

TechnoFeature™

Practice management and technology articles written by experts.

InsideLegal Summit: A Look Inside the Legal Technology Business World

By Brett Burney & Ross Kodner

INTRODUCTION

Twas the day before LegalTech, and all through the halls, only vendors were stirring, so it was time to reflect ... on a handful of legal technology topics presented at the inaugural InsideLegal Summit.

InsideLegal LLC is a new collaborative discussion venture from the marketing minds at Envision Agency — [JoAnna Forshee and Jobst Elster](#). Its present incarnation exists as a blog/newsletter at www.insidelegal.com, but there will be several “Summits” hosted under the InsideLegal brand over the next few years. The idea is to bring together core legal technology industry leaders for candid brainstorming and discussion about how to improve the state of available products and services to lawyers everywhere.

The inaugural InsideLegal Summit was held the day before [LegalTech 2008](#) in New York City on February 4, 2008. The Summit was hosted courtesy of the Manhattan offices of Microsoft Corporation.

Perhaps the most appealing aspect of the Summit was the variety of participants that were invited to this unique event. From the consultant side were litigation and eDiscovery expert [Michael Arkfeld](#), litigation, eDiscovery and forensics expert [Craig Ball](#), legal technologist [Jeff Beard](#), legal technology/law practice management consultant [Debbie Foster](#), and of course us, litigation and eDiscovery professional [Brett Burney](#) and legal technology/law practice management consultant [Ross Kodner](#) ([MicroLaw, Inc.](#)).

From the legal technology media, we had Adam Schlagman, Editor-in-Chief of [ALM's Law Journal Newsletter's Legal Tech Newsletter](#) and Karen Jones, Editor & Publisher of [Citytech](#), a UK-based legal technology publication.

The following people represented the vendor side of the legal technology world: Dan Berlin of legal billing/practice management company [STI](#), Jonathan Carter of digital dictation vendor [Big-Hand](#), Don Howren of legal billing and financial management company [ADERANT](#), Whit McIsaac of practice management/legal billing and CRM provider [Client Profiles](#), and Tom Rump of litigation technology provider [CT Summation](#).

The inaugural InsideLegal Summit was designed as a “boardroom style business briefing event.”

Last but certainly not least, Peggy Wechsler, the unstoppable Program Director for the [International Legal Technology Association \(ILTA\)](#) was there to provide her perspective on the topics.

TAKING ON THE TOPICS

The inaugural InsideLegal Summit was designed as a “boardroom style business briefing event.” There were four topics given to the group for discussion:

(Continued on next page)

- Topic 1: The trend of shows and conferences offering “pay to speak” opportunities for vendors and its impact on marketing and conference content quality.
- Topic 2: Industry Consolidation — The trend of larger companies buying up smaller vendors.
- Topic 3: Vendor Bylined Articles — Some publications no longer allow (or never have allowed) vendors to contribute articles focused on industry trends, subject matter expertise, or technology direction.
- Topic 4: Comparison of the Legal Technology Industry in the U.S. vs. the U.K. — What are the major differences and how easy is it to work in both?

TOPIC 1: THE “PAY TO SPEAK” EVENTS

The first topic elicited a generous amount of discussion, which didn’t leave a lot room for the second topic. Everyone in the room had strong opinions and resulting in an absorbing discussion.

The “pay-to-speak” (aka “pay-to-play”) scenario operates in slightly different ways at each conference, but the general idea is that sessions, presentations, or conference “tracks” are sponsored by vendors that pay a handsome sum of money. In return for their generosity, they are given various levels of control over the selection of speakers and topics appearing on the track they sponsor. The logical question then becomes how much control is too much? Do these presentations merely translate into sales pitches couched in the guise of education? Or can we trust vendors to provide wholesome and sincere edification on a relevant topic?

It’s a tough question with no easy answer. In fact there may not be an answer at all. Most people believe pay-to-speak doesn’t pass the “smell test” because it seems impossible for a vendor to provide an unbiased presentation on a topic. But on the other hand, no one wants to see vendors leave the conference space. Vendors provide a lot of the dinners, parties, prizes,

giveaways, “[schwag](#)” and receptions that make conferences so exciting and interesting. If vendors are going to participate, no one can blame them for wanting to spread the message about their product or service. These are for-profit entities — no one would reasonably begrudge them their profit motive.

For example, large vendors like [Fios Inc.](#) have the resources to bring in speakers like former New York Governor Mario Cuomo who may not otherwise come to a legal technology conference (see [Governor Mario Cuomo on Collaboration: LegalTech](#) and [LTNY 08: Cuomo Speaks at Fios Fete](#)).

The point was also raised at the InsideLegal Summit that many vendors have hired some of the best minds in the industry, so why should we discount their knowledge just because they are affiliated with a particular vendor? (Dennis Kennedy stated in his [26 Electronic Discovery Trends for 2008](#), “EDD vendors are some of my favorite — and most knowledgeable — people in the EDD field.” Besides, who better to explain the advantages of using a particular eDiscovery review platform than the vendor themselves?

If vendors are going to participate, no one can blame them for wanting to spread the message about their product or service.

Someone at the Summit noted that the majority of vendors do make an honest attempt to educate conference attendees, and should enjoy a deeper sense of trust when sponsoring presentation tracks. Unfortunately, the distrust usually stems from negative experiences when some vendors take advantage of their sponsorship and use the platform for a full-fledged sales pitch. As is usually the case, one bad seed can ruin the future opportunities for everyone else.

(Continued on next page)

It was enlightening to hear different perspectives on these concepts from representatives of some of the larger legal technology shows: Debbie Foster is on the ABA TECHSHOW Planning Board, Craig Ball had very recently been appointed to the LegalTech Advisory Board, and Peggy Wechsler is the Program Director for ILTA. I, Ross Kodner, was both a long-time member of the LegalTech Planning Board as well as ABA TECHSHOW. Each conference handles vendors and “pay-to-speak” scenarios a little differently — from allowing a sponsoring vendor to pick topics and presenters, to relegating product demonstrations only in the exhibit hall, to barring vendors from participating in CLE-accredited sessions.

The last major issue the Summit covered in the “pay-to-speak” session was how to balance the vendor sponsorships with CLE requirements. The question arose if local CLE accreditors would approve a presentation in which a topic and presenter were selected entirely by a sponsoring vendor. Perhaps the majority of CLE accreditors don’t care where the materials come from, as long as they prove educational in nature. The Summit participants briefly discussed ways that conference organizers could do a better job at disclosing where and when a presentation or “track” is sponsored. Usually there are banners and podium signs in a room with vendor logos, but should there be additional explicit announcements about the sponsorships? And should panelists be required to disclose if they are paid by vendors to speak? (Matt Homann shared some of his thoughts on the topic. [This Speech Sponsored by ...](#))

TOPIC 2: INDUSTRY CONSOLIDATION

The legal technology sector has seen some major activity on the mergers and acquisitions front recently — the second topic at the InsideLegal Summit.

Examples of recent (and not-so-recent) acquisitions include Iron Mountain/Stratify, LexisNexis/Redwood Analytics, Wolters Kluwer/Summation, LexisNexis/Dataflight, and Dell’s plan to purchase MessageOne.

(Ron Friedmann has excellent posts on this topic. [Another EDD Acquisition: Iron Mountain Acquires Stratify](#) and [Another EDD Acquisition: FTI Consulting Acquires Strategic Discovery, Inc.](#))

There has also been significant consolidation in the practice/document management, CRM, and legal billing worlds, evidenced by LexisNexis’ multi-year acquisition course, bringing Time Matters, PCLaw, Juris, NetDocuments, and InterAction into the fold.

It was generally agreed that we have not seen the end of acquisition activity, especially in the eDiscovery market.

The Summit participants discussed the impact that these acquisitions have on the legal technology market. It was noted that most of the acquisition activity has been in the eDiscovery space. There was some regret expressed about past “acquisitions-gone-bad” and a hope that acquiring vendors have learned from past mistakes. It was generally agreed that we have not seen the end of acquisition activity, especially in the eDiscovery market.

TOPIC 3: VENDOR BYLINED ARTICLES

Logically flowing from the question of whether it is appropriate or advisable for vendor representatives to speak at conferences, especially on CLE-accredited presentations, the question of whether vendor representatives may author articles arises. The issue is fundamentally the same: can a vendor-authored article on some aspect of legal technology relating to the vendor’s core business be viewed as credible? Or is the marketing-driven temptation to write an advertising piece or advertorial too tempting to resist?

The discussion is an important one and the same issues arose. Can vendors be trusted to assign experienced staffers, or executive level personnel who are truly subject matter experts to

(Continued on next page)

author works that are informative and objective? Or would they assign less experienced marketing or sales staff who might draft classic “THIS SECTION IS AN ADVERTISEMENT” copy that is thinly veiled brochure content?

The quandary is significant. Some of the top experts in the fields of legal billing, practice management, litigation technology, eDiscovery, as examples, are the executives and senior staffers from the vendors of products in these segments.

We discussed whether a clear delineation exists, understood by the industry insiders present, about specific vendor representatives who fit such a bill. In other words, vendor authors who innately understand that the best way to promote their products through authorship would be to not directly promote their products. Rather, to promote via reader identification of them as trustworthy subject matter experts. Several examples mentioned as vendor authors segment-savvy enough to understand this critical distinction are people such as Whit McIsaac, in attendance from Client Profiles, Dan Berlin from STI, and Tom Collins, former CEO of Juris.

The discussion centered on ways to address the concerns involved in inviting vendor authors to write in their areas of expertise in an objective, informative role that doesn’t smack of self-shilling. The creation of a set of uniform requirements that could become industry standards for vetting and instructing vendor authors was discussed — with draconian repercussions for violation (i.e. banned from future future publication).

TOPIC 4: DIFFERENCES IN SELLING TO THE UK VERSUS US MARKETS

The legal technology world from the UK perspective was ably represented by Karen Jones from *CityTech* magazine and by Jonathan Carter from Bighand. The question posed by JoAnna was direct: “Are there any differences from a vendor’s perspective when selling to the UK legal market compared to the US legal market?”

The answer was fascinating, evidencing a fundamentally different sales approach in the two

largest English-speaking marketplaces. According to Jones and Carter, British purchasers of legal technology products and services expect a “softer” approach from vendors — first establishing a relationship. The relationship might start with pleasantries, then proceed to discussion of the firm’s situation and needs. Then the sales pitch proceeds — the hallmark being a gradual, relationship-based approach.

In contrast as Jones and Carter observed, the American approach focuses more on a hard-charging, “lead with the product” approach. Instead of working to build a vendor-client relationship, it was perceived that American legal technology vendors focus first on their product, their marketing pitch, and selling the proverbial “value proposition.”

Are there any differences from a vendor’s perspective when selling to the UK legal market compared to the US legal market?

So which approach is more successful? Can American legal technology vendors learn something from the Mother Country and vice versa? The lively discussion yielded a resounding conclusion that a blended approach would likely produce more “win-win” situations. A relationship-based, product-oriented approach that acknowledges the client’s needs and the need to express those needs and be heard. Combine it with the product-centered, marketing-driven American approach and it might just generate more sales and more satisfied customers — on both sides of the pond.

CONCLUSION

“He sprang to his (hybrid-powered) sleigh, and to his team gave a whistle (which confused his voice recognition headset), and away they all flew like the down of a thistle. But I heard him exclaim as he clicked off the screen, “Merry InsideLegal Summit to all and to all a good night.”

(Continued on next page)

Copyright 2008 Brett Burney and Ross Kodner.
All rights reserved.

ABOUT THE AUTHORS

Brett Burney is the Principal of Burney Consultants LLC where he focuses his time on bridging the chasm between the legal and technical frontiers of electronic discovery. Burney Consultants also provides exceptional support for litigation databases, document review projects, and trial technology. You can visit www.burneyconsultants.com for more information and subscribe to the [eDiscoveryinfo blog](#).

Contact Brett:

E: burney@burneyconsultants.com

Ross Kodner is a lawyer who in 1985 founded Milwaukee, Wisconsin's [MicroLaw, Inc.](#), an

international legal technology consultancy and Continuing Legal Education company. Widely recognized as one of the top legal technology experts in the world, Ross is former Chair of the LPM Section's Computer & Technology Division and ABA TECHSHOW Board member. Ross consults with and teaches lawyers worldwide about how to best integrate technology into the workflow of their practices. Ross has delivered over 1300 CLE presentations and authored over 500 articles on legal technology and law practice management. He is a 1999 Recipient of the TechnoLawyer @ Award as Technology Consultant of the Year (a lifetime achievement award) and a multiple time TechnoLawyer @ Award Contributor of the Year.

Contact Ross:

E: rkodner@gmail.com

About TechnoFeature

Published on Tuesdays, *TechnoFeature* is a weekly newsletter containing in-depth articles written by leading legal technology and practice management experts, many of whom have become "household names" in the legal profession. Most of these articles are TechnoLawyer exclusives, but we also scour regional legal publications for superb articles that you probably missed the first time around.