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LAW SOCIETY READY TO ROLL OUT NEW IT INITIATIVE

After spending the better part of six months on consultations and market research, the English Law Society is now putting the final touches to its initiative to identify suitable IT "partners" who can supply low cost practice management systems for smaller High Street firms.

Three suppliers have already been selected, they are: Mountain Software, Solicitors Own Software (SOS) and Peapod Solutions.

In addition, another four – Curat Lex, Gavel & Gown Amicus Attorney/Solace, Edgebyte and Quill – are being asked to answer further queries and deal with still outstanding reservations, with a view to them either being included with the first tranche of partners or invited to join the scheme at a later stage.

For example, **LTi** understands Quill earned good reports from its users on the quality of its customer relations and support services. Its new Quillennium suite also appears to fit the Law Society's IT criteria for 32-bit, Windows, Microsoft compatible technology. But, because the system is so new – it has only just come out of beta testing – Chancery Lane is still a little hesitant about endorsing the product at such an early stage.

The Law Society is now negotiating contracts with suppliers, including laying down strict guidelines on how they use the Law Society "brand name". Subject to committee ratification, it is expected to announce the final line up at the end of June. At the same time the Society will announce details of a new "catalogue" ➡

➡ deal it has negotiated with a major IT supplier, believed to be ICL. This will let lawyers to buy PCs and generic software, such as Microsoft Office, at discount rates. Gavel & Gown's Amicus Attorney is also expected to be in the catalogue.

NOT MUCH CHANGE FROM £200K

Newbury-based solicitors Gardner Leader is not a large firm, in fact it would usually be classed as a High Street practice. But, its recent acquisition of a new IT system provides a graphic example of the commitment even small firms are now making to practice development.

As part of an IT project that will see the firm replace 12 dumb terminals and a 1991-vintage Unix server with a network of 38 PCs, the firm is to spend a total of nearly £200,000. This includes £100,000 on hardware and software, £15,000 to re-cable the firm's three offices (there are branches in Thatcham and Hungerford), £24,000 to install a new telephone system and £50,000 on staff training.

On the software side the firm is installing SOS time recording and accounts systems, a range of case management applications from Solicitec, plus email, electronic forms and a library of legal titles on CD-Rom.

● **Comment...** The size of the total deal reflects conventional wisdom that firms should now budget on spending between £3000 and £5000 per user for a major IT project, with the higher figure the norm if a practice management system is to be integrated with case management. It is also gratifying to see the commitment to training. It is a pity more firms don't twig there is little point in spending money on technology if no-one can use it properly.

SOS posts sales record

Solicitors Own Software has reported record sales figures with orders worth £300,000 in total won during the first four weeks of its new financial year. Firms placing orders include: Schilling & Lom, Nash in Plymouth, the Stokes Partnership in Somerset and Mears Hobbs & Durrant (home of Law Society politician Martin Mears) in East Anglia.

WordPerfect upgrade now shipping

Corel is now shipping an upgraded and voice enabled version of its WordPerfect 8 Suite in the UK. The upgrade, which includes the Dragon Naturally Speaking speech recognition system and a headset microphone, retails for £99 (+VAT). The full version costs £249 (+VAT). To order call Corel Customer Services on ✆ 0800 973189 (UK) or 1 800 688400 (Ireland).

MOUNTAIN COMES TO PCG

Legal system supplier Mountain Software has appointed Bournemouth-based PCG (Professional Computer Group) Limited as the exclusive reseller for its new, all Windows fully integrated accounts and case management system in the south of England. Lincolnshire-based Mountain has already appointed J M Computing as its north of England reseller.

● **Comment…** The decision by PCG, which has been involved in the legal market since the early 1970s, to move to Mountain means the company will no longer be acting as a distributor for the DPS case management system.

The move is also likely to come as a blow for Dave Webber as at one stage it looked as if PCG would be acting as a distributor for his new Paragon accounts and practice management system. A PCG spokesman told **LTi** that although Paragon was a good product, market demand had moved on and High Street firms were now looking for integrated accounts and case management systems.

PCG is on ✆ 01202 893040.

AMC AND KEYSTONE, THE LONG GOODBYE

Although news of Ashurst Morris Crisp's decision to drop the implementation of its Keystone practice management system and switch to the rival CMS Open product only broke last week, since the autumn gossip in the City has suggested that this was not a case of if it would happen but when it would happen.

AMC ordered Keystone in July 1996 in a deal described as being worth "over £1 million". However, while the firm and its consultant Neil Cameron were initially very bullish, rumours of problems started emerge in the spring of 1997 when AMC appointed Ian Nisse as its new managing partner. In what has been described as a "bloodbath", the firm lost its finance ➤

➤ director, assistant finance director and IT director. As all three men were closely associated with the decision to back Keystone, it was seen as inevitable their replacements would want to reassess the firm's IT and practice management strategies rather than be restricted by the policies of predecessors.

● **Comment…** As negotiations between Keystone and AMC are still continuing, neither side believes it "appropriate" to comment beyond saying there were "irreconcilable differences over implementation expectations". However sources suggest one problem was new IT director Kris Grabarczyk was unhappy with the system's Unix/Oracle platform and wanted to move to NT/SQL Server.

If there is a lesson to be learned, it is that there is very little chance of a major IT project succeeding if either a supplier or senior staff within a firm lose the confidence of the practice's management. Then, it may not be IT issues but a failure in internal PR and politics that finally sinks the project.

Keystone is exposed in this respect, describing its prospective customers as being "the more visionary firms prepared to take an element of risk". Which is fine until the management loses sight of the "vision thing".

● Keystone is confident the AMC affair is a temporary "setback" that will be forgotten when its three other London sites (Masons, Stephenson Harwood and D J Freeman) go live later this year – Freeman's is due to go live in July.

In its recently published preliminary results for the year ended 31st March (the AIM listed company made a pre-tax loss of £652,000 on a turnover of £439,000) Keystone says it has 12 sales prospects "being advanced" in the UK, as well as five more in Australia/New Zealand.

The chief executive's statement also gives an insight into the company's pricing policy. Keystone suggest that a law firm with 150 fee earners would pay an initial one-off licence of approximately £300,000 plus additional consultancy ➤

➡ fees of £200-£300,000 during the implementation phase. The statement goes on to say "sustainable on-going revenue from maintenance, consulting and new licences fees" (from additional users) would contribute a further 15-to-30% of the initial licence fee annually.

● **Tite & Lewis**, the law firm subsidiary of accountants Coopers & Lybrand, has been looking around the IT market again, prompting speculation that it may be reconsidering its earlier decision to opt for CMS Open as its choice of PMS system.

INTERNET COOKIES - JUST SAY NO

The story in the last issue of **LTi** (No.60) about the *Butterworths Direct* web site has stirred up controversy on two fronts.

● **Pricing** Although Butterworths describes the online services as being "aggressively priced", this seems to be only in comparison with the prices charged by other legal publishers. The managing partner of one firm who looked at the service said he thought "monstrous" would be a better term and that a more "realistic" price would be in the region of 15-to-20% of what Butterworths are currently proposing to charge.

● **Cookies** A second and possibly more fundamental problem is to gain access to the service, a user must first accept cookies from the Butterworths web server.

Cookies are mini-applications (applets) which can serve a useful function in making it easier to download information from some web sites.

But, because it is difficult for users to find out what exactly individual cookies do (some have been used by software companies to snoop around PCs for business data and increasing numbers of hackers are using them) many firms make it a security policy to reject all cookies.

For example, Sherwin Oliver has made it part of the firm's ISO 9001 quality standard not to accept cookies. Managing partner Nigel Steward is also concerned➡

➡ that cookies raise *Data Protection Act* issues. Because it is virtually impossible to know what a cookie will do, in accepting one you are effectively allowing third-parties unrestricted access to your computer system and its client records.

● **Comment...** Regardless of the security and legal issues, any firm running a good firewall system may find it physically impossible to accept cookies.

Turning to the pricing issue, there are two difficulties here. The first is the continuing reluctance of publishers to negotiate licences on a concurrent user basis – which is how the rest of the software industry operates. The second is that users clearly do not accept the publishers' argument that adding hypertext and search engines to a legal title creates a value added product for which they should pay a premium price.

AIM SCORES AT 16 SITES

AIM has signed up 16 new contracts for its Evolution family of accounts and case management software. Orders for the Windows NT Evolution Client/Server product include: Hinckley & Bosworth Borough Council, LawNet member Birch Cullimore, Birchall Blackburn in Preston, Wallers in Newcastle, Adams Harrison in Essex and Smith & Graham in Hartlepool.

The software has also been ordered by Phillip Hamer & Co, which will install a 100-user network across its five offices in Yorkshire. The firm was previously a beta test site and managing partner Phillip Hamer, a Law Society council member and long-time advocate of the benefits of IT, anticipates the system providing enhanced support for fee earners.

AIM's Unix-based Evolution Classic has been ordered by Scottish firm James Black Hay & Co, along with Coffin Mew & Clover in Portsmouth, Quiney Jaggar in Swindon, Leigh Williams in Bromley, D W Carr in Northumberland and Bernard Wright & Cursham in Nottingham.

Happy Birthday
Congratulations to Axxia Systems, which this year celebrates 30 years in the UK legal technology market. Originally founded in 1968 as Kienzle Data Systems, the present Axxia emerged in 1995 after an MBO from Digital.

With the exception of some legal publishers, whose origins date back to the 18th Century, and legal stationers Oyez, who celebrate their 110th birthday this year, Axxia has the longest track record of any supplier in the market today.

Also putting candles on cakes this year are: Quill, the Institute of Legal Cashiers & Administrators (ILCA) and Pilgrim who have all now notched up 20 years in the business, Avenue, which celebrates its 10th anniversary, and LTi editor Charles Christian, whose first ever article about legal technology was published in 1978.

No Euro for old Windows

Microsoft has announced it will not be producing updated versions of its Windows NT 3.5 and Windows 3.1 operating systems to handle the new euro currency. Windows 95 and NT 4.0 will, however, be made euro compatible.

Latest Holway report out

The 1998 edition of the *Holway Report*, the annual review of the UK and European IT industry is now available. The report costs £2,150 and can be ordered from ✆ 01252 781545.

Free power guide

Have an office on a "posh park" and cannot tell your spikes from your surges and sags? Advance Galatrek, a maker of UPS (uninterruptible power supply) systems, has just published a guide on how to protect IT equipment from power supply problems. For a free copy call ✆ 0800 269 394.

THE BENEFITS OF IT - MOST DON'T KNOW

The results of the recent Legal Technology Insider (in association with Linetime Ltd) survey on quantifying the return on investment (ROI) and other financial benefits of IT have now been analysed and make interesting, if not also slightly disturbing, reading.

● Despite being a sophisticated audience (all respondents had accounts and WP systems, three-quarters had internal and two-thirds external email, two-thirds had time recording systems and one-third had web sites) 58% confessed they had not quantified the financial benefits of IT. 43% said this was because they had not thought about doing so and 71% admitted to not knowing how to do it.

● Of the 42% that had quantified the benefits, 40% claimed they had made a profit – all said this was because they had been able to reduce overheads and half also cited recording more time for billing purposes.

● The 60% of respondents who quantified financial benefits but did not claim a profit reported "a positive return" through increased efficiency and client service. In fact everyone who had carried out the quantification exercise reported positive benefits of one form or another, with a substantial number saying purely financial benefits did not matter as long as there were improvements in efficiency and service.

● Turning to the survey's IT findings: one quarter of the respondents have had their systems for two years or less, 17% have had them for between 3-4 years, 25% have had them between 4-5 years and one-third have had them for longer than five years.

● In addition to the widespread use of accounts, WP and email technology, over 40% were using marketing databases and over one-third had case management systems. Turning to the future, over the next twelve months nearly 60% were considering buying new time recording ➤

➤ and marketing systems, while 50% had web sites, speech recognition, case management and document management systems on their shopping lists.

● **Comment...** As someone who spends his time selling IT systems to law firms, John Burrill, the chairman of survey sponsors Linetime, was understandably pleased the firms that carried an ROI exercise had reported positive returns. However, as he also points out: "In what is now a very competitive legal marketplace, it is astonishing that so many firms should admit to not knowing how to quantify the financial benefits of their IT spend".

For the record, Linetime has just launched what it calls the "profit from our partnership" approach. This looks at the ways law firms can both maximise and measure the benefits of using IT.

LITIGATION SUPPORT

● **Bowhawk Consulting** has set up a branch in South Africa. As well as offering legal document management services for local clients, the new office will provide a high speed, low cost coding facility for Bowhawk's English and US clients. By scanning documents and shipping them in CD-Rom format for coding in South Africa, where salary levels are lower, Bowhawk hopes to cut the cost coding by at least one third.

Bowhawk (✆ 01252 716694) has also received accreditation for the JFS Litigator's Notebook, for the benefit of firms using Lotus Notes based systems.

● **Bovy Technologies** reports that according to British Telecom, its use of Bovy's CourtView electronic trial presentation system during a three month trial reduced the length of court proceeding by three weeks and saved £80,000 in costs. BT's use of CourtView was recently featured on the *Tomorrow's World* television programme.

● **Elliott Slone**, in association with Tania Correia of Herbert Smith, has produced a guide to the ruling of ➤

➡ Mr Justice Mance in July 1997 in the Grupo Torres v. Al-Sabah litigation. The issue before the judge was the application of RSC Order 24 rule 11A and Order 66 rule 3 to digital technology and the court's inherent jurisdiction to order the appropriate form of disclosure.

Although the authors suggest further litigation is needed to resolve some of the issues, the decision effectively says that where a party has scanned documents into a litigation support system without first obtaining an appropriate court order, they risk having to hand them over on CD and will only be entitled to charge the nominal (about £25) cost of cutting a CD.

Mance J. also said photocopying charges were an inappropriate guide to costs. Copies of the guide *Compact Risk* can be obtained free of charge from Elliott Slone on ✆ 0171 729 2088.

● **Xerox Business Services** has opened its new City DISC (Document Imaging Services Centre) at New Loom House in the City of London. The facility has been designed to meet the litigation support needs of larger law firms and has capacity to scan in over 300,000 A4 pages a day.

FRANKLINS DO IT THEIR WAY

Since the mid 1990's Franklins Solicitors, which has offices in Milton Keynes and Northampton, has developed its own case management systems to help streamline the way the firm processes work.

The firm's latest offering is a complete all-new 32-bit system based around Windows 95 and Microsoft Office 97. And, following this move Franklins has now set up its own software company – FWBS Limited – to sell the system to other firms.

"As a result of seeing how we use the system – we have an 80 user network running across our two offices – six firms of solicitors (comprising in total another 70 users) have already purchased the software for their own use. As there is clearly a lot of interest in the system, ➡

➡ we decided to take the plunge and set up a separate business to promote, sell and support the software.

"In fact we have already got several other sales in the pipeline and we also plan to supply other IT related products including internet services and consultancy advice," said senior partner Michael Franklin.

Mark Hemmings, the firm's IT manager and a director of FWBS, adds: "Our system looks at the overall office requirement and does not just focus on, say, a conveyancing or debt recovery department. However, the system can be automated to the user's own specific requirements through the use of precedents and tasks management to provide a full case management feel."

Franklins say the new software has provided significant improvements in efficiency and service, such as being able to handle the bulk processing of road traffic accident (RTA) and conveyancing matters – all key factors for a firm that has ISO 9001 quality standard, Investors in People (IIP) and Legal Aid Franchise accreditations.

● **Comment…** The core FWBS product (called the Office Management System or OMS) uses Office 97 connecting MS Word templates to tasks management using MS Outlook, with a database back-end of either Access or SQL Server.

Document management facilities, such as standardised office templates, auto-referencing, paper handling, document naming and storing, plus task referring, client take-on routines, key date reminders, client/matter database, contact database, time recording and full reporting on database information are also features of the OMS system.

With an ongoing development programme now being run in conjunction with Franklins, FWBS is also offering users external email, direct faxing and internet/intranet facilities all linked through and fully integrated with OMS.

For further details call Mark Hemmings of FWBS on ✆ 01604 828228.

New forms on the way
Proforma, the new electronic legal forms publisher, is now shipping four packs covering a total of 84 prescribed forms for Children Act, matrimonial, county court and Inheritance Tax work. All the forms use the HotDocs automated drafting technology and pricing is based on a licence of £49 per fee earner (£79 for Inheritance Tax) per annum. The forms will run on all Windows platforms. For further details or to request a free sample pack of fully functioning forms call ✆ 0181 878 3033 or visit http://www.proformaforms.co.uk

Land Registry in plans deal
The Land Registry has awarded a contract worth £8.9 million to document management contractors MR Group to scan in and create a database of the plans of 17 million UK properties.

On the road

Ericsson, Nokia and Option International have all launched what looks like becoming the communications gadget of the summer: the cellular radio card.

Each card fits into the PC/PCMCIA slot of a laptop computer, just like a conventional communications modem card. But, instead of then having to connect the card to a phone socket or GSM phone, because the card has its own radio transmitter, it can send and receive messages directly to and from the internet or a local network.

Not only does it not tie up your mobile phone but it also needs no external power supply and, by using the accompanying headset mike, you can even use it to make voice calls.

The cards use standard AT commands, V.42bis MNP5 data correction and access the web at 9600 bps.

THE 1998 LOTIES – SOMETHING OLD, SOMETHING NEW

The votes have been counted and the results of the 1998 Law Office Technology Innovation Awards (the LOTIES) have now been declared.

Because the winners are determined by readers' votes rather than, as with the SCL Awards, the decision of a panel of judges, the LOTIES results always provide a useful insight into the technologies that actually appeal to users. This year is no exception, with an eclectic mixture of older familiar faces, such as Unix back office systems, through to newer web-enabled leading edge products with, it should be noted, electronic forms products also making a strong showing.

In the **Law Office Product of the Year** category AIM has taken the honours with its Evolution Classic (ie Unix) PMS system narrowly squeezing ahead of HotDocs from Capsoft and Egami Legal from DPA-Egami.

The winner of the **Best Legal Front Office Product** is SolCase '98, the so new its paint's still wet case management system from Solicitec, which beat off strong competition from both Norwel and Axxia's fee earner desktop products.

For the second year running the winner of the **Best Legal Back Office Product** was AlphaLaw Accounts from MSS although the Windows Accounting System from SOS and AIM's Evolution Classic also made a strong showing.

In the **Best Law Office Automation Product** category, voters were clearly entranced by electronic forms products, with Oyez Legal Forms taking first place, closely followed by Peapod PrintaForm and Capsoft's HotDocs.

Solicitec's Solcase '98 system won the **Law Office Technology Newcomer** award, with Butterworths' web based All England Reporter service and AIM's Evolution NT as joint runners-up.

Users voted MSS the **Best Law Office Technology Supplier**, with electronic ➡

➡ publishing and forms specialists Information for Lawyers and legal IT giant Axxia Systems tying for second place.

Axxia and Solictec were the runners-up in the **Best Legal User Group** category, with the Aim Computer Users Association winning for the second time in the LOTIES' history. Although it has to be said the ACUA is not just popular with its members, it is actually better organised than some of the IT suppliers.

Turning to the more minor awards, Butterworths at http://www.butterworths.co.uk won the **Best Legal Internet Site** award. Butterworths also won the **Best Legal CD-Rom** award for its *Family and Child Law Library*. And, somewhat perversely, the winner of the catch-all **Best Legal Utility** category was the decidedly low-tech Hays DX service.

So, a good year for AIM, MSS, Solicitec and Butterworths and a very good year for the electronic legal forms industry, perhaps reflecting the fact they are not just convenient but that for many types of legal work you can now achieve with forms levels efficiency and automation that were previously only possible with full blown case management systems.

● The LOTIES awards are organised each year by *In Brief* magazine. Later this month *In Brief* is launching its new 500 page web site at http://www.inbrief.co.uk Along with material from the magazine, the site will also have a comprehensive guide to the world's legal jurisdictions, including surveys of the leading firms by country.

LEXOLOGY ADDS A WEB DIMENSION

Legal systems supplier Lexology, whose Fransys franchise management system was one of the finalists in the 1997 SCL Awards, has significantly expanded the scope of its system to provide practice wide controls, so a firm can manage its entire caseload across different departments and worktypes. ➡

➡ Lexology project director Nick Waters says the benefit of this approach is it allows a firm to gain an accurate picture of what is going on across the whole practice, whereas the traditional case management system could only provide information on a more piece-meal basis. Interestingly, Franklins (see story on page 5) has also reached the same conclusion and adopted a similar approach with its home grown system.

Lexology has also introduced an HTML web interface for the system, which means it can be accessed by anyone on the network with a PC equipped with a standard web browser. As well as opening up the system thin client-style to users still running older (ie non-32-bit) Windows hardware, this also gives the system an internet/intranet/extranet capability.

● **Comment...** Lexology is another supplier with roots in a group of solicitors who felt that as the market was not supplying the solutions they needed, they would put their money where their mouths were and do their own thing. Managing director Keith Wilson is still a partner of Redcar law firm Wilson McDonald.

Lexology software is 32-bit technology designed for Windows NT 4.0 networks and fully integrates with Microsoft Office 97 and SQL Server. Other recent enhancements include the FastFlow ➡

➡ "intelligent" workflow management module and VoiceNotes, which allows solicitors to give dictation directly on to a PC network using the new Boomerang system from Dictaphone.

Lexology is on ✆ 01642 489800 or visit http://www.lexology.com

● **Lawyers and the internet** Mention of Lexology's web enablement feature (Solicitec's SolCase 98 system also has a similar facility) inevitably prompts the question: does anyone actually need a case management system that could be linked to the internet or an intranet?

Cynics would no doubt say that with still only about 400 law firms in the UK with web sites, such facilities are a little premature. On the otherhand a number of recent studies (including the **LTi** ROI survey, see page 4) suggest web sites are one of the must-have technologies many law firms will be investing in over the next 12 months.

It is also worth noting that according to a new survey conducted by KPMG, the number of adults – and hence, potential law firm clients – using the internet in the UK has almost doubled over the last year to six million or 13% of the population. This number is expected to rise even more sharply over the next couple of years as digital television and set-top boxes start making inroads into the consumer market and open up the internet to non-personal computer users.

Legal IT Diary Dates

● **June 9 to 11, IMC '98 Exhibition, Earl's Court, London. Document management, workflow and imaging systems. Opens 10.00 am, admission free. For details call ✆ 01203 426450.**

● **June 16, Kaye Tesler Seminar, Holiday Inn, Sutton. Seminars on the internet and video conferencing. Starts 9.30 am, for details call Kaye Tesler on ✆ 0181 809 6756.**

● **June 18, How to Build an Intranet, Law Society, London. One day course on Lotus Notes and intranet design. Starts 9.30 am, course fee £499 (+VAT). For details call Osney Media on ✆ 0171 880 0000.**

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