

Exh. MM-14  
Docket TP-220513  
Witness: Michael Moore

**BEFORE THE STATE OF WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND PILOTS,

Respondent.

Docket No. TP-220513

**EXHIBIT TO TESTIMONY OF  
Captain Michael Moore  
ON BEHALF OF  
PACIFIC MERCHANT SHIPPING ASSOCIATION**

**2021 CLIO Legal Trends Report**

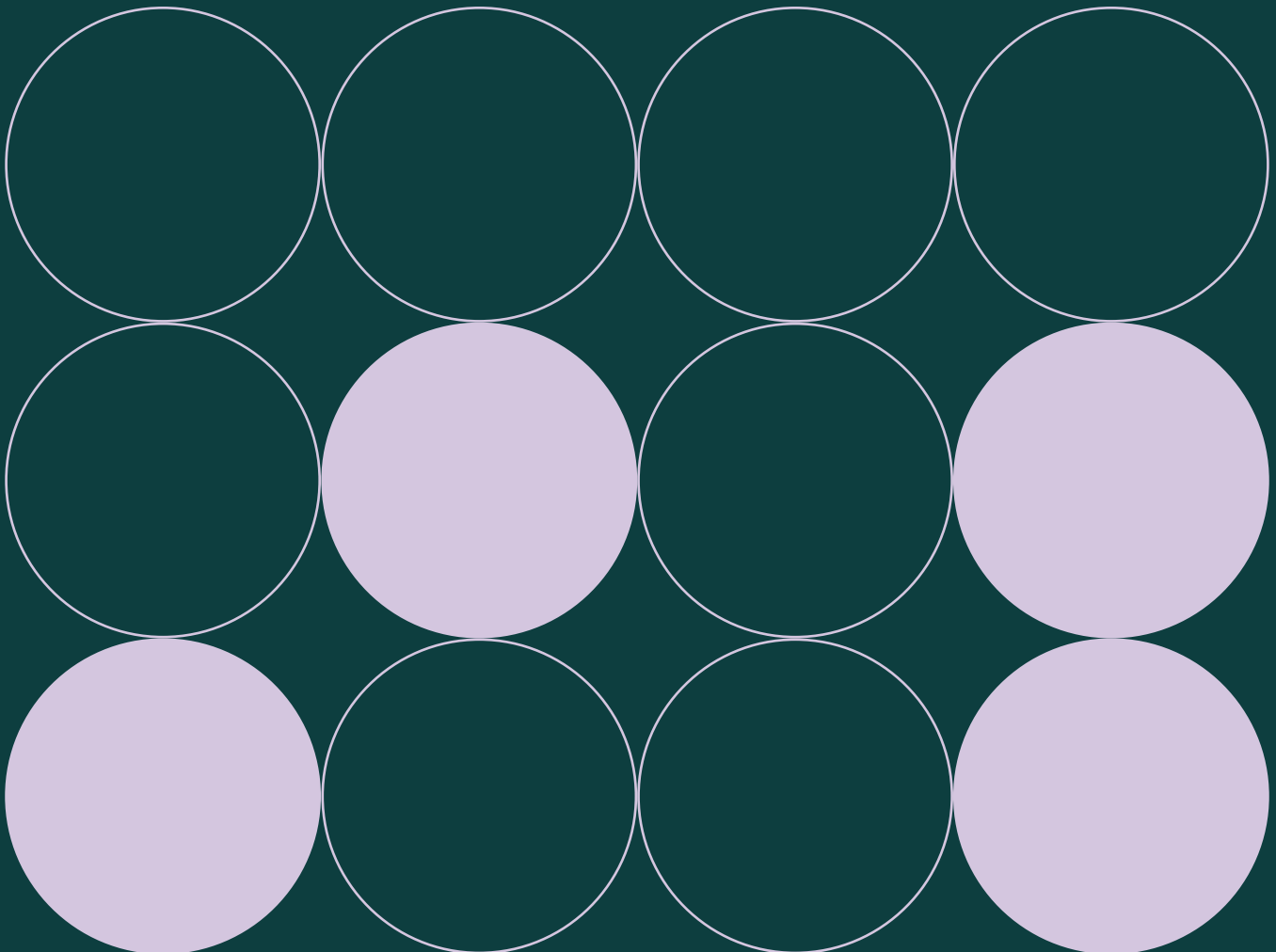
**FEBRUARY 10, 2023**

2021

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# Legal Trends Report

Published by Clio



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# Hourly rates and KPIs



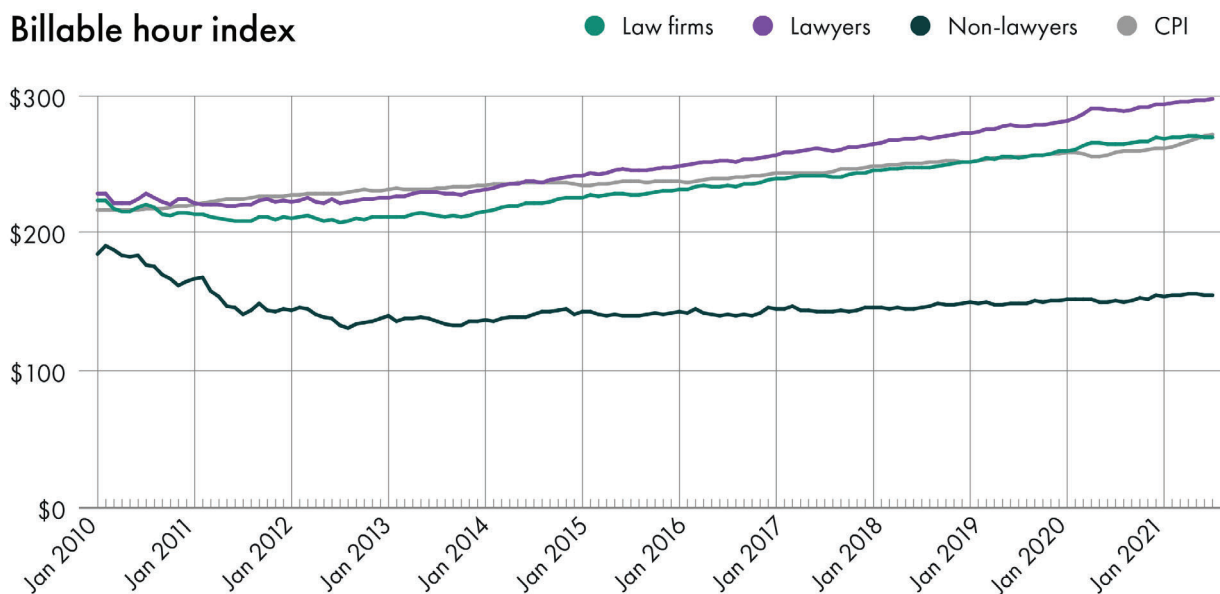
Each iteration of the *Legal Trends Report* includes annual data on average hourly rates and key performance indicators (KPIs) to help analyze lawyer and law firm productivity, efficiency, and revenue generation.

## BILLABLE HOUR INDEX

Every year, Clio’s researchers analyze data from tens of thousands of legal professionals to determine the average cost for an hour of legal services in the United States. Changes to the average cost of legal services over time can be observed in the Billable Hour Index. To contextualize changes to the cost of legal services we have also looked at simultaneous changes in the Consumer Price Index (CPI) to understand how hourly rates have changed in relation to the average cost of goods and services.

### Understanding CPI

The CPI is a measurement of the average change over time in the prices paid by urban consumers for a representative basket of consumer goods and services.<sup>17</sup> CPI is used by the Bureau of Labor Statistics to measure inflation as it is experienced by consumers in their daily living expenses. CPI is fundamentally a measure of price change over time, making it a useful statistic to compare with changes in the cost of legal services across the US.



<sup>17</sup> U.S. Bureau of Labor Statistics. “[Consumer Price Index: Overview](#).” U.S. Government website, November 24, 2020.

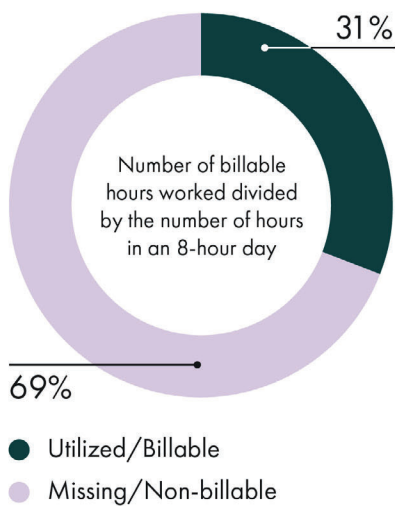
## KEY PERFORMANCE INDICATORS

Several KPIs can be used to gain valuable insights into a law firm's performance. This information helps lawyers build an understanding of how they and their employees are contributing to revenue generation, and can be instrumental in identifying areas for continuous improvement.

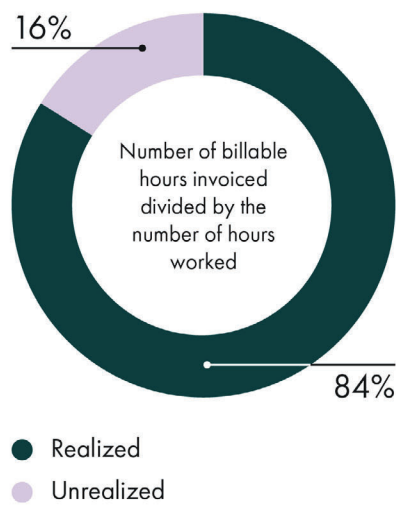
The following charts show three KPIs that every lawyer should be familiar with: utilization rate, realization rate, and collection rate. The figures given here are averages for each of these KPIs in 2020.

Despite the challenges posed by the pandemic, our data indicates that these KPIs saw slight increases between 2019 and 2020.

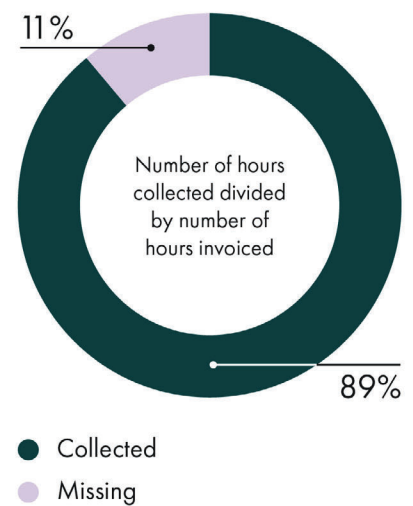
### Utilization Rate

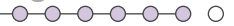


### Realization Rate



### Collection Rate





## HOURLY RATES BY STATE

State	Law Firms	Lawyers	Non-lawyers	State	Law Firms	Lawyers	Non-lawyers
AL	\$194	\$206	\$105	NC	\$231	\$255	\$131
AR	\$235	\$251	\$131	ND	\$246	\$264	\$164
AZ	\$233	\$260	\$142	NE	\$223	\$224	\$218
CA	\$319	\$352	\$172	NH	\$219	\$239	\$141
CO	\$242	\$267	\$138	NJ	\$307	\$324	\$163
CT	\$301	\$335	\$162	NM	\$219	\$243	\$134
DC	\$373	\$411	\$187	NV	\$289	\$320	\$174
DE	\$315	\$353	\$166	NY	\$351	\$372	\$220
FL	\$264	\$296	\$144	OH	\$221	\$234	\$138
GA	\$256	\$275	\$154	OK	\$210	\$225	\$122
IA	\$182	\$189	\$134	OR	\$231	\$257	\$131
ID	\$213	\$227	\$117	PA	\$271	\$287	\$183
IL	\$288	\$309	\$160	RI	\$211	\$221	\$120
IN	\$223	\$239	\$131	SC	\$211	\$246	\$113
KS	\$225	\$237	\$148	SD	\$177	\$183	\$110
KY	\$203	\$214	\$130	TN	\$218	\$235	\$120
LA	\$221	\$244	\$99	TX	\$265	\$301	\$146
MA	\$273	\$285	\$187	UT	\$231	\$251	\$127
MD	\$290	\$312	\$170	VA	\$275	\$295	\$159
ME	\$169	\$178	\$120	VT	\$213	\$224	\$111
MI	\$257	\$272	\$139	WA	\$258	\$286	\$150
MN	\$255	\$275	\$151	WI	\$235	\$248	\$155
MO	\$225	\$246	\$127	WV	\$161	\$163	\$141
MS	\$197	\$214	\$137	WY	\$238	\$257	\$134
MT	\$192	\$207	\$115				

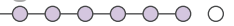


## ADJUSTED RATES BY STATE

State	Law Firms	Lawyers	Non-lawyers	State	Law Firms	Lawyers	Non-lawyers
AL	\$221	\$235	\$120	NC	\$252	\$278	\$143
AR	\$269	\$287	\$150	ND	\$269	\$289	\$179
AZ	\$242	\$270	\$147	NE	\$246	\$247	\$241
CA	\$283	\$313	\$153	NH	\$208	\$227	\$134
CO	\$237	\$261	\$136	NJ	\$268	\$283	\$143
CT	\$278	\$308	\$149	NM	\$230	\$256	\$141
DC	\$320	\$348	\$158	NV	\$296	\$327	\$178
DE	\$312	\$346	\$163	NY	\$303	\$322	\$190
FL	\$266	\$299	\$146	OH	\$248	\$262	\$155
GA	\$279	\$299	\$167	OK	\$233	\$250	\$135
IA	\$202	\$209	\$148	OR	\$233	\$259	\$132
ID	\$228	\$244	\$126	PA	\$276	\$292	\$186
IL	\$286	\$306	\$159	RI	\$214	\$224	\$122
IN	\$244	\$261	\$143	SC	\$234	\$272	\$124
KS	\$248	\$261	\$163	SD	\$201	\$208	\$125
KY	\$228	\$241	\$146	TN	\$241	\$261	\$133
LA	\$241	\$267	\$108	TX	\$275	\$312	\$151
MA	\$254	\$266	\$175	UT	\$239	\$259	\$131
MD	\$263	\$283	\$154	VA	\$268	\$288	\$155
ME	\$174	\$183	\$123	VT	\$210	\$221	\$110
MI	\$273	\$289	\$148	WA	\$248	\$276	\$144
MN	\$261	\$282	\$155	WI	\$251	\$265	\$166
MO	\$252	\$276	\$143	WV	\$181	\$183	\$158
MS	\$231	\$247	\$158	WY	\$247	\$267	\$139
MT	\$204	\$219	\$122				

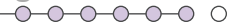
## HOURLY RATES BY PRACTICE AREA

Practice area	Law Firms	Lawyers	Non-lawyers	Practice area	Law Firms	Lawyers	Non-lawyers
<b>Overall</b>	\$284	\$306	\$158	<b>Government</b>	\$240	\$240	\$232
<b>Administrative</b>	\$243	\$281	\$137	<b>Immigration</b>	\$303	\$320	\$264
<b>Appellate</b>	\$265	\$275	\$158	<b>Insurance</b>	\$206	\$224	\$108
<b>Bankruptcy</b>	\$328	\$362	\$176	<b>Intellectual Property</b>	\$333	\$362	\$214
<b>Business</b>	\$297	\$310	\$155	<b>Juvenile</b>	\$92	\$91	\$93
<b>Civil Litigation</b>	\$275	\$297	\$142	<b>Mediation/ Arbitration</b>	\$286	\$306	\$167
<b>Civil Rights/ Constitutional Law</b>	\$281	\$297	\$133	<b>Medical Malpractice</b>	\$187	\$216	\$110
<b>Collections</b>	\$254	\$294	\$152	<b>Personal Injury</b>	\$218	\$255	\$122
<b>Commercial/ Sale of Goods</b>	\$318	\$332	\$159	<b>Real State</b>	\$279	\$297	\$156
<b>Construction</b>	\$239	\$257	\$119	<b>Small Claims</b>	\$171	\$172	\$139
<b>Contracts</b>	\$280	\$295	\$156	<b>Tax</b>	\$318	\$346	\$181
<b>Corporate</b>	\$334	\$349	\$173	<b>Traffic Offenses</b>	\$249	\$255	\$233
<b>Criminal</b>	\$176	\$181	\$134	<b>Trusts</b>	\$288	\$332	\$165
<b>Elder Law</b>	\$232	\$255	\$155	<b>Wills &amp; Estates</b>	\$265	\$302	\$154
<b>Employment/ Labor</b>	\$309	\$329	\$151	<b>Worker's Compensation</b>	\$157	\$162	\$143
<b>Family</b>	\$244	\$275	\$144				



## UTILIZATION RATES BY STATE

State	Law Firms	Non-lawyers	State	Law Firms	Non-lawyers
AL	34%	19%	NC	29%	19%
AR	28%	13%	ND	31%	16%
AZ	32%	25%	NE	42%	25%
CA	31%	24%	NH	22%	15%
CO	34%	25%	NJ	33%	20%
CT	27%	19%	NM	30%	19%
DC	27%	30%	NV	32%	23%
DE	37%	19%	NY	28%	22%
FL	31%	24%	OH	30%	18%
GA	28%	17%	OK	32%	18%
IA	34%	18%	OR	32%	20%
ID	34%	15%	PA	32%	22%
IL	33%	20%	RI	34%	16%
IN	30%	15%	SC	34%	24%
KS	30%	15%	SD	32%	12%
KY	28%	16%	TN	28%	19%
LA	27%	20%	TX	31%	25%
MA	27%	21%	UT	36%	23%
MD	28%	17%	VA	28%	17%
ME	32%	15%	VT	31%	16%
MI	29%	15%	WA	33%	25%
MN	29%	18%	WI	36%	19%
MO	30%	19%	WV	31%	9%
MS	25%	17%	WY	32%	20%
MT	36%	21%			



## REALIZATION AND COLLECTION RATES BY STATE

State	Realization Rate	Collection Rate	State	Realization Rate	Collection Rate
AL	85%	89%	NC	88%	91%
AR	87%	88%	ND	95%	88%
AZ	83%	89%	NE	80%	92%
CA	82%	90%	NH	84%	91%
CO	90%	92%	NJ	82%	87%
CT	86%	90%	NM	89%	90%
DC	65%	87%	NV	83%	89%
DE	87%	91%	NY	75%	86%
FL	76%	89%	OH	87%	87%
GA	85%	90%	OK	91%	87%
IA	79%	86%	OR	90%	91%
ID	93%	90%	PA	84%	90%
IL	86%	85%	RI	81%	85%
IN	76%	88%	SC	92%	91%
KS	88%	87%	SD	87%	89%
KY	89%	90%	TN	77%	87%
LA	77%	90%	TX	87%	88%
MA	83%	89%	UT	90%	87%
MD	84%	89%	VA	90%	89%
ME	86%	94%	VT	91%	93%
MI	87%	89%	WA	89%	91%
MN	89%	91%	WI	87%	88%
MO	83%	88%	WV	70%	87%
MS	80%	86%	WY	91%	93%
MT	92%	93%			

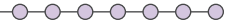


## REALIZATION AND COLLECTION RATES BY PRACTICE AREA

Practice area	Realization Rate	Collection Rate	Practice area	Realization Rate	Collection Rate
<b>Total</b>	81%	89%	<b>Government</b>	89%	97%
<b>Administrative</b>	71%	88%	<b>Immigration</b>	70%	83%
<b>Appellate</b>	78%	88%	<b>Insurance</b>	78%	94%
<b>Bankruptcy</b>	77%	72%	<b>Intellectual Property</b>	93%	92%
<b>Business</b>	91%	92%	<b>Juvenile</b>	82%	84%
<b>Civil Litigation</b>	85%	89%	<b>Mediation/ Arbitration</b>	89%	94%
<b>Civil Rights/ Constitutional Law</b>	37%	75%	<b>Medical Malpractice</b>	87%	98%
<b>Collections</b>	71%	82%	<b>Personal Injury</b>	55%	91%
<b>Commercial/ Sale of Goods</b>	90%	92%	<b>Real State</b>	91%	92%
<b>Construction</b>	81%	94%	<b>Small Claims</b>	97%	88%
<b>Contracts</b>	87%	93%	<b>Tax</b>	94%	93%
<b>Corporate</b>	92%	93%	<b>Traffic Offenses</b>	63%	89%
<b>Criminal</b>	72%	85%	<b>Trusts</b>	87%	93%
<b>Elder Law</b>	84%	79%	<b>Wills &amp; Estates</b>	83%	91%
<b>Employment/ Labor</b>	68%	91%	<b>Worker's Compensation</b>	81%	91%
<b>Family</b>	92%	88%			

# Detailed methodology

A large, stylized, light blue letter 'B' graphic that is the central focus of the page. The letter is rendered in a serif font with a slight shadow effect, giving it a three-dimensional appearance. It is positioned in the lower right quadrant of the page.



## APP DATA COLLECTION

The *Legal Trends Report* uses aggregated and anonymized data collected from the Clio platform. By synthesizing actual usage data, we're able to identify trends that would be otherwise invisible to most firms.

The *Legal Trends Report* has been prepared using data aggregated and anonymized from tens of thousands of legal professionals. These customers were included in our data set using the following criteria:

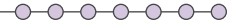
- They were paid subscribers to Clio. Customers who were evaluating the product via a free trial or were using Clio as part of our Academic Access Program were not included.
- They were located in the contiguous United States. This includes the District of Columbia but excludes Hawaii and Alaska. No customers in other countries were included.
- Any data from customers who opted out of aggregate reporting were excluded.
- Outlier detection measures were implemented to systematically remove statistical anomalies.

### Data usage and privacy

The security and privacy of customer data is our top priority at Clio. In preparing the *Legal Trends Report*, Clio's data operations team observed the highest standard of data collection and reporting.

### Data collection

- All data insights were obtained in strict accordance with Clio's Terms of Service (section 2.12).
- All extracted data was aggregated and anonymized.
- No personally identifiable information was used.
- No data belonging to any law firm's clients was used.



## Reporting

Aggregate data has been generalized where necessary to avoid instances where individual firm data could be identified. For example, to avoid reporting data on a small town with only one law firm, which would implicate all of this town's data to this firm, we only report at country, state, and metropolitan levels.

Additionally, raw data sets will never be shared externally. Clio is effectively a tally counter for user interactions—much like stadiums use turnstiles to count visitors without collecting any personally identifiable information from their customers. Similarly, as users interact with the Clio platform they trigger usage signals we can count and aggregate into data sets. We can identify trends without collecting information that reveals anything specific about individual customers.

## SURVEY DESIGN

The *2021 Legal Trends Report* includes survey data collected between May and June, 2021.

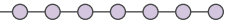
### Survey of US legal professionals

- 1,056 respondents

### Survey of US consumers (general population)

- 1,002 respondents
- Survey respondents were representative of the US population by age, gender, region, income, and race/ethnicity, according to US census statistics





## COHORT ANALYSIS

This year's *Legal Trends Report* revisited the cohort analysis which was first described in the *2019 Legal Trends Report*. This analysis uses aggregated and anonymized data from Clio users collected between January 1, 2013 and December 31, 2020. This data was used to divide Clio users into three cohorts based on annual revenue generation. By analyzing these cohorts and their performance, we were able to identify large-scale trends within each to inform our analysis of the legal industry as a whole.

## LEGAL PROFESSIONAL INTERVIEWS

We conducted interviews with legal professionals to understand how the pandemic affected their firms and how adaptations to these changes might continue in the future. These interviews also provided important perspectives on how the pandemic impacted legal professionals' work-life balance, their interactions with clients, and their work within the court systems.



Clio is powering the future of legal services for lawyers and their clients through a suite of cloud-based solutions, including legal practice management, client intake and CRM, online payments, and client-attorney communication and collaboration software.

Clio has been transforming the industry for over a decade with 150,000 customers spanning 100 countries, and the approval of 66 bar associations and law societies globally.

Clio continues to lead the industry with initiatives like the *Legal Trends Report*, the [Clio Cloud Conference](#), and the Clio Academic Access Program. Clio has been recognized as a Deloitte Fast 50 and Fast 500 company and a market leader by G2 Crowd.

Learn more at [clio.com](https://clio.com).

