# CHARLES CHRISTIAN's
# LEGAL TECHNOLOGY iNSIDER...

## THE ESSENTIAL GUIDE TO WHAT'S HOT (AND WHAT'S NOT) IN LAW OFFICE SYSTEMS

## HOT PRESS

**City firm Charles Russell has chosen Elite Information Systems (✆ 0171-330 3500) to supply its new practice management system scheduled to go live next June. Elite now has a Windows front-end which the firm hopes will deliver greater fee earner productivity.**

## WHAT NEXT FOR MICROSOFT ?

After an initial foray into the legal market in the spring with its Law Society endorsed Office bundle, what will Microsoft do next? **LTi** recently spoke to Microsoft's Joan Cummings, now heading legal sector activities, who said the company's plans for 1996 would follow a "broader tack than this year" and involve four main elements...

☞ • There is to be an educational roadshow touring the country, ideally in association with an electronic forms publisher, to show what law office automation can achieve.

• A second element – aimed at smaller firms – would be to enter into a volume licensing deal, with the Law Society being able to negotiate substantial discounts, which could then be passed on to members. ☞ Microsoft already operates a similar scheme, known as 'Select' with Lloyd's of London, which cuts the price of Office from £339 to £199.

• For larger firms, Microsoft intends to form an association with a re-seller who can assist major accounts make the migration from DOS and Word-Perfect 5.1 to Office, Windows 95 and Windows NT platforms.

• Finally, the company is looking for a partner, with a Microsoft Office compatible legal accounts system, that can provide the same relationship as Microsoft enjoys with Sage in the accountancy market. Cummings says the marketing drive will get underway in January. «««««

## SUPPLIERS AND CHANCERY LANE HEAD FOR SHOWDOWN

**For over 10 years, the legal technology industry and the Law Society have enjoyed a love-hate relationship but tomorrow (Tuesday 24th) could see matters come to a head when the Association of Legal Technology Suppliers (ALTS) holds an emergency meeting.**

Although suppliers are known to be unhappy with the Society's 'guidelines' for firms buying IT – described to **LTi** by one consultant as being "over-long and full of pious hopes" – what has sent tempers flaring are suggestions that Chancery Lane's commercial subsidiary Law Society Services Ltd is poised to enter the market with its own 'badged' range of software.

The precedent for this was set just over a year ago by the publications department, who publish two debt collection programs written for them by the Beaver Corporation but LSSL is understood to now be considering a far wider product range, including a conveyancing system and a low cost accounts package.

The ALTS say such a development would create a conflict of interest, as well as an unfair trading advantage, as the same people who currently claim legal technology suppliers provide a poor service – a claim the ALTS say is unreasonable and unsubstantiated – will in future be offering their own rival products.

☞ **Comment...** ALTS concerns may prove unfounded. **LTi** has spoken to two systems houses whose names have been linked with Chancery Lane and both say they would be reluctant to be associated with LSSL for fear of a repeat of the confusion that four years ago surrounded a Law Society attempt to co-develop software for criminal legal aid practitioners.

# Legal Technology insider...
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## COPY DATE

The Institute of Legal Cashiers & Administrators (✆ 0181 294 2887) is compiling the 1996 edition of its 'Legal Software Suppliers Pocket Guide'. The deadline for entries is 27th October and suppliers should note there is a reduced rate for ALTS members.

## LEGAL COSTS

Wordwright Associates (✆ 01473-212752) has enhanced its Costs Plus legal costing software. The Level One product has been upgraded to incorporate private client costing while the new Level Two covers all civil litigation cases. Costs Plus is a DOS program and prices starts at £300 – a demo disk is also available for £10.

## IS LEGAL SOFTWARE TOO EXPENSIVE ?

**The argument usually starts along the following lines: "How come you can buy a slick sophisticated Windows spreadsheet like Microsoft Excel and still have change from £250 – yet when it comes to legal software, it can cost over £10,000 for some clunky character-based accounts system that can only run on a minicomputer ?"**

**It is an argument suppliers in specialist vertical software markets often encounter – and one which frequently leaves them struggling to answer. So, are their products overpriced – or a good buy for the money? LTi looks at some of the issues...**

The economies of scale have a major impact. For example a mass – or horizontal – market software product such as a spreadsheet or WP package is likely to be deemed a failure if it shifts less than 10 million units – whereas a legal accounts system that is bought by more than 100 firms will be heralded as a major success.

But does this therefore mean specialist developers are guilty of selling their systems at inflated prices so that what they lose out on the swings – in terms of unit sales – is more than adequately compensated for on the roundabouts by heftier profit margins?

The counterclaim by developers is this is "absolute nonsense" and that the real reason why legal software prices are relatively expensive is because the market is so small and it is impossible to reduce prices any further if the supplier is to cover the product's development costs, let alone make a reasonable return on the investment in R&D.

The report and accounts returns **LTi** has seen suggest some suppliers have been trading at a loss in recent years – and certainly most of the business failures the industry has witnessed have stemmed directly from cash flow problems, as income has failed to come in at a sufficient rate to service the up-front costs of developing new systems.     ➡

➡ But how much does it cost to develop a modern accounts and practice management system from scratch?

According to John Wilde, the managing director of AIM Professional which recently went down this route to produce the new AIM Evolution system, taking into account the size of the development team and the number of people involved on the project, the total budget came in at just under £1.5 million.

Although this may not seem much in terms of mainstream computer industry R&D budgets, it has to be set in the context of a situation where the total possible market for the system is only about 1800 units – there only 1800 firms in the country with 5 partners or more who might be interested in such a system.

Furthermore, given the heated competition for business in this sector – at least half-a-dozen vendors have comparable products – if AIM secures 300 of these sites it will be doing well.

The figures therefore seem to suggest that far from being too expensive, the real problem is specialist legal applications are being unfairly contrasted with the prices of not-directly comparable products. A case of comparing chalk and cheese!

## RAM RAIDER STRIKES

**Velvet Palms, who last month announced a new service designed to help law firms establish a presence on the Internet, has been hit by RAM raiders. Overnight the thieves stripped the company's north London offices of all computer and telecomms equipment. Director Naj Kidwai says the next few days "are likely to be hairy" as systems are restored and in case of difficulty getting through, callers should ring the company's mobile phone numbers: 0973-341639 or 0973-278980.**

☞ **Comment... With the theft of IT systems becoming a growing problem for both solicitors' practices and even their suppliers, the next edition of LTi will contain a 'survivors guide' to foiling RAM raiders.**

## NEW SOFTWARE DESIGNED TO CUT RISK OF STRIKE OUT RULES

Buckingham-based solicitor Neil Jopson (✎ 01280-817394) has developed a new Windows-based case management system for County Court cases that has a strong emphasis on running the timetable and preventing actions being struck out under Order 17, Rule 11 of the County Court Rules.

The program is called WatchIt! and retails for £135 + VAT per office. It is available in VGA and Super VGA screen formats, can be operated by mouse or keyboard alone and is supplied with an illustrated user manual.

☞ Neil Jopson is currently working on a number of other programs including an accounts system. Meanwhile **LTi** wants to hear from other lawyers who have developed their own software.

## WATCHING THE WINDOWS SCROLL

**Management consultants BDO Stoy Hayward (✎ 0171-486 5888) is offering a new 'health check' service for firms running Windows applications in a networked environment. Called DeskWatch, it uses software to automatically monitor and capture data on the use of PCs over a two week period, so a report can be produced analysing how effectively the hardware, applications software and users are performing. Stoy are targeting the DeskWatch at firms with at least 15 networked PCs and the cost of the service is based on a sliding scale from £125 per PC to £75 per PC on 100 user sites.**

☞ **Comment... Although it sounds like Big Brother, Stoy say the object is to identify such things as sites where users are kicking their heels waiting for underpowered PCs to complete processing tasks – so hardware can be replaced or reallocated accordingly. DeskWatch will also check the usage of specific applications, so the need for upgrade licences can be more accurately assessed.**

## INTERNET LINKS UP

Legal publisher Legalease, the company behind 'Legal Business' magazine and the LINK email and information network, has put its 'Legal 500' directory, as well as a large chunk of commercial law related reports and news onto the World Wide Web to create what is now the largest legal site on the Internet. The site's ULR is **http://www.link.org**

The Society for Computers & Law has also gone live with its own WWW pages which can be found at **http://www.scl.org**

✎ The Law Society's experimental Net site at **http://www.lawsoc.org.uk** has been set up for them by Information Providers Ltd (✎ 01689-860000) part of the DMR group who also publish the CompuForms electronic legal forms series. DMR's Paul Carpenter says the company is "currently working up plans to extensively expand the services and information offered" on the Law Society site. Carpenter says he is also interested in developing WWW sites for other organisations on either a commercial or collaborative basis.

☞ **See...** back page for details of special offer for **LTi** readers.

## ITS GOT TO BE...

**Perfect Software (✎ 0181-546 7656) has released an upgrade to its Perfect Books 2 accounts and time recording package for smaller firms.**

**Called Version F20, along with general enhancements in speed and appearance, other changes to the system include faster bank reconciliation, improved time recording and billing facilities and the addition of over 100 preset legal aid rates. In addition, extra charges such as barristers' fees and expert witness expenses can be added to the time sheet without impacting on client accounts.**

**Perfect Software say the next major upgrade is scheduled to be the launch of the all-Windows Perfect Books Version 3.**

## HOT PRICE

**Novell UK (✎ 01344 724100) is running a special groupware offer. Anyone upgrading a network from WordPerfect Office or a comparable competitive product will receive a 20% discount if GroupWise 4.1 is purchased before 31st October 1995.**

## NOT MICE

**Kestrel Software (✎ 01600-860497) has just celebrated its second year in business. Although Kestrel's accounts package for small firms and sole practitioners is available in Windows and DOS versions, director David Salway reports DOS still outsells Windows, possibly because many cashiers do not find a mouse helpful in data entry tasks.**

# CLINIC

## LEGAL TECHNOLOGY iNSIDER

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**A five partner firm on the South Coast writes...** "We have a total of 12 qualified staff working out of two offices, about 10 miles apart, and like to think we are able to provide clients with comprehensive legal advice on a wide range of subjects.

"Over the years a major investment by the firm has been the creation of a library but we are now at the point where our card index system is creaking under the weight of keeping track of so many books, law reports and periodicals – especially as publications are dispersed between two offices.

"We are sure a computerised system running across our network is the answer but none of our existing packages, including a practice management database and a deeds archive seem appropriate. We have also ruled out bespoke development on the grounds of cost. Have you any suggestions?"

**LTi replies...** From what you say about your firm we would suggest a good starting place is with Masta-Lib software from **Euroserve** (✆ 01525-872228). This is a DOS-based program which can also be run across a network. Euroserve say it is suitable for libraries with up to a 30,000 book storage capacity and that its features, including circulation control, reservations and search facilities, have ➡

➡ previously only been available on far more expensive systems, whereas Masta-Lib prices start at just £75 + VAT.

Free demo disks are available from Euroserve. For further information about library systems try the British & Irish Association of Law Librarians (BIALL) whose current chair is Jules Winterton of the University of London's Institute of Advanced Legal Studies.

✍ If you have a computing query send it direct to **LTi** via post, fax or email.

## ☞ INTERNET GUIDE OFFER

**The news pages highlight the profession's growing fascination with the Internet. But while some firms are creating increasingly complex WWW sites, where do novices go for basic advice? The answer is the 'Guide to the Internet for Lawyers' (price £100) written by well-known legal IT consultant Delia Venables, with sections on business and marketing opportunities by LTi editor Charles Christian.**

**Because it is a fast developing topic, there is now a monthly update service costing £25 for 5 editions. As a special offer to LTi subscribers, the Guide plus the first 5 months of the update are available for an all-in price of £100 until the end of 1995. For details contact Delia Venables on ✆ 01273-472424.**

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