

AMERICAN LEGAL TECHNOLOGY INSIDER

Q3 and Q4 – all killer and no filler ?

Although the sentiment expressed in June, when the annual ILTA/Envision annual purchasing survey was conducted, was that 'IT belts were being tightened' but 'a budget freeze was not apparent' – the subsequent deterioration in global financial markets now makes those remarks seem unduly optimistic. Legal IT vendors the Insider has spoken to say they fear Q3 and Q4 will be some of the bleakest on record – one vendor said orders "had fallen off a cliff" – as firms start to cut budgets and either defer or put IT plans on hold.

Three factors are cited for this change of heart: continuing uncertainties about the economy; worries about securing credit to fund new IT projects; and, a reluctance to be seen spending money on technology projects at a time when they may be having to lay off staff. Some vendors also admit they may have misread trends earlier this year, in that the orders coming in then were for projects that had already been approved and budgeted for in the previous financial year.

Aderant take another Elite site

Silicon Valley-based Fenwick & West LLP has selected Aderant Expert as its new financial and practice management platform. Commenting on the decision to go with Aderant, the firm's CFO Scott Pine said "Aderant's suite not only exceeds the functional capabilities of our legacy system but also follows a clear technology strategy that leverages industry-standard tools from Microsoft instead of relying on an unproven and proprietary technology-set. Aderant laid out a clear path to the future for our firm that did not involve costly – and risky – re-implementations."

• Insider sources say the unnamed legacy system is Elite Enterprise. The Fenwick & West deal follows last month's win at King & Spalding, when Aderant moved in to replace an scuttled Elite 3E implementation.

October's big deals

Krugliak Wilkins go from analog to digital

Ohio-based Krugliak Wilkins Griffiths & Dougherty is switching from analog tape to a digital dictation workflow system from Winscribe. The system is being supplied and implemented by local Winscribe partner Roach-Reid Office Systems.

Two more sign up with Microsystems

Two more law firms – Stradling Yocca Carlson & Rauth in Newport Beach and LeVarron Law PC in Houston – have purchased Microsystems' 'first draft to final delivery' software for their document authoring requirements.

Compuware rolled out to 550 attorneys

Compuware has just announced that it has rolled out its Vantage IT services management system at Ballard Spahr Andrews & Ingersol LLP, to help maintain open communications channels with nearly 550 mobile lawyers. CTO Kim Wismer said the firm realised, when it migrated to a new server platform and performance problems began to arise, that it needed to move from a reactive to a proactive approach to IT service management.

www.compuware.com

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Exari open in Boston

Document assembly and contract lifecycle management systems developers Exari Group Inc – the company was one of the pioneers of XML technology – has opened a US headquarters office (617-938-3777) in Boston to support its North American activities. The move follows US-based Beacon Equity Partners making a \$10 million investment in Exari earlier this year. Beacon's chairman Ed Mullen has become chairman of Exari and company founder Jamie Wodetzki has relocated from Australia to Boston.

- Exari US law firm sites include DLA Piper, Mayer Brown and Perkins Coie.

www.exari.com

Corporate news in brief

eMag partners with AccountMaven

eMag Solutions has joined AccountMaven's business networking portal, which aims to support channel partners through an integrated Web 2.0 community.

www.accountmaven.com

Increased capacity at InterLegis

InterLegis reports that as a result of recent infrastructure investments, it can now offer a substantial increase in on-site e-discovery production capacity to almost double its previous capacity. InterLegis has also increased its full-time staff by more than 30% in the past six months.

PwC in e-discovery alliance with Stratify

PricewaterhouseCoopers and Iron Mountain subsidiary Stratify Inc have announced a joint business relationship that will enable PwC to offer Stratify's SaaS-based e-discovery service to PwC Advisory's own clients in support of forensic investigations, regulatory matters and litigation.

Cowen Group open legal tech division

The Cowen Group, a New York-based recruiting and staffing firm specializing in litigation support and e-discovery, has expanded its services to include the placement of legal technology positions, including CIOs, IT directors, system engineers, software developers and analysts.

Nuance buys Philips speech tech business

Nuance, the voice technology company probably best known for its Dragon speech recognition software and Dictaphone operations, last week acquired the Philips Speech Recognition Systems (PSRS) business from Royal Philips Electronics in Europe for \$96.1 million. Although the PSRS SpeechMagic product does have some legal market usage, the deal's main focus is on expanding Nuance's penetration into the European healthcare systems market.

- For the record, PSRS should not be confused with another part of the Royal Philips group – Philips Speech Processing, best known for its digital dictation recorders and systems – which continues to operate within the American legal IT sector.

Digital dictation news

Hinshaw & Culbertson to expand DDS

Chicago-based Hinshaw & Culbertson LLP is to expand its use of Winscribe's digital dictation system and will be rolling it out to 475 attorneys plus staff across its entire network of 25 offices by year end.

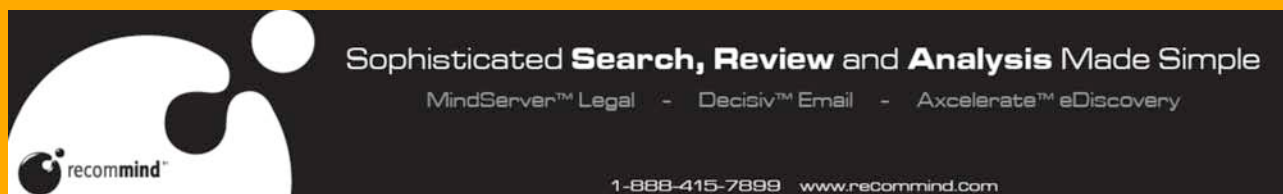
Bighand wins mobile product of year award

In the recent CNET UK business technology awards, Bighand won the 'mobile product or service of the year' category with its Bighand Mobile Blackberry edition system.

Philips upgrade SpeechExec Enterprise

Philips Speech Processing has released SpeechExec Enterprise 2.5. The upgrade strengthens SpeechExec's positioning as a one-stop enterprise-wide dictation and transcription management platform.

www.philips.com/dictation



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FindLaw pioneer case summary RSS feeds

FindLaw, part of the Thomson Reuters group, this week launched what it believes is a legal market-first case summary service that delivers up-to-the-minute court opinions in a standardized RSS feed format. The new RSS service, which is based around FeedBurner SmartFeed technology, provides access to decisions in 23 US jurisdictions, including the US Supreme Court and all federal Courts of Appeals, with case summaries categorized into 16 popular practice areas, including bankruptcy, class actions, tax, labor & employment and intellectual property cases.

www.findlaw.com/RSS-index

Recommind get 'visionary' status

In its latest *Magic Quadrant for Information Access Technology* report, IT analysts Gartner has positioned Recommind in its 'visionaries' quadrant for its ability to deliver 'information risk management' solutions through its MindServer enterprise search, Decisiv email management and Accelerate e-discovery solutions.

- Plus see *Orange Rag* blog report on \$7.5 million funding.

New wins

Kilpatrick Stockton LLP select Research Monitor

Following last month's Blank Rome announcement, Kilpatrick Stockton has become the latest US firm to select Priority Solutions' Research Monitor 3 system as its electronic resource management platform.

Broad & Cassel pick Silver Peak

Broad & Cassel in Florida has selected Silver Peak's WAN acceleration technology to improve application performance across the firm's Citrix and VoiP infrastructure.

NYC Legal Aid go with Mimosa

The New York City Legal Aid Society has picked the Mimosa NearPoint unified content archiving system for email retention, e-discovery and multi-threaded litigation holds.

New product launches

Mitratech release Legal Suite 3.0

Mitratech has released version 3.0 of its TeamConnect LegalSuite e-billing, matter management and spend management system for corporate legal departments. Version 3.0 features a new user interface that Mitratech say reduces end user learning curves, thereby cutting training costs, reduces usage errors and help desk calls, and increases productivity through workflows and minimizing key strokes.

www.mitratech.com

DocuLex offers SharePortal

DocuLex has released Archive Studio WebSearch 4.1. New features of the content management software include SharePortal, which allows users to securely share content and collaborate with third parties without separate user logins. SharePortal can also handle the sharing of large or zipped files with third parties, without the hassles associated with firewalls and FTP however this is balanced by an automated expirations facility to automate the termination of temporary access rights to files and folders.

www.doculex.com

Best authority e-learning available

The latest e-learning module from Levit & James – *Best Authority Premium 101* – is available now and demonstrates the basic features for building tables of authorities.

www.levitjames.com

Easy Soft announce automated 1099 filing

Easy Soft has launched a new Easy HUD product, for users of its real estate closing software, that electronically files a complete 1099-S in compliance with IRS rules.

www.easysoft-usa.com

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Thought Leader: Why are legal hold solutions necessary now ?

by Jack Halprin, Director, eDiscovery, Autonomy Corporation

Litigation is an unavoidable reality for corporations conducting business in the United States, and legal hold is a hot topic for legal and IT. The duty to preserve begins when one can reasonably anticipate litigation and triggers the legal hold. However there is confusion as to what constitutes a defensible legal hold process.

Meeting the legal hold and preservation obligation requires affirmative preservation of potentially relevant data. Although this obligation falls on corporate counsel, IT plays an essential role in locating, collecting and preserving relevant data. Failure to meet the obligation is a real risk, and penalties can include sanctions, evidentiary inferences, and damage to reputation and finances. Further, the larger the organization, the greater the risk: the process may need to be applied across hundreds or thousands of laptops and servers, presenting a scalability challenge and a cost for failure that could reach hundreds of millions of dollars.

A defensible legal hold process requires preservation in addition to notification, acknowledgment, and interviews. Because of this, it's important that IT and legal work together when choosing a solution to ensure that the technology will meet the needs of both groups. Mitigating the risk of the legal hold process is essential to any solution. While many software vendors claim to offer a comprehensive 'legal hold' solution, these solutions merely send notifications and track responses, and some offer custodian self-collection.

If your process is challenged, you must be prepared to show the steps and processes are in place to ensure preservation of relevant data. Notification alone is not enough, and email-based notifications create security risks because confidential notices and information can be forwarded to others by custodians. Additionally, custodian self-collection is risky, as asking individuals to perform holds and determine relevance of data has not been found defensible in some cases.

It is important for organizations to recognize that solutions which do not offer integrated, automated, preservation functionality are point solutions that do not meet the preservation obligation and fail to mitigate the spoliation risk. Case law has made it clear that doing nothing more than notifying a custodian of a legal hold does not meet

➡ the obligation. Courts have been quick to ask what was done beyond the notice to ensure preservation, and processes that fail to take actions to preserve beyond the notice have been called "utterly inadequate" and resulted in sanctions. Courts are quick to sanction and admonish preservation failures and custodian self-collection processes.

Technology is a key player in the preservation process, even though it is counsel's duty. Solutions that merely notify custodians of a hold and offer custodian self-collection functionality are point solutions that do little to mitigate risk, much in the same way that an email archiving alone is a point solution when used for e-discovery. Point solutions on their own cannot meet the requirements of legal hold.

The industry trend is towards a true end-to-end e-discovery solution, with seamless connectivity from information management through preservation and production.

- **Technical note...** Autonomy say they offer the only comprehensive legal hold solution to answer the challenges of the duty to preserve and FRCP compliance. This comprises an automated, enterprise-wide approach to managing holds, identifying and notifying custodians, identifying data sources and relevant ESI, and preserving and collecting in a forensically sound manner.

Autonomy's Aungate Legal Hold also offers an industry first, hold-in-place approach for ESI on laptops and desktops, using policy software to continually read, understand, and apply holds to relevant data, even when the machine is offline. It also solves the security and confidentiality issue with email based notices, using secure, form based notifications. Aungate Legal Hold is based on Autonomy's award winning IDOL platform, offering seamless transfer of data throughout the litigation lifecycle.

www.autonomy.com + www.zantaz.com

E-discovery & litigation support

CPA in e-discovery partnership with Applied Discovery

CPA, a provider of outsourced legal support services, has entered into a strategic partnership with LexisNexis subsidiary Applied Discovery. As part of the deal, CPA's customers around the world will be able to benefit from a total review and e-discovery solution with smooth coordination and integration between their software and service providers. CPA's legal services team has also been awarded Applied Discovery's certification status.

www.cpaglobal.com/legal_process_outsourcing/document_review
www.applieddiscovery.com

Michalowicz joins BNA advisory board

James Michalowicz, a director of LA-based ACT Litigation Services, has been invited on to the advisory board for BNA's *Digital Discovery & e-Evidence Report*.

AutoReview integration with InfoDox

IE Discovery has upgraded its InfoDox platform to provide enhanced integration with its AutoReview automated review tools. IE Discovery say the upgrade delivers direct visibility into collections and immediate feedback, thereby allowing the user to make fully informed decisions regarding scope, planning and budgets.

www.iediscovery.com

Free earlyCASE assessment now available

Lack of space meant we were unable to carry this story in last month's issue... earlyCASE has launched a free, web-based application that allows users to run an early case assessment of electronically stored information (ESI) and then analyze that data through 15 e-discovery reports. The program also extracts metadata from Microsoft Office documents and email, and will even analyze Microsoft Exchange PSTs. For more advanced facilities, users need to upgrade the professional version of the software.

www.earlycase.com

Fios and iConect ally over e-discovery review

Litigation support software specialist iConect Development and e-discovery services provider Fios Inc have announced a strategic alliance to enhance the e-discovery review process by adding iConect's hosted review and collaboration software nXT to the Fios data management center.

www.fiosinc.com

www.iconect.com

New hires

New sales director at Pensera

Richard Walters has joined Pensera as regional sales director. Based in New York, he will focus on the growing demand from law firms for Pensera's TimeKM system.

Sean McMechen joins DiscoverReady

Sean McMechen, whose track record includes IKON and Legal Information Technology, has joined DiscoverReady as a director of its client services group team.

Exari appoint new VP sales

Terence Lee has joined Exari as vice president of worldwide sales & business development. Based in Boston, Lee will be responsible for building an expanded sales team as well as business development with partners and alliances.

American Legal Technology Insider

American Legal Technology Insider (ALTi) is the legal IT industry newsletter for the US and Canadian large firms' market. Published monthly in digital (PDF) format, ALTi is available free of charge as a download from www.AmericanLegalTechnologyInsider.com or delivered directly to your email in-box. To subscribe email altisubs@legaltechnology.com For advertising and background information, including editorial submission guidelines, visit www.legaltechnology.com/alti.htm

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Office hours: 6:00am to 3:00pm EST

ISSN 1758-5023 © American Legal Technology Insider

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Koch Industries early adopter of pay-per-use

Koch Industries Inc, the largest private company in the United States, has become one of the first organizations to sign up for the EnCase eDiscovery system on a pay-per-use basis. Although this option was only launched by Guidance Software (the developers of EnCase) in mid-August, company president & CEO Victor Limongelli says the reaction from corporates and government agencies has shown how appealing this payment option is. Pay-per-use sites pay on a per case/per Gb basis, with no capital outlays nor up-front purchases required. In fact Guidance reckon the EnCase scheme is 'normally 75-90% less than traditional outsourced consulting per case/per Gb fees for search, collection and processing of electronically stored information (ESI)..

www.guidancesoftware.com

New product launches

PS/Ship launch inbound parcels receiver

PS/Ship, a division of Lynch Marks and a leading provider of shipping automation tools for law firms, has launched PS/Receiver. This add-on module for PS/Ship users offers the ability to fully track and have complete chain of custody for all inbound and intra-office shipment during their transit throughout a firm.

www.psship.com

CT Lien enhance mortgage processing

CT Lien Solutions (formerly UCC Direct) has announced an upgrade to its web-based Mortgage Document Processing System (MDPS) so it can now handle commercial and partial, as well as residential, releases.

www.ctlegalsolutions.com

Client Profiles introduce AutoRoute barcode module

Client Profiles has announced the availability of AutoRoute, a barcode cover sheet add-on module for its eRouter imaging and scanning system that integrates with the company's case management software.

www.clientprofiles.com

White papers & events

The true cost of e-billing

eBillingHub has published a new white paper *The True Cost of Electronic Billing* that looks at how one top 200 firm saved \$1.9 million by moving over to e-billing.

www.ebillinghub.com

Reducing risk with redaction

Informatove Graphics' Redact-IT business has published a new white paper entitled *Reducing the risk of inadvertent information disclosure with electronic redaction*.

www.redact-it.com/whitepapers

E-discovery webinar

Orange Legal Technologies is holding a live video feed webinar – called *Comparing Apples and Oranges* – on October 23 (12:00 noon to 1:00pm CST) featuring e-discovery consultant Tom O'Connor on the topic of understanding and contrasting electronic discovery costs.

<http://orangelt.us/estimator/WebinarRegistration.html>

DataCert globalization seminar

DataCert, is holding a free, half-day (8:00am to 12:30pm, breakfast included) seminar on November 17 on the globalization of legal operations management. The event, at the New York City Bar Association, will look at how corporate legal departments handle VAT recovery, security compliance and cross-border issues. For details email

jjohnson@datacert.com

Next issue...

The next issue of ALTi will be published on Wednesday November 5, 2008. The editorial deadline is November 3 – 6:00pm EST. In the meantime, keep up with latest news on our blog at www.theorangerag.com



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