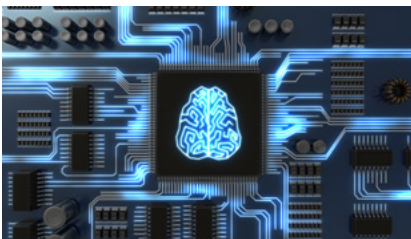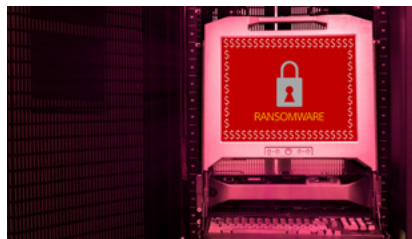Ann's Article is located beginning on Page 29 of this publication and continues through Page 33

Consolidation in the Legal AI World?

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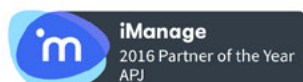
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LEGAL IT TODAY

From the **editor**

Welcome to Issue 18 of Legal IT Today!

Did you have a good Lexperience this year? Matt Homann, the MC at Lexpo '17, struck a chord during his introduction to the event when he said most of those present probably spend most of their working lives being treated as if they are crazy. A lawyer confronted with some new way of using technology might say: 'That can't possibly happen!' Another might say: 'How do you have time even to think about all this stuff when you should be billing someone every five minutes?'

Lexpo provides a safe haven for these crazy people, who were free to be as bonkers as they liked for two whole days. I've reviewed the event for this issue, but it was quite a struggle to fit everything in. I apologise in advance for anything I shouldn't have left out. Lexpo '18 will take place on 16-17 April next year—put that in your diaries now!

One of the people I met at Lexpo was Esther Dediashvili, a knowledge manager based in Israel who told me me about the start-up scene in her country. She explained that while vibrant, this has yet to translate into an increased use of legaltech among Israeli law firms—but it is only a matter of time until that changes. I suggested she turn her thoughts on this into an article for us, and lo and behold, it is right here in this issue. You can read all about the 'start-up nation' on 12?

A couple of weeks after Lexpo, iManage wrapped up a deal to acquire legal AI pioneer RAVN. Richard Tromans, who runs the 'Artificial Lawyer' website, has examined the implications of this for us. Could more deals to acquire legal AI startups follow? Obviously it is possible, but it will depend on a number of factors, especially the personalities of those who are running those startups, Tromans says. Will they want to cash in on the success they have had so far, or will they prefer to continue with the excitement of the start-up journey? And will investors want to put money into very new ventures, or will they prefer start-ups with a decent number of years under their belt, like RAVN? Time will tell, but don't be surprised if the trickle of deals like this soon turns into a flood.

Before Lexpo, we were delighted to be able to announce that legendary legal innovator Ralph Baxter had joined Legal IT Today as a columnist. He spent 23 years as chairman & CEO of law firm Orrick and in 2013, The American Lawyer magazine named him as one of the 'Top 50 Big Law Innovators of the Last 50 Years'. He has also been recognized as one of the '100 Most Influential Lawyers' in the US by The National Law Journal. His first column appears in this issue and focuses on how the 'restless' legal market is driving the use of technology at law firms by attempting to secure a better service.

The WannaCry ransomware attack has ruffled quite a few feathers in the last six weeks or so. The attack began on 12 May and within a day was reported to have infected more than 230,000 computers in over 150 countries. Parts of the UK's National Health Service (NHS), Spain's Telefónica, FedEx and Deutsche Bahn were hit, along with many other countries and companies worldwide.

The dangers for law firms are obvious, and in this issue Matt Torrens of Sprout IT explains how firms can defend themselves against ransomware and what they can do if they suffer an infection. He offers five 'quick wins' that can instantly make legal practices safer and more resilient and a seven-point plan on how to recover from a ransomware incident.

And as part of her take on cyber security, consultant Ann Gorr suggests five basic tenets that can be incorporated into an information governance strategy and design approach. They focus on assessing business requirements; working with leading edge technology partners; incorporating ongoing technology initiatives into annual budgeting processes; developing a cultural change mindset; and adopting a continued change management and training environment.

For our interview slot in this issue, we spoke to Maithili Dandige of Microsoft about Office 365 Groups, the shared workspace for email, conversations, files, and events where group members can collectively get stuff done. Dandige thinks Groups is a great solution for creating matters and storing all the information lawyers need to collaborate with their clients. She thinks it could also help Microsoft to pose an even bigger threat to traditional document management systems. It will be interesting to see if it catches on at law firms.

The theme for the Verdict is a simple but wide-ranging one: change. Three big-hitters in the legaltech industry have given us reflections on their experience of changes in technology, changes in the law, and how everyone in the industry ultimately stands to benefit.

I hope you enjoy Legal IT Today. As ever, we aim to share ideas and opinions across the global legal IT community and stimulate discussion. Please get in touch with feedback and suggestions for topics, features, and images. It is always good to hear from you.

Jonathan Watson
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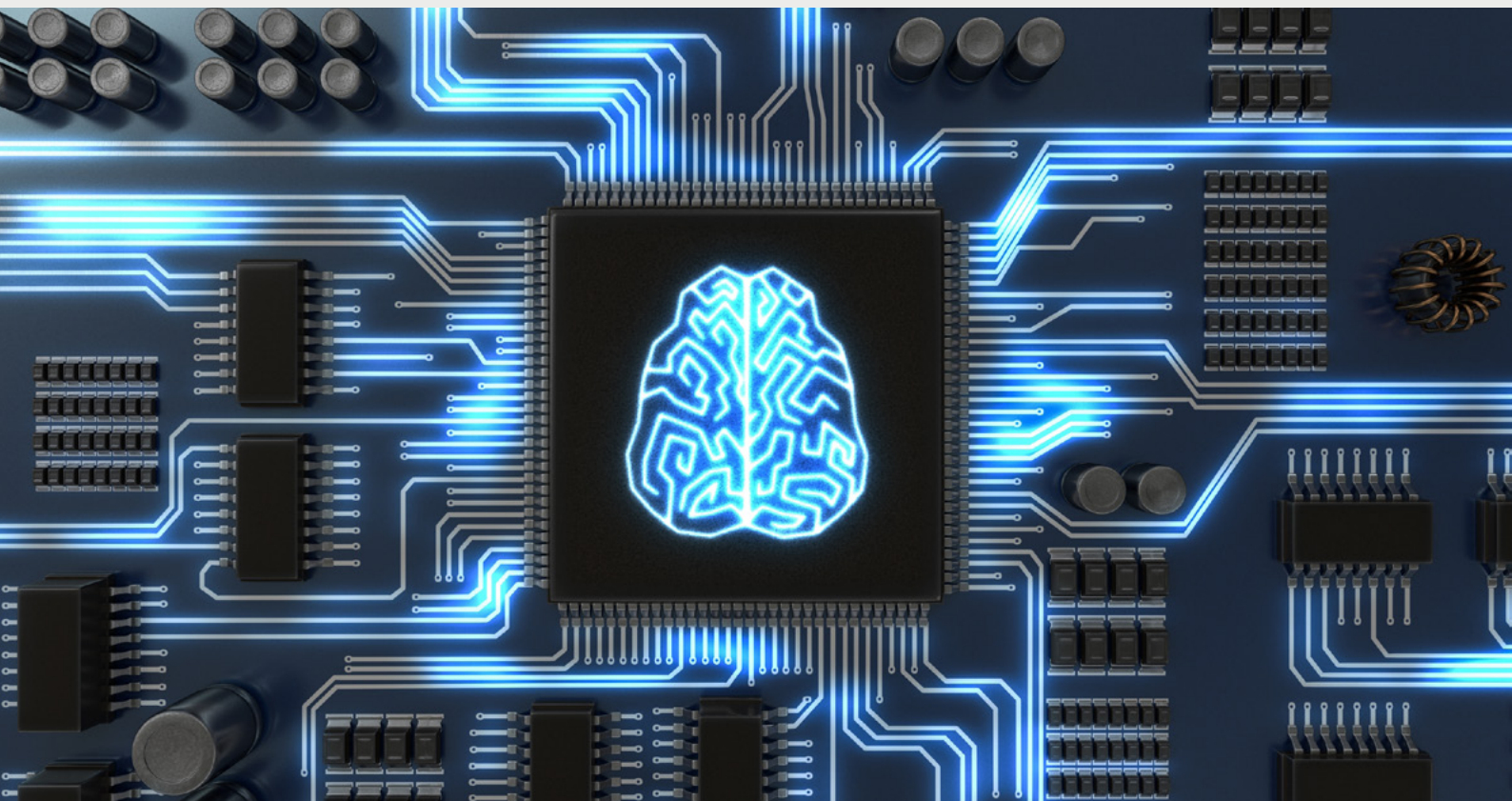
The beginning of consolidation in the legal AI world?

BY RICHARD TROMANS

RAVN could be the first of many pioneering start-ups to be acquired by larger legaltech firms.

In May this year UK-based RAVN, one of the most well known and well established legal AI companies, was acquired by the far larger US document management company iManage.

This came as something of a surprise, in part because it seemed that RAVN was doing very well and growing quickly by itself. It had picked up in-house clients such as BT, public sector clients such as the UK's Serious Fraud Office and a large number of law firms. It also seemed to be hiring staff and growing the business in general at a very healthy rate.

That said, it made great commercial sense to merge with iManage, a company that RAVN already knew well. iManage doesn't have AI-driven data analysis capabilities, but it does look after huge amounts of client data via the masses of documents it helps its clients to manage.

RAVN on the other hand has excelled at AI applications but had no 'automatic client hinterland', one might say, that it could draw upon or cross-sell to. It was not able to say: 'Hey, you use us for document management, why not use our cognitive search and analysis tools as well?'

Instead they had to go to market and win every single client, one by one. That means a high cost of sales. And as any law firm will tell you, cross-selling, when done well, is way cheaper than finding a new client every single time.

For iManage, the acquisition also makes sense. They can now can sell a combined and integrated data management and analysis package. It's a win-win.

Will others follow?
The legal AI grapevine is heavy with talk about other large tech and data companies approaching legal AI companies, especially in the document review/analysis space.

They are doing this for the reason outlined above: they have a product or service that would be greatly expanded and improved by the addition of AI capability. If your main business is unstructured legal data of one type or another, you need a smart way to explore and extract meaning from that data for clients. Otherwise, whatever you are doing will not be as good as it can be.

But will others follow? Will we see more independent legal AI companies bought up in the coming months?

That really depends on those companies and their founders. Most are not more than a few years old and investors in them may feel it's too early to sell. And apart from a handful or so, the majority of these legal AI start-ups do not yet have very large amounts of external funding. However, every month seems to bring news of new investors in the legal AI space, so that could change.

The fundamental point remains that the companies are small and still largely controlled by founders, which means they are perhaps less likely to sell suddenly. The pressure will be more about whether to seize an opportunity, rather than the board forcing a company to do something.

In addition, RAVN had been around for seven years and had a large client base. Many others do not have that long track record or large client base yet. Some buyers may still want to acquire a small start-up with little revenue. But many will prefer to deal with established businesses, even in this cutting edge field.

Another point is that there is no a priori reason why a legal AI company cannot remain independent and prosper. There are many legal tech verticals where there are great companies that have remained independent, carved out niches and built a lasting market share. There is no reason why legal AI companies cannot do the same.

Obviously money plays a significant role. If Giant Corp. Ltd offers a huge bag of cash to a couple of founders of a company that has annual revenues of well below $1m, then the temptation to go back into the corporate world may be too strong to resist.

> *Some founders may see themselves as building something that will grow and grow for many years*

Much will come down to the individual characters and hopes of the founders of these companies, which for the most part remain managed by those who created them, even if there is external investment.

When business owners or founders are also the day-to-day managers and makers of the strategic decisions, then any buyer has to appeal to the character of those founders. And they may simply not be motivated by financial rewards at this early stage.

In my experience it's fair to say that the founders of legal AI companies, as with the founders of most start-ups, are passionate; believe in what they are doing; see their product or service as really making the world of law and justice a better place; and are not focused wholly on money.

What many want is to develop their product, to make it better, to learn about client needs, to continue their amazing journey as a start-up and to keep on with their exciting period of exploration. In short, many young companies have youthful ambitions and a youthful world view.

Some founders may see themselves as building something that will grow and grow for many years. Others may wish to grow to the point where they can sell. And even a few may want to sell as soon as possible, even if they haven't grown sufficiently, though these will be few. As I said, it will depend on the character of the founders. There is no automatic 'roll-up' of the legal AI market about to take place—in part because every start-up is a little different in culture and aims, even if they are all in the same field.

Conclusion
There seem to be three main options for legal AI companies right now:

1. Stay independent, grow and carve out your own market share.
2. Perhaps merge with other legal AI companies to combine market share and greater capabilities.
3. Do what RAVN did and combine with a larger non-AI company that has clear technology synergies and a wider client base that will allow the AI group to expand revenues far more quickly.

If one examines any market segment, there will be examples of all three of the above approaches. There is no absolute rule here.

One thing is for sure: RAVN won't be the last legal AI company to sell. There may even be another one next week. But, equally, some will hold out come what may and stay independent. Whatever happens next, things are going to get even more interesting.

Richard Tromans is the founder of TromansConsulting, based in London, England. He is also the founder of Artificial Lawyer, which was recently recognised as one of the top 50 information sites in the world on artificial intelligence.
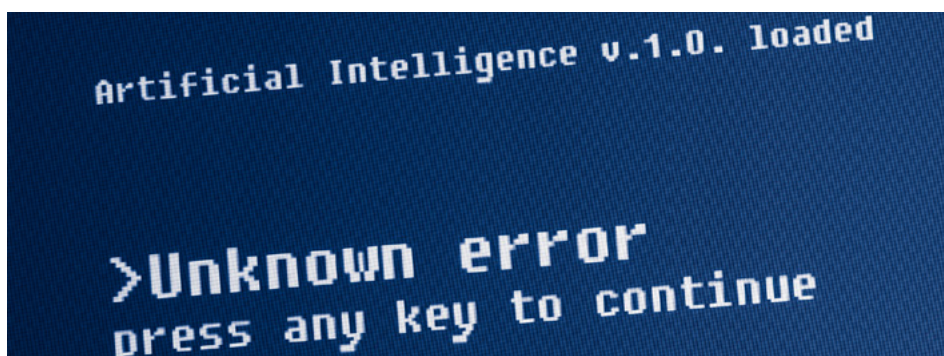
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21st century legal service:
fundamental change for the benefit of all

BY RALPH BAXTER

As firms win market share through innovation, others will follow.

I am delighted to start writing periodic posts for Legal IT Today. In this first instalment, I will share some overarching thoughts on the impending evolution of legal service delivery. In subsequent posts, I will comment on particular developments, opportunities and challenges.

Legal service has never been more important. There is more law in more jurisdictions than ever before. And the explosion of data has made compliance with law exponentially more complicated. The demand for legal service has, therefore, skyrocketed.

We are at an early stage of profound change in the way the demand for legal service is met.

The change is driven, most fundamentally, by a market that is 'restless'—in search of service that is better. Clients are neither certain nor uniform about what they want, but they know that the traditional model is not tailored to their needs, takes too long, and is too expensive.

There are clear signs of this restlessness. US corporate clients have taken a full 37% of their legal service needs in-house; realization of hourly rates at the largest US law firms has been plummeting for years; and clients are increasingly moving work among law firms in search of a better solution.

The change is also driven by advances that process design and technology enable—new models that produce legal service that is:

* systematically matched to client objectives and preferences;
* more informed;
* more reliable;
* faster; and
* more efficient.

These advances lead to more satisfied clients, lower fees, robust income and higher job satisfaction of the legal service providers, and competitive profits for the firms. It is a compelling case.

Barriers to entry to the legal service industry have caused the the pace of change to be slower than it otherwise would have been. Only those licensed to engage in the 'practice of law' can deliver the core elements of legal service, artificially limiting the number of competitors.

Change is also slowed by lawyers' outlook about what they do. Not only do they know that their traditional methods work, the market leaders continue to earn enormous sums, giving them little incentive to incur the cost and inconvenience of changing the way they do things.

But change will come. The dynamics of competition will see to that.

New entrants are already joining the market, to deliver new technologies for legal service and to take on portions of legal service that can be disaggregated and performed outside the 'practice of law'. Hundreds of millions of dollars are invested each year in these new enterprises.

Client groups such as the Corporate Legal Operations Consortium (CLOC), with more than 400 corporate members, are organizing to push for 'optimized' legal service, engaging the entire legal ecosystem to recognize the virtues of new approaches. More than 1,000 professionals attended CLOC's second annual institute in May; 2,500 are expected next year.

A small but growing number of law firms are affirmatively embracing innovation, based on a belief that it promises better outcomes for all stakeholders. These are the early adopters in the technology adoption life cycle. They prove the concepts, but don't move the market significantly.

What will move the market more is the growing number of firms that are feeling the consequences of the clients' restlessness in terms of reduced engagements. Business that traditionally came to them is going elsewhere. Utilization of their expensive lawyers is down. So are profits. The normal responses no longer work. They need to find new ones. This 'necessity' will be the 'mother of their inventions'. As firms win market share through innovation, others will follow.

In the years ahead, the combination of client desires, the promise of process design and technology, and the economic realities of the marketplace will deliver profound change for the benefit of all who deliver or depend on legal service.

Ralph Baxter is a legendary legal innovator, perhaps best known for the 23 years he spent as chairman & CEO of law firm Orrick. During this time he launched several transformative initiatives that aligned Orrick more closely with its clients, including non-traditional talent and pricing models and the first global insourcing centre at a law firm. He is now a leading author and speaker and provides invaluable advice to law firms, corporate legal departments, legal technology companies and other new entrants in legal service delivery.

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✔ Market Consolidation

27 Survey Participants

Corporate Counsel:	👤👤👤👤👤👤👤👤👤👤	**10**
In-House E-Discovery Leaders:	👤👤👤👤👤👤👤👤👤	**9**
Law Firm Partners:	👤👤👤👤👤👤👤👤	**8**

19 Corporate Participants

- **4** Life sciences, including healthcare and pharmaceutical
- **7** Financial services, including banking and insurance
- **3** Manufacturing
- **2** Retail
- **1** Energy
- **1** Entertainment
- **1** Transportation

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59% Worked for companies with revenues that exceed **$5 Billion**

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44% of In-House E-Discovery Leaders

Forensic Collection
75% of Law firm partners

Most Valued Vendor Qualities

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In-House E-Discovery Leaders	>	🏅 **Competence**
Law Firm Partners	>	🖥 **Responsiveness**

Respondents Recognized

- 📊 27 vendors for Analytics
- ☁ 14 vendors for Use of the Cloud
- 📊 13 vendors for Visualization

Case Size

40% of corporate counsel say **75%** of their cases are **Small or Investigative**

33% of in-house administrative e-discovery leaders say **50%** of their cases are **Small or Investigative**

Israel's legaltech sector is starting to live up the country's reputation as the 'start-up nation'

BY ESTHER DEDIASHVILI

Israel, a country famous throughout the world as the 'start-up nation', has been relatively slow to adopt innovative legal technology. However, recent developments in the local legal sector show promising prospects for the future of Israel's legaltech industry.

A few weeks ago, I heard an interesting expression at a conference that has been stuck in the back of my mind ever since. It was this: 'Change has never happened this fast before, and will never happen this slowly again.'

This immediately made me think of the Israeli legal industry, which has traditionally been slow to adopt technological advances compared to other countries, where legaltech is progressing at an accelerated pace.

It may seem surprising that the 'start-up nation' has been slow to embrace innovative technology. Well, in the legal sphere it has, at least until recently, but let me get back to this point later. Let's first explore what makes Israel the 'start-up nation' (the title of a 2009 book by

Dan Senor and Saul Singer about the country's economy) and then delve into why I believe it is soon going to start living up to its innovative legacy in the local legal scene as well.

A strong combination of innovation and entrepreneurial drive
Located at the junction of three continents (Europe, Asia and Africa), Israel is a young country, only established in 1948 by Jewish immigrants, with a current population of around 8.6 million. In recent decades, Israel has emerged as an important global center of innovation, making the technology industry the driving force of the nation's economy.

'Israel is, by many measures, the country (relative to its population) that has done the most to contribute to the technology revolution,' said Bill Gates. There are plenty of data that help to illustrate this:

- Israel is the second most innovative nation in the world, according to the World Economic Forum's Global Competitiveness Report 2016-2017. Israel is second only to Silicon Valley as a global hub of entrepreneurship and innovation.
- Israel maintains an ecosystem of more than 5,000 start-ups and tech companies supported by more than 60 accelerators and 100 VCs.
- Israel has more companies listed on NASDAQ than any country besides the US and China.
- 300 multinationals' R&D centers are operating in Israel, from Google to Apple, Intel, and IBM.
- Israel generates the highest number of scientists and tech professionals per capita worldwide, and its scientific research is considered among the best in the world.

One wonders how such a small and young country became an internationally acclaimed technology powerhouse. Since Israel was founded, it has managed—against all odds and with scant resources—to invent and manufacture from scratch leading cutting-edge technologies in the fields of medicine, agriculture and industry, by drawing on its highly skilled multicultural human capital.

Israeli entrepreneurs are trained in 'out-of-the-box' thinking, from academia to the military. 'Israel is booming in terms of entrepreneurship because you have a culture that allows you to challenge authority and question everything,' said Eric Schmidt, now executive chairman of Google's parent company Alphabet. 'You don't follow the rules.'

A strong combination of innovation and entrepreneurial drive continue to attract to Israel the world's leading technological companies. Some of the prominent investments in the Israeli high-tech industry include Facebook's acquisition of WhatsApp, a popular messaging app, and Google's purchase of the mega-successful navigation app Waze. Recently, Mobileye, an Israeli company developing autonomous driving systems, was acquired by computer giant Intel for a staggering $15.3bn – the biggest-ever acquisition of an Israeli tech company. In the wake of these success stories, momentum in Israel's start-up scene is building faster than ever.

How does Israel's 'start-up nation' legacy manifest itself in the local legal scene?
In a country where innovation and entrepreneurship are native languages —coupled with the fact that Israel is also a world leader in the number of lawyers per capita, with a total of 636.9 lawyers per 100,000 population— one might assume that the development of Israel's legaltech industry would also be impressive.

But ironically, Israel's 'start-up nation' reputation has yet to be translated fully into the local legal scene. A number of factors have contributed to this, such as lawyers' reluctance to embrace innovative legal technology; the relatively moderate impact of the global financial crisis on the Israeli economy compared to many other developed ▶
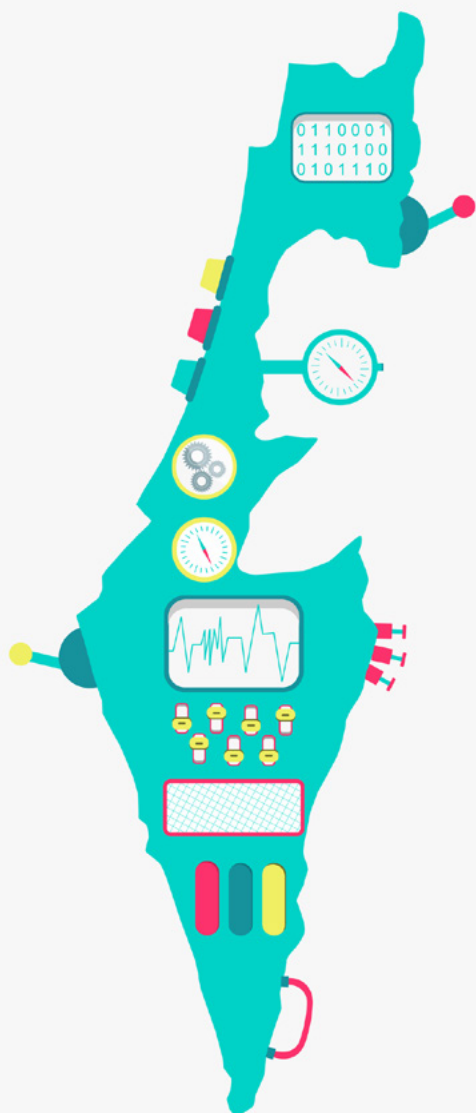
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countries; and the absence of significant competition from alternative legal service providers in the local legal arena.

However, there are signs that this is starting to change. On the one hand, Israel isn't immune to an increasing client demand for more legal services for less cost, which has served as the main driving force behind the increased incorporation of technological solutions into legal practice worldwide. On the other hand, the Israeli legal market has an ultra-competitive nature due to the oversaturated local legal landscape. Coupled together, these factors are expected to accelerate the necessity of exploring new methods of efficient legal service delivery, including the integration of technology within the Israeli legal market.

Catching the wave of innovative legal technology

It seems that the realization that change is inevitable and will happen faster than expected is slowly starting to penetrate the Israeli legal scene. A rising awareness has recently emerged in the local legal sphere as to the benefits of technology assistance in legal practice. For instance, less than a year ago, the first legaltech community gathering in Israel took place in Tel Aviv. And this month I appeared as a keynote speaker at Israel's second 'Tech&Law' meet-up—the biggest legaltech event in Israel yet!

While the Israeli legaltech industry is still in its relative infancy, the emergence of the following players in the local legal scene shows promising prospects for future development in this field:

- LawGeex, a contract analysis tool using AI and machine learning technology, which gained worldwide recognition;
- TagDox, a legal document analysis tool that creates tags, recently selected by LexisNexis as one of the five participants in its new Silicon Valley legaltech accelerator program;
- LegalUp, a document creation platform known for facilitating KYC (know your customer) procedures;
- Asky, a legal form builder;
- Koloved, an employment contract generator;
- Road Protect, which automates the appeals process for parking tickets (rather like the well-known UK chatbot DoNotPay); and
- LawFlex, which aims to match experienced lawyers wanting to work part time or flexibly with Israeli and international law firms that need additional capacity.

Most of these are directed at an English-speaking audience, but there are also positive legaltech developments in

the Hebrew language. The Israel Bar Association, for example, is involved in an initiative seeking to develop an advanced legal research tool in Hebrew that aims to retrieve results based on meaning and context, rather than case-sensitive search.

These incremental changes may seem insignificant when viewed separately. But as Vincent Van Gogh said, great things are done by a series of small things brought together, and I envision further positive developments in this direction. The Israeli legal industry is ripe for change and as Theodor Herzl, a visionary of modern Zionism, proclaimed: 'If you will it, it is no dream.'

Esther Dediashvili is a Legal Knowledge Manager at Fischer Behar Chen Well Orion & Co (FBC & Co), one of Israel's premier full service law firms. Prior to this, she practiced securities and corporate law for seven years in two leading law firms in Israel. Esther can be contacted via email at estherd@ fbclawyers.com or via LinkedIn.

The information contained in this article reflects the opinions of the author and is not an official opinion of FBC & Co. ◢

What should law firms do about **ransomware**?

BY MATT TORRENS

Ransomware is a now a very serious and consistent threat to business. This article explains what ransomware is, how best to defend your firm against it and what your firm can do if it suffers an infection.

Ransomware is a piece of software that encrypts or blocks access to the victim's data. In some cases, there is a threat to delete that data. In return for a decryption key or to regain access to the data, the victim is asked to pay a ransom. Most commonly, the ransom is demanded in the form of Bitcoin, an innovative digital payment system based on cryptocurrency.

Malware extortion dates back to 1989, but the notion of ransomware became highly prominent in 2013 with the now infamous CryptoLocker strain. More recently, 2017 saw the international spread of the WannaCry ransomware attack, which infected more than 230,000 computers in 150 countries and crippled much of the UK's national health service.

The total value of all ransomware payments is unknown, but in just three months during 2013, CryptoLocker saw returns of $27 million from infected users. Conversely, 2017's massive WannaCry outbreak netted a paltry $128,000 – thanks to the actions of Marcus Hutchins, the 'accidental hero' who found a way to slow the spread of the malware.

Figures from the SonicWall Global Response Intelligence Defense (GRID) Threat Network suggest that there were 266 million ransomware attack attempts in the fourth quarter of 2016. This was a sharp increase compared to previous quarters:

Ransomware is not going away any time soon. We need to do two things: improve our defences, and better understand our options if we become victims.

How can law firms avoid falling victim to ransomware?
I'm sure we'd all agree that not becoming a victim at all is the best option. Who wants to have to pay a ransom, or try to recover systems back into operation? And if you accept that brand awareness and reputation is key to the survival and growth of your practice, then you might also want to consider how to build reputational resilience in the form of a cyber-strategy.

Here are five 'quick wins' that can instantly make your practice safer and more resilient.

1. Software patching
- Automate your patching and cover as many vendors as possible. WannaCry exploited a Microsoft vulnerability, but often it is Java or Adobe.
- Install patches regularly – as soon as possible after release.

2. Email security
- Employ email security to scan traffic and particularly URLs (web addresses) within emails. This technology keeps you safe regardless of the device or location from which you access emails and click on any links.

3. Perimeter security
- Configure your perimeter security to analyse your traffic in real time. If you accidentally visit a nefarious website, this technology will detect, and drop, any malicious payloads. A well configured firewall will also prevent your machine from 'calling home' back out to the internet, should you somehow get infected.

4. Back up
- Have a robust and well tested backup process. If the worst happens and you are 'ransomwared', you can simply recover your data from a backup. This is still painful, but much less costly!

5. Train, train, train
- People don't like to hear it, but we are the weakest links – the humans. Train yourself and your colleagues to spot threats and avoid traps. The Law Society and the Information Commissioner's Office (a government agency) tell us we should all complete annual awareness training. Start now, and you will also be ticking a GDPR box (the General Data Protection Regulation is an EU measure that comes into force in 2018). There is probably no more effective countermeasure, pound for pound, than a good security awareness program. As the security technologist Bruce Schneier has noted, 'only amateurs attack machines; professionals target people'. The notion of 'the human firewall' should be at the forefront of any cyber resilience strategy.

The notion of 'the human firewall' should be at the forefront of any cyber resilience strategy

My firm is infected – what are the options?
According to the SonicWall 2017 Annual Threat Report, companies in the UK were three times as likely as those in the US to be targeted by ransomware. This means that a critical element of any successful cyber resilience strategy is to predetermine how your business will respond in the face of an attack and/or a ransomware infection.

Of equal importance is to plan how your organization will recover from the incident. The specifics will vary from business to business, but remember, the ultimate objective is to respond and recover with minimal financial or reputational loss. From a UK legal perspective, organizations should be closely considering the impact an incident may have on their clients, whose data they hold.

A significant goal is to have the right response to any breach to ensure that any data loss does not become a reputational crisis. If you have the right systems in place, you should not have to pay the ransom.

1. Mobilize incident response teams
- Early and accurate communication, both internal and external, is critical during the earliest stages of a breach or attack.

2. Contain
- Where possible, contain and isolate the threat and/or engage business continuity systems.

3. Retain
- Ensure that log files (e.g. system, application and firewall) remain intact/ ▶

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stored for later forensic use. Where possible, safeguard all affected assets and establish a chain of custody.

4. Identify
- Identify the threat source and remove the weakness or vulnerability – permanently, if possible.

5. Recover
- Return your systems back to normal service as soon as is practicable.

6. Re-test
- Carefully review the threat vector and test new systems, processes or technology as required to ensure mitigation.

7. Review
- Take care to review your cyber resilience strategy in its totality.

How to deal with communication if you become a victim of ransomware
Throughout the response and recovery stages, communication is vital. We have seen many high-profile incidents where poor communication from the breached company has led to confusion both for clients and for staff. Ultimately, the most significant cost of a poor communication strategy is likely to be borne by the business itself. Poor communication throughout the incident teams, both internally and externally, can easily lead to additional and unnecessary technical work, data loss, loss of productivity and client goodwill – and ultimately, a public relations disaster.

Conclusion
A true cyber resilience approach blends protection, detection, response and recovery to form an organization-wide, collaborative strategy. In order to protect itself from cyber threats, a business must first be able to recognize its risks (combining threats and vulnerabilities) and go on to define solutions to help manage those risks. Response and recovery plans may then take many differing forms but should always have the aim of enabling the organization to recover with minimal financial or reputational damage.

Matt Torrens is managing director at legal IT specialist SproutIT, which seeks to help law firms and barristers' chambers to achieve competitive advantage and peace of mind through the innovative use of best-of-breed technology; focused cyber security and resilience; award-winning services; and passion for service excellence.

Top speakers focus on the fast-moving legal market at Lexpo'17

BY JONATHAN WATSON

Matt Homann got things started at Lexpo '17 by acknowledging that there would probably be quite a few lawyer jokes during the event. Sure enough, one of the keynote speakers, Jordan Furlong, mentioned that law firms have been described in the past as 'a collection of egos connected only by the central heating'.

The relationship between clients and law firms is changing beyond all recognition, keynote speakers said at Lexpo '17.

Another, Professor David Wilkins, laughed at the way legal professionals use the term 'non-lawyers', implying that anyone who does not practise law is not fully human. And Homann, during the

session on design thinking, advised the audience to avoid using that term when dealing with lawyers—they will run a mile from the concept as they will assume it has something to do with drawing.

A casual observer might have thought that many of those present did not have a particularly high opinion of lawyers or law firms. So it was good that Homann reminded everyone, right at the beginning of the event, that there is no more noble profession than the law. 'It's about helping people in their most dire circumstances,' he said. 'Despite all the lawyer jokes, being part of this industry means doing good work.'

A challenging market

One of the key themes that emerged over the two days of Lexpo was that law firms are being forced to compete in a market that is more demanding than ever before. Ron Friedmann, who got things started on day one, said that law firms are in a low growth market, which means that they are mainly facing a battle for market share. 'Clients are bringing work in-house and using alternative service providers,' he noted. 'Law firms can no longer charge as much as they like for their services—they are now price takers.'

While clients know a lot more about law than they used to, law firms still don't seem to know enough about their clients

One of the main reasons for this is that clients have become extremely knowledgeable about the legal market. 'Law is a buyer's market,' said Furlong. 'Clients now have access to more information about law than they have ever had before. They also have more options for the delivery of legal services. They have encountered a brand new world of choice, which they like. And guess what—they're not going back.'

David Wilkins, the first speaker on day two, talked about a reduction of information asymmetry between buyers and sellers. 'This means we are seeing the unbundling and repackaging of services along global supply chains,' he said. 'For comparison, think about how we used to buy records compared to how kids do it today.' Music lovers had to buy albums with 16 songs to get the one song they wanted. Today, with downloads or streaming services, ►

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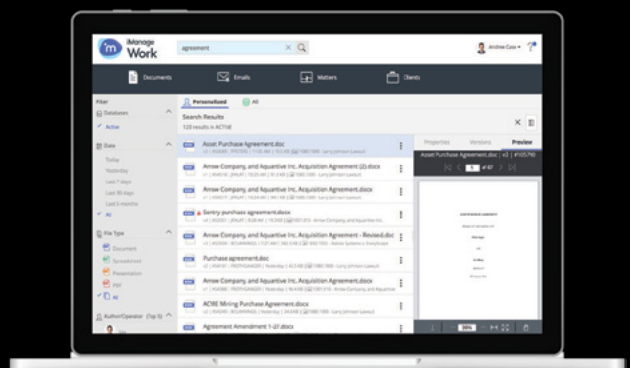
consumers can get exactly what they want, when they want—just as clients can in the legal sector.

Clients are driving change
There can be little doubt that clients want to use their new powers to improve the legal services they receive. Lisa Hart Shepherd leads Acritas, the international legal market research company that conducts an annual survey of more than 2,000 senior in-house counsel across the world. She told Lexpo that the most frequent criticism of law firms from the clients Acritas surveyed over the last decade was that they offered poor value. Clients want their legal service to be cheaper, more efficient and more transparent, she said.

One of her oddest findings is that 75% of law firms surveyed by Acritas said they asked clients for feedback on their work. However, of the clients surveyed,

only 16% said they had been asked to provide feedback. If law firms aren't listening and their services are not improving, then clients are inevitably going to seek to drive change on their own terms. While clients know a lot more about law than they used to, law firms still don't seem to know enough about their clients.

All this creates pressure for law firms to change the way they do things, such as the way the charge for their services. 'The billable hour is not something that makes immediate rational sense,' Furlong said. And according to Friedmann, more and more and UK firms are having to use alternative staffing strategies to reduce costs, such as using more part-time lawyers.

However, Wilkins emphasised that much of 'the old normal' has not been repealed. Law remains a people business,

and for judgments and decision making, clients still want relationships with people. 'Tradition and stability continue to have important value for lawyers and clients,' Wilkins said.

One way lawyers can change is to start using social media, said Kevin O'Keefe, CEO of LexBlog. He and his team help over 15,000 lawyers worldwide build a name for themselves and their firms through publishing. 'Even if all you do is share other articles for 20 minutes a day, you are showing your clients that you are keeping up with their industries,' he said. Social media platforms such as Twitter offer an easy way for lawyers to build a reputation and burnish their brand.

Adam Billing of Treehouse Innovation gave a fascinating presentation on design thinking, which included a short film showing how design agency Ideo went about rethinking the design of

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the humble shopping cart. Employees, regardless of their status within the organisation, were encouraged to participate in the process equally and to contribute every idea they could think of, no matter how off-the-wall it might seem. 'Enlightened trial and error succeeds over the planning of the lone genius,' said Peter Skillman, one of the Ideo designers featured in the film. Billing has been using a similar approach with law firms to encourage them to think about how they can make their services work better for their clients.

The future of law?

Rohit Talwar, the CEO of Fast Future, said that revenues in the legal industry of the future would be generated primarily by new ventures. Big corporates have $6 trillion in funds to spend on new businesses, he said, and the lion's share of this will go on the next generation of businesses and start-ups. 'Those new businesses need legal services and they don't have lawyers,' he said. They will choose law firms that understand their business and can pivot as fast as a start-up can. They will also choose law firms that can help them change legal systems if their new service doesn't quite fit those systems.

Professors Katie Atkinson and Daniel Katz, who are based at universities in the UK and US respectively, provided revealing insights into the world of AI and law. Atkinson spent a large part of her presentation discussing Popov v. Hyashi, a California Superior Court

case on a dispute over who could keep a valuable baseball acquired at a Major League Baseball game. She explained how different 'argument schemes' can enable AI to establish what happened and how to reason from it. The details of the case provide a good illustration of how AI can be applied to facts and to law.

Katz's conclusion from his survey of the state of AI and law was that every organization needs a data strategy and that most companies already have one. 'Now we are also seeing it in law departments,' he said. In addition, every organisation will need people who know about data science. Law firms will have to grow their own talent, because buying talent is very expensive. 'In legaltech, the best is yet to come,' he said. 'The time to build is now.'

The AI sessions, like much of what we heard at Lexpo '17, brought us back to a comment made by Graeme Wood and cited by Homann at the start of the event: 'Change has never happened this fast before and it will never be this slow again'. ◣

Office 365 Groups
is perfect for the
multigenerational
workforce

BY JONATHAN WATSON

Microsoft hopes Groups will help professionals to collaborate more easily. Rob Ameerun spoke to Maithili Dandige, the lead program manager for Office 365 Groups, about how law firms could benefit.

What was Microsoft's key aim in developing Office 365 Groups?

We wanted to build a collaboration solution that would last for the coming decades, and Office 365 Groups is what we call a complete collaboration solution. At the core of it is a single identity and membership service that connects all of the experiences across Office 365. When you create a Group, essentially the identity of the Group is created in a centralized place. And that Group manifests itself across all those experiences - so the same Group you created in Outlook can also be available when you share Word documents to that Group from Word or PowerPoint.

What are the specific benefits of Groups for law firms and legal departments?

Law firms have specific projects for specific clients and they want all of the information relating to them to be available in one place. They have been using a lot of the solutions that are out there. Groups naturally lends itself to this as it is a great solution for creating matters and storing all the information you need to collaborate with your client around that in a single workspace.

When you create a Group for a particular matter, all your conversations can happen in Outlook. You can have all the files available for that matter stored in the SharePoint Team Site connected to the same Group. The user experience that connects Outlook to SharePoint is seamless. You do not have to jump to SharePoint to see all your files, as they are right there in the project. You can also connect to all the other aspects of Office 365, which were not previously available as a solution.

So working in a Group is basically just like working in a matter, but on steroids.
You could say that!

Does this spell the end for traditional document management systems?
The short answer could be perhaps yes. All of the goodness that existed with SharePoint now gets connected to a group, as a group is created with a team site. So whatever you did, whether it was records management, eDiscovery, compliance, tagging or labelling - that gets carried forwards.

Would you allow third party software to make use of the Groups functionality?
Yes. Office 365 provides an ecosystem and a platform. We have a whole set of APIs for developers. They can talk and they can create their own group.

The user experience that connects Outlook to SharePoint is seamless

Will Groups eventually replace SharePoint or will SharePoint always be a part of this offering?
SharePoint is a part of the offering. Office 365 should be seen as a service; it is a single identity and membership service. All of our workloads, whether Outlook, Teams, SharePoint or Yammer, are leveraging the service to create a Group. And the group can be consumed in different experiences.

Let's say I start a group and I create it from Outlook. That same group appears in SharePoint, so when I go to SharePoint I am using the team site of that group. So for all of the team sites that are created from SharePoint we now create groups. This is released 100% worldwide. When you go to SharePoint now, you can create a team site and that creates an underlying group. It is more connected than separate.

There must be about 1,000 lawyers working at Microsoft. Are they already working with Groups?
We have a lot of use cases that are happening with Groups within Microsoft. A lot of project-centric work is going into Groups now. People are moving from ▶
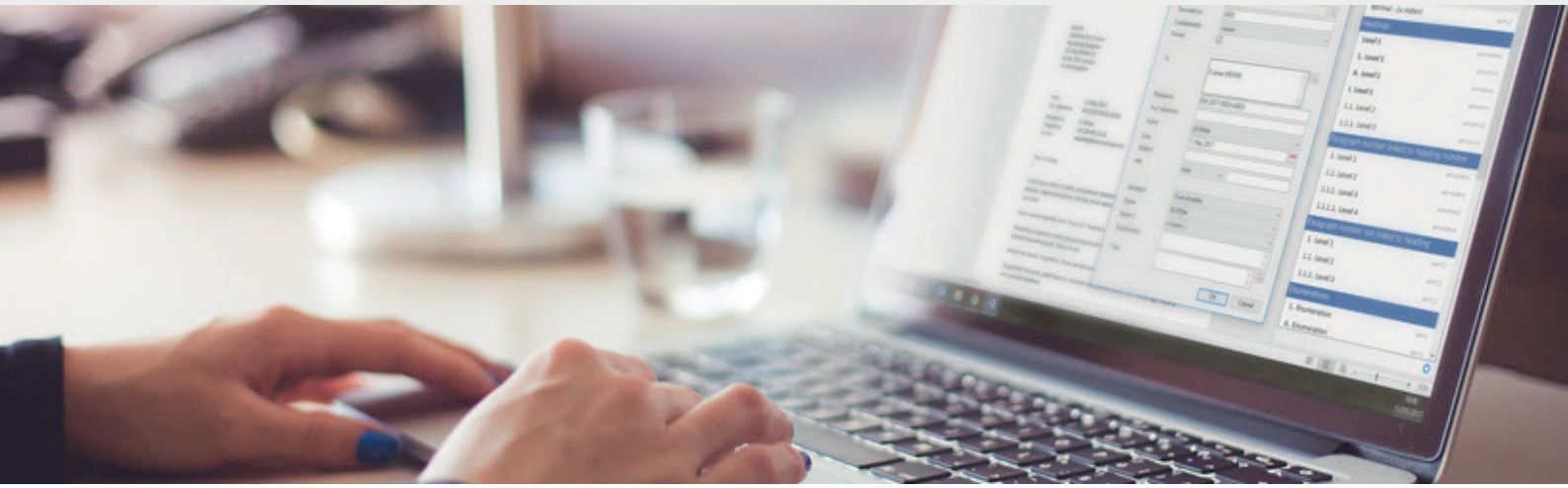
"Legal tech is hot"- is it?

Recently, a successful serial entrepreneur and investor said to me; "legal tech is hot". I couldn't agree more. There is a visible stream of investments, and a lot of interest in the development of technology in the legal industry. Big law firms are investing heavily in IT, and also invest and even acquire start ups with innovative ideas. An interesting trend for software developers and creative minds with disruptive ideas.

When that acquaintance told me; "legal tech is hot", he was undoubtedly referring to the buzz around technology. IBM's Watson and its application for legal 'Ross' is quickly mentioned. IBM will tell us that algorithms will take over tasks from the lawyer and even replace them soon. This remains to be seen since it hardly has any effect on current daily business of lawyers.

Legal Tech and Office 2010 – how lawyers catch up

Law firms have long been behind when it comes to improving their IT. It's one of the rare industries where a lot of paper is still being used. There are too many, especially small, law firms who still use Office 2010 as a their productivity platform. They have a daily struggle with Office, their DMS, and time & billing program. These firms will not be using any kind of disruptive technology like AI in the near future. However, their fear is how long they can still compete with law firms that have their IT in order.

Day to day business: The 5 IT pillars of a modern law firms

We can distinguish a couple major components in a law firm's IT, used on a daily basis:

1. Document Creation
2. Document Assembly
3. Contact Management (CM)
4. Matter Management (DMS)
5. Practice Management (General Ledger)

Lawyers are knowledge workers. They have certain processes in business where they add value by adding knowledge, often in the form of content. Inelegantly put (from an IT perspective!) we see most lawyer as a "content factory", continuously crunching out documents. And in this process of creating documents and e-mails a lot of efficiency is to be gained.
A case strongly supported by Casey Flaherty's Legal Tech Assessment.

How much AI is needed today?

Although there is much talk about the impact of disruptive technology like artificial intelligence, by far most lawyers are still working on improving their old methods. A small office with three lawyers and four supporting staff members can easily spend a total of €30.000 a year in software and hosting. Quite a lot of money and leaves little room for other investments. However, there is good news.

First steps - standardization

One of the pillars mentioned before is document creation and document assembly. This is where many knowledge workers spend their time and where much efficiency (up to 30% in time) can be gained. Microsoft's Office 365 has proven to be a very worthy productivity platform and with a few additions it proves an excellent tool for your firm. In our next article we'll dive deeper how you and your firm benefits from Document Creation and Document Assembly in the Office 365 environment.

Documentaal is a Dutch company specializing in getting the job done in Office 365. Reinoud Wouters is partner, and discusses with Rob Duijndam and Barry van Varik the promises of Legal Tech.

using traditional tools like distribution lists because Groups provides all of the capabilities of a distribution list but with the additional benefits of connecting to a team site and SharePoint. If a new member comes in, it is really easy for them to get up to speed with what the team has been working on. That was not possible in the past with distribution lists. Our lawyers, sales people and engineers have all seen the value of Groups and how it is helping them to collaborate better with their teams.

Are there law firms working with Groups as well?
We have a few pilots going on with some law firms, both in the US and in Europe. In some cases, we are seeing Groups being enabled by default as a service in Office 365 so that law firms can try it out and see what benefits they can get. We are not saying 'stop using what you are using,' we are just encouraging people to try Groups. It is then easy to move to it. In other cases, we are working very closely with firms to help them understand the use cases and then creating groups with them.

There are also companies that specialize in online collaboration platforms. Is this a threat to them?
Our strategy is to look at the gaps that Office 365 Groups has with some of these more tailored solutions and to bridge some of those gaps over time. We think that over the past three years, we have done a lot. One of the big gaps used to be the ability to search across multiple matters. We have now released something called cross-group search, so you can easily do that. Another gap that existed was a full document store and site. But now with the release of SharePoint Team Sites - fully functional team sites that are connected to Groups - you get all the goodness of all the enterprise solutions that were already there.

Do you expect external parties to be able to send e-mails straight into the Group mailbox? Legal professionals are not used to that.
I think the group mailbox can be configured to prevent external senders from sending mail to it. The creator of the group, or IT admin, has full control

of those settings. This existed with distribution lists as well in the past.

How would you advise a law firm to implement Groups where the senior lawyers at the firm are used to paper and e-mail and the younger lawyers have online experience in chat sessions?
The reality of today's workspace is that we have a multigenerational workforce. We have users who are used to using traditional tools and a new generation that is bringing in its own tools. Groups is absolutely something that can scale across this workforce. If you are very used to the familiarity of e-mails, sending an e-mail, attaching the document and so on, great. You can do that. But now you also have a group sitting right within Outlook, next to your inbox.

You also have something like teams for high velocity engagement. If a set of lawyers are working on a case and they have to crack a deal, for example, Teams is a great experience because it lets you do your work without having to be in the same place.

Five **essential** information governance tenets that can mitigate **costly risks**

BY ANN GORR

The WannaCry ransomware attack has led to a renewed focus on cybersecurity. Consultant Ann Gorr says that by incorporating five basic tenets into their information governance strategy and design approach, law firms and corporate legal departments can take a more preventative stance and work towards minimizing risks.

Recent high alert bulletins about preventative measures regarding avoiding or recovering from the WannaCry ransomware cyber attack highlight the continuing fall-downs existing within the information governance (IG) strategies (or the lack thereof) employed within many law firms and corporate legal departments (CLDs). In the current legal landscape, there are ongoing efforts to scale back and incorporate 'bare bones' budgets, which often trickle down to cutting corners on some IG project initiatives.

Instead of developing overarching and cohesive IG plans, sometimes the focus highlights the dollars or short-term gains instead of protecting the keys to the castle. That short-sighted

vision ultimately comes back to haunt people. In 2016, Ponemon Institute said the average cost of a cyber breach to an organization was approximately $4m. Any responsible law firm or legal department needs to invest in an enterprise-wide IG strategy to identify and mitigate risk before their name ends up appearing 'above the fold' in a major news publication.

Law firms and CLDs in the small to mid-size business (SMB) space often struggle with technology adoption due to constraints with budgets, IT personnel and the limited availability of technology tools. Negotiation is key when educating partners, general counsels or enterprise committees who may not fully grasp the need to upgrade to more sophisticated technology platforms with a focus on legal technology tools.

Yet as the headlines prove, this scenario isn't restricted only to SMB law firms and corporate legal departments. No one within an organization intentionally sets out to place their team in a risk situation. The fallout usually occurs because the risk factors weren't clearly defined to all parties involved as to what the ultimate outcome could be if all risk components dovetailed to create that 'perfect storm' moment.

Security/cybersecurity - while critically important - is really only one spoke on that IG strategy wheel (regardless of which IG authority you are following as a roadmap). Risk awareness should always be a primary consideration in all IG planning exercises. You can't be singularly focused on only one spoke of the wheel and ignore other aspects of the IG strategy process. While it is difficult to be 100% prepared for the 'perfect storm' scenario, by incorporating five basic tenets in your IG strategy and design approach, you can take a more preventative stance and work towards minimizing risk for your firm or CLD.

Conduct thorough business requirements assessments
Performing a thorough business requirements assessment for every IG project is critical. You need to gather key data about project goals; capture current workflow processes used to accomplish those projects; identify cross-departmental interaction; itemize

A responsible firm should invest in an enterprise-wide information governance strategy to identify and mitigate risk before their name appears 'above the fold' in a major news publication

application software utilization; notate all data storage and access points; and determine if external access points/boundaries are required.

If you don't truly understand the daily processes (and/or the frustration associated with those processes), then you'll never be able to design an IG policy that will garner firm-wide adoption. If you don't give users the appropriate technology tools and the correct processes to follow, don't be shocked when they make up their own way of accomplishing their goals. They just need to get their jobs done!

Try asking team members how they would improve the handling of their daily tasks if they were given a magic wand to make it happen. You'll be surprised by the answers!

Align your organization with leading edge technology partners
It seems like we're always drinking from the firehose rather than the water fountain in trying to stay on top of technology. With so many different technology facets, it's almost a requirement to align yourself with a proven technology partner who has expertise in supporting the law firm/CLD and can supplement your IT team's knowledge/subject matter expertise. A legal technology partner will ensure that you've been made aware of the latest cyber threats or that you've been appropriately addressing regulatory requirements.

The partner will also be able to serve as a CIO (chief information officer) and guide you towards more sophisticated tools to streamline your legal technology processes. Many law firms/CLDs subscribe to managed services models that remove the software updates/patching processes and routine network maintenance from the role of internal staff to ensure that the organization is always on top of its game. ▶

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Incorporate ongoing technology initiatives into your yearly budgeting processes

After a massive technology overhaul takes place within a law firm or CLD, sometimes a theory surfaces that the technology project was a 'one and done' event. While everyone recognizes the need for budget awareness, ignoring the ongoing requirements for technology updates, refreshes and process improvements is what places organizations into risk situations. It would be far easier to spend the monies on preventative measures using up-to-date technology tools than to scramble on the back end of risk and reputational repair resulting from cyber attacks or data breaches. Keeping up with technology advances is a necessary cost of doing business.

Develop a cultural change mindset

The IG process (specifically that individual component of information security) can no longer be thought of as simply a 'back room' IT function! Every person within the law firm or CLD is using technology to accomplish daily tasks and achieve goals for the team. This means that every person within the organization holds some level of responsibility

for the success of that IG process. From the executive level to support staff—everyone needs to understand the impact that their actions have on the overarching IG strategy adopted throughout the organization.

IG does not equate to the IT team but to the entire team! When you conduct thorough business requirement assessments, then everyone who plays a role in the IG process contributes on some level to the design of an IG strategy. When people feel as if their input has been valued in the decision-making and design process, they'll more readily adopt an 'ownership' approach in supporting the corporate culture technology mindset.

Adopt a continued change management and training environment

We participate in complex exercises and processes of designing and deploying new application software, unique workflow processes and state-of-the-art technology within our organizations. We then give our people a little bit of training and floor support and throw them out into the brave new world to become productive corporate citizens. Or

we give them videos to watch and quick reference guides, hoping that they can intuit everything on their own because 'they're pretty smart folks that we've hired'. Unfortunately, that's usually a sure-fire recipe for failure.

A successful change management communications process clearly defines what is coming down the pike from a technology perspective and how it will impact the daily routines of everyone within the firm/CLD along with timetables regarding deployment. This process reduces the fear factor inherent in a looming technology project. Adding clearly defined and organizationally aligned training programs supporting the policies/procedures to be incorporated throughout the firm/CLD also eliminates the rogue behavior that occurs when people arbitrarily decide for themselves what the corporate policies might be. If you don't provide clearly defined technology policies, people will create pathways of their own.

Mandate attendance for firm-wide training programs—particularly when it comes to security based training. Allowing exemptions—particularly for security related training—is the same as opening a door into your network. Inevitably, it is going to be the uneducated user who makes the critical mistake when it comes to the cybersecurity/breach scenario.

While many law firms/CLDs have been busy reacting to the recent cybersecurity headlines, those who have been diligently working on developing their multi-pronged IG strategy should have survived this latest technology debacle without losing too much sleep. If you don't have an IG strategy in place and you've been spared in this recent round of cybersecurity crisis management, consider yourself forewarned and very fortunate. Get moving on developing that action plan item sooner rather than later!

Ann Gorr is a legal technology consultant, information governance strategist, subject matter expert and avid technology evangelist. She is recognized for the development and execution of innovative legal IT strategies for her small-to-midsized law firm and corporate legal clients in the information governance/enterprise content management and compliance arenas.

'**Progress is impossible** without change, and those who **cannot change their minds** cannot change anything'

We asked those who are right in the thick of change in the legal industry for their views on this famous comment made by Irish playwright and critic George Bernard Shaw.

THE VERDICT

Jonathan Maas
Managing Director / Maas Consulting Group

A couple of years back I read an interesting article in Law Practice Today that stated (and I quote) that law schools have taught students largely the same knowledge and skillset for decades, despite dramatic changes to the modern legal marketplace. Lawyers are trained to be backwards-looking, focused on precedent and the way things were done in the past.

To expand on this, law firms have also traditionally not been businesses: up until about 20 years ago (in the UK), they were an elite, aristocratic band of unquestionably upright, unimpeachable and loyal citizens. That was reflected in the lack of transparency about how they operated. That thought still flows through the profession today, reflected now in the broad lack of understanding of the need for cyber security.

Today's world involves technology: not to embrace it is to be a dinosaur, and we know what happened to them. People will gravitate towards those businesses that can deliver a cheap, first-class service with a personal edge. Years ago I bought a vacuum cleaner online, picking and buying it using an automated system; I was then rung up by a person asking me where and when I wanted it delivered. I had the best of both worlds. This was in the 1990s, but the efficiency and personalisation of the experience has stayed with me ever since.

There will be those who seek the comfort of the thatched cottage of old-style business (my mother-in-law's country solicitor proudly proclaimed, via a sign on his desk, that he never communicated with his clients by email) but these people have no future. They will all die out together (albeit quite comfortably).

The legal profession is at a crossroads: there are those firms, big or small, that understand the need to embrace technology, and they are moving at a lightning pace as they try to win the race (what race?). Then there are those who short-sightedly ask why they should be investing in technology in the middle of a recession. The inevitable will happen to the latter group as they shrivel into extinction (unless a quirk of specialisation saves them).

Unfortunately, those law firms that invest in technology also fall into two camps. There are those who do it because they have identified a suitable place in their business for it to add value; and those who do it simply for the sake of it, for a few column inches in the legal press that make it look briefly as if they are in the vanguard. The latter, too, will die out. Darwin has never been more visible in the legal profession than today! ◢

Neil Araujo
Chief Executive / iManage

Peter Wallqvist
CSO and Co-Founder / RAVN

Every industry has experienced change in the past few decades due to advances in technology. While some industries have changed dramatically or even disappeared, others, such as the legal industry, have changed less. But with the recent evolution of machine-learned cognitive capabilities of software systems, change has now arrived in the legal industry. Of course, not everything will change at once, but some areas of practicing law will invariably look very different in just a few years.

The law industry is going through changes similar to what engineers experienced with the introduction of computers a half century ago. Junior engineers would start their careers as a draftsman or 'calculator'—spending most of their time using slide rules to calculate differential equations as part of larger engineering projects. With the advent of computers, that task was no longer required and people were speculating that choosing a career as an engineer would lead to a professional dead end.

We now know with hindsight that engineers should not have been worried. The change they experienced resulted in them learning how to use (and enhance) computers and resulted in them becoming more efficient, accurate and productive. They essentially started using a tool rather than being a tool. And today there are more engineers on the planet than there ever have been before, with employers always looking to hire more.

Therefore, forward-thinking law firms and legal departments are looking at opportunities to use recent technology changes to deliver better client outcomes or deal with new challenges. However, in doing so they need to start not with the technology but by putting the client front and center. They need to ask the following questions:

- How will this technological change enable us to serve our clients better?
- How can we use it to create new value?
- How can we use it to instil greater confidence in our clients and enhance security?

Not understanding how a technological change will be perceived by the client often results in disruption without progress or economic benefit.

It is an exciting time to work with legal industry leaders who are embracing change. The technological advancements of the 'cognitive revolution' will ultimately deliver clients the efficiency, productivity and value they are increasingly demanding of their law firms and in-house counsel. We are proud to be in the forefront in providing lawyers access to this capability in the easiest way possible, allowing them to focus more on strategic legal and moral client issues and less on routine tasks. ◢

Joshua Fireman
President **/** Fireman & Company

Traditionally, change inside law firms has been driven by discrete management verticals: Knowledge Management, Finance, HR, Marketing and so on. The result has been an artificial cap on the benefits of changes championed by these departments. Progress, in other words, was limited.

Today our sense is that, whatever the metric, the pace of change has accelerated. At minimum, we see a growing number of partners and senior staff management considering change, across types and sizes of firms. So—what is different today? Firms need to find ways to prosper in flat times, focusing on change that allows them to sell more, reduce cost and improve service. This requires a coordinated and integrated effort from all of a firm's stakeholders: management, the lawyers and—for the bold—the clients themselves.

The 'what's in it for me' question that was the most frequent barrier to change ('Your search engine is the cost of improving my swimming pool!') has been answered by structural changes to the legal market. Demand for legal services is growing, but demand for law firms is generally flat as clients supply themselves or use alternative service providers. As this new normal sinks in, there is a growing willingness to consider change.

In parallel, the 'real world' is being roiled by change. We hear daily talk of AI taking over jobs and whole industries; the fast

rise of smartphones has simplified mundane tasks and opened new opportunities across the economy; tech firms are no longer constrained by the concept of 'technology' as a vertical, disrupting fields from grocery to automotive… the list goes on. It's hard to live in 2017 and not feel like things are shifting at a breakneck pace.

In legal, the fastest embrace of change has been the interest in AI-related technologies—through fear as much as through opportunity. In many firms it is the lawyers themselves who are pushing their firms to improve quality and productivity through the application of machine learning, data analytics and other tools. Although firms are dipping their toes in the less risky pool of AI-as-practice technology, we have no doubt that a handful of firms will lead the market in embracing AI as a disruptor, which will have a significant impact on the overall legal business model and client service opportunities.

As Yogi Berra said: 'The future ain't what it used to be'! ◢