



The InsideLegal Summit, an inaugural boardroom-style business briefing event produced by Envision Agency, attracted a highly regarded and experienced group of legal technologists, members of the legal technology media, and technology company executives. The event was hosted by Microsoft at its New York location and covered the business side of the legal technology industry – what it is like to market to and do business in this space - what works and what can we improve upon.

CREATIVE APPROACHES TO FAMILIAR CHALLENGES

Our goal for this first event was to unlock the creativity that is forever present within our industry. Specifically, we were looking to initiate a casual conversation among those that help shape our space - the companies, consultants, media and technologists that all have a stake in where legal technology is headed. Obviously, this conversation could have many flavors ...technology, legislation, trends, firm insights, etc. While we aimed to provide a comprehensive collection of topics, our first summit focused on an eclectic mix of largely unrelated topics, not biased toward any particular attendee or constituency. We approached this event as an executive board meeting of the legal technology industry – if the industry was a company, what issues would be discussed.

The initial summit focused on open discussions facilitated by JoAnna Forshee of Envision Agency based on conversation around four central topics. Here is a recap of the essential comments and “take-aways”.

LEGAL INDUSTRY "PAY TO SPEAK" TREND

Pay-to-speak but at what cost? This topic is definitely one getting a lot of attention, obviously from a vendor cash position standpoint, but also from a speaker, content provider, and attendee stance. In the past couple of years, we have seen many shows, particularly small conferences, open a new revenue stream by offering track “sponsorships” and allowing vendors to pay to be on the conference agenda. This raises some questions: Who should pay? How should it be disclosed that these sessions/tracks are sponsored? How do the shows let the attendees know that what is being presented has been paid for and could be promotional in nature as well as educational? Who controls the content if anyone with enough cash can buy their way onto the agenda?

On the flip side, can you blame the sponsor who has paid a lot for expecting something (a speaking slot) in return for a big check? Another issue that could come about in the future is the availability of CLE credits for these sessions. If the CLE accreditors knew that the sessions were purchased by vendors,

would they approve them for credit? If not, what does that mean for attendees who rely on these CLE credits as a major pull for them to attend these conferences?

The summit discussion talked about the various pay-to-speak scenarios and issues and the overall conclusion was that shows need to be upfront about the status of each session. Basically, if the track has been purchased by a vendor, it definitely needs to be noted as such. Also, this discussion provided one absurd example. We were quiet shocked when notable consultant Michael Arkfeld mentioned an event organizer had asked *him* to pay to deliver the keynote address for a particular conference. Say what? We are sure this is an off-base example, but it sure is troubling...

Food-for-thought: What if the vendor community collectively rallied around this topic and took an authoritative, but solution-focused approach to pay-to-play opportunities? Why not work with the event organizers on developing guidelines that pinpoint how speaking opportunities are to be conducted and what sort of content is permitted? The event's board or an oversight committee should be integral in monitoring this on a case-by-case basis. If nothing else, encouraging both show leadership and vendors to be forthright about what is being presenting would be refreshing. A solution that seems to be working at many shows is to offer "vendor workshops" where companies can purchase their way onto the agenda, but in a way that is transparent that it is sponsored. Then again, those sponsorships are sold for a fraction of the cost of sponsoring tracks...

INDUSTRY CONSOLIDATION

The legal industry is buzzing with merger and acquisition activity. Recently, we have heard about Iron Mountain's acquisition of Stratify, Inc., Lexis Nexis' continued M&A path with recent deals for Redwood Analytics and UK-based practice management company Axxia, and Dell Inc.'s plans to purchase e-mail continuity provider MessageOne, Inc.

With all this activity and no sight of a slowdown, the discussion focused on why these acquisitions are taking place and what effect they have on the industry. The acquisitions serve to either grow market share, acquire unique technology, expand a presence in an untapped or under serviced market (i.e., Lexis' acquisition of Axxia) or all of the above. How can this be done while fulfilling the "we are doing this in the best interest of our client base" promise? This is a tricky one since the success stories of successful company acquisitions and subsequent assimilations seem to be few and far between.

Many of the M&A scenarios discussed focused on companies in the same space, but what about organizations outside of the legal vertical looking to gain market entry by acquiring legal technology assets? To a certain degree, global professional services software giant SAP has tried this several times



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in the US, but with limited success. In the case of SAP, the issue seemed to be the limited market potential for their enterprise software versus the failed acquisition of an established player. The question of such M&As having success in the future depends greatly on the strategy behind the merger ... an attempt to buy into the market or the goal of transitioning a proven technology from a different vertical into a lucrative legal technology market. Both strategies include their challenges, but the latter has historically proven to be the bigger uphill battle.

What's going on with EDD market M&A? This is a fascinating area to look at since M&As here are accelerating as well (FTI Consulting acquiring Ringtail Solutions; Wolters Kluwer purchase of Summation; Lexis purchase of Concordance) with many more to come. With an enormous growth rate of vendors entering the space offering EDD/litigation support technology and services who knows when things will slow down.

Food-for-thought: What if there was more accountability for companies to fulfill their M&A client promises? How can law firm and corporate clients - the software and service end users - express their dissatisfaction with constant corporate merger moves when and if they are disappointed with the new changes/direction?

DOING (LEGAL TECHNOLOGY) BUSINESS IN THE US VS. UK

What are the major differences between the two and how are companies adapting in their efforts to do business overseas were some of the topics raised. One thing is clear, the UK market is a definite "mini-me" version of the States with the UK legal population (95,000 or so) just a bit larger than the state of Texas. London is the epicenter of the UK's legal community and allows US companies to reach a lot of influential decision makers in a very concentrated manner. However, with the advantage of location comes the disadvantage of only having one shot at making a respectable first impression. And, if you ask summit participants such as Karen Jones, a reputable London-based legal editor and publisher, many US shops don't do their research when making the move into the UK and underestimate the vast differences in business styles/cultures. Others learn the hard way, but have the smarts to make adjustments and get it right.

Food-for-thought: What if somebody got into the business of US and UK technology company matchmaking? Who should work with whom? Who can resell what to what market best? Who should you know when it comes to law firm technology leaders, industry consultants, etc.? Also, it would be a great idea to have classes in multi-cultural business ethics/culture. Wouldn't it be great for your sales staff to know where England is before you stake your claim to "own" the market?

EDITOR'S VIEWPOINT: VENDOR-AUTHORED ARTICLES

Some publications are no longer (or never have) allowing vendors to contribute articles focused on industry trends, subject matter expertise or technology direction. The question is should you deprive readers from useful content based on an author's company affiliation? As one recent ILTA media panelist mentioned, "We give our readers credit in assuming they can differentiate between quality content and advertorials." There are of course two sides to every issue, so several summit participants argued that the publication and its staff ultimately are able to dictate editorial guidelines. And, overall, the industry provides many outlets for content - print, online, blogs, whitepapers, case studies, editorials, etc. so vendors can find opportunities to contribute elsewhere.

Unfortunately, this trend has come about due to the misuse of these opportunities in the past – i.e., vendors providing submissions that are more sales than informational even when warned not to. It is a shame that our vendor community – the very people that are integral in the determining the direction of our industry – aren't able to contribute as experts in some of its publications, but it seems that this is definitely due to a case of a few bad apples ruining it for everyone.

Food-for-thought: What if contributions were evaluated solely based on content and substance instead of who submitted them? Again, it would go a long way for vendors to realize that when given an opportunity to provide editorial content (or speak for that matter), not to ruin those chances and turn in sales pieces. Besides, you will get a lot more out of an impartial educational piece than one that the readers can smell as an advertorial. If vendors can change that perception through quality submissions, this rule might change as well.

WHAT'S NEXT

We are very pleased with the participation and outcome of this first in what is bound to be a successful series of summits throughout the year – each with different topics and formats. We would like to thank all of our attendees for helping us with this experimental format and also thank Microsoft and Norm Thomas for hosting. If you are interested in attending, hosting or sponsoring a future InsideLegal Summit, please contact [JoAnna Forshee](#) with your contact information as well as any topic suggestions.

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INSIDELEGAL SUMMIT INFORMATION

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