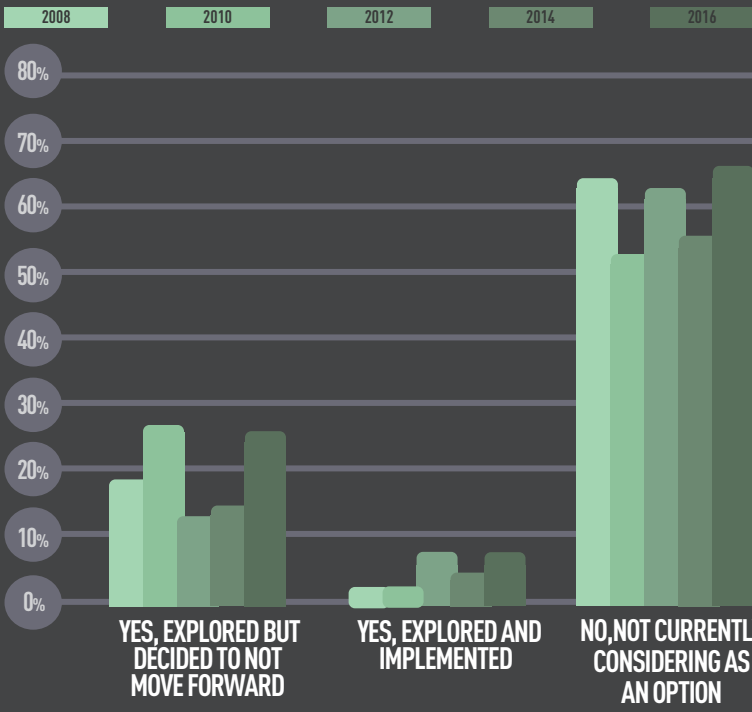


"The Cost Recovery Survey has been useful to benchmark our realizations in various recovery categories and compare them to peer firms. It has validated that our cost recovery strategy is competitive and a worthwhile revenue stream for our Firm."

Andrea Meyers, Director of Finance & Operations at Miller Johnson

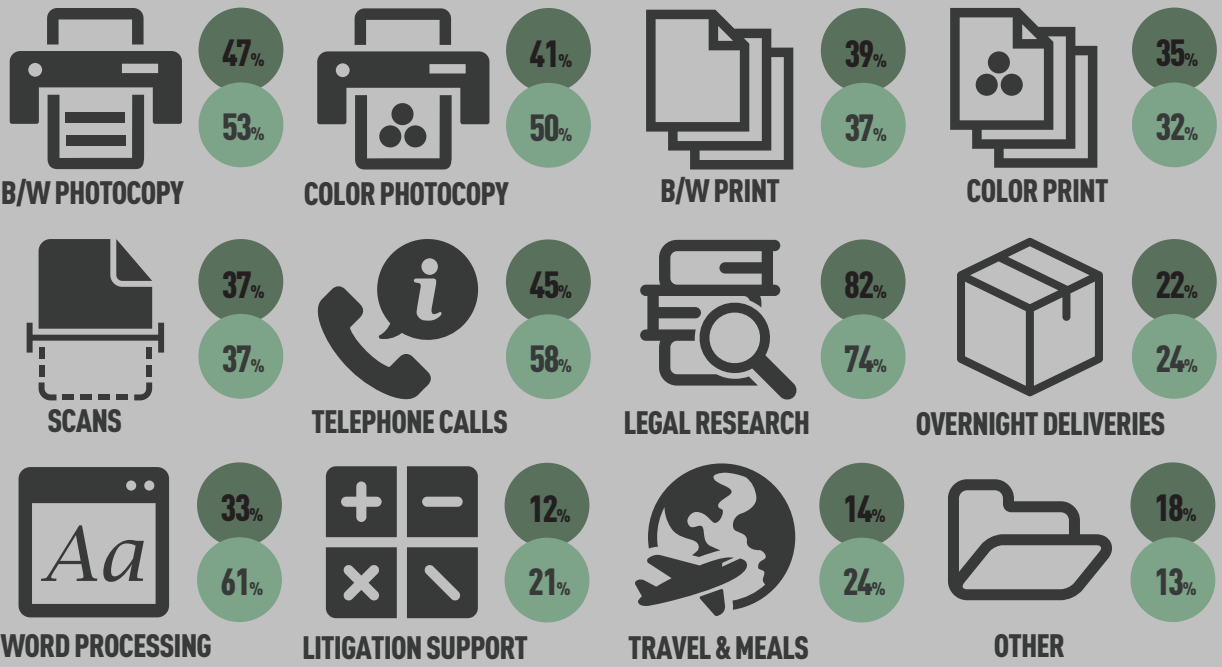


**WHAT DOES THE TRADITIONAL COST RECOVERY MODEL AND THE BILLABLE HOUR HAVE IN COMMON?**

Even though it is under pressure, firms are reluctant to move away from it. Despite the pressure on the recovery of costs, the traditional soft cost recovery model continues to be the dominant model in the marketplace. Has your firm considered eliminating soft cost (internal costs for which there is no 3rd party invoice) recoveries and/or modifying the associated policies and procedures in the last year?

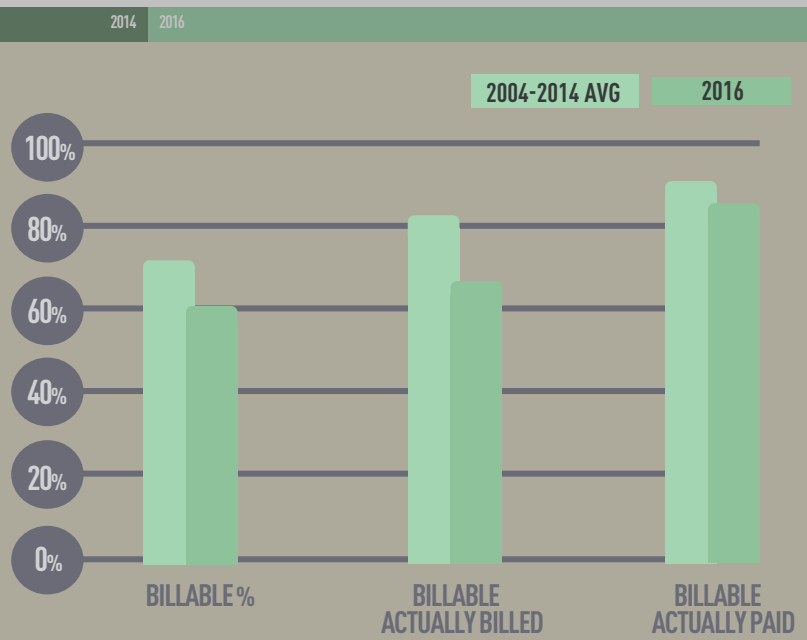
**WHAT ARE CLIENTS REFUSING TO REIMBURSE?**

Although many firms continue to employ traditional cost recovery practices, clients continue to push back and/or refuse to reimburse firms for certain costs: **If you have maintained soft cost recoveries, what areas are clients refusing to pay?**



**A MIXED BAG - BILLABLE, ACTUALLY BILLED AND ACTUALLY PAID**

When Mattern looks at the recovery of an item, we begin at the obvious starting point – is the item billable or non-billable? We then determine whether it is actually billed to the client or written off internally. We then examine whether it is paid/reimbursed by the client to the firm -- which obviously is the ultimate goal.



**ELECTRONIC DATA STORAGE RESULTS**

