

MORONES SURVEY
OF
COMMERCIAL
LITIGATION FEES

Portland, Oregon

2010 Update

EXHIBIT 2
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MORONES SURVEY

OF

COMMERCIAL LITIGATION FEES

Portland, Oregon

2010 Summary Report

	2010	2008	2006	2004
Number of participating firms	15	19	22	16
Number of reported litigation partners/shareholders	162	153	160	141
Number of reported litigation attorneys	280	317	339	281
Ave. rate with 30+ yrs experience [Bar year <=1980 for 2010]	\$431	\$404	\$368	\$344
Ave. rate with 20-29 yrs experience [Bar years 1981-1990 for 2010]	\$392	\$360	\$333	\$305
Ave. rate with 10-19 yrs experience [Bar years 1991-2000 for 2010]	\$333	\$316	\$291	\$272
Ave. rate with 0-9 yrs experience [Bar years >=2001 for 2010]	\$254	\$241	\$214	\$199
Ave. of 15 attorneys with highest hourly rates	\$525	\$486	\$448	\$406
Average of all firm responses:				
Percent of commercial litigation revenues derived from hourly billings (versus contingent or flat fee)	91%	89%	87%	88%
Percentage of hourly billing revenue reflecting discounted hourly rates	33%	27%	23%	8%
Percentage of hourly billing revenue reflecting premium hourly rates (rates charged in excess of reported standard)	5%	10%	15%	10%
Average discount from standard hourly rates	12%	13%	11%	3%
Average premium over standard hourly rates	5%	11%	8%	6%

Fees effective January 1 of 2010, 2008, 2006 and 2004

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**2010 Update
Survey Methodology**

In March of 2002, Daniel H. Skerritt and David B. Markowitz commissioned Serena Morones, CPA to conduct a survey of commercial litigation attorney fee rates in Portland, Oregon.

They commissioned the survey for the purpose of developing accurate market data to support their frequent expert testimony in attorney fee disputes. They previously suffered from a lack of complete, empirical market data to use in fee disputes.

They defined their relevant market as each law firm located in the metro Portland area with more than five attorneys specializing in commercial litigation. They defined "specializing" as spending more than 50% of their time in the practice of commercial litigation.

For the initial survey in 2002, Ms. Morones identified the designated market by reviewing the Oregon State Bar membership directory to identify all firms located in the Portland Metro area. She then reviewed each Portland area firm's web site to determine if the firm advertised the practice of commercial litigation. If the firm did advertise commercial litigation, she counted the number of attorney biographies that described commercial litigation as a practice area of the attorney. If the firm advertised at least five attorneys listing commercial litigation as a practice area, she invited that firm to respond to the survey. This same methodology was used again in 2004, 2006, 2008 and 2010.

For the 2010 survey update, Ms. Morones identified 24 firms that met the specified criteria and 15 of those firms participated in the survey, reporting data for 280 attorneys.

2010 Update Survey Methodology

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**2010
Publication Policy**

Serena Morones, CPA has conducted a survey of Portland commercial litigation fees and will keep all individual survey responses confidential. Individual attorney rates will not be disclosed to any other person. Neither David Markowitz nor Daniel Skerritt, the attorneys commissioning the survey, will have access to the confidential responses.

The individual responses have been entered into a database and a summary report has been distributed to survey participants. There is no charge to survey participants for the summary report. The summary report will disclose average fees by years of experience. In order to comply with FTC guidelines for price surveys, the survey will report all statistics in averages with no fewer than 5 data points.

In addition to publishing a summary report, Serena Morones, CPA will make statistical data available for use in fee dispute claims. Any firm engaged in a fee dispute claim may submit the names of at least five attorneys who are deemed comparable to an attorney whose fee is disputed. Ms. Morones will produce a report showing the average fee for all five comparable attorneys, not disclosing any individual rate. Alternatively, any expert may request the average rate of attorneys in the database by comparable bar year. Any firm wishing to obtain this data must provide the name of the related case to Serena Morones. The cost to obtain comparable data will be billed at an hourly rate for the time required to generate reports, with a minimum charge of \$350.

This survey publication policy has been designed to protect the confidentiality of survey participants, but also to provide sufficiently detailed market data for use in resolving fee disputes.