

# LEGAL INNOVATION

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# It’s time to deliver real added value

*Law firms recovering from fee rate squeezes of the Great Recession are under increasing pressure to add value to their clients’ business*

◆ OVERVIEW  
● JONATHAN AMES

Global corporate law firms have had so many wake-up calls in the years since the recent recession wrought its havoc that senior partners must be feeling starved of sleep. The latest alarm will not have helped. Some 40 per cent of in-house legal departments at multinational corporations confirm they are reducing their budgets for external legal advice. Just when management committees at the international law firm elite thought they may have come through the worst of fee rate squeezes, rising demand for alternative billing models and an incessant instance on “added value”, it seems that general counsel remain unsatisfied. According to research, of those general counsel reining in their spending on law firm advice, 75 per cent said they were committed to moving the workload to their own departments. But any private practice commercial lawyers banking on a move in-house if the work starts to evaporate at their law firms should think again. More than a third of general counsel told the researchers that to deal with increasing workloads, they were boosting the number of non-qualified – cheaper – paralegals in their teams.

The survey, conducted by consultancy Altman Weil, focused on the US legal market, but the mood music from America is bound to waft across the Atlantic soon if it hasn’t done so already. Hard figures about expenditure and moves towards pushing commoditised legal work down the in-house department food chain are sobering enough. But perhaps the most striking note in that mood music emanates from a broader concept of the “value proposition”. The researchers found a striking perception among leading in-house lawyers that corporate clients are piling pressure on their law firms in general. Some 35 per cent took the view that business was imposing strong or “intense” pressure on external law firms to add value to their services in addition to slashing costs. That is a difficult conundrum to solve. Many law firms have talked a good game of getting closer to their clients to understand not just the pure black-letter law issues they face, but the commercial and competitive environment in which they operate. Likewise, many have nominated titular “client relationship partners”, who in many cases carry on talking about commercial imperatives, but do little more.

Others, to be fair, have implemented practical measures. The “easy wins” have been enhanced and direct communication, such as regular client e-mail briefing notes in specific areas of law providing nuts-and-bolts analysis of recent judgments, and legislative and regulatory changes are a welcome addition.


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Clients are keen to see law firms demonstrate commitment to their business by embedding lawyers in their legal departments

Combined with those e-briefings have been regular programmes of face-to-face seminars for clients in which whole teams of private practice lawyers offer legal update presentations and discussions of varying degrees of practical value and entertainment.

So far so easy. While producing client briefings and seminars eats up resources in terms of opportunity costs – any time off the billable hour clock in the historic law firm business model is deemed as lost cash – those activities are ultimately relatively easy to offer. More difficult is the next step up the value ladder – secondments. Clients are keen to see law firms demonstrate commitment to their business by embedding lawyers in their legal departments. That can be a big ask. Seconding trainee solicitors to a client for one of their six-month seats is all well and good, but trainees, by dint of their inexperience, can be more of a burden than a blessing. Clients want junior associate secondees at least, preferably senior associates and ideally actual partners. That sort of demand presents significant resource and economic “challenges” for law firms. Those that have actually embedded a top-level partner in a client’s legal department for anything more than a fortnight or so are rare birds indeed. But perhaps the nirvana of law firm added-value to in-house legal departments involves the sort of activity that until only a few years ago would have been the preserve of clipboard-toting boffins rather than pinstriped lawyers – data analytics.

Essentially, the concept is this: historically lawyers have been reluctant to describe or even acknowledge that much of what they do involves a process. Not everything lawyers turn their hands to involves intellectual magic and inspirational genius. Deal transactions provide a case in point. There are many elements of the process that when analysed can be pushed either to outsourced providers of commoditised services or to an in-house team of paralegals. And as sacrilegious as litigation lawyers will maintain this suggestion is, even elements of contentious claims can be broken down into predictable patterns and processes. The zeitgeist phrase is “process maps” – schematics that illustrate in clear language the scoping of a project or deal, the number of people and level of seniority required, the risks involved, and how the matter should be priced. The core elements in arriving at the map are the raw data, and the technology to harvest and interpret it. Law firms that can compile data on those processes, and illustrate how that analysis will benefit corporate legal departments and ultimately their bosses’ bottom lines are the firms where the partners might finally get a good night’s sleep.

Distributed in

THE  TIMES

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# Slow burn of the new lights

*They are the new kids on the block, but so far the so-called alternative business structures, allowing involvement of non-lawyers, have yet to make their mark*

## ◆ NEW BUSINESS MODELS

● CATHERINE BAKSI

Around 5 per cent of legal services are no longer provided by traditional law firms, but by radical newcomers, set up as alternative business structures. Introduced by the Legal Services Act 2007, they heralded the biggest shake-up of the profession since the mid-1980s, when lawyers were allowed to advertise.

An alternative business structure (ABS) is an entity that, while providing regulated reserved legal activities, allows non-lawyers to own or invest in law firms for the first time, opening up what has been a closed profession.

Supporters hailed the creation of a brave new world where increased competition would provide consumers greater choice and access to legal and related services.

Meanwhile critics feared that non-legal owners, focused only on profit, would lead to supermarkets peddling cheap, commoditised, off-the-shelf legal products and spawned the pejorative descriptor “Tesco law”.

The reality, almost four years after the first ABSs came into being, has borne out neither.

After much anticipation following the Act, the Solicitors Regulation Authority (SRA) unveiled the first three businesses granted ABS licences in April 2012. Among them was a supermarket, not Tesco, but the Co-op or to be technically correct, Co-operative Legal Services, set up in 2006 with big plans for its legal services offering.

The other two licensees were Oxfordshire high street firm John Welch and Stammers, and Kent sole practitioner Lawbridge Solicitors. Both changed their status so they could appoint non-lawyer directors, in the case of Lawbridge, the solicitor’s wife.

Among 10,500 law firms, there are



The Co-operative was the UK’s first major consumer brand to be granted an ABS licence in 2012

now more than 500 ABSs, licensed by three principal authorities – the SRA, the Council for Licensed Conveyancers (CLC) and the Institute of Chartered Accountants in England and Wales (ICAEW), with the majority under the SRA’s regulatory umbrella.

The first three ABSs, to a degree, painted the picture of what was to come. Professor Stephen Mayson, law firm adviser

and strategist, gives a rundown of the ABS players.

About half, he says, are traditional law firms that have converted to allow ownership by individuals who are not legally qualified, often relatives of lawyer-owners, managers or finance directors, or to take advantage of a full corporate structure.

National law firm Irwin Mitchell, which was among the first to embrace the concept, now has eight licences across its business, including Irwin Mitchell LLP, insurance claims handling service Coris UK and debt collection service Ascent Collections.

Irwin Mitchell’s chief executive Andrew Tucker says the flexibility offered by the structure was the main attraction, allowing the firm to give ownership status to non-lawyers and to set up limited companies where the primary focus was not legal services within the group.

Then there are investments or acquisitions by related businesses, such as insurance companies, who enthusiastically jumped on to the ABS bandwagon after the practice of law firms paying referral fees in return for cases was outlawed by the Legal Aid, Sentencing and Punishment of Offenders Act 2012.



Three of the big four accountancy firms, KPMG, EY and PwC, have all been granted ABS licences



Big industry names, including Direct Line, Admiral, Aegis, Allianz and RSA, formerly Royal and Sun Alliance, have all formed tie-ups with law firms to provide legal services.

Besides the Co-op, household brands BT, Saga and the AA have made moves into the market, with mixed results. But grocery empire Tesco has shown no appetite to join in.

Professor Mayson says the “sensitivity of their legal elements to broader market reputation” can pose challenges to high street names in sustaining such legal ventures.

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**The larger commercial and City law firms remain uninterested or even hostile to ABSs, but this will change as the battle for talent rages**

The 2013 scandal when the Co-operative Bank narrowly avoided collapse after uncovering a £1.5-billion capital shortfall, followed by its former chairman Paul Flowers making unfortunate headlines over his possession of illegal drugs, doubtless took the Co-op’s focus off its legal services.

Those seeking to reap the benefits of ABS status are wide-ranging. Doctors’ union, the BMA, and together the GMB

and CWU trade unions, have set up legal services arms. Even Nottingham Law School, part of Nottingham Trent University, and an un-named HR specialist have applied for licences.

But the biggest threat to traditional law firms comes from the march of the accountants. The number of accountancy firms licenced as ABSs by the ICAEW hit 100 in the autumn and three of the big four, KPMG, EY and PwC, all have licences.

Tony Williams of consultants Jomati says: “They have the resources to get it right – it will be important to watch them.”

ABSs also introduce the possibility of external investment into law firms. Private equity house Duke Street Capital invested in Plexus Law, part of the Parabis Group, while celebrity investor and former *Dragons’ Den* star James Caan has backed a couple of firms through his private equity house Hamilton Bradshaw.

In June, Midlands-based Gateley became the first UK-listed law firm, floating shares on the AIM (Alternative Investment Market). But one of the biggest hitters is Australian-headquartered Slater & Gordon, which in 2007 became the first law firm in the world to go public, listing on the Australian Stock Exchange. After scooping up a number of UK practices, including top-100 firm Russell Jones & Walker, it has become one of the UK’s largest consumer law firms.

Barristers are slowly getting in on the action too. A small number have set up SRA-regulated ABSs and their own regulator, the Bar Standards Board, has this year applied to the uber-regulator, the Legal Services Board, to become a licensor of advocacy-focused ABSs.

## CHANGES FIRMS HAVE MADE AS A RESULT OF HAVING AN ABS LICENCE

77%

Boosted market profile

50%

Aided succession planning

46%

Offered multi-disciplinary services to clients

42%

Expanded range of legal services

83%

Employed non-lawyers in management

88%

Improved tax efficiency

96%

Promoted new non-lawyer/s in management

100%

Entered the legal services market

Source: Solicitors Regulation Authority 2014

CASE STUDY: AXESS LAW AND WALMART



While “Tesco law” has not taken off here, the Canadians or at least Ontarians have got what you might call “Walmart law” with a law firm operating inside some of its supermarkets.

Axess Law, founded in 2012 by Toronto lawyers Lena Koke and Mark Morris, seeks to provide accessible legal services available at times that suit the customer, and with clear and transparent fixed pricing.

In a tie-up similar to that embarked on in England and Wales by Quality Solicitors and WHSmith, Axess has had a presence inside stores of retail giant Walmart for the last two-and-a-half years.

Mr Morris says: “We are in ten locations across Toronto and will be in 20 by the end of 2016.” The law firm is also seeking to spread its wings outside of the state from January.

Its staff of 42, including ten lawyers, have a bright-orange branded retail presence inside the Walmart stores, operating from 10am to 8pm, seven days a week, offering help with conveyancing, wills, probate, power of attorney and notary services.

They offer a “wills while you wait” service, which takes customers through the whole process in 45 minutes to an hour, and for \$99 they leave the store with the sealed document in hand.

“Our proposition is to increase access to justice,” says Mr Morris. “Statistics showed that 56 per cent of Canadians do not have a will. We have seen 25,000 people over the last 18 months and prepared 13,000 wills. It’s making a difference. We are meeting the access to justice mandate that we have set ourselves.”

Before entering the legal world, Mr Morris and Ms Koke were in retail, helping professionals to set up enterprises. “We distilled the concept of ‘best retail practice’ and thought it could be applied to law,” says Mr Morris.

That means opening on Sundays and beyond 5pm, and having clear pricing. Lawyers are “not hidden, but in plain view, which breaks down barriers, encouraging approachability and dialogue”, he says.

So far, the venture seems to be a success. “Our profits are healthy and strong,” says Mr Morris.

A revolution in legal services.  
Coming 2016.

Professor Mayson points out that the larger commercial and City law firms “remain uninterested or even hostile” to ABSs, but he predicts this will change as the battle for talent rages.

Jomati’s Mr Williams notes that, after an initial flurry, the ABS surge has been a “slower burn than anticipated”. He says: “This is partly down to the economy and partly due to the fact that some of the earlier ABSs have not covered themselves in glory, which has caused others to get a bit nervous.”

The retail space has not seen the surge that was anticipated and, with the exception of the likes of Riverview, the “fundamentally new models” have been “in the tens”, he adds.

As Irwin Mitchell’s Mr Tucker says, the interest of investors and others outside the legal profession has been “more muted than it might have been” due to the recession, which has meant ABSs have “not developed to the point where they might otherwise”.

Developing a large consumer legal brand, says Mr Williams, takes deep pockets. Slater & Gordon has tried to establish itself as such, with some success. According to its own internally commissioned research, 24 per cent of people in the UK know of it.

Marketing network Quality Solicitors, founded in 2008, has attempted to do the same thing, without the need for its members to become ABSs. The group has 100 partner firms operating from 200 different locations across the UK.

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**Some of the earlier  
ABSs have not covered  
themselves in glory,  
which has caused others  
to get a bit nervous**

Its chief executive Eddie Ross says the challenge in developing a consumer legal brand is the “finite number of consumers” looking for legal services at any one time. “Research has shown that as little as 28 per cent of consumers will have had a need for legal services within the last 12 months,” he says.

A two-year tie-up with WHSmith, which saw “legal access points” spring up in 150 branches of the stationers, ended in August 2013 after Quality Solicitors admitted the relationship had not worked for all firms that had signed up.

Across the Atlantic, retail giant Walmart has entered into a similar arrangement with Toronto-based Axess Law. Whether this spreads in the UK to Walmart-owned Asda remains to be seen.

While ABSs have not been the “big bang” that some predicted, SRA chief executive Paul Philip is positive. He believes that most new firms will look to set up as ABSs as solicitors move to become business people first and lawyers second. “If you’re starting a legal business today, why would you not adopt an alternative business structure?” he asks.

Even Lord Chancellor Michael Gove is on board, backing moves for legislative change to make it easier to approve and regulate them. So watch this space – the ABS boom could be yet to come.

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# Combating the cyber thi

*Law firms are being targeted by cyber criminals in attacks which can cost millions*

◆ CYBER SECURITY  
● CATHERINE BAKSI

**H**igh-profile hacking attacks on telephone and broadband provider TalkTalk and adultery website Ashley Madison have put cyber security firmly in the public eye. And from hacktivists to state-sponsored industrial spies, law firms are in the front line of the growing threat.

Over the last year, 62 per cent of law firms reported they had suffered from a security incident, up from 45 per cent in 2014, according to the latest figures from accountants PwC.

Steve Wilmott, director of intelligence and investigations at the Solicitors Regulation Authority (SRA), reveals cyber criminals have caused substantial losses to 50 law firms this year, ranging from £50,000 to £2 million, and a further 20 firms had fallen victim to e-mail redirection scams, involving very substantial amounts of money. Government figures estimate that cyber crime costs £27 billion a year.

Law firms are honey pots, targeted due to the amount of sensitive client data they hold, says Richard Cumbley, global head of Linklaters’ TMT (telecom, media and technology) and IP practice.

Heyrick Bond Gunning, chief executive of Salamanca Risk Management, says they are seen as holders of secrets. The cost of cyber security breaches can be high, both financially and reputationally.

Mr Bond Gunning warns that it is only a matter of time before a law firm suffers a TalkTalk-scale breach.

“**Law firms are honey pots, targeted due to the amount of sensitive client data they hold**”

The greater sophistication and tactics of hackers, and increasing scale of the risk, has pushed the issue higher up the agenda. IT security is no longer a matter that can be left to a couple of junior techies. The risk posed, says Scott McVicar, general manager of commercial solutions at BAE Systems in Europe, the Middle East and Africa, is now being addressed at partner level and is a key business-level decision.

Richard Hodgkinson, chief technology officer at Manchester-headquartered DWF, says information security is in every project plan.

“Woe betide any firm that does not take information security seriously,” adds Rhory Robertson, partner and head of the cyber investigation unit at Collyer Bristow.

Clients, both individuals and corporates, are taking a greater interest in the security of their chosen legal adviser. “Law firms are no different from any other supplier when it comes to cyber security. We handle information and



clients are entitled to ask how we handle it and keep it secure,” says Mr Cumbley. “We expect to be asked by clients and we are regularly asked.”

“Clients are increasingly doing audit inspections of suppliers and using IT security as part of the audit process. We need to demonstrate we have appropriate IT security in place and can show what we are doing in practice.”

Mr Robertson notes he has not seen evidence of clients losing confidence in their lawyers keeping their information confidential. “But then, if any firm has been hacked, they are going to keep as

quiet as they can about it. I suspect that many clients simply assume their private matters are held confidentially,” he adds.

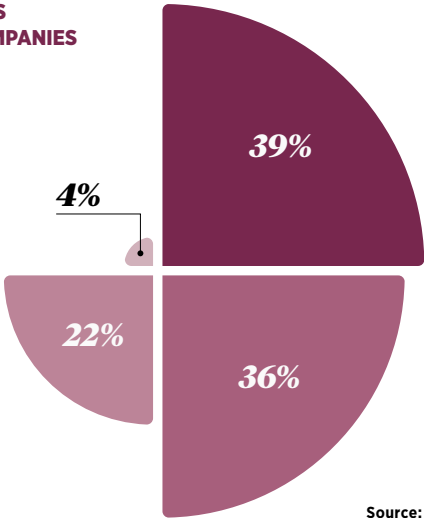
The threats come from a frightening array of sources. There are cyber criminals, like normal villains, but who use technology for their nefarious purposes, usually theft or, as with the Ashley Madison and TalkTalk incidents, blackmail.

Then there are journalists, who seek to target firms through their employees to get stories on clients, and hacktivists, political or ideological activists opposed to a firm’s client, who seek to make a

### NUMBER OF CYBER THREATS CURRENTLY AFFECTING COMPANIES

Survey of 370 senior business people, of whom almost half worked in the legal profession

- Increasing
- Don't know
- Unchanged
- Decreasing



Source: Legal Week

# eves who hack lawyers

and ruin reputations as client confidentiality is breached



statement through sabotaging its website or disabling its systems to cause the firm reputational harm and encourage it to drop the client.

Industrial spies, sponsored by national states, are also a reality, not just something out of cold war novels. There are outfits, says Mr Bond Gunning, with armies of workers who do nothing but hack blue-chip companies.

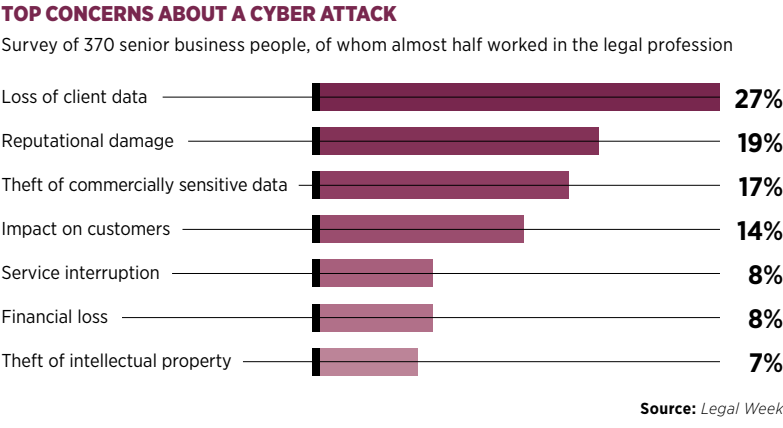
However, one of the biggest risks to IT security is internal and comes from firms' own employees, either maliciously or unintentionally, he says.

E-mail is used by everyone and its security, warns the SRA, must be taken more seriously as it is expected to become a bigger issue of focus in 2016.

Its ubiquity already makes it a common means to stage an attack. According to the latest *Data Breach Investigation Report*, 20 per cent of breaches originate from phishing attacks – often digital con tricks pretending to be genuine – and more than two thirds of cyber espionage incidents have featured phishing.

These are targeted scams originated through e-mails containing attachments or links to websites infected with malware – malicious software that disrupts a firm's computer operations or servers – giving hackers access to sensitive information.

Why is this done, asks BAE Systems' Dr McVicar? Answering his own question, he says: "Because it works – nearly 50 per cent of users open e-mails and click on phishing links within the first hour."



E-mail is also the most common way in which employees cause data breaches; for example, through inadvertently sending a message to the incorrect recipient. Basic security and cyber hygiene can go a long way to mitigate these risks, says Dr McVicar.

Andrew Taylor, technical director of Converge Technology Specialists, says law firms should use a system that includes encryption, scans content and detects security issues, as well as the standard anti-spam filtering services. "Staff need to be trained and made aware of potential threats, including bogus e-mails and suspicious requests for information," he says.

And firms should have a policy of making clients aware of possible fraudulent e-mails and encourage them to check the return e-mail address, and never respond to e-mails asking for payment arrangements to be changed. In addition, there are the basics of ensuring regular password changes and using a reputable personal e-mail service.

“**The big challenge for law firms is to maintain an effective defensive posture to match an ever-evolving threat**”

Mr Bond Gunning of Salamanca Risk Management says to prevent accidental e-mail breaches, a two-minute delay can be put on e-mails before they are sent. "It can save a whole lot of drama," he says, warning that if you make e-mail security too burdensome, staff may bypass it and use personal accounts, exposing the firm to risk.

"The proliferation of devices and their ability to be mass-storage devices has made management of risk more challenging," says DWF's Mr Hodgkinson.

"Multiple devices open up new avenues for the hacker to burrow deep into clients' confidential information," adds Mr Robertson at Collyer Bristow.

Dark hotel is one scam that travelling lawyers should be aware of. Mr Bond Gunning explains that it is similar to phishing, attacking users' laptops when

they think they are connecting to their hotel's wi-fi.

The simple telephone also poses risk, with so-called vishing attacks, when fraudsters obtain sensitive information over the telephone. One firm, Mr Bond Gunning recounts, said it had had 12 vishing attempts in the past month. "It happens on a Friday afternoon when people are in a rush and others, who might be able to verify information, are not there," he notes.

So, how can firms minimise their exposure to risk and satisfy clients their data is in safe hands?

There is no silver bullet that guarantees 100 per cent defence, says Dr McVicar. "The big challenge for law firms is how to maintain an effective defensive posture, which can evolve with time to match an ever-evolving threat," he says. "They need to do this cost effectively so they remain cost effective in the marketplace while maintaining customer confidence and trust."

Firms have to make a risk-based decision, understanding the level of risk and putting in place a mitigation strategy that reduces this to an acceptable level, he advises.

This means identifying the information that matters most – typically e-mail and document management systems – and putting in place a mitigation strategy that prevents the attacks you can, detects quickly attacks you can't and respond effectively to minimise the effect of a breach in the event the attack is successful.

He says law firms should do the basics – use threat intelligence to understand the changing nature of cyber risk, develop and maintain cyber security awareness of staff, regularly patch IT vulnerabilities, use penetration testing to test security and monitor the security of their IT networks.

All this should be backed up with an incident response and business continuity plan to minimise the impact should the worst happen.

As Mr Bond Gunning concludes: "Firms spend time on prevention, but often don't have a plan for what to do when the crisis comes. In many cases they can get away with it, if they have a good plan in place and execute it."

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# Technology will be the new

Law firms look set to update their technology systems in a bid to steal a competitive edge over laggards who fail to see changing

◆ TECHNOLOGY  
● MICHAEL CROSS

So far history has been on the side of the sceptics. For all the hype about a revolution in legal services since the 2007 Legal Services Act came into force, we have yet to see a technology-enabled new entrant disrupt the sector along the lines of Amazon or Uber.

New entrants such as US giant LegalZoom, whose UK chief executive Craig Holt describes as “preparing to revolutionise the market”, still seem to be testing the water before all-out launch. Meanwhile “Tesco law” contenders such as Co-operative Legal Services have publicly replaced their early ambitions with more modest aspirations of growth. Even the private equity investment sector seems to be having second thoughts following Duke Street’s experience with its investment in Parabis Group.

What united these ventures was the assumption that legal services was a sector where the fruits of adopting information technology were ready to be picked by anyone bold enough to grasp them.

However, just because the revolution has not come from newcomers does not mean it is not happening. And awareness is building not just from the neophytes. According to the current president of the Law Society, Jonathan Smithers: “Artificial intelligence is dictating the way that we do the law. We, as a profession, seem to be playing catch-up.”

Massive market changes, from the decline of hourly billing to the Jackson civil litigation reforms, aimed at boosting efficiency and reducing costs, are forcing changes in the way that all firms work. In response, they are dipping their toes into new technologies to generate efficiencies. But both are capable of underpinning more fundamental changes.

Two technologies in particular could be enablers of disruption.

UNIFIED COMMUNICATIONS

Slowly and behind other sectors, such as technology and management consulting, the legal sector is getting used to mobile. One sign is that fixed PC terminals are on the way out. In a survey of the sector due to be published next month, 38 per cent of respondents said their firms are already moving away from desktops towards laptops for most of their people and 17 per cent said their firms are considering such a shift.

The point of mobile is not so much to be able to deal with clients’ urgent inquiries from the yacht club (useful as that can be), but to change the way firms are organised and especially how they relate to their clients.

The next step is to replace multiple channels of electronic communications – e-mail, voice messages, shared editing of documents, and online chat and video – with seamless working. Thus equipped, members of an organisation can see at a glance which of their colleagues is available and instantly ask a quick question, glance over a document or set up a future formal meeting without e-mail ping-pong.

Research to be published next month by communications firm Arkadin, a subsidiary of Japanese telecoms giant NTT, suggests the sector is ripe for the revolution. Nearly two thirds of respondents agreed that people in their firms were “more tied to their desk than they should be”.

Unified communications can enable innovations such as hot-desking, which after a slow start is beginning to accelerate in the sector. DAC Beachcroft is the latest to announce agile working this year.

More significant, according to Alan Heals, business development manager at NTT Communications, is the potential for integrating clients in the system. Even in a world where firms are organising more by client teams than profes-

sional specialities, this is a novel concept. According to Arkadin’s research, 76 per cent of respondents said their firm uses some sort of “presence” system to enable instant communications in-house, but only 5 per cent shared this with clients.

In future, Mr Heals says, this will not be good enough. Guaranteeing access to a paralegal 24 hours a day might be a key competitive advantage in winning clients, he says. The client will see a “mirror image” of the in-house system so they will always know who is available.

But is the kind of off-the-cuff instant communication implied by presence systems really appropriate for the legal world? “The legal sector is highly regulated, but so is financial services,” says Mr Heals. “In a sector where a second is worth millions, they have obviously seen the value of instant communications.”

ARTIFICIAL INTELLIGENCE

The first applications are already becoming mainstream in technologies such as e-discovery. Simon Price, managing director of specialist IT supplier Recommind, says sifting electronically through documents, e-mails and other material can save 95 per cent of “lawyer time”. This not only makes litigation more accessible, but improves the reliability of work.

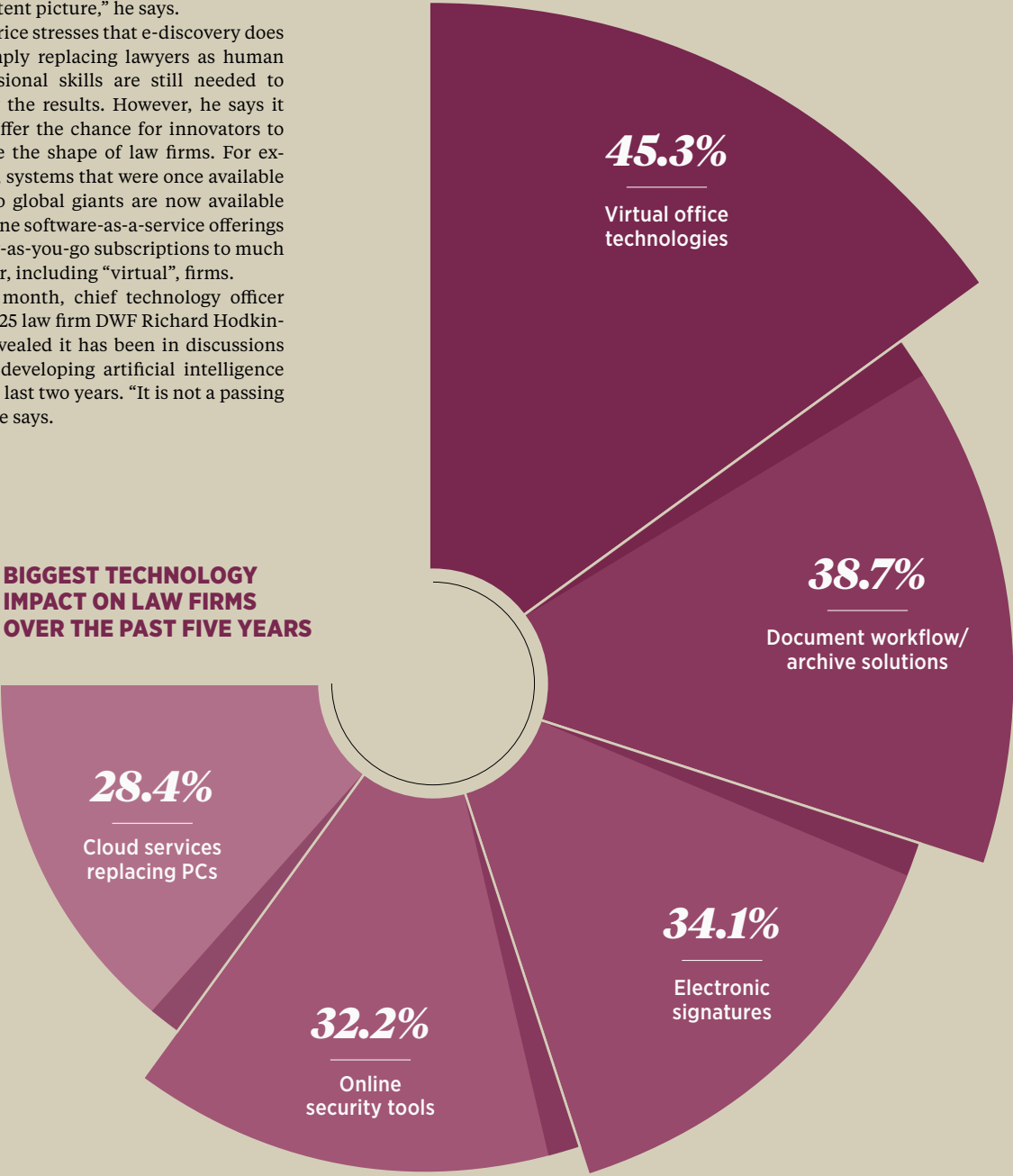
“If you have seven people looking at a corpus of documents, they will come up with different ideas of what might be

relevant. E-discovery comes up with a consistent picture,” he says.

Mr Price stresses that e-discovery does not imply replacing lawyers as human professional skills are still needed to review the results. However, he says it does offer the chance for innovators to change the shape of law firms. For example, systems that were once available only to global giants are now available as online software-as-a-service offerings on pay-as-you-go subscriptions to much smaller, including “virtual”, firms.

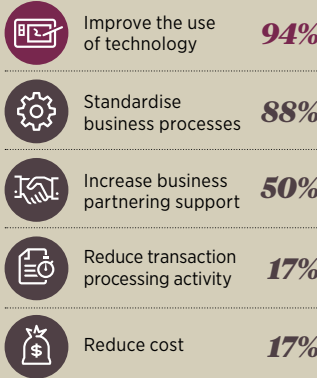
Last month, chief technology officer at top-25 law firm DWF Richard Hodgkinson revealed it has been in discussions about developing artificial intelligence for the last two years. “It is not a passing fad,” he says.

BIGGEST TECHNOLOGY IMPACT ON LAW FIRMS OVER THE PAST FIVE YEARS



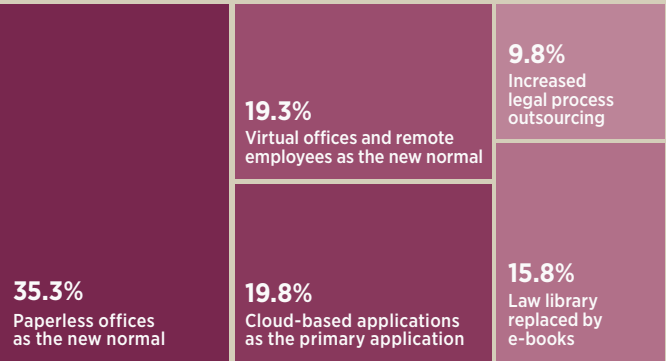
Source: eFax Corporate 2014

TOP 5 PRIORITIES FOR LAW FIRMS IN 2016



Source: PwC 2015

BIGGEST CHANGE EXPECTED OVER THE NEXT DECADE DUE TO LEGAL TECHNOLOGY



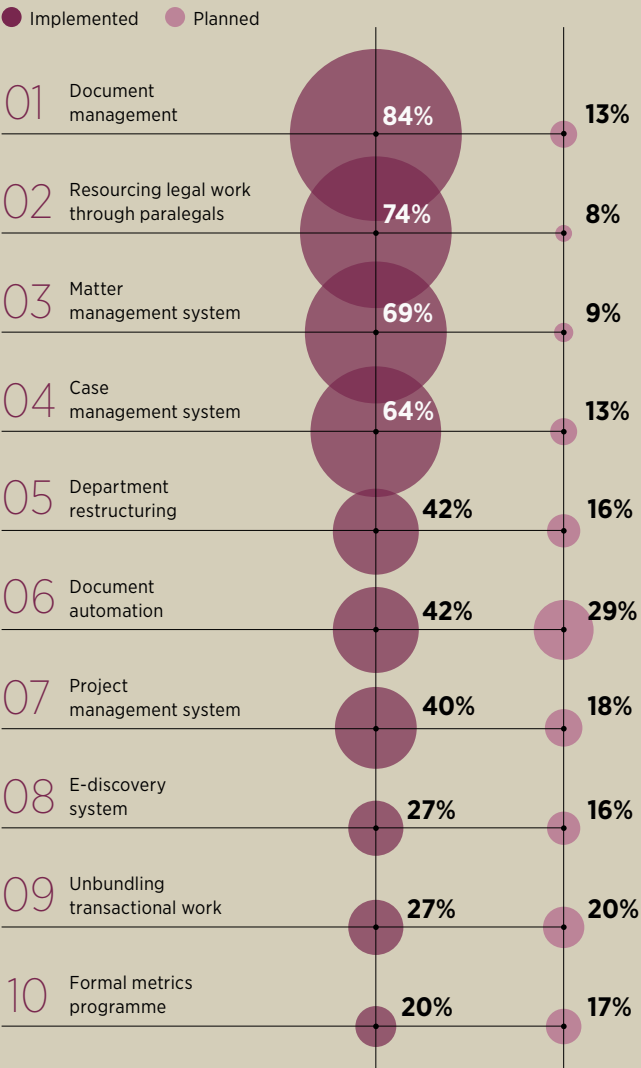
Source: eFax Corporate 2014



# Technology disruptor in legal services

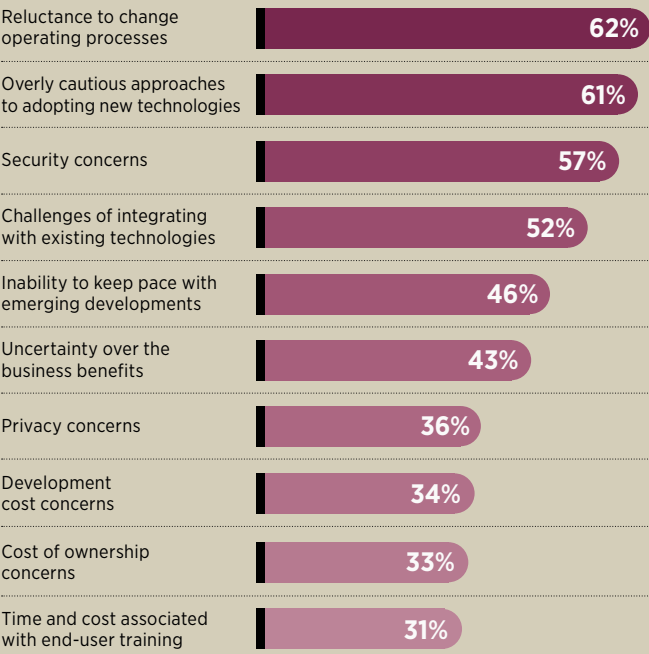
business needs

## TOP 10 INNOVATIONS LAW FIRMS ARE MAKING



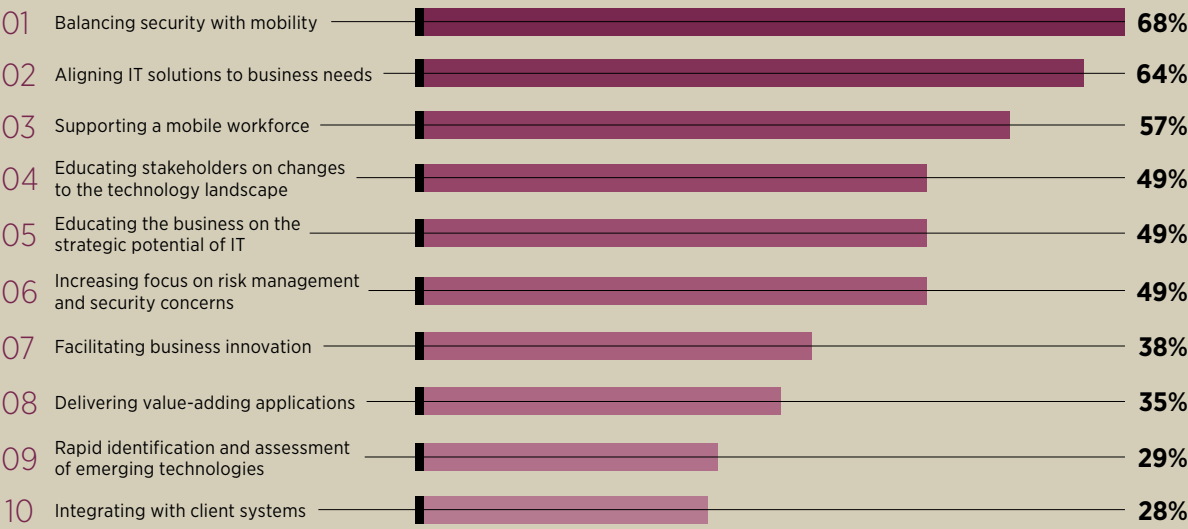
Source: Winmark 2015

## TOP 10 HURDLES TO ADOPTING EMERGING TECHNOLOGIES IN LAW FIRMS OVER THE NEXT DECADE



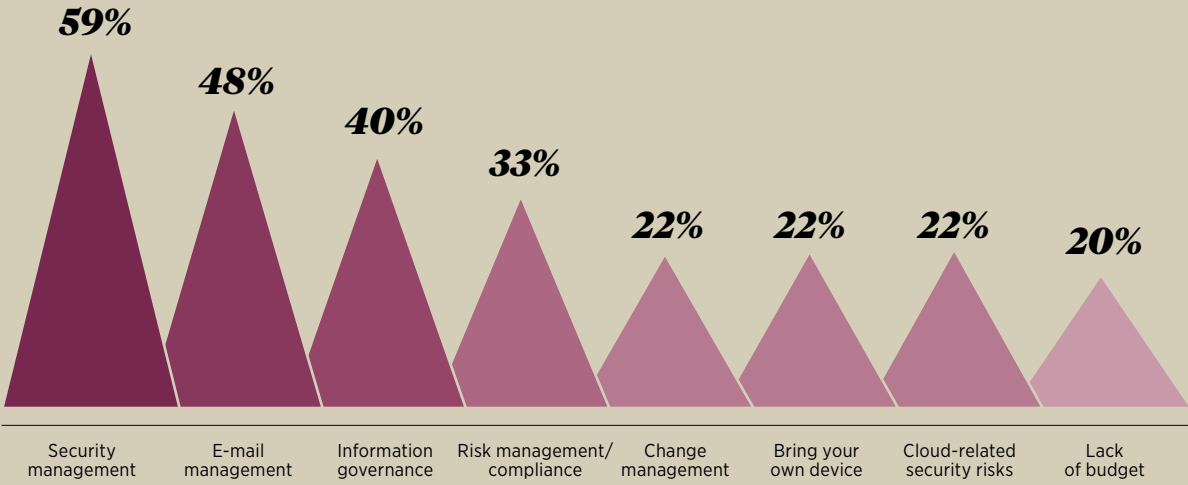
Source: ILTA 2014

## TOP 10 PRIORITIES FOR MANAGEMENT OF IT IN LAW FIRMS OVER THE NEXT DECADE



Source: International Legal Technology Association (ILTA) 2014

## BIGGEST TECHNOLOGY ISSUE OR CHALLENGE FACING LAW FIRMS



Source: ILTA/InsideLegal 2015

The firm already uses big data analytics to help insurance clients identify potentially fraudulent claims. The software maps connections between different entities to identify potentially fraudulent patterns of activity. A complex algorithm analyses the documents associated with each matter and gives it a score between one and ten, which will indicate how much or little lawyer input the case is likely to need. Given the pressures on sectors such as personal injury, the use of these systems can only spread.

However, it is possible to be an enthusiast without subscribing to the view that robots will replace lawyers in the near or foreseeable future.

As the Law Society's Mr Smithers emphasises: "An artificial intelligence system is designed to stimulate human thinking, but not creative or independent thought. Both of these qualities are

essential for the legal profession and the discharge of our professional legal obligations of upholding the rule of law and the proper administration of justice."

But while stating that "no algorithm exists to replace us and the work that we do", he says lawyers "should, however, continue to use artificial intelligence to improve their work". New technology can drive efficiencies, increase accuracy, assist with client retention, and have the potential to reduce overheads and drive greater profits, he says.

In their book *the Future of the Professions*, Richard and Daniel Susskind identify what they say are common biases that inhibit professionals from thinking freely about the future. Apart from the strong "status quo bias" there is "irrational rejectionism", the dogmatic dismissal of a system with which the

sceptic has no direct experience or because their own profession is unique.

"We ought to be suspicious when a professional claims that all professions are dispensable other than their own," especially when this special pleading is based on arguments from hard cases, they say.

Another is "technological mystopia", the tendency to underestimate the potential of tomorrow's technologies because of the shortcomings of today's – a bad experience with Skype should not rule out the use of web-based multimedia channels in the future.

In other words, just because the disruptor sceptics have been right up to now does not mean they will continue to be.

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# Now lawyers are strategic advisers

*In-house general counsels are facing diverse challenges as demands on their expertise rise, with increased regulation in the wake of the financial crash, along with the need to create value*

◆ GENERAL COUNSEL  
● CHARLES ORTON-JONES

The role of general counsel (GC) has evolved sharply since the financial crash in 2008. The mood for governments to regulate and invigilate has raised the workload. In many firms the legal budget hasn't risen fast enough to compensate, ramping up the pressure. At the same time there has been a long list of new challenges.

New technology means straightforward things like storing data is suddenly a headache. In the old days the data was stored on servers onsite. Now the data could be stored anywhere in the world. Privacy laws means the location is an acute legal concern. Plus, there are cyber attacks, data protection issues and new e-disclosure issues to master. And there's the small matter of intellectual property (IP).

Once upon a time the management team would worry about how to commercialise IP. Now the GC is a key part of IP strategy, making vital commercial decisions about how the law can be used as a weapon of commerce.

An example of a GC as a strategic business partner is Galit Gonen, legal counsel in Europe for Teva Pharmaceutical Industries, the world's largest generic drug maker. She comes with a big reputation, having scooped the *International Law Office* European and global counsel award in 2013, the *Legal 500* award for IP individual of the year in 2014 and *Editor's Choice* for the European woman in business law award in the IP category in 2015.

When you look at her job, it's easy to see why she gets the applause. Teva is not only a giant in generic drugs, it also has a huge specialist drug section, and both divisions are subject to differing regulation and commercial imperatives. It's a difficult beat.

Dr Gonen says the idea of the GC as a strategic adviser is spot on. "We serve as the business partners to our business functions and strive to be substantial value creators to the business," she says.

The trickiest aspect of her job is adjudicating the balance between commercial and medical imperatives. "Some see a conflict in the role of a pharma company," she says. "On the one hand, shareholder value has to be generated and on the other, the ultimate 'consumer' is the sick patient. So the balance is skewed in pharma with a simple desire to help sick people.

"My role is to ensure these goals are met within the boundaries of the law as it exists in any jurisdiction, at any particular time, and also to use the law to facilitate market access by making it profitable to the business and a win-win."

Each decision, for example patent litigation, must be looked at afresh in each territory. "At present and for the foreseeable future, patent litigations are conducted in each European market rather than centrally. This creates huge challenges.

"The business considers Europe one market. Ensuring pan-EU market access where legal precedents, judicial attitudes, procedures and outcomes may differ from member state

## CHANGES MADE BY GENERAL COUNSELS IN MANAGING REGULATORY RISK



Source: Grant Thornton 2015

to member state is a huge challenge. Factor in differing rules around pricing and reimbursement, and the complexity increases significantly."

This view of a GC as a strategic partner is echoed at Unilever. Glenn Quadros is GC for Unilever's enterprise technology solutions division and says GCs ought to love their new role as consultants for other departments as it finally means legal can prove its worth.

"Legal has always been like the child with high potential – very bright and capable – but has never reached that potential because of how costly the service is," says Mr Quadros. "There has also not been a way to measure and demonstrate value and performance which is a problem because most organisations are very metric driven. This is changing."

He says to maximise performance GCs need to gather insight from a wide spectrum of sources: "Understand the business strategy and problems, and how legal can best support that – to not do this alone, but leverage both the insights of your panel law firms as well as the various stakeholders themselves."

The role of GC is getting tougher because lawyers themselves are subject to increasing regulation. Christian Mancier, data protection officer at Gorvins Solicitors points

to one particular headache. "The forthcoming Europe-wide overhaul of the data protection regime, which is expected to come into force in 2017, will introduce a universal obligation to report all data breaches 'without undue delay'," he points out.

The result: "With general counsel often being ultimately responsible for data protection issues, the thought of having to notify every data breach each time an employee or contractor mislays a laptop or memory stick, or sends something to the wrong address, e-mail or fax will be causing general

“  
Understand the business strategy and problems, and how legal can best support that

counsels all over Europe to wake up in a sweat in the middle of the night," says Mr Mancier.

A requirement already exists for law firms to report misdemeanours. Natasha Chell, head of compliance at Laura Devine

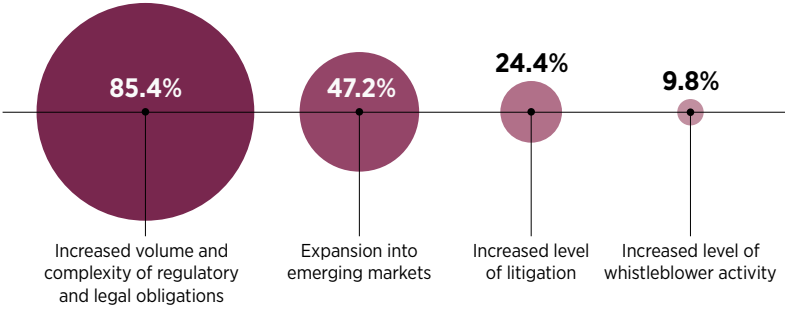
Solicitors, finds the Solicitors Regulation Authority (SRA) guidance a constant demand. "The 'grey areas' can keep you up at night, especially as there is a requirement to report any material breaches of the regulations to the SRA," she says.

The trick is to stay calm. "Maintaining a common-sense approach and balancing risk management so that it does not stifle the business is important," says Ms Chell.

With so many duties, the only way forward is for GCs to make the most of their team and partners. Teva's Dr Gonen has a good personal tip. She says: "In order to get people to work with me, I may need to abandon my *litigato's* persona. I need to let go of it to relate to people when there are differences of opinion or approach.

"It is a lot about applying soft skills optimally so the extraordinary talent that I have in the team is leveraged and my team members can realise their full potential to do amazing things standing beside me."

## TOP FACTORS CONTRIBUTING TO AN INCREASE OF LEGAL/COMPLIANCE WORK FOR GENERAL COUNSEL



Source: Deloitte

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### TOP 5 COST-CUTTING MEASURES TAKEN BY LEGAL DEPARTMENTS

- Received price reductions from outside counsel
- Used alternative or fixed fee arrangements
- Improved efficiency of internal procedures
- Shifted law firm work to in-house lawyer staff
- Shifted law firm work to lower priced firms

Source: Altman Weil

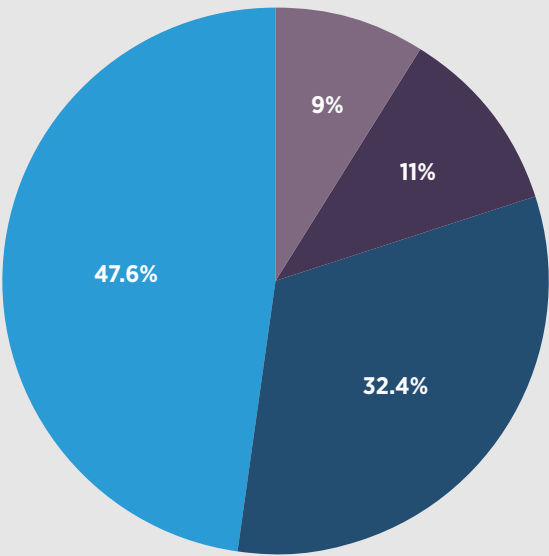


COMMERCIAL FEATURE

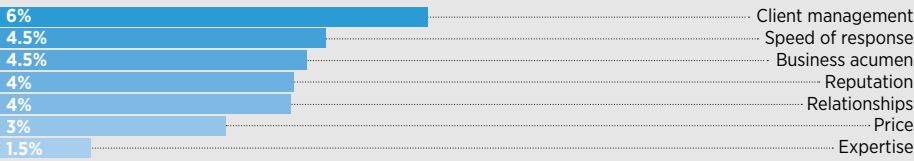
GENERAL COUNSEL PERSPECTIVE

Which of the following best describes your function in the company?

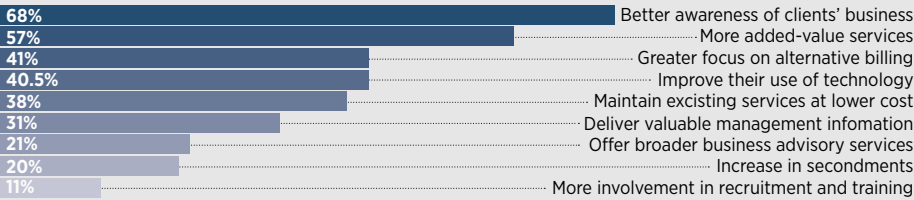
- The conscience of the business: wrongdoing
- The barometer of the business: an early-warning system
- A stakeholder in business decisions
- Managing the legal department



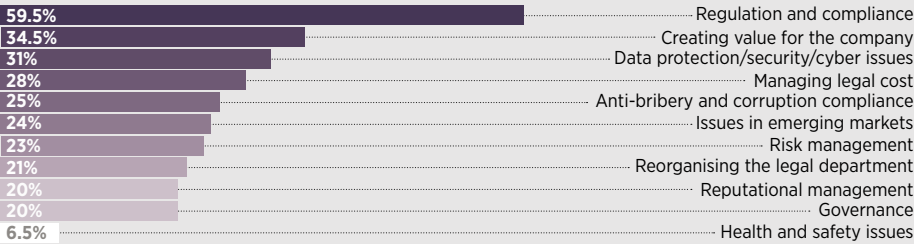
What are the main drivers for choosing a law firm, in order of preference?



What should law firms be doing to keep pace with the changing role of general counsel?



Which issue are you most concerned about over the next 18 months?



What is the biggest risk to your business in the next 18 months?



Source: Global Legal Post: The Law Department of the Future and General Counsel Excellence Report 2015

GENERAL COUNSEL ROLE:  
NO MORE SINECURES

A different breed of general counsel is rising to new challenges – with a little help from legal process outsourcing providers, according to Integreon’s **Bob Gogel**



**Bob Gogel**  
Chief executive



A decade ago, life as a blue-chip general counsel was a bit of a sinecure, once you had climbed the ladder in the first place, of course. A competent GC was well rewarded, but was spared the killing working hours of private practice. Privy to the business’s (and perhaps the chief executive’s) most sensitive secrets, they were almost immune from dismissal and able to meet any threat to their department’s budget with unchallengeable warnings of dire consequences. If that slight caricature was ever reality, it certainly is not now, says Bob Gogel, chief executive at legal outsourcing specialist Integreon. “Over the past decade and especially the last three to four years, GCs have come under incredible and increasing pressure to manage legal costs in a way like they never had to before,” he says. “This squeeze on budgets coincides with grow-

ing, new legal requirements, especially in compliance and regulation. “The executive team and board are looking to the GC to play a more proactive role in helping them shape company strategy, and achieve corporate objectives while managing risk.” Meanwhile, the GC’s role is expanding from legal adviser to include being a business adviser. The job title has, in many cases, also changed from GC to chief legal officer, on par with the chief financial officer. As an example, Mr Gogel cites the role of his own GC, Mike Zuercher, “my right-hand guy” on Integreon’s senior management team. According to *Global Legal Post* in this year’s *General Counsel Excellence Report* and *Law Department Survey*, the two headline concerns for GCs are threats from regulators, and how best to manage

departments to create value, maximise services and keep a lid on costs. The obvious response is to pass the cost-cutting on to their panel of law firms. For most GCs, the world of cosy country-club relationships, behind which firms were virtually dictating terms to their clients, is long gone. However, the much talked-about death of hourly billing is not enough. For a start, says Mr Gogel, in the corporate world, this debate was always a distraction. “I’ve never seen a legal bill that doesn’t get negotiated anyway,” he says. In reality, the hourly rate is generally a convenient way of drawing up an estimate. “If the client thinks they got great value, they’ll pay. If they don’t think that, they’ll negotiate further.” GCs everywhere are looking for better approaches to how they manage disputes, such as having a more efficient means of

ensuring litigation readiness. This may include active programmes for information governance, which is all about knowing your data, controlling your data and appropriately disposing of it. GCs are also seeking alternatives to the traditional litigation process, such as through arbitration or otherwise settling cases out of court, where it makes sense to do so. In this new world, smarter executive boards are taking a more fundamental look at how they run their legal teams. One example is insurance giant AIG, which has spun off its legal department as a separate profit centre to sell its expertise in buying legal services to its clients. Another is global software leader Microsoft, which has embraced outsourcing in partnership with Integreon. Mr Gogel stresses that outsourcing today means a lot more than shipping back-office tasks to lower-cost locations. The place to start is to look at what he calls “routine, high-value, rules-based” work, for example managing the consistency in non-disclosure agreements. While the market for offshore services continues to grow, this may not be the best fit for everyone. There are strong parallel trends for near-shore, onshore and even on-site outsourcing too. “Ultimately it is about having the right resources in the right locations doing all the right things,” says Mr Gogel. Although in principle a decision to outsource is really no different than the process of retaining a law firm, he says the cultural change involved may take some time. “Many organisations take two or three years to get used to outsourcing, then more time to get used to the idea that

it could go offshore. It’s a learning process for everyone,” he says. Picking the right partner is crucial and the choice should not be dictated by price alone. Mr Gogel says in some cases the quest for lower costs has already gone too far. “There’s probably too big a focus on unit cost rather than value for money,” he says. “Outcomes do matter and client satisfaction is highest with this type of focus.” Integreon describes itself as a legal process outsourcer. “We don’t practise law. When we take on work in support of litigation or law department operations, clients know we will deliver,” says Mr Gogel. Law firms themselves are going down a similar road, focusing their in-house resources on providing higher-value work. Non-core tasks, such as document review, are increasingly being outsourced to providers such as Integreon. There will be increasing use of technology, from contract management systems to matter management and project management all the way up eventually to artificial intelligence. “What we’ll see is a whole generation of lawyers who will be much more tech savvy,” he says. But many practical solutions to the GC’s challenges are out there already and many of these can be embraced in incremental steps. Is there a future for the GC role itself? Mr Gogel has no doubt about that and believes the role will gain in importance. “Theoretically, you could outsource everything, but you will still need someone on staff to be the orchestra conductor,” he says. Successful businesses will still need a GC. But don’t expect the role to be a sinecure.

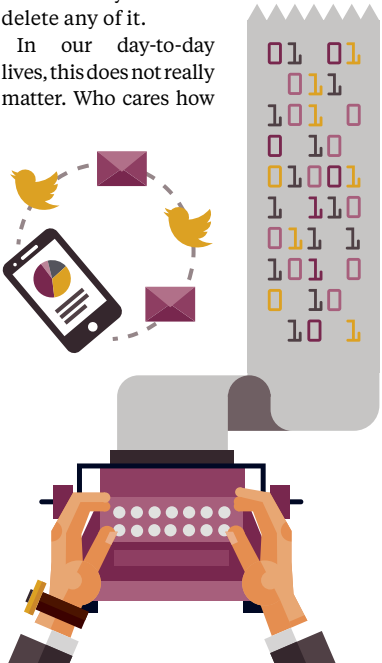
# Technology can solve its own problem

*Predictive coding technology can slash workloads and costs through computerised sifting of the ever-increasing number of documents and other information sources*

◆ E-DISCLOSURE  
● RACHEL ROTHWELL

We live in the era of information overload. Every day, we generate more and more data, much of it meaningless. With the click of a button, you can e-mail 50 people with a 50-megabyte attachment. We rack up data on our PCs, laptops, smartphones and tablets. According to IBM, we create 2.5 quintillion bytes of data every day – and 90 per cent of the data in the world was actually created in the last two years. But we rarely bother to delete any of it.

In our day-to-day lives, this does not really matter. Who cares how



much useless information we are storing? But for corporates faced with a law suit, it suddenly becomes a problem. Within that mushrooming expanse of data, there will be files that must be handed over to the opposing party through the legal process of disclosure and finding these is an increasingly daunting task.

The problem is often compounded in the corporate world by regulatory rules, which do not allow many files to be deleted, with investment firms, for example, obliged to retain large amounts of data, including mobile phone calls made by traders. Indeed, these days much of the data stored is not in traditional document form at all, but is video, audio and text, and increasingly on social media.

In terms of disclosure, the data being generated on Facebook, Twitter, Instagram, LinkedIn and others is the next big challenge.

Chris Dale, founder of the e-Disclosure Information Project, says: “Lawyers have just got their heads round the fact that e-mail and Word files are discoverable, but they have not yet applied their minds to all the non-traditional data sources. Even if they are thinking about social media, they are only looking at their duty to disclose it, but are not seeing its potential value as evidence.”

According to Mr Dale, this type of data could be important to the litigation strat-

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In terms of disclosure, the data being generated on Facebook, Twitter, Instagram, LinkedIn and others is the next big challenge

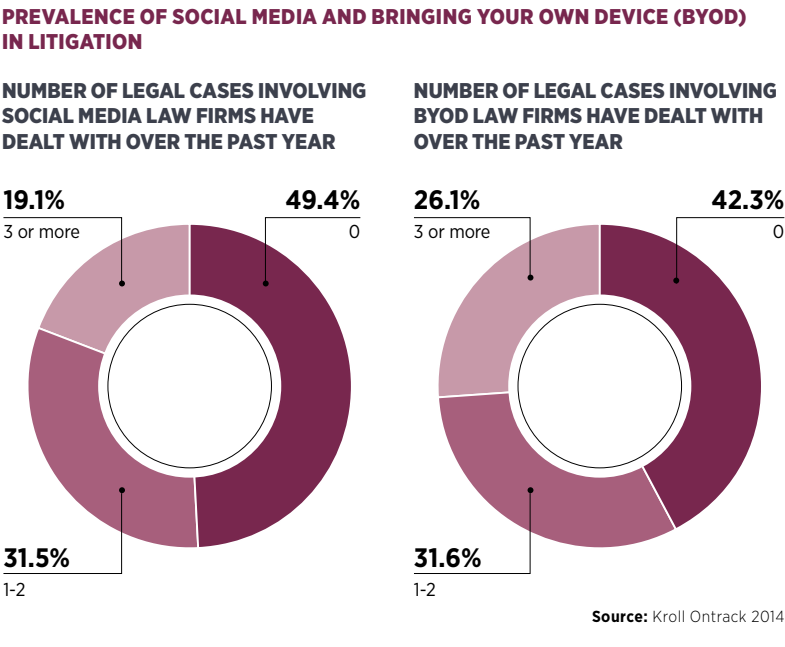
egy, for example if a witness claimed not to have been at a certain place, but a photo downloaded on to Facebook via their smartphone suggests otherwise.

“It might be unlikely to turn the case, but it could be useful, for example in undermining the credibility of a witness,” he says.

Technology created the problem of suffocating data, but it also holds the solution. An e-disclosure technique known as predictive coding can reduce the disclosure pile from what could be millions of files down to a manageable number.

As Jonathan Maas, senior director at e-disclosure consultancy Huron Legal, explains, predictive coding technology is like an “eager puppy”. It first completes a series of “training runs” on smallish samples of documents – not more than 2,000 – in which a lawyer will tell it what is important and what to discard. When it is ready, the lawyer then throws it a bone and off the puppy bounces to perform the same trick across the entire data set.

The end result is a manageable parcel of files, neatly tied with a metaphorical bow and presented to the lawyers to be



reviewed. Contrary to misconception, predictive coding does not mean handing any documents to a litigation opponent without a lawyer having eyes on them first.

For the lawyers, it does involve a leap of faith because the initial sifting has been done by computer, rather than the traditional team of exhausted fee-earners in crumpled suits. But lawyers have a duty

to keep their costs proportionate, which means examining every document by hand is simply not an option now that the volume of data has been supersized.

As Vince Neicho, litigation support manager at City law firm Allen & Overy, puts it: “Using technology means that you will miss documents, but then so will a fatigued lawyer sitting in a room.”

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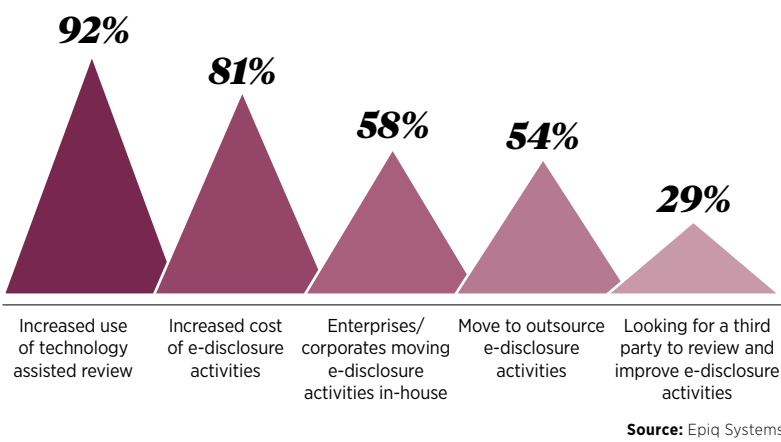
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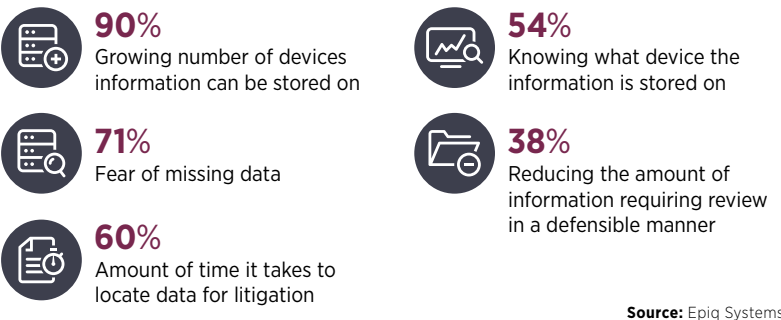
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KEY TRENDS IN LITIGATION AND E-DISCLOSURE IN THE COMING YEARS



CHALLENGES LAW FIRMS FACE WITH THE GROWING VOLUME OF DATA



Litigation may have been the driver behind this new technology, but there is growing recognition it could be a handy tool in many other fields; basically any task that involves pulling information from very large amounts of data.

Mr Maas explains: "The tech could be used in a number of theatres of war; for example, investigations by regulatory authorities. It could help in internal investigations – say, for insider dealing or IT theft. Or it could simply be used for information governance generally, for example where an organisation may have

countless copies of the same thing. At the very least, you could use it to identify all the duplicates, storing the master document in a clearly labelled way, and get rid of all the rest.

"One of the big by-products of litigation is that you always end up with a spanking clean filing system with all your data in order."

In the mergers and acquisitions field, if you have purchased a company, you will normally acquire a large amount of its data, often uncategorised and unsorted. E-disclosure technology can be deployed to find any intellectual property

value tucked away in that mass and also the business risks that might be lurking within.

In situations where you know something is not quite right, but you do not know exactly what you are looking for, the latest clustering technology, which can be based on concepts rather than keywords, can provide the solution.

"Say you have bought a company that operates in Russia, which is a high-risk area in terms of the Bribery Act," says Mr Dale. "You have 15 salesmen out there and it's a good idea to find out what they are up to. Or say secrets are leaking out of your organisation or you start to think that something doesn't smell right in a branch office. This is where clustering can help."

Clustering is a way of grouping documents together according to their content, to create a high-level visual map of brightly coloured clusters. These can then be dismissed or, if something looks out of place, investigated further until you reach document level.

Mr Dale gives the concept of "Labrador" as an example. The technology would separate data into clusters about a place in the north east of the United States, a dog and the Spanish for worker. If it finds a lot of things about dogs, it will then group these again, say into dog, canine, Labrador, poodle and so forth.

"That's an example of it telling you it has found a lot of documents that are similar documents, derived from the text within them and from the meta-data, not from words you have fed it," he explains.

The more technology forms a part of our work and personal lives, the faster the data mass will expand and multiply; at least until we learn to store it in a more organised way and delete duplicated or obsolete files. But also growing is the ability of e-disclosure technology, which began in the litigation context, but is about to spread its wings far wider to adapt to handle those volumes, boosted by ever-increasing processing power.

As Mr Neicho concludes: "This problem is not going to go away, so we need to deal with it."



THE RIGHT TO BE FORGOTTEN



Next month sees the deadline for European Union member states to reach a possible agreement which could impact businesses across Europe – the General Data Protection Regulation.

The new regulation is a much needed update, given that Europe is currently operating under a set of rules created in 1995 when there were only around 23,500 websites on the internet, and social media and cloud computing did not even exist.

The final version of the rules look set to be agreed in December, following many years of consultation, and will become law in two years' time.

It will apply not just to EU-based companies, but any business – including US corporates – that "touches" the data of an EU citizen.

Focus is very much on the data privacy rights of the citizen. But some are concerned about the potential impact on business, particularly relating to the so-called "right to be forgotten" contained in article 17 of the rules, allowing EU individuals to demand the erasure of their personal data.

David Moseley from Veritas explains: "The regulation needed to happen. It will harmonise how we work together, but organisations need to improve their information management, governance and discovery of data or their IT department will become the bottleneck if still using manual processes to

provide requested information.

"You need to develop systems to remove personally identifiable information, and streamline your retention and classification policies. A company could be inundated with requests under the proposed ruling, and if you're dealing with legacy archives and fragmented locations, the IT department could easily be buried."

This is where e-disclosure technology, with its ability to search through a galaxy of data at warp speed, could make all the difference.

Mr Moseley adds: "E-discovery tools will become a critical business competitive edge. It is about having an automated workflow. If you have 100 people asking for the same thing, why have a manual process?"

"IT departments are being expected to do more with less. Unless you bring in the e-tools, unfortunately you will suffer the consequences."

# SIMPLIFY DISCOVERY

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# Posts and tweets are human face of law

*Enabling mobile technology and engaging through social media are essential for a successful, modern law firm*

◆ TRANSFORMATION  
● EDWARD FENNELL

A successful legal brand is like a powerful artisan gin. It features the right blend of base spirit – the reputation of the firm as a whole – with stand-out botanicals – the distinctive flavour provided by individual lawyers. And increasingly the best way to deliver this liquid silver is through the medium of the internet and social media in particular.

As Terry M. Isner of American consultancy Jaffe comments: “Some legal marketers see social media marketing as a uniquely consumer-focused concept. I see social media as the ultimate branding tool, regardless of what sector your business falls within or what services and products you offer.”

As a conservative profession the law was cautious in its take-up of e-communication to reach clients. But the power of the internet is now recognised and according to the latest research by Passle, the top 100 law firms have increased their online content by 77 per cent this year with a predicted posting of almost 47,000 “knowledge” pieces between them. This compares with just over 26,000 in 2014. However, the report found: “The legal industry is not yet close to demonstrating its true expertise online.”

Maybe what some firms are still struggling with is how to orchestrate the diverse range of channels given the increasing use of mobile devices, with their limitations as well as strengths. Martin Wilson at specialist marketing consultancy Indigo102 says: “Embracing mobile technology is as important to lawyers and other professional services as it is to retail and service industries. A mobile device is the first point of call to find almost everything in today’s world.”

The significance of this is already appreciated by lawyers’ major clients, points out Helen Bertelli of consultancy Infinite Spada. “If you look at the Fortune 500, you’ll see that 98 per cent are using LinkedIn and almost 80 per cent are using Twitter. If that’s the way they speak to their customers, then it follows it’s also the way to communicate with them.”

Moreover, the benefits are becoming apparent, says Gus Sellitto of Byfield Consultancy. “In a recent survey conducted by us of 101 of the top 200 UK law firms, almost half said they had won business as a direct result of their social media activity,” he says. “Some 48 per cent indicated new business was generated through LinkedIn and 38 per cent from Twitter.”

Tim Maltin of Maltin PR argues: “The overall direction of a firm’s marketing drive, of which e-communication is a vital part, has to come from the very top

of the firm to ensure clear and consistent messages about the firm’s brand and its priorities.”

That being the case, according to Clare Rodway of Kysen PR, law firms should not see social media as being in another universe, but should integrate it as a normal part of their marketing panoply. “It’s a way of showing your human side – the equivalent of going to a cocktail party,” she says.

Training in the use of the social media is absolutely vital, as Julie Gingell of SA Law says: “We’ve invested extensively in the training of our lawyers in how best to use social media. Age is not a bar; it’s purely a matter of state of mind and we’ve now got about 40 per cent of our lawyers active on social media.”

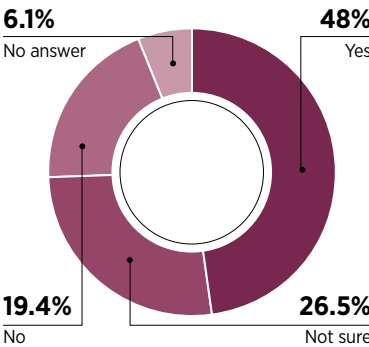
In short, social media enables many more people to become actively in-

volved in marketing at a personal level. The goals though, observes Caroline Matthews of Bircham Dyson Bell, which boasted the most knowledge pieces per lawyer in the Passle survey, should always be the same: “To raise profile, impress with expertise, to stand out, to build a relationship so that existing clients stay with you and to pave the way for new clients to approach you – and above all to be interesting.”

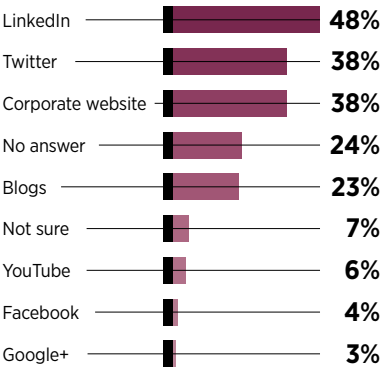
The key to doing this successfully is to understand the nature of the medium and select the right channel for the target audience. “For example, never confuse broadcast and social media,” says Abby Winkworth of IBB. “Don’t use social media to yell at people. You need to be crisp, clear, to the point and very bite sized.”

## HOW THE UK’S TOP LAW FIRMS ARE CONNECTING WITH CLIENTS

### HAVE YOU WON CLIENTS AS A DIRECT RESULT OF YOUR SOCIAL MEDIA?



### IF YES, FROM WHICH PLATFORM(S)?



Source: Byfield Consultancy

## CASE STUDY: IBB SOLICITORS



With offices in Uxbridge and Chesham, IBB Solicitors has a broadly based practice ranging from mid-market corporate clients to high-net-worth individuals, but also including charities, the public sector, families and people facing serious criminal charges. Con-

sequently one of the challenges it faces is how to speak to such diverse groups with a coherent voice, but in different styles and over many different subjects.

The solution is for the firm to choose the right vehicle for each topic and target group. “We find promoted posts on topical issues are the most successful in terms of engagement,” says Abby Winkworth (pictured), IBB’s marketing and business development partner.

Hence, unusually for a medium-sized law firm, IBB makes extensive use of Facebook to support its criminal defence practice which is largely focused on white collar crime. “While Facebook would not work for other parts of our business

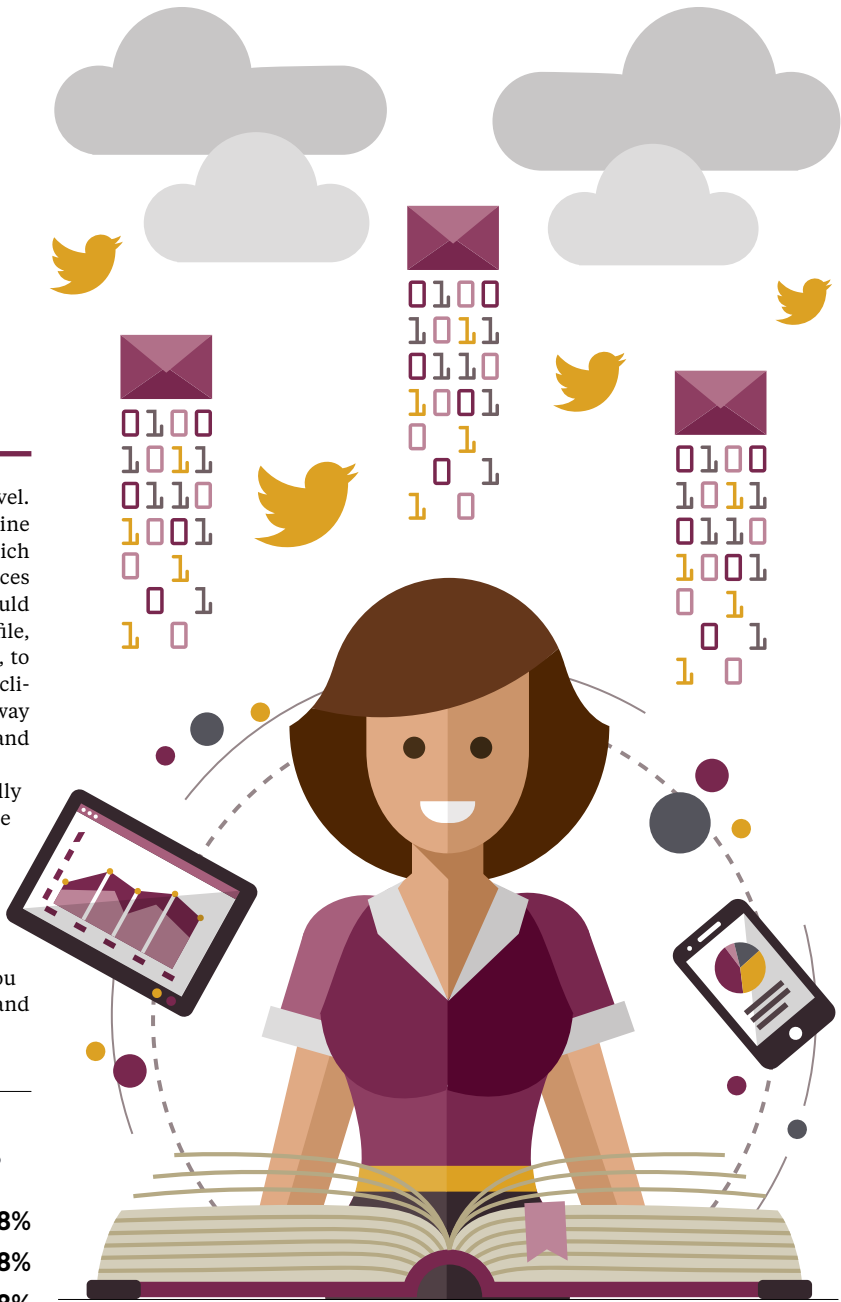
it is perfect for that demographic,” says Ms Winkworth. “It undoubtedly helps significantly in bringing new clients to us.”

Meanwhile one of the firm’s best performing posts achieved a reach of 24,500 (organic and paid), more than 400 article click-throughs and over 80 likes, comments and shares, and it is still gaining traffic. “Our road traffic specialist wrote a blog about recent legislation on the banning of smoking in cars carrying children,” says Ms Winkworth. “We boosted the post to appear in the news feeds of people in our target geography. This stimulated debate, raised awareness of the topic, the firm and our expert, and will drive eventual revenue.”

“Embracing mobile technology is as important to lawyers and other professional services as it is to retail and service industries

issues such as cross-border custody. Crucially, she does it on a regular basis. “I build tweeting time into my weekly schedule,” she says. She also makes a point of belonging to the relevant LinkedIn groups.

“It’s not enough to be noisy,” says Gavin Ingham Brooke of Infinite Spada. “You need to be part of a conversation with your clients and potential clients. Social media, properly used, enables you to do that.”



A good example is Richard Kemp, the senior partner of technology-based firm Kemp IT Law, who has become highly adept at vlogging. “Our clients expect as a matter of course that we will be at the leading edge in the use of IT,” he says. “So we have been early adopters of vlogging. My vlogs last two-and-a-half minutes and our goal is always to talk to people just at the time when a hot new issue is coming over the horizon – and to get there before

anyone else. Timing is everything.”

So there is a natural progression from stimulating people’s curiosity through a tweet or a vlog through to a face-to-face meeting. Family law solicitor Hazel Wright of Hunters, for example, tweets in a personal capacity in order to show that she has “a hinterland”. “As a family lawyer, demonstrating one’s personality is especially important,” she says. Interestingly she has a strong following among non-UK lawyers, notably when commenting on

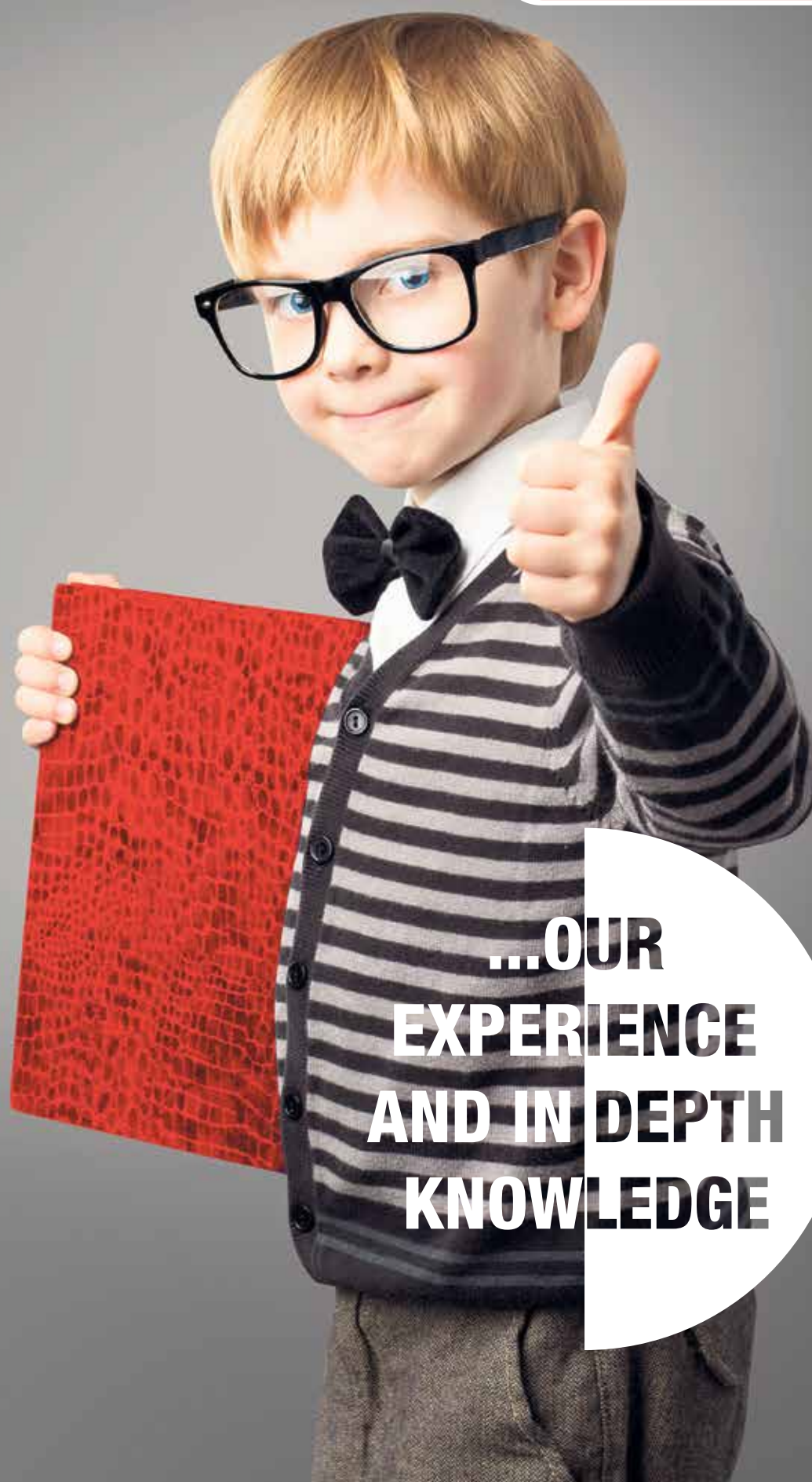


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