

legal*i* insider

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▶ Herbert Smith Freehills rolls out Yammer

Herbert Smith Freehills has moved 500 users onto corporate social networking platform Yammer and will shortly roll it out globally after a pilot has shown the potential to change the way teams operate and collaborate.

The UK top 10 firm obtained its licence in May 2016 and started a pilot around August 2016, with chief information officer Haig Tyler commenting: "It's a platform that enables us to improve how we operate as a firm and really put people in touch with our global expertise."

Yammer, the enterprise collaboration and information sharing platform bought by Microsoft for \$1.2bn in 2012, allows users to create groups as they wish, with Herbert Smith Freehills' only requirement that the groups be left open.

Already within the IT department Yammer is reaping noticeable benefits and Tyler said: "Within IT, some really interesting conversations have sparked up within groups who may not have had conversations."

Often referred to as 'Facebook for business' (albeit Facebook has its own enterprise version, Workplace), Yammer is one of the tools law firms have long been looking at in the 'what's after email' debate, that has seen Microsoft Lync and Skype for Business make more headway.

More visual than other online business social networking sites, Tyler adds: "Some of the real power [of Yammer] is the visuals – if we're in a meeting there will generally be someone posting a photo on Yammer – it's a really powerful way of communicating and there are all sorts of things we're trying to do."

Much like Facebook, there is a 'Like' button in Yammer and Tyler says: "It's an amazingly powerful, positive addition. It's interesting within the culture of any law firm as to how the culture changes to accept it – it gives us a real opportunity to think about changing how we work."

Herbert Smith Freehills is looking this year to integrate Yammer, which is part of the Microsoft Office 365 suite, and Skype for Business within a single, global collaboration channel.

If it succeeds in transforming the way fee-earners collaborate it will be a rare breed among law firms. Daniel Pollick, chief information officer at DLA Piper said: "A lot of law firms have done lots of small scale collaboration projects – there's Yammer, or our version of Twitter, called Grapevine, or multiple others. But, so far, I'm not aware of any law firm having implemented Yammer on a large scale so it becomes part of people's lives. I wish them luck and applaud their efforts, because I believe the future long term is not email but working more collaboratively."

▶ Drafting habits of lawyers: "Cybercriminals do not stand still"

Market research by LexisNexis and Legal IT Insider into the drafting habits of lawyers has revealed that lawyers still rely heavily on email for sharing confidential documents and that there is very little firm-wide uniformity in the way client documents and precedents are handled, despite the huge risks that data leaks present to law firms.

The research, which involved in-depth interviews with around 100 lawyers or purchasers of software as well as a survey of just under 100 more, revealed that, while the majority of UK and global top 100 law firms have deal rooms and client portals, the vast majority of partners still send their documents to clients for review by email.

DRAFTING HABITS OF LAWYERS CONTINUES ON P.3



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► iManage Work 10: The man from DLA Piper say yes

Having danced with the market since its management buyout in 2015, iManage has at last announced the formal release of iManage Work 10 and enhanced iManage Cloud services, in what DLA Piper's chief information officer Daniel Pollick tells Legal IT Insider is undoubtedly the most significant update to its document and email management application in over 10 years.

iManage Work 10 is the culmination of one of, if not the biggest alpha projects to date in the sector – one that CMO Dan Carmel tells us began over three years ago, before the iManage leadership team bought their way out of HP.

Under the project name White Rabbit, the iManage team has interviewed and watched hundreds of professionals using its software, in order to reimagine the user experience.

Key changes include a single, unified user experience across mobile phone, tablet and browsers. Full integrations with tools such as Outlook, Office 365, Gmail, SharePoint, Lotus Notes, Adobe and over 40 partner products including practice management, document comparison and metadata scrubbing are in place.

The new product also has a heavy analytics focus, leveraging AI, machine learning and big data analysis to provide smart worklists and previews, as well as a personalised search function, which understands context, people and dates and puts frequently searched items higher in the user's work universe.

iManage Cloud services have been enhanced with technologies such as containerisation and advanced data storage (SWIFT), which are relied on by companies such as Amazon and Google and which ensure elasticity.

Speaking to Legal IT Insider about Work 10, DLA Piper's chief information officer Daniel Pollick said: "There is no doubt that Work 10 is the best thing to come out of iManage for 10-15 years. The fundamental thing is that iManage has been through a decade of management distraction through various mergers and its acquisition by Autonomy and HP. I am massively impressed by what they have done and have no doubt that they have rediscovered their mojo. They have kept the original management team together and it feels pretty much as exciting as when they first started out – and I'm normally pretty negative about suppliers.

"I'm sure there will be some disappointment along the way and it won't always do what it did in the demo, but I have no doubt that it will be the next generation document management platform."

With regard to the new unified user experience Pollick added: "The DMS should feel like legal OneDrive: easy to use on any platform and not worried about which device users are accessing it from. The goal should also be to almost make the document management system disappear, so the user experience is so smooth you're not

aware that you're even using a DMS but getting all the version control, audit and matter centricity you need to manage documents. In Work 10, I am starting to see both things."

And as far as Work 10's out-of-the-box integrations Pollick observes: "Most lawyers still live in Outlook – although we are starting to see a post-email world. It is crucial to have this integration."

The personalised search function is an improvement, with Pollick commenting: "Search has been a pain in WorkSite and in Work 10 we see a definite improvement."

But analytics are not the primary reason why DLA Piper has selected Work 10 – due to be rolled out in 2018.

"There is no question that the reason we selected Work 10 is its ease of use; its user-friendliness. Yes, the analytics are important but we see that as the next stage. The most important thing for me is to see the energetic product road map and raw functionality moving forward," said Pollick.

The launch of Work 10 coincides with the formal release of new iManage Govern cybersecurity tools Threat Manager and Security Policy Manager, which will be available to iManage customers for a subscription fee.

Carmel said: "This is without doubt the biggest piece of news we've had in 15 years. We changed the way the industry worked before and we're doing it again, now in response to a different set of pressures really impacting IT."



► Drafting habits of lawyers: “Cybercriminals do not stand still”

DRAFTING HABITS OF LAWYERS CONTINUED FROM FRONT PAGE

A litigation partner at one UK top 20 law firm interviewed for the research, which spanned corporate, dispute resolution, banking and professional support lawyers, said: “We do have a couple of good extranet sites where clients can pull documents or view where the case is, the costs, and the time. They can get a snapshot of the case. Even so, emailing documents remains the main solution.”

A litigation associate at a UK top 40 firm added: “We share documents with clients the traditional way, by emailing documents for review, rather than using any software, portal or extranet.”

While there are email and document management solutions that guard against security breaches, it is notable

that in a 2016 federal indictment against three Chinese nationals who allegedly hacked into the servers of two elite New York law firms, the market sensitive information on which they then traded and made \$4.2m was in both cases obtained from partner emails after a spear phishing exercise.

The explanation for the lack of adoption of secure collaboration technology often comes down to the fact that lawyers are struggling to keep up with the pace of technological change as well as clients’ own preferences. One litigation partner at a top 60 law firm, who uses a mixture of email and the law firm’s extranet to share documents, said: “Sometimes having numerous different software, methods and programs, you can get a little bogged down in different horses for courses.”

However, of more concern is the fact that partners and associates are in many cases continuing to operate autonomously, following their own systems and practices of working, with seemingly little strong leadership from senior management within the firm.

DRAFTING HABITS OF LAWYERS CONTINUES ON P.4

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DRAFTING HABITS OF LAWYERS CONTINUED FROM P.4

This is clear when it comes to the use and storage of precedents. Here, UK top 100 and global law firms are evidently investing heavily in document automation and drafting tools, which by their nature will help to achieve more uniformity.

However, the research found that many transactional lawyers still revert to a recently-completed and un-redacted document of a similar nature, presenting the risk that changes made for one client will inadvertently be left in for another.

The practice also means that many firms hold on to client documents for longer than they are entitled or expected to by the client.

Crispin Passmore, executive director, policy at the Solicitors Regulation Authority, told Legal IT Insider: "Information security remains a priority risk for us. Cybercriminals are not just after money but are looking for sensitive information, so the legal sector is an obvious target.

"The onus is on law firms to assess their business models, identify any risks and take steps to protect themselves and their clients." However, he stressed: "It would not be appropriate or practical for us to provide detailed guidance, given the huge diversity of the more than 10,000 firms we regulate."

Passmore continued: "Cybercriminals do not stand still. The risks evolve rapidly, so firms need to be constantly vigilant, keep analysing the risks, and make sure their systems and processes are up to date. Yet as so much cybercrime relies on deception, it is about people as much as technology. We have been clear that compliance is a firm wide issue. Well trained staff are just as important as up to date antivirus systems."

► DataBarracks: 80% of 2016 recoveries involved cyberattacks

London-headquartered disaster recovery specialists DataBarracks says that 80% of its significant recoveries in 2016 involved helping clients including law firms to recover from cyberattacks.

Speaking to Legal IT Insider about the year ahead (see page 15), Peter Groucutt, DataBarracks managing director said: "Five years ago, all we did was help law firms deal with disasters arising from fire, flood, and human error, as well as things like hardware failure, but that has changed dramatically. Last year, over 80% of significant recoveries and events we helped clients with revolved around cyberattacks such as malware or a crypto virus, and so we normally have one or two big recoveries going on for clients that have been subject to an attack.

"In 2017, we're expecting that to get worse – it's certainly not going to get better. Mass crime is going on line – a lot more organised criminals are getting involved in cyberattacks. It's profitable globally, relatively easy to do, and hard to detect, so why not diversify your criminal activities with cybercrime? Cybercrime is becoming more sophisticated and targeted. Spear phishing is becoming a lot more prevalent and that is one key area where we're expecting to get worse."

Around 40% of DataBarracks clients are law firms. Of the attacks, the majority involved ransomware, which encrypts a user's files and demands money to unlock them. While ransomware can be introduced in a number of ways, in almost all major incidents handled by DataBarracks, email was the route cause.

Groucutt said: "Out of the cases we dealt with last year, pretty much all were to do with email. Email can be anything from a simple: 'Here is your Amazon delivery – you've won this!' to 'You've been caught on camera, here is the photographic evidence.' People think: 'That's not me!' and click on it and that's it. Then you get the ransom screen and the damage is already done."

Whereas cyberattacks on organisations would once often have taken a scattergun approach, they are becoming far more sophisticated and targeted. "We see almost exclusively email attacks and often through senior leaders," Groucutt says. "It is more efficient to send one email specifically targeting a senior partner saying: 'Dear John, I saw you speaking last month at a conference and I've taken the liberty of sending you this link.' And they think 'I did speak there, I'm going to click.' Because they are senior, they've got far-ranging access, so the amount of damage is far greater than if they were admin staff."

Law firms engaged in M&A, or deals involving market sensitive information are particularly at risk.

"As criminals become more mature and they find new ways of using a combination of spear phishing, whaling and social engineering, people will become more vulnerable," Groucutt said. "People will become better at spotting the fake emails, but that assumes the criminals will be standing still. In fact, they will become much more efficient and effective at hiding the malware and getting people to click on the links or fall for their scam."

The law firm culture means that lawyers receive many emails from unknown sources and expect to work quickly, making attacks harder to guard against. However, echoing the findings of our drafting habits research conducted in association with LexisNexis (see front page), Groucutt adds: "Often what techies struggle with in law firms is trying to persuade lawyers to adopt any kind of common practice."

However, law firms are also refusing to publicly acknowledge the problem with one leading legal tech supplier commenting: "If you ask most law firms privately whether they have been subject to an attack, they'll say yes. Ask if it was ransomware, they'll say yes. And in many cases, ask if they paid it, they'll say yes."

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► Movers & shakers

GLOBAL After six years at the helm, **Chris Giglio** has retired as CEO of **Aderant**, and been replaced by chief operating officer Deane Price, who becomes the first woman to head the company.

Reflecting the fact Aderant was acquired by **Roper Technologies** in October 2015, Price will take on the title of president – Giglio retained his pre-acquisition CEO title to avoid confusion. Price has been with Aderant since July 2011, when she joined the executive team as SVP and CFO from Ventyx. She was promoted to COO in April 2014 and has been involved in all nine of Aderant's acquisitions in the past five years. Roper was involved in the CEO selection and interviewed Price as part of an intensive selection process, with Price described by Giglio as "the clear winner."

Electronic signature tech market leader **DocuSign** has ended its long search for a new CEO with **Daniel Springer** taking the reins and former CEO **Keith Krach** moving to a chairman role.

With a reported valuation of more than \$3 billion, 14-year-old DocuSign is said to be scaling, with speculation that it's nearing its long-awaited IPO. Springer, who has experience of IPOs (he brought Responsys public in 2011 and later helped it get acquired by Oracle) says it will be business as usual at DocuSign and his first priority is to "do no harm."

Document automation software provider **HotDocs** has appointed **Steve Spratt** as chief operating officer, in a newly-appointed role designed to help boost HotDocs presence in North America after a year of significant international growth. Spratt moves to the new, global position from the role of SVP & general manager of HotDocs International, where he has been in the post since 2015 in charge of all regions bar North America. The COO role will see Spratt take worldwide responsibility for all commercial areas of the HotDocs Group, including central HR and operations.

UK & EMEA Less than six months after **RAVN Systems** hired former Tikit CEO **David Lumsden** as chief strategy officer, Lumsden has taken over the role of CEO from RAVN co-founder **Peter Wallqvist**.

Lumsden's appointment to CEO centres on his experience within the legal IT market, where between 2000 and 2013 he was CEO of Tikit, which floated on the London Stock Exchange in 2001 and was acquired by BT in 2013. Prior to joining Tikit, Lumsden spent seven years as CIO at the international law firm Ashurst LLP. His career with RAVN began as advisor to the board in 2014. Wallqvist, who co-founded RAVN alongside CTO Jan Van Hoecke, professional services director Simon Pecovnik, and chief operating officer Sjoerd Smeets, will take on the role of chief strategy officer.

DW Reporting, providers of legal BI software announced that **Richard Hill**, formerly of Thomson Reuters Elite, Tikit and Intapp has joined the firm in a newly-created role of regional account manager, EMEA as the company reaches a "tipping point" in its growth.

After a year with the Landscape Group, **Terry Coyne** is back in the IT solutions market, which he has specialised in for the past 30 years, latterly at Sword Group. In December,

Coyne joined **Stibo Systems** as senior business development executive covering UK, Benelux and Nordics.

Also rejoining the legal tech sector is **Barbara Ozimic**, who we last encountered heading up marketing for Aderant EMEA. Now she is back looking after marketing for **OnePlace Professional Services**, the highly rated new player on the law firm CRM scene.

Legal technology and consultancy firm **Anexsys**, part of the **Hobs Group** and until 2015 called Hobs Legal Docs, has acquired **K2 Legal Support**. The acquisition follows the appointment of new Hobs Group CEO **James Duckenfield**, who has signalled his intention to expand the group's geographical coverage. Duckenfield, who joined Hobs from Xerox in September 2016, last month succeeded former CEO **Kieran O'Brien**, who will continue his involvement with the company as a non-executive director.

Kevin Skinner has joined **Jalubro Consulting** as their new sales director. The former client services manager at Phoenix Business Systems has taken on the role with over 15 years' experience of selling legal software. Jalubro are transformation specialists with a particular focus on digital technology and cloud based business management solutions and productivity tools. They combine extensive enterprise software expertise working with their partners Intapp, K2, Blackline and Dynamics CRM. www.jalubrom.com

MOVERS & SHAKERS CONTINUES ON P.7



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MOVERS & SHAKERS CONTINUED FROM P.6

Quill Pinpoint has appointed **Tom Wormald** to the core senior leadership team in the position of client services director. In his new post, Tom's responsible for delivering a scalable and efficient platform to enable Quill to bolster growth of its outsourced cashiering services and legal accounts software.

Tikit continues to expand its sales function with the appointment of former BigHand employees, the latest being **Bijan Azar** as an account manager working with Tikit's mid-sized law firm offering Partner for Windows.

NORTH AMERICA **Dentons** partner **Jeffrey Bleich** has joined the **Nuix** board as interim CEO, after **Eddie Sheehy** resigned. Bleich is a former US ambassador to Australia and served as special counsel to President Obama in the first year of his administration. The Nuix board intends to engage an international search for a CEO with a global IPO skillset to lead Nuix through its next phase of growth and development. Until the board appoints a CEO, Nuix co-founder and chairman **Dr Tony Castagna** will assume many of the current CEO.

Epiq has appointed **Robert Hopen** as president of its settlement administration business. A 25-year veteran of the legal services industry, Hopen, previously served as senior vice president and general manager, international markets for Epiq. He will oversee the company's class action, mass tort and settlement administration business units.

DocsCorp has relocated its US headquarters to Pittsburgh with the opening of a new, larger office, ten years after establishing itself in North America, in Portland, Oregon. Leading the Pittsburgh team is DocsCorp Americas VP **Matt Stalder**.

Doxly has appointed **D. Wayne Poole** as chief operating officer. Poole is a well-known sales executive who previously served as executive VP of global sales strategy and operations at Salesforce and senior VP of global operations at ExactTarget.

TRU Staffing Partners has promoted **Annette Habib** to VP of recruitment. After several years as a paralegal and later a sales executive with Huron Consulting, Habib joined TRU Staffing Partners in 2013 as the national operations manager based in New York.

Woodsford Litigation Funding has announced a series of senior executive appointments. **Steven Friel** has been promoted to CEO from the post of Chief Investment Officer. **Yves Bonavero** moves from the role of CEO to chairman. And **Steven Savage** joins as Head of Marketing and Business Development, and brings 20 years' experience of B2B marketing, including time in a similar role at Burford Capital.

Ediscovery vendor **Vound** has appointed **John Hirsch** as Regional Sales Manager to lead sales for US government segments, western US and Asia regions. Hirsch was most recently with Manifest Marketing, a Hong Kong-based company servicing government law enforcement and security agencies in Hong Kong and Macau.

▶ RAVN's new CEO talks next steps

In mid-January, RAVN Systems announced that former Tikit head David Lumsden has been promoted from chief strategy officer to CEO after joining RAVN just six months ago.

As noted by LITI at the time of the appointment, Lumsden has job swapped with CEO Peter Wallqvist, who co-founded RAVN in 2010, alongside chief technology officer Jan Van Hoecke, professional services director Simon Pecovnik and chief operating officer Sjoerd Smeets.

The speed of the appointment suggested that it was already in the offing when Lumsden joined RAVN as CSO in July 2016, however Lumsden, who became a board adviser to RAVN in 2014, says not. "As we went on and were working together I was commissioned to work on pricing strategy and business process – I was more involved in that side of things. Peter was more involved in setting the tech agenda for products going forward," he told the Insider.

"It makes more sense for Peter to use his knowledge of technology and me to use my knowledge of business and the sector. He has a brain the size of a planet and there are better things he can do with his time."

Lumsden's appointment coincides with a new growth phase at RAVN, in terms of the people it is hiring and clients it expects to win (not for publication yet, there are new financial institution clients that are already in a different league to previous in-house wins, with the exception of BT.) RAVN last year relocated to larger London premises and opened an office in Amsterdam.

Lumsden, who as CEO of Tikit oversaw its London Stock Exchange float and subsequent acquisition by BT, will be charged with beefing up RAVN's processes in order to help it scale up. "When you scale up what you don't want to do is damage your offering by not being set up to grow quickly," he says. "That's probably what I'm there for and can put those processes in place and anticipate where the strain will be."

RAVN's new year starts on 1 February and it will shortly take some major decisions in terms of refining its growth strategy – including whether it wants to grow organically or fast. The latter would typically involve looking at external investment. "We are looking at how we support our clients and how quickly we anticipate growing the business," Lumsden said.

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► What's hot & what's not: wins & deals

GLOBAL The two big stories this month are the struggle between **Thomson Reuters Elite** and **Aderant** in the PMS market, and between **iManage** and **NetDocuments** in the DMS market. This is the current scorecard...

Aderant is describing its last 12 months as a "banner year" winning a total of 26 new law firm customers including US wins **Moore & Van Allen, Quarles & Brady, Sutherland Asbill & Brennan, Brown Rudnick, Meagher & Geer**, and **Davis Polk Wardell**, alongside **Bartier Perry** in Australia and **CMS von Erlach Poncet** in Switzerland. Aderant's wins include a number of firms, among them Brown Rudnick and, in the UK, Top 30 firm **Shephenson Harwood**, switching from Elite Enterprise to the Aderant Expert platform. The CMS von Erlach Poncet deal is also interesting as the firm opted to go with Aderant whereas other parts of CMS are on Elite – in fact all three firms in the upcoming UK mega merger of CMS Cameron McKenna, Olswang, and Nabarro run Elite.

As for **Elite**, they are continuing to clock up orders for migrations from Enterprise to Elite 3E, with recent signings including **Charles Russell Speechlys** in the UK and Canadian firm **McCague Borlack LLP**, however their "flagship" deal has to be the leading Iberian law firm **Uria Menéndez**. Although a SAP accounting customer, Uria Menéndez has selected Thomson Reuters Elite 3E and associated time and billing solutions after an extensive 18-month evaluation process that put SAP, 3E and Microsoft Dynamics AX through their paces. The Madrid headquartered firm, which has 600 lawyers across 17 offices worldwide, in December signed up with Elite to implement 3E alongside integration platform Workspace and eBillingHub but Uria will retain its SAP general ledger.

For the past 25 years, Uria has used a bespoke practice management system and director of information systems, **Santiago Gómez Sancha** told the Insider: "Our current time and billing system works perfectly. The great advantage is that the database is so well designed we can get any information we like and Elite has a challenge as it has to be better. But the investment to refurbish it and make it more modern was huge and in two or three years time, we would almost certainly have compatibility issues and problems with it. SAP was an obvious choice because we have SAP accounting and thought we would look at time and billing in SAP. Then we also looked at Elite and Microsoft Dynamics AX. One of the main reasons we chose Elite was because it is 85% correct from out of the box and with Elite's yearly updates, we will benefit from the input and common knowledge of hundreds of law firms. Those things in SAP we would have to design ourselves."

Turning to the document management sector, **NetDocuments** has recorded two remarkable swapouts. At **King & Spalding**, a global top 40 firm set to replace its on-premises iManage with a cloud-based DMS and email management system. The move by the circa 890-lawyer firm makes this NetDocuments' biggest (by revenues) law firm customer to-date. In addition UK top 100 law firm **Winckworth Sherwood** is to replace its customised on-premise Microsoft SharePoint-based DMS in favour of NetDocuments. In 2010, ClearPeople announced the deployment and go-live of their Sharepoint-based DMS at Winckworth Sherwood. The DMS combined SharePoint with MacroView DMF and the firm's own bespoke WS-eOffice system.

Meanwhile **iManage** continues to enjoy both on-premise and in the cloud wins with recent deals including **Finn Dixon & Herling** in Stamford (Connecticut) selecting iManage Cloud Work for document and email management and collaboration. Canadian firm **Prévost Fortin D'Aoust**, selecting iManage Work and iManage Share to deploy on-premise – the **Tikit Group** (which has a French-speaking team in Quebec) will be working on the implementation.

WINS & DEALS CONTINUES ON P.10



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WINS & DEALS CONTINUED FROM P.9

Following a due diligence process involving three DMS suppliers, **CMS von Erlach Poncet** has gone with **Phoenix Business Solutions** for an iManage Work implementation. **Angara Abello Concepcion Regala & Cruz Law Office** (ACCRALAW), a top tier Philippines-based firm servicing local and international clientele, has chosen iManage Work for document and email management. Top 25 Dutch law firm **Holla Advocaten** (the only Dutch firm to have obtained both ISO9001 and ISO17001 quality certifications) has selected an IRIS content management solution based on iManage Work. **IRIS** will implement the solution using their FastTrack methodology, to provide a rapid return on investment. And, the **Groupe Eurotunnel Legal Department** has selected iManage Work for document and email management – the implementation will be handled by **Ascertus**.

UK & EMEA **Berwin Leighton Paisner** has become **slicedbread's** largest customer to date, with the news that the top 20, 796-lawyer firm has implemented its **sharedo** case management and workflow platform, with enhanced artificial intelligence and data analytics capabilities. Initially being used in BLP's Manchester office, sharedo will be rolled out across the wider firm in the future.

Three years after launch, **Thomson Reuters Elite's** first UK law firm customer has gone live on **Business Development Premier** (BDP), its CRM solution built on Microsoft Dynamics. **Brodies**, Scotland's largest independent law firm, signed up to BDP after a competitive pitch. The UK top 60 firm is said to have wanted a solution that automates data input and management processes and that integrates with its Elite financial management system, with across-the-firm adoption and ease of use also key factors. BDP was launched in 2013 as a challenger to CRM market leader LexisNexis InterAction however the Insider understands that there have been four other UK signings to date.

Kira Systems has added **Addleshaw Goddard** to its list of UK law firm users, with the firm planning to use the machine learning-based due diligence and contract analysis software into its client delivery model, with an initial focus on corporate, banking, and real estate transactional work. Other recent Kira wins include DLA Piper, Freshfields, and Clifford Chance.

Brown Turner Ross, in the North West, is implementing the **Proclaim** practice management software from **Eclipse Legal Systems**. Eclipse will implement its Proclaim Case Management system throughout the offices and across a number of departments, including Conveyancing, Probate, Personal Injury and Family. Eclipse will also carry out a full accounts conversion of the firm's incumbent system. **Archers Law** on Teesside has also selected the Eclipse Proclaim practice management software along with case management modules for Conveyancing, Debt Recovery and Probate work.

North West Lancashire and Cumbria law firm **Wright & Lord Solicitors** has gone live with integrated

practice and case management system **SOS Connect** from **Solicitors Own Software**. The firm is also using SOS Connect's conveyancing, wills, probate and lasting power of attorney applications.

Longmores Solicitors in Hertford has selected the **Linetime Liberate** suite, including practice, case and matter management along with an online client portal, CRM and business analysis tools. In another Linetime win, commercial lawyers **Quastel Midgen** is implementing Liberate practice and case management along with Liberate CRM to support the firm's event management and cross selling initiatives.

Poole Alcock LLP has extended and expanded its hosted services contract with **Converge Technology Specialists** for all the firm's on-going infrastructure requirements.

Recent **DocsCorp** EMEA wins include **CMS von Erlach Poncet** (based in Switzerland) who purchased the entire DocsCorp suite including contentCrawler via **Phoenix Business Solutions**. In the Netherlands **Pels Rijcken & Droogleever Fortuijn** purchased a similar deal, while **Borenus** also opted for a firmwide roll out, making the purchase through **Formpipe**. Other wins in the region include **Anderson Strathern** of Scotland and Norwegian firm **Steenstrup Stordrange**.

WINS & DEALS CONTINUES ON P.11



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WINS & DEALS CONTINUED FROM P.10

Conveyancing startup **DP Conveyancing**, which is regulated by the Council for Licensed Conveyancers, has gone with a pay-as-you-go outsourced legal accounting and cashiering service delivered by **Quill Pinpoint**.

Maclay Murray & Spens LLP has selected the **SeeUnity Echo** content synchronization solution to help synchronize their **iManage** content with **HighQ** for external extranet collaboration with the firm's clients. The firm had been using a competing solution for synchronization between iManage and HighQ but they found it was not satisfying their needs. Specifically, when they deleted documents in iManage, there would be no change in HighQ. SeeUnity Echo ensures that when the iManage metadata changes, those changes will be reflected in HighQ.

The UK's **Companies House** has selected managed network services provider **hSo (HighSpeed Office Ltd)** to support its objectives around the delivery of effective and efficient digital services to customers. Companies House issued a tender for a revamped network connecting its main office in Cardiff to four other locations: London, Edinburgh, Belfast and Newport. Companies House needed to both upgrade its existing MPLS network, and, as the agency is now using **Amazon AWS** public cloud to store, access and share data, it needed to add a private Cloud connectivity service to ensure maximum security, cut costs and provide a more consistent network experience. After a tendering process, hSo was appointed to design and deploy the five site data network for the organisation.

London-based maritime and commercial lawyers **Winter Scott LLP** awarded IT services provider **Zhero** the contract to rebuild its IT infrastructure after an earlier attempt, with another provider, to migrate all its IT hardware and software into a public cloud facility had failed. The original move resulted in an IT environment that proved unfit for purposes and the promises of high performance made by the cloud supplier were not delivered. The practice has experienced multiple IT problems that negatively impacted on operational performance. These included loss of emails, inoperable key applications and low overall speed of daily operations. There was an inability to cope with the variety and volume of international emails and the staff PCs were also frequently freezing. The other major concern was that Winter Scott's on-premise IT systems and networks were not being supported or monitored, which exposed them to potential security threats and compliance penalties. Supplier reactions were unresponsive and there was no structured disaster recovery provision in place to cater for outages.

Zhero created an entire IT network and high speed fibre communications infrastructure for Winter Scott delivered as a hybrid private cloud service. The practice's key data and applications, which includes

email, digital dictation and document management systems, are now fully managed and can be swiftly accessed and operated without delay. Zhero also provide a 24x7 IT helpdesk, direct-to-engineer support, a managed service and monitoring for Winter Scott workstations, servers and firewalls, and a disaster recovery platform.

NORTH AMERICA The **Harris County Attorney's Office** in Texas has implemented **LawBase** for case and matter management work. The attorney is the civil lawyer for Harris County and represents the county, all its related departments and their employees on civil matters that pertain to county business, as well as the Harris County Flood Control District, Harris County Hospital District and Harris County Appraisal Review Board.

DocsCorp saw big gains in North America over the last couple of months, with firm-wide purchases including **Becker & Poliakoff**, **Workman Nydegger**, **Schroeter Goldmark & Bender**, and **Hughes Amys LLP**.

California firm **Allen Matkins Leck Gamble Mallory & Natsis** has selected the **TutorPro** LMS eLearning courseware, and TutorPro's Live Content Studio to support their firmwide learning goals. Allen Matkins engaged in an extensive and competitive evaluation process before selecting TutorPro.

EDISCOVERY **New York City** has selected **Logikcull** as a preferred provider to help it meet the growing demands of ediscovery and freedom of information work. Logikcull offers a "closed-loop" hub for information, where all channels into and out of the platform are secured with bank-level encryption and all data is encrypted at rest. "As the volume and complexity of information multiplies by the second, city governments are coming under a tremendous amount of pressure to efficiently and securely manage data related to litigation and freedom of information laws," Logikcull CEO **Andy Wilson** said.

Chinese-owned ediscovery service provider **China Ediscovery Info-Tech Co** has added the **kCura** Relativity platform to its litigation support service offerings, making it Relativity's first premium hosting partner based solely in China and exclusively servicing the country. "Ediscovery is a relatively new phenomenon for local companies in this region, whereas it has already been conducted for many years in the United States. As we see the increase of cross-border investigations that involve Chinese companies, it is important to show how innovative and best of breed technology like Relativity can help our clients make informed decisions," said China ediscovery president **Mark Zhou**.

2017: The Year in focus

In December 2016, we looked back at the past year and asked leading chief information officers and IT directors to reflect on the challenges and highlights of the year. As 2017 gets underway, we've asked a far from exhaustive number of leading legal tech suppliers and high profile management consultants to do some future gazing on the opportunities, challenges and trends ahead, from both a supplier and law firm perspective. Here is what they had to say.

► Practice, case and enterprise resource management

Chris Cartrett, executive vice president, Aderant

We are excited for 2017 mainly because firms are being more aggressive to roll out new technologies. They are embracing mobile apps, and the front office seems to have joined with the back office in the desire for greater efficiency through technology.

One of the biggest challenges in 2017 is law firm resourcing and specifically project management. Firms seem ready to do more, but are struggling to get the resources aligned internally. Consultants are the natural place to turn for assistance, but too many of them are unaware of the creative solutions in modern firms. This is a time for creative and agile solutions, but talent limitations have the potential to hold everyone back.

Osman Ismail, founder and managing director, DPS Software

The main opportunity in 2017 is going to be the growth of the SaaS market. That's how we are focussing on delivering our products. It's about being able to provide software and information not only at the computer or laptop but on mobile devices such as iPhones and iPads. Office premises are increasingly expensive and users want increasing ability to work flexibly from anywhere and at any time.

Law firms need to reach out to clients on iPads and apps. The new clients for law firms are millennials who communicate using app messaging and social media. Practice management software needs to understand this and work their way. The new users of case software will be millennials, they expect to use their phones to record time and dictation, use their iPad to access their cases in court, they expect their case software to be as accessible as their Facebook.

As a supplier, our challenge is to make this happen.

Darren Gower, marketing director, Eclipse Legal Solutions

The opportunities are as they always were but we will see more firms coming to market looking for tech that radically improves what they do. There will be a shift away from incremental improvement to firms looking for bigger things to push them forward and help their clients and their bottom line.

Law firms will be looking to the likes of us and other suppliers to facilitate that step change, putting pressure on suppliers to provide more innovative solutions.

Brexit is affecting the way that all firms buy tech, making firms more choosy about where they put their money and what they invest in, so the procurement process may get a little stiffer and people may need a little more assurance that what they're putting their money in is the right thing.

One thing we're seeing recently is that firms are looking to onboard business more easily and more quickly in a slicker fashion, both for their own benefit and to make customers feel more warm and cosy. The onboarding process can be quite clunky, expensive and admin heavy. I think that's an area ripe for improvement. We've had a couple of forward thinking firms ask our view on how it can be done better. Firms are trying to spot areas of wastage and improve their processes.

Martin Telfer, SVP and EMEA chief, Fulcrum

Opportunities: The continued globalization of law firms, through a combination of mergers and market liberalization/growth, is a great opportunity for enterprise software, especially in an industry that really needs to adopt standards and processes under increasing margin pressures.

Challenges: The uncertainty caused by Brexit and the US presidency is affecting law firm investments in technology, unless there is a perceived innovation component to the investment. Law firms still need to focus on quality - in all its dimensions - and not get too distracted by new toys.

Trends: Law firms will continue to "grow up" from a business perspective - using technology to be competitive rather than being driven by clients or cost cutting, and (reluctantly) getting used to being a part of clients' supply chains - but there's a long way to go.

Steve Zangari, sales & marketing director, LexisNexis Enterprise Solutions

Opportunities: The use of big data, machine learning and AI to shape future decisions.

Challenges: The availability of real time data to decision makers, allowing them to react faster and to be ahead of the competition.

Trends: Mobility of working (cloud), people just expecting to be able to do all of their previously office bound activities from anywhere in the world using any device.

Tony Klejnow, managing director, Linetime

Opportunities: The growth in adoption of artificial intelligence will see a rise in the automation of business and administrative processes in addition to traditional legal work.

Challenges: The continuing battle with cyber-crime will present challenges to both law firms and system providers. Criminals by their very nature are persistent and often ingenious in finding new ways to take advantage of breaches in security.

Trends/anything clients must beware of?: As per challenges, cyber-crime needs to be combatted by a combination of IT systems, good business practice and (most importantly) education.

2017: The Year in focus

Kaye Sycamore, chief sales & marketing officer, Peppermint Technologies

It's two years to Brexit. I think law firm leaders need to use the time now to (really) address the internal change programme that most of them know they need to make in their business – increasing efficiency, delivering value, and critically providing the right client experience. Increasingly it will be the latter – the client experience - that will matter most in terms of differentiation & retaining clients. Modern legaltech is certainly very important to this, but this is bigger than technology; this change programme requires process change, and behavioural change, and a willingness to invest.

David Thorpe, business development director, slicedbread

We've talked about it for several years now, but at last there seems to be an acknowledgement by a good number of law firms (I'm not sure whether we have reached majority level yet) that the business of law needs to change to reflect modern buying requirements. The jury is still out on what that means but you regularly see expressions like AI, Industrialisation, CRM and other terms that hitherto would have been anathema.

As a supplier who has looked at legal work from a 'process first' perspective and applied the very latest technology to that, we see a real opportunity to help firms provide clients with better and more predictable outcomes whilst using their own internal resources more efficiently.

The challenges remain very much the same as they've always been. Even accepting the need to change doesn't mean that law firms necessarily see IT as a major part of the answer. We need to shift perception from IT being a "necessary evil" to that of "competitive enabler". On top of that, there needs to be a willingness for the firms to change behaviour. All of us know change is hard and law firm mentality is still very much status quo, or "change for the firm is good as long as my part of it doesn't have to".

However, there are now market examples of IT-led change producing positive outcomes and this will encourage less change-embracing firms to at least put the topic on their agendas.

Patrick Hurley, vice president customer advocacy, Thomson Reuters Elite

Both the challenge and opportunity of 2017 for us is the cloud. It's been around forever but we see it as a huge opportunity this year. There are a lot of people out there who need to get off old technology, ours included. What is the cheapest, fastest and most risk-free way to do it? By moving into the cloud. Both Elite 3E and Business Development Premier will be in the cloud by the end of the year.

The challenge with it is that there's still too much speculation about the cloud. Our opportunity as a business - and we're taking this on in 2017 - is to bring clarity to the cloud. People really don't understand what their needs are

and what the risks are around data encryption, encryption at rest, data residency, user authentication and all the unique features of running your practice management system in the cloud. And depending on whether you go with Azure, or Amazon hosted, or private cloud, it's all still very much an area of speculation.

We're under no illusion that all of our clients are going to go to the cloud tomorrow, but in the next five to 20 years, cloud will be the norm and we as a technology organization will lead the legal market in providing cloud solutions.

In terms of trends, I don't think KWM will be the last firm to go under in 2017. The pressures of competition and price pressures are reaching an apex.

► Document management

Geoff Hornsby, general manager, iManage

If you look at the really successful tech cloud companies out there, they don't have down time for maintenance or unexpected outages. Their modern cloud is built for massive scalability and to work in a very different way to the legacy cloud built 10 years ago. A second wave of cloud, which is being used by the likes of Amazon, Google, Airbnb and eBay, is about to happen and is very different to anything available now in legal. When did you last see eBay collapse under a huge volume of transactions? Tech is being built in a very different way and 2017 will be the start of apps for the legal profession being built in this way.

While AI has been overhyped, machine learning and legal tech is going to get much smarter. If you put something in the cloud at the moment, it's a dumb store. The first generation of DMS just stored documents. The second generation stored documents and email. Then we've had 'oh by the way you can put in the cloud.' But the next generation of DMS will be an intelligent system where you can automatically derive value from the data through built in analytics.

The challenge to the IT community is to deliver the solutions using the very latest technology to realise the benefits that the eBays of this world are delivering.

Matt Duncan, CEO, NetDocuments

I would combine challenge with opportunity. Clients are placing their law firms under increasingly stringent security and compliance requirements and law firms' ability to keep up with these requirements is really going to be tested. Law firms can either build sophisticated security and compliance solutions or consume them from platforms addressed for that need. This year law firms will increasingly look to consume purpose-built security and compliance solutions as opposed to trying to build them. Why reinvent the wheel when you can spend your resources on value-add such as analytics, AI and delivering value on top of your core systems?

2017: The Year in focus

The challenge will be for suppliers like us to deliver and keep up with the varying requirements of large global corporations: we need to move quickly and be agile and provide a level of security and compliance that others may not be able to achieve.

Teams are becoming global but data sovereignty requirements are becoming more stringent and those are at odds. The need for solutions that can store data where it needs to be stored ("geo-awareness") and also facilitate seamless global team collaboration is a big trend.

We are also going to see more examples of how cloud-to-cloud integration can provide a more ubiquitous working experience.

► Strategic partners/Resellers

Ray Burch, director of product strategy & innovation, Phoenix Business Solutions

Governance including what content is stored and how that content is managed from encryption through to destruction are going to be key areas for firms to address risks due to the General Data Protection Regulation coming into force in 2018. Firms can't afford to wait until it's in place to plan on how they will deliver data subject access requests, or mitigate the risks of data leakage. This leads on to cyber security which, following a set of high profile cases, is at the top of every firms list. Data held by law firms is attractive to a lot of outsiders, so keeping them out of the system while also ensuring that content held inside is secure, encrypted and monitored is crucial.

The potential fallout from Brexit is another area to watch. We all know that a lot is going to change, but nobody seems clear on exactly what.

We see Artificial Intelligence, Machine Learning, Contract Automation, Smart Contracts & Security as key areas for future growth. Everything is focused on reducing costs in areas that are repeatable while maintaining a high level of precision. Using contract automation to draft high quality contracts quickly and without the need for a partner, while having AI / Machine Learning processes running contract analysis to improve obligation management and compliance are going to be used more and more across firms.

Artificial intelligence & machine learning along with data analytics will dominate throughout 2017.

Katherine Ainley, CEO, Tikit

In 2017, we'll see full engagement of the conversation on agile working and how technology enables this. Technology such as Office 365 will enable a real change in the way people work, but also bring a more consumerised view of technology. Fee-earners will expect to do whatever they can do in the office wherever they are in a way that works for them, be it editing and sharing documents on their phone, or submitting time from their tablet and being able to switch seamlessly

between devices. Ultimately the reaction from partners, fee earners and support staff should be 'I could use that right now'.

This year will see a change in the conversation on cloud – for many it will be moving from a top-level strategy to a real in depth understanding of the pros and cons of different forms of cloud technology, and in many cases turning many traditional objections to cloud on their head. For the vast majority of firms, there will be a growing appreciation that cloud based solutions can offer a far higher level of security to their firm and clients with less overhead. One of the most commonly used hashtags at ILTA 2016 was #cloud2020, which gives a clear indication of where CIO's from global firms are heading.

Security and data will continue to be increasing in profile and pressure: security will become an integral part the BAU architecture, processes and technology rather than considered a standalone, separate responsibility. This will be an opportunity for firms to reconsider their overall solutions and will go hand-in-hand with the increase in agile working.

2017: THE YEAR IN FOCUS CONTINUES ON P.15



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2017: The Year in focus

2017: THE YEAR IN FOCUS CONTINUED FROM P.14

► Document production application

Ben Mitchell, vice president EMEA, DocsCorp

Opportunities: Helping law firms to achieve GDPR compliance. Achieving GDPR compliance will require most firms to implement new processes and systems. This presents a sizeable opportunity for legal IT vendors including DocsCorp.

Challenges: To attract a sufficient number of suitable staff, especially salespeople. Salespeople who are good at selling, technically competent and understand the legal market are very few and far between. A key challenge for DocsCorp in 2017 will be to find and train a sufficient number of such people.

Trends: The consumerisation of technology diminishing the value of best-of-breed systems or making them obsolete. Some long standing legal IT technologies could start to disappear in 2017.

Liam Flanagan, founder & chief executive, Enable Business Solutions

Opportunities: Cyber security – everyone's talking about it. That's probably the biggest opportunity. Security is about robust systems, defences. Most firms still won't have robust systems in place.

AI is all about efficiency – how do we make it easy for our clients to work with us, quickly. They're emerging technologies. Both are buzzwords so will be big this year.

Document automation is going to improve the way law firms create first draft documents. Clients will be able to generate legal documents from the websites of large law firms.

Challenges: The biggest challenge is also cyber security. People can get inside your network, spam you, bring your network down, send out bad information, including information about your accounts. The weakest link is the law firms who look after government information. Law firm security is nowhere near as secure as government security, which is why they are at the greatest risk of getting attacked.

Trends: The cloud. Everyone said in the UK, large law firms won't use Microsoft because of international security issues. With the introduction of UK cloud centres, Microsoft has put a structure in place to protect UK and European law firms from US security issues. This will see a large uptake of Microsoft cloud systems among law firms this year.

Nick Thomson, chief revenue officer, Workshare

Opportunities: Growing security needs as a result of client demand and changing regulations (GDPR) will help the selection process.

Challenges: Increasing vendor overlap and confusion will make it more difficult for end users to understand the value/purpose of their systems.

Trends: Increasing need for our clients to differentiate their own client experience/service through the systems they offer. Legal IT needs to respond to the rampant change in how files are shared and worked on as staff demand enterprise systems to match those used in their personal lives.

► Cybersecurity/disaster recovery

Peter Groucutt, managing director, Databarracks

Five years ago, all we did was help law firms deal with disasters arising from fire, flood, and human error, as well as things like hardware failure, but that has changed dramatically. Last year, over 80% of significant recoveries and events we helped clients with revolved around cyberattacks such as malware or a crypto virus, and so we normally have one or two big recoveries going on for clients that have been subject to an attack.

In 2017, we're expecting that to get worse – it's certainly not going to get better.

I'm a glass half full person but the challenges are around the mass adoption of cloud services. Law firms are absolutely prime targets for adoption of cloud services and it makes no sense for firms to be delivering their own services that can be delivered in the cloud. What a lot of lawyers aren't really looking at is what that means for continuity. If they are going to stick everything in Office 365, what are they doing in terms of resilience and continuity, other than leaving it to Microsoft? That's not good enough. If everyone is using Office 365 or Azure, where will all the online criminals focus their activities? Also, if you're sharing your infrastructure, you have no idea who you are sharing it with or what their risk profile is.

Unless you're ExxonMobil, if there's an outage, you're probably not going to be at the front of the queue when Microsoft bring their services back.

► Automation and process improvement

Ryan McClead, VP client engagement & strategy, Neota Logic

The big trend I see in 2017 is in automation for efficiency and increased profitability. Firms that have never done anything in this area are beginning with document creation. Those that have already tackled documents are looking to automate processes and procedures. The most advanced firms are starting to automate and productize their legal services. Once firms understand the value of automation they naturally look to automate increasingly complex and important functions.

2017: The Year in focus

► Management consultants

Ron Friedmann, partner, Fireman & Co

Large law firms face a key 2017 opportunity and challenge, flip sides of the same coin: change how lawyers work.

Most large law firms face profit pressure and an uncertain future market position. To succeed - that is, to grow and maintain profits by keeping and winning clients - they must improve service delivery and value to clients.

Change to do this is in the air but not enough on the ground. Recent lawyer and firm interest in legal tech is unmatched in legal market history. Discussion of tech and innovation occurs daily. And it's true many firms now use machine learning to accelerate due diligence. That is a good example of how tech incrementally changes how lawyers practice.

But firms and lawyers must go further. They must adopt other practice specific technologies that improve efficiency (output per hour). They must improve client service, for example, with faster turnaround and more informative communication about matter status.

Making such changes requires process improvement and delegating work to lower cost resources. That is hard. No one likes change. But lawyers do not like losing clients and shrinking profits. The key to avoiding that and to motivating change is clear. Firms must measure matter profitably accurately and tie partner compensation to profits. That is slowly happening.

How heady it is to talk about the wonders of legal tech, especially AI. And much easier than changing compensation and then working in new ways. But to recognize the wonders of tech, compensation must reward efficiency and drive change in how lawyers work. That will be very good for legal tech indeed. And for clients.

Justin North, founder & director, Janders Dean

We see 2017 as a reset year after the "idea exhaustion" of 2016. Those firms who will succeed in the new year are those that focus on introducing new skills as a priority over new technologies.

Looking back, 2016 seemed to be a Lolita-like hedonistic love affair for some firms where the old fell in love with the young - many firms also found themselves stalled, making little progress while they gazed in awe from the bandwagon at the Emperor's new clothes.

We will see many firms continue to grapple with the development of data strategies, with a small selection of grown-up firms bringing data services and scientists into the mix.

Surprising some perhaps, we'll see a return to focus on the future of the enterprise document management and a recognition that it is a data hive that is full of mystery, and one that still contains undiscovered riches that will allow for the true productisation of a firm's knowledge.

Cyber-security will be huge, mobile will continue to frustrate, some well-known vendors will change hands, a viable cloud PMS will emerge, and more non-legal










leaders will enter the industry to replace what remains of the old school.

There will also be some exciting experiments - would love to tell you more, but that would spoil the fun ;-)

Peter Owen, founder & managing director, Lights-On Consulting

"For the first time in my career in legal, I think the hype about technology driving major change in legal might actually becoming a reality! AI, machine learning, big data handling, process and document automation are all slowly coming together to possibly make a perfect technology storm. What will stop it being that perfect storm is under investment, poor people, poor management, lack of lawyer investment time and, in particular, failing to pay attention to the basic foundations and management of IT. Those that get all of this right however, might actually have a chance of real differentiation. I feel the market is at risk of larger, more powerful firms, being able to use automation to drive throughput up and costs down to a point they start to eat the dinner of the smaller firms. Why wouldn't you dine at a higher class restaurant if the price differential was not that great?!"

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► Nuix: A 101 in CEO departures

The Nuix announcement on 11 January that Eddie Sheehy has resigned as CEO has been interpreted by the legal market as a clear sign that there has been a Nuix board fall out and a sour parting of ways.

Sheehy joined Nuix in 2006 and, alongside his brother (and continuing COO) Morgan Sheehy, built the company up from R&D to a stage where it is now preparing for IPO. He was not quoted in the release announcing his departure and has been replaced on an interim basis by Dentons partner Jeffrey Bleich, while Nuix seeks "a CEO who has a global IPO skillset to lead it through its next phase of growth and development."

Until the board appoints a permanent CEO, Nuix co-founder and chairman Dr. Tony Castagna will assume many of the current CEO responsibilities.

In the one and only reference to Sheehy in the announcement of his departure, Dr. Castagna said: "As the face of Nuix for more than a decade, Eddie can be proud of his contribution at Nuix as one of Australia's great success stories in innovation and technology."

That Nuix has entered a new phase of its development is not in question. Nor that Sheehy, an entrepreneur by background, is not the right person (and by all accounts would not choose) to lead Nuix as a publicly-listed company.

However, it is an ignominious departure for a man who led the Australian-headquartered forensic software company through its twists and turns for over a decade, diverting it into eDiscovery and information governance, before returning to a focus on investigations in around 2011. This has culminated in Nuix – reasonably well known in legal circles for many years but less so in the wider business community – being put squarely on the map in 2016 after working with the International Consortium of Investigative Journalists on the leaked Panama Papers – its technology was at the heart of the ICIJ's ability to sift through the millions of documents from Panamanian law firm Mossack Fonseca.

Asked about the manner of Sheehy's departure, Nuix global communications director Naomi Beames told Legal IT Insider that "it is neither remarkable nor unusual, and not unlike that of many CEOs who recognise that their milieu is with early-stage companies."

Beames added: "The board's intention to commit to an IPO has been well known at Nuix for more than a year, including Eddie's decision to not continue as CEO of a public company."

Of slightly more interest is Beames' assertion: "The timing of Eddie's departure was at his calling and the Board accepted his decision."

However, one senior eDiscovery player said: "Leaving before a replacement is found is not normal. He would normally wait for a replacement to be announced and take on the role of chairman or president."

Given that Nuix has announced its plans to IPO, it will inevitably be cautious in any public announcement it makes. It is possible that the extensive and almost exclusive

focus on Bleich's incoming capability was a deliberate attempt to ward off market jitters.

But Jonathan Maas, founder and managing director of the Maas Consulting Group, echoed the sentiments of many, in commenting: "What I find most puzzling is the deafening silence from, and about, Eddie Sheehy. You don't just walk silently away from a company you practically founded with your brother nearly 11 years ago without thanks, without a shareholder-reassuring handover to the next era of management. That's not a senior officer's style. It's not Eddie's style. My guess is that there has been an irreconcilable boardroom disagreement, but only time will tell. Whatever, I wish both Nuix and Eddie a very happy and prosperous New Year."

► EU Parliament: Special legal status for robots?

Andrew Joint, commercial technology partner at Kemp Little, outlines the EU Parliament's current discussions on giving robots special legal status, the highly complex issue of liability as AI becomes more autonomous, and how genuine legal discussion is not helped by science fiction.

Will robots be given special legal status under the proposed new laws?

This is certainly a point which the EU Committee on Legal Affairs considers should be considered in their report published in January 2017: <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML%2BCOMPARL%2BPPE-582.443%2B01%2BDOC%2BPDF%2BV0//EN>. They explicitly wonder whether there should be legislation to categorise certain types of robots/AI – those who can be considered as having a significant amount of autonomy – in the way that legislation has looked to do so across various jurisdictions with natural persons (humans), legal persons (e.g. corporations or trusts), animals and other objects. The report queries whether this personhood status should be the same as other categories of 'person' – or perhaps be a new/different category. The granting of some form of legal status makes it easier to deal with concepts such as liability and ownership (as they currently exist and operate). Being clear on a legal status and the categorization for obtaining that legal status will be an important part of the development of legislation generally for AI/Robots.

What does that mean in practice and what are the implications?

Once something has a legal status, a legal personhood, it means that the thing has: (i) the potential to benefit from the protections that laws typically give things with a legal personality; and (ii) the potential to take on some legal responsibility or liability.

EU PARLIAMENT CONTINUES ON P.18



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EU PARLIAMENT CONTINUED FROM P.17

It means that the law could start to allocate responsibility and ownership to the AI/Robot if the legislators determined that it was appropriate for it to sit there. Once the robot had the ability to own something or be responsible for something – it means our usage of them, and our interaction with them, will need to fundamentally change. If you knew your robot might own the shopping you asked it to buy for you, or that you might have a duty of care as to how you treat your robot, would that force you to think differently about how you use it? These are the sort of impacts of giving a Robot/AI some sort of legal personhood.

Who will be liable for mistakes or damage?

The liability section of the EU report notes that currently the various liability regimes will not hold robots liable per se for their actions. Regardless of the changing sophistication and autonomy of the technology the law doesn't recognise the robot/AI having an impact and traditional legal rules will look to apply liability to either the user of the technology, or the provider of the technology – where such liability sits depending on the circumstances of the use. The newer thinking indicated both in the EU report and hinted at in the Science and Technology Committee of the Houses of Parliament in October 2016 (<http://www.publications.parliament.uk/pa/cm201617/cmselect/cmsctech/145/14502.htm>) is that the current liability regime could be amended. It could move to an allocation of responsibility with a focus on a proportionate allocation of liability linked to the actual level or instructions given to the robot/AI. Interestingly the EU report also notes that the availability of insurance schemes might help shape where the liability should lie.

Will robots start owning their IP?

Again, the scope for any future IP ownership regime is not clear from the current report/proposals. As with the rules on liability, the current IP ownership regimes do not recognise that robots/AI may own IP – and this is consistent with other analogous challenges to IP law – most famously demonstrated by the 'monkey selfie' discussions and cases of 2014/15: <http://www.bbc.co.uk/news/uk-wales-37061484>. The question isn't really 'will robots start owning IP', it is 'should we agree that there is a good moral/legal/philosophical/commercial reason why robots should own IP'?

What legal implications is the engineer subject to?

Whilst generally the thinking and legal debate is fairly 'high level' there are some clear indicators which developers and engineers should strongly keep in mind. Firstly, Asimov's 3 rules of robotics (https://en.wikipedia.org/wiki/Three_Laws_of_Robotics) from 1942 still form a fundamental part of the basis for AI/robotics development and engineers should be cognisant that embedding those rules into any Robot/AI would be a sensible 'future proofing' exercise – it isn't a

legislative requirement yet but the indicators are that these rules are something that legislators see as a bedrock for AI/robot developments. In addition, the EU report contains an advisory code of conduct for robotics engineers aimed at guiding the ethical designs, production and use of robots. Operating within the scope of that code would be sensible – whilst not a binding code it is likely to form the basis of a binding version.

Is it likely that liability will be dealt with by an insurance scheme?

The reports note that the availability and accessibility of insurance is an important part of the considerations as to where liability should sit and in what proportion. This is as clear an indicator as we've yet had from legislators that insurance schemes will strongly direct the legislative direction of travel with regards to liability. In some ways the legislators have already been overtaken by the insurance industry with regards to AI/robot liability – the Department for Transport has noted it plans to expand compulsory motor insurance to driverless cars (<http://www.insurancebusinessmag.com/uk/news/breaking-news/government-announces-plans-for-driverless-car-insurance-42395.aspx>) and car manufactures have started to be clear that they'll take on liability for driverless cars (http://www.theregister.co.uk/2015/10/13/volvo_to_accept_full_liability_for_crashes_involving_driverless_cars/). Where the legislators have been slow to react then industry typically steps into the certainty vacuum, and it is likely that the insurance industry will be a significant part of the shaping of any future legislation.

Does Parliament perceive robotics and AI to be a threat? Should they?

It isn't clear yet what status parliament want to give AI. It is clear that they want to consider whether Robots/AI have some form of legal status. Whether that status is the same as a human, different but with a legal status or giving it no status of all – is what the current rounds of discussion and feedback is all about. Personally, I think we need to consider the status of AI/Robots who can show true autonomous actions and cognitive behaviour. I believe we will see technology that does mean we need to revisit how the law works in a number of areas which touch on fundamental aspects of law – ownership, liability and responsibility. The real issue is trying to deal in a general way with Robotics/AI technology which can be very different from product to product – the debate is not particularly nuanced at the moment. There might be some circumstances where a robot should be liable for actions to the extent it excuses its human or corporate owners but currently the technology doesn't seem to be there to bring real scenarios where this might be the case. It means we are currently discussing the issue at a philosophical rather than factual level – it isn't fatal to us reaching a conclusion but it does make it harder to be definitive when the examples are often still based in science fiction rather than actual technology.



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► Legal Leaders IT Forum, Gleneagles: Accenture on board

With Legal Leaders IT Forum in Gleneagles drawing ever closer, we're excited to announce that our speaker line-up will include Accenture managing director David Cullen-Jones and director David Potts, who will talk about digital disruption and transformation within the professional services sector and beyond.

Cullen-Jones and Potts will talk about the impact of digital disruption on corporates that have seen their market cap drop as they lack the agility to move quickly to respond to market changes. They will also discuss how Accenture has disrupted itself, with analytics and insight at the heart of that transformation programme, and how understanding and working with millennials is key.

Other speakers include our chair, Mike Rebeiro, who is global head of technology and innovation at Norton Rose Fulbright; Mike Lynch, founder of Autonomy and Invoke Capital; Stéphanie Hamon, head of commercial management, managing director

at Barclays; Hans Albers, chief of staff/head of worldwide legal operations at Juniper Networks International; and Benoit Alvarez, chief technology officer at Volume Global.

It's just over one month to go until the conference and we are almost at capacity in terms of delegates. Please keep an eye out for our last imminent speaker announcements. Our sponsors to date include: [BSO](#); [Campbell & Partners Consulting](#); [Enable Business Solutions](#); [FulcrumGT](#); [HighQ](#); [Intapp](#); [iTrain Direct](#); [LoopUp](#); and [SlicedBread](#).

For further details on how to sponsor the event or attend please contact jeremy.hill@liti.co.uk.

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One reader reacts to the news in January that Winckworth Sherwood has swapped out its bespoke DMS to NetDocuments.

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