CONFERENCE
REPORT

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BRITISH LEGAL TECHNOLOGY FORUM 2018

This year's British Legal Technology Forum was one of the largest ever. A total of 1,450 representatives from the world of legaltech and IT security spent a whole day enjoying a packed programme of presentations, demonstrations and debates, delivered by 50 expert speakers and 94 market-leading exhibitors.

Report by Richard Parnham

The legal profession gets tech wise

Forward-thinking law practices are enthusiastically embracing market-changing legaltech solutions

Kicking off this year's British Legal Technology Forum (BLTF), Professor Richard Susskind could hardly contain his delight at the 'burgeoning' legaltech start-up scene. 'A few years ago, there were around 200 legaltech companies. Now there are more than 2,000,' he said.

Explaining that this market expansion is being driven by the increased availability of private equity finance, coupled with the growing awareness of legaltech by in-house lawyers, Professor Susskind emphasised that the combined effect of these two dynamics means firms can no longer 'pay lip service' to their own use of legaltech.

Legaltech partnerships

One firm that has taken a proactive investment approach is award-winning Mishcon de Reya (MDR). Managing partner and BLTF speaker Kevin Gold confirmed that his practice has selected two new legaltech start-ups to join its MDR LAB programme, after reviewing more than 120 applications. The lucky duo — the second

group of legaltech start-ups to benefit from the programme — will spend 10 weeks working alongside the firm's lawyers, developing and trialling new products. He revealed that MDR has taken an equity stake in two of the original LAB start-ups.

Elsewhere in the exhibition hall, James Grice, Business Relationship Manager at Eversheds Sutherland, shared how his firm has joined forces with Repstor to create a matter lifecycle management solution — ES/Unity, Powered by Repstor — built on top of Microsoft's Office 365/SharePoint platforms. Because it allows users to work within the familiar Microsoft Outlook environment, it has been very well received. 'We're getting great feedback,' he said. Furthermore, the productivity enhancements bought about by ES/Unity has saved his firm's fee earners between one and two hours each day.

> '**What problem do you have, that you're trying to solve, that you think AI could help with?'**
>
> **Dr Katie Atkinson, AI adviser**

18+

Netlaw Media's 18th sold out Law Event in succession

Flexible AI

Of all the issues discussed, arguably the hottest BLTF topic was legal artificial intelligence (AI). Although this technology is probably best known as an M&A due diligence tool, several speakers revealed that it is now being used in other law-related scenarios. For example, the AI legal solution at IBM is now being used by a US judge to automatically produce a three-page overview of large document bundles he is expected to review. Shawnna Hoffman, IBM's Global Cognitive Legal Co-leader said, 'It's saving him multiple days per week. But, more importantly, he's able to spend more time with the constituents in his court room.'

Elsewhere in the conference hall, Chris White, Clyde & Co's Global Chief Information Officer, outlined his plans to use AI to automate around 80 per cent of his firm's conflict checking. This initiative is expected to yield significant cost savings — currently 30 full-time employees are required to undertake this task. The remaining 20 per cent of conflicts involving 'complex issues that require a high degree of knowledge and experience' will continue to be undertaken by humans.

AI technology can be adopted in many different segments of the legal sector. But one particular tool that's becoming increasingly commonplace is the AI-powered chatbot. Interestingly, the conference speakers use their chatbots in myriad ways. While Vodafone's Dot the Bot chatbot advises on the law relating to trade sanctions, the LawDroid chatbot 'Larissa' is delivering pro bono consumer legal advice to Tennessee residents in the US.

AI chatbot solutions have tangibly benefited these practices. rradar Grace, deployed by north of England firm rradar, answers client questions relating to HR, health and safety, and employment law. CEO Gary Gallen explained that it advises on questions that his legal advisory team would typically be asked more than 50 times in a single day. 'Why wouldn't you automate that?' he asked.

Meanwhile, Microsoft's legal chatbot, Zela, is proving to be particularly popular at providing compliance advice to anonymous users.

Patricia Christias, the company's UK Head of Legal, said she had been pleasantly surprised by this outcome. It means, she said, that Microsoft employees are able to obtain legal advice on issues they might otherwise be too embarrassed to ask a human lawyer about.

Zela also generates actionable metrics regarding commonly-asked questions. Christias said, 'You might get a situation where 15 people ask the same question in the same country in the same month. This tells us that we might want to go out there and do some more training on the issue.'

Introducing blockchain

Although many lawyers struggle to understand blockchain technology, exhibition attendees were left in no doubt about its growing importance. In his presentation, Larry Bridgesmith, Adjunct Professor and Co-ordinator of Vanderbilt Law School's Program on Law and Innovation, pointed out that large multinationals, including IBM, have already embraced it.

Blockchain is being utilised to help process around nine million invoices per year, generated by 4,000 suppliers to the company. It's secure, indelible, transparent and auditable. Professor Bridgesmith said, 'IBM uses

> ''
> **'You're not going to have five years to learn about blockchain. You're going to have to learn it over-night'**
>
> **Shawna Hoffman, IBM Watson**

blockchain to reduce dispute times in those transactions from 40 to 10 days. That's a saving of US$100m that goes straight to the bottom line.'

Later, IBM's Shawnna Hoffman confirmed that IBM is also assisting its clients with 400 blockchain engagements, covering everything from the monitoring of food supply chains to helping reduce fraud and cybercrime. And, because the technology is expected to be widely adopted in the near future, she urged lawyers to familiarise themselves with it as soon as possible. 'You're not going to have five years to learn about this. You're going to have to learn it overnight,' she warned.

Resourcing dilemmas

With so many innovative legaltech solutions now available, law firm IT directors might be forgiven for wondering how to prioritise which new solutions to introduce, while keeping their practice's internal IT 'plumbing' in good working order. Several BLTF speakers were able to offer experiential advice.

Royal Mail General Counsel Maaike de Bie made a commonsense but often-overlooked observation, that rather than forcing her team to alter the way it operates in order to

accommodate 'nice shiny tools', she pledged to spend more time asking her colleagues which legal technology solutions they would find most useful, before investing in them.

This approach was echoed by Dr Katie Atkinson, who heads the Computer Science department at the University of Liverpool and advises law firms on their AI strategies. She said law firms often approach her, saying, 'We need to do something about AI. Can you tell me what to do?' Instead of giving prescriptive advice, Dr Atkinson always asks, 'What problem do you have, that you're trying to solve, that you think AI could help with?' Their answer determines whether it is best for a firm to purchase an off-the shelf legal AI product, build its own solution internally, or partner with an academic institution to develop their ideas.

In deciding how to balance the day-to-day demands of running an in-house IT function with the need for innovative solutions, Richard Hodkinson, Chief Technology Officer at DWF suggested that a firm's IT function should
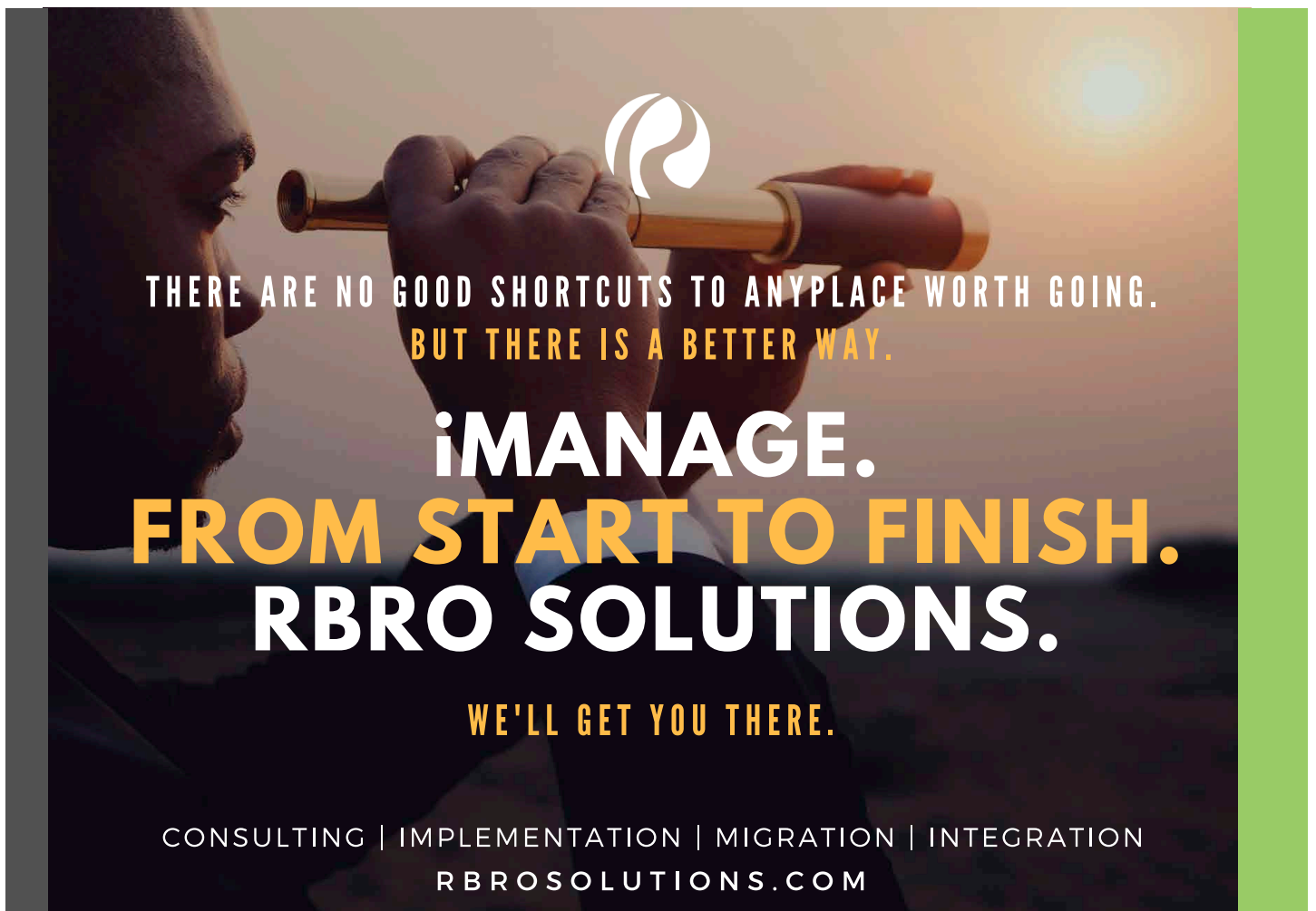
'One particular tool that's becoming increasingly commonplace is the AI-powered chatbot'

operate on a two-speed basis. 'You end up with a bi-modal approach, where most of the business has to run at a certain pace but, around the side, you can create some form of "skunkworks". This approach means we can deliver innovative solutions and test them on willing partners,' he said. 'That works very well for us.'

Or, as Steve Sumner, IT Director at Taylor Vinters, put it, 'Mode one is sequential, emphasising safety and accuracy, while mode two is exploratory and non-linear, emphasising agility and speed.'

After a packed programme of education and debate, visitors to this year's BLTF had an extra reason to enjoy their day: Netlaw Media, the organisers of the event, had laid on a complimentary boat party to celebrate the company's 10th anniversary. One can only imagine what IT issues will be on the agenda when Netlaw Media celebrates its 20th birthday in 2028. ■

First things first.

In a world where regulations like GDPR have increased the stakes (and, in case you haven't been paying attention, they have increased dramatically), organisations that hold customer data are caught between the proverbial rock and hard place.

HOWARD RUSSELL, PRESIDENT & CEO, RBRO SOLUTIONS

If your firm has adopted the iManage Work solution to facilitate the management of your electronic documents/work product, there's a good possibility that you're embroiled in the optimistic/pessimistic/hybrid security debate. If you are not embroiled in the debate, then you're observing the discussion with an increasing level of curiousity. You're likely also beginning to formulate questions of your own about the impact of the debate on your business.

In a world where regulations like the General Data Protection Regulation (GDPR) have increased the stakes (and, in case you haven't been paying attention, they have increased dramatically), organisations that hold customer data are caught between the proverbial rock and hard place.

On one side exists the possible embarrassment of a Panama Papers-like incident. On the other side lurks the hefty fines associated with failure to comply with GDPR or other similar standards. The frustrating thing is that these new (or newly focused) challenges pull at our attention at a time when

knowledge professionals still wrestle with the fact that we haven't yet slain the Knowledge Management dragon. Not only do we still struggle to understand how best to identify, curate and present valuable knowledge; now we must contend with the possibility that the 'store' from which we look to draw content may become more difficult to peruse.

What happens to the ability of young professionals to glean knowledge from the work of seasoned experts in a 'pessimistic' environment? Nothing, some would argue. After all, simply finding and using an existing document ignores the thought process that went into creating it. Discussions with the original author is a key piece to effectively leveraging domain knowledge.

Okay, we get that, one might think, but what about the interesting paragraph, found during a search, that seeds that desire to 'discuss'? What about the seasoned knowledge professional who can, by identifying interesting content, create the right conditions to extract knowledge from the experts? Does this opportunity vanish with the disappearance of 'optimistic' security? Not only will we create new challenges for knowledge extraction but

we also increase the need for effective ways to enable user-driven inclusion/exclusion of relevant team members within matters on a daily basis.

iManage, through its RAVN technology, is looking at ways to help identify quality information without creating the security challenges that its customers are trying to avoid. Its partners (we are among this group) are also working hard to help iManage clients choose a direction that will offer them the security they need while enabling them to continue their pursuit of the 'holy grail' of professional enablement.

But here's the thing: if your firm doesn't even have a document management system, you already have a security problem and this discussion doesn't hold much value for you.

First things first; you need to think about getting yourself into a situation where you have, at the very least, a reasonable ability to manage and audit your content. Then you can begin to worry about just how you want that value extraction to happen.

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The new gold rush

The hyper-connected global economy has its pitfalls, but it's a godsend for law firms looking to grow their profits, claims Oxford University's Professor Ian Goldin

The world is moving from a state of fragmentation to one of hyper-connectivity. That was the key take-home message from Professor Ian Goldin in the first British Legal Technology Forum (BLTF) keynote presentation of the day. The former vice president of the World Bank, who now specialises in globalisation and development at the University of Oxford, said that the trend towards a hyper-connected world means that lawyers, law firms and their clients can be affected instantly by events taking place in distant locations.

Professor Goldin made it clear that he is passionately in favour of globalisation, arguing that it has helped lift millions out of poverty. However, he warned that there is a real risk that globalisation could go into reverse, in much the same way that the Italian Renaissance gave way to 'disaster and tears'. In the wake of the 2007/8 global economic crash, the collective failures of governments, regulators, banks and accountancy firms left many citizens suspicious of experts and resentful of globalisation, which was fuelling a return to nationalism, protectionism and xenophobia.

'There's more income to be generated and more profits to be made than ever before'

Future markets

But, he also expressed hope in the future direction of the world economy. This optimism is, in part, due to the fact that there are now far more countries experiencing high economic growth levels than ever before. Professor Goldin observed that countries in Asia are currently growing by around 4.5 per cent per year – a much larger figure than the two per cent achieved by the 'old world'. This economic rebalancing promises to deliver around 4.9bn new middle class customers within the next few years. 'These are your clients of the future, mostly – 66 per cent – in Asia,' he said.

Turning to burgeoning business sectors, Professor Goldin noted that the continued increase in computing power is facilitating the development of new industries, such as those based on genomics and nanotechnologies. However, these rapidly evolving technologies are in danger of 'racing ahead of societal comprehension and regulatory and legal structures'. Even more worryingly, it will soon be possible to manufacture the smallpox or Ebola virus for a relatively small amount of money, and infect large numbers of people using drones. 'We have moved towards the democratisation of these technologies, for good and bad,' he warned.

Intelligent differentiation

The hot topic of the day was the rise of artificial intelligence (AI) and Professor Goldin confirmed that the technology is set to grow exponentially in the coming decades. 'Work we're doing suggests that around 47 per cent of US jobs, 40 per cent of UK jobs and 60 per cent of Chinese jobs are likely to be vulnerable to machine intelligence and AI over the next 20 years,' he said. 'Assume that anything that's rules based, repetitive and doesn't require dexterity will be done better by machine.' His recommendation for legal firms that currently undertake this type of work? 'Focus on what is creative, what is different instead.' ■

Lawyers must get better at talking tech

Legaltech discussions often get off on the wrong foot, says Professor Richard Susskind. Firms should focus on desired outcomes ahead of software

The legal profession is doing itself no favours in the very way it discusses legal technology, Professor Richard Susskind told a packed hall in his keynote BLTF presentation. Too often claims of innovation and disruption are hugely exaggerated, often by lawyers who 'really don't have a clue what it all means'. One of the worst examples relates to legal artificial intelligence (AI), which is rapidly becoming a verb — as in 'we can AI that'. 'This is often said by people who would struggle to distinguish between a neural network and a custard cream,' was his wry observation.

The main problem with legaltech is that lawyers and technologists typically have different ways of talking about it. While both types of practitioner are comfortable focusing on the tasks to be performed and the required functionality, lawyers consider the business benefits of the systems, whereas technologists think in terms of specific software packages. Professor Susskind said, 'The common ground around functions and tasks is important, but it's not enough.'
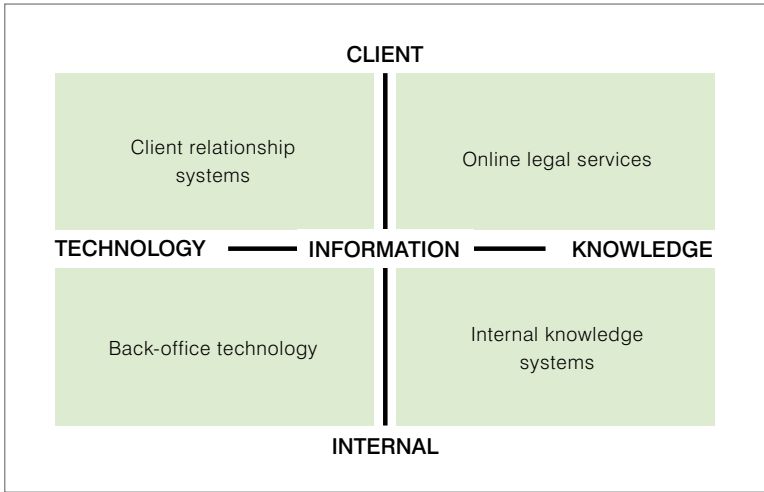
He explained that the most useful starting point for any debate about legaltech shouldn't be within either side's comfort zones, but rather flow from the top down. In other words, from first principles; that is, the outcomes to be delivered. Only once these objectives are clarified should the discussion move on to

what tasks need to be performed and the functionality that's required. The debate should finally conclude around the specific software solutions that will deliver the desired results.

Starting grid

To mitigate against this conversational mis-match, Professor Susskind suggested the use of a technology 'grid', comprising four elements of a square. The bottom half of the grid covers two elements that are internal to the firm: the practice management-related 'plumbing' on the left side, and law-related delivery tools on the right. By contrast, the upper half of the grid focuses on technologies that are external to the firm, yet related to their internal counterparts.

	CLIENT	
Client relationship systems		Online legal services
TECHNOLOGY ——— **INFORMATION** ——— **KNOWLEDGE**		
Back-office technology		Internal knowledge systems
	INTERNAL	

For example, while the bottom left square of the grid might be a practice management system (PMS) that captures billing data, the upper left square could be a client-facing financial reporting system, derived from the time-keeping data captured by the PMS. Similarly, while the bottom right grid square might focus on internal knowledge management, the top right square could represent client-facing online legal services derived from that internal knowledge.

Professor Susskind estimates that around 90 per cent of all law firm IT expenditure is currently concentrated on bottom left technology — that is, firms' internal plumbing solutions. He believes that even some of the more innovative legal technologies, such as those based around AI, are currently being deployed by law firms on this basis. However,

" **'The most useful starting point for any debate about legaltech should flow from the top down'**

while there is nothing inherently wrong with spending money to improve back office efficiency, the extent to which firms' internal functions can be made available externally is one way they can successfully differentiate themselves from their peers.

Sharing solutions

Turning to the relationship between the technology used by law firms and their in-house lawyers, Professor Susskind said that these are starting to converge. 'We're seeing the sharing of knowledge and the sharing of data,' he said. For instance, the e-billing systems used by corporate counsel — their internal plumbing — can now be populated with data supplied in real time from their legal advisors' externally available e-billing data. This data convergence allows in-house lawyers to keep abreast of their total spend on external legal advisors with minimal administrative effort.

Similarly, an in-house legal department's internal knowledge management system can largely be based on materials automatically supplied by their law firm panel members. 'If you [in-house lawyers] have a panel of 10 law firms, each should be providing you with content and knowledge and materials online,' Professor Susskind said. This solution, he concluded, can help in-house lawyers overcome the budgetary constraints that often leave them unable to afford their own professional support lawyers. ■

Your data is an asset, not a by-product

Microsoft's former Chief Envisioning Officer Dave Coplin explains how data can change law firms' entire world view — and even predict the future

The final keynote presentation of each BLTF is always an event highlight. Although the keynote speaker typically has no direct link with the legal sector, they offer priceless insights that are relevant to it. This year's honour fell to Dave Coplin, who previously spent three decades working for some of the world's largest technology companies, including Microsoft.

Now CEO of his own consultancy business, The Envisioners, Mr Coplin began his presentation with the confession that his own wife describes his job as someone who 'talks bollocks for a living'. He poked fun at the concept of the 'thought leader', joking that any such person must begin their presentations with either a quote from Steve Jobs or a chart showing exponential growth. 'This exponential curve plots the number of mentions of the phrase "exponential growth" over the past six decades,' he quipped, firmly winning over the BLTF audience.

Dust-to-dust principle

Getting serious, Coplin observed that in order to stay relevant to clients in the 21st century, all organisations must change the way they view their own data. Historically, many businesses tend to think that data production is a by-product of what they do. But, used correctly, data can be a firm's most strategic asset. 'When you have lots of data, I guarantee that the questions you ask of yourself will start to change,' he said. 'Get as much data as you can. You should be smothering yourself in data at every available opportunity.' Luckily, new automated data gathering technology, such as the ubiquitous fitness tracker, makes data collection easy. 'I've obviously always had a heart rate, but this device makes my heart rate visible to me,' he said.

To illustrate how an increased amount of data can dramatically change how an issue is perceived, Coplin compared the environmental impact of a Toyota Prius hybrid car with that of a Land Rover Defender. Evaluated purely on fuel consumption alone, the Toyota Prius appears to be more environmental friendly. But, when evaluated on a 'dust to dust' basis — from component manufacture to the scrap heap — the Land Rover Defender is superior. Why? 'Because over 67 per cent of every Land Rover Defender ever made over the past 70 years is still on the road.

'There's not a question that you're currently asking of yourself, your practice or your clients that will not fall prey to exactly the same principle,' he said.

Psychic data

Transforming a firm's world view is one advantage of collecting and evaluating large amounts of data. But, as Coplin explained, the main benefit is that it allows firms to predict the future with statistically significant accuracy. He recalled how, when working for Microsoft, he successfully predicted the outcome of 15 out of 16 of the most recent World Cup games, the outcome of the Scottish independence referendum (to within two percentage points), and the winners of *Pop Idol, The X Factor and Eurovision*. '[This] turned out to be the highlight of my Microsoft career!'

Thanks to cloud technology combined with machine learning, this skill is now available to everyone. He explained, 'You simply need to connect the cloud to your data, and you can start to predict your future.' Any industry can make use of this type of solution because the technology that underlies it is often 'subject agnostic' — it's nothing more than statistics-based pattern recognition.

The algorithm challenge

However, while Coplin says he is broadly in favour of using AI algorithms to assist in decision-making, he warned that such tools are not infallible. 'Algorithms reflect our [human] society with no filter. This means they also learn the flaws in our behaviour.' This explains why the word that typically appears in a search engine after the phrase 'how do I join' is 'ISIS'.

> ‘Get as much data as you can. You should be smothering yourself in data at every available opportunity’

Later, in the Q&A which followed his keynote presentation, Coplin offered another example of how algorithms reflect the most undesirable human traits — using historical data to predict future crime hotspots yields results that show long-term racist police practices. A great deal of effort is now going into mitigating against this recognised technological side effect.

So, a key challenge for humans in the future will be learning how to decide on the most appropriate course of action, when guided by AI systems that are based on ambiguous probability. 'That's a skill that we, as humans, are going to have to develop,' Coplin concluded. ◼
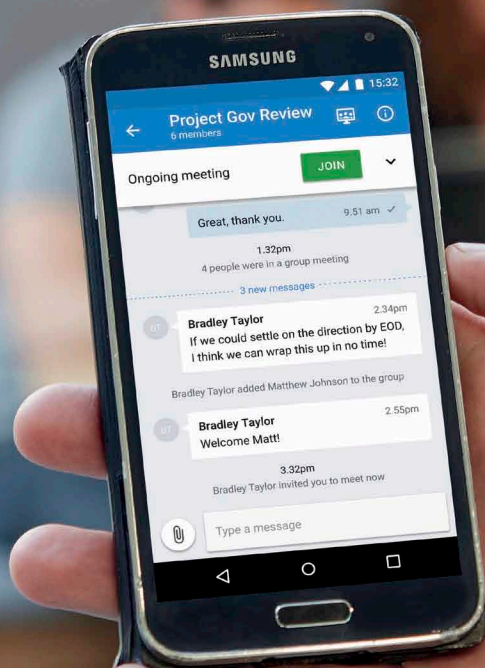
> "BLTF, for me is the 'Go-To' event of the year. Quality, not quantity when it comes to networking, speakers & suppliers.
>
> Head of IT, Phillips Solicitors

> "Thanks for a great event. The team are extremely helpful in lead up to the event, during the build and on the day. Can't fault them! Thanks for making my job so much easier.
>
> Marketing Director, DocsCorp

BRITISH LEGAL TECHNOLOGY FORUM 2018

> "BLTF2018 was the best one I've attended so far. Richard was great as usual but I thought Ian Goldin and Dave Coplin were compelling. It was also useful to see some new vendors and products too.
>
> Managing Director & Head of Development, DWF Ventures

BRITISH LEGAL TECHNOLOGY FORUM 2018

> Superb event yesterday!! THANK YOU for everything from the moment we signed until the end of the day. You guys are the best. The event was wonderful and NetDocuments couldn't be happier.

Director, Marketing EMEA, NetDocuments

> Excellent blend of speakers and topics which maintained my interest throughout

QC, 4 Pump Court Temple

From apps to cybersecurity

An unrivalled number of legaltech exhibitors, offering a huge range of digital solutions aimed at modern law practices, showcased at BLTF

For the fourth year in a row, the British Legal Technology Forum (BTLF) filled the Old Billingsgate exhibition hall in central London to capacity. Delegates had plenty of opportunities to discuss their IT requirements with more that 90 market-leading exhibitors from the worlds of legaltech and IT security.

Perhaps not surprisingly, given its fast-approaching deadline for implementation, a number of vendors promoted solutions aimed at helping law firms to become GDPR compliant. Redstor, the data management, cloud backup and discovery company; OneTrust, privacy management software; and Knovos, whose nayaEdge product focuses on information governance, were among the experts on hand.

Unsurprisingly, there were many vendors promoting artificial intelligence (AI) products. Luminance, the M&A due diligence provider and Justis, the common law case legal research tool, were among the prime examples aimed at practising lawyers. Others, such as the cybersecurity provider Darktrace, had their sights set on legal IT and security professionals. Other security-related vendors included IDECSI, Ivanti, mimecast, and Quorum Cyber.

For those seeking a new practice management system (PMS), there were a veritable who's who of potential suppliers. Attendees were able to get advice from companies including Aderant, Clio, Eclipse, Formpipe, Leap Legal Software, iManage, Linetime, NetDocuments, slicedbread, Timeslice and Tikit, to name but a few.

Also in the document processing space were sellers offering Microsoft Word-based productivity enhancement tools. Both Thomson Reuters and Verowave Technologies showcased their respective assembly solutions, while Word Exchange and Brochet demonstrated their formatting tools.

Finally, numerous suppliers were focused on the operations side of tech-friendly legal practices. From conference calling (LoopUp) to digital dictation (ServicesNow), phone app builders (Fliplet) to expenses management (Chrome River), this year's BLTF had it all. ■

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