way they’ve committed resources to make sure our needs were met beyond the initial deployment of the software.”

- **Central matter management system**

CounselLink has become the central matter management hub for Fred Loya Insurance, allowing the claims and litigation teams to track all matters throughout their lifecycle. Each matter is created in CounselLink and the system is used on a daily basis to provide deep insight into all case status (i.e., litigation) information as well as financial (i.e., law firm invoicing) information.

- **Finding qualified law firms in new venues**

“One of the more recent features added to CounselLink that we have really embraced is the Law Firm Registry field, which provides immediate access to outside law firms that have met certain criteria to qualify their credentials,” said Meza. “This has proven to be a great tool for us to quickly establish working relationships with law firms in specific venues where we have need. It’s a great way to strategically add new firms to our panel of outside counsel with great peace of mind about their qualifications.”

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“In looking back over the past five years, LexisNexis CounselLink has been the technology backbone behind our successful transition from a growing company with an informal approach to managing cases into an established insurance carrier with a state-of-the-art matter management information system,” said Meza. “In addition to the crucial productivity and efficiency benefits we’ve realized, we have achieved 17 percent cost savings in our legal department’s litigation spending since implementing CounselLink. The software has given us all we hoped for and so much more.”

About LexisNexis

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