Osler Works is automating transactional tasks at lower cost
By Jennifer Brown, the managing editor of Canadian Lawyer InHouse magazine and Law Times.

One of the lessons of the legal tech revolution of recent years is that innovation is rarely about technology alone. Innovation often involves technology, but equally important is the deployment of other resources, including people, new processes, and new business models and pricing. All of these come in to play in a new type of service delivery for the Osler firm in Canada.

On the 19th floor of Osler, Hoskin and Harcourt LLP’s office in Canada’s national capital, Natalie Munroe has created a workspace and team that is transforming how legal services are delivered to clients on transactional matters.

Located far away from the firm’s King Street financial district office in Toronto, Osler Works is a tech-focused low-cost delivery center situated in an office tower in downtown Ottawa, staffed largely by junior lawyers supervised by Munroe and a few senior lawyers from the firm.

Looking out over the lawyers working collaboratively at open desk spaces outside her office, Munroe talks excitedly about her plans to build the team out.

“We have the demand and plans to grow this quickly,” she says.

Founded in October 2016, Osler Works Transactional is a technology-enabled group of lawyers and analysts that supports the firm’s deal teams with due diligence and closing services for clients.

Reducing Costs, Enhancing Quality
“We’re really, as many other firms are, investing heavily in tech to improve service delivery and value in the context of M&A,” said Jeremy Fraiberg, co-chair of Osler’s M&A group, speaking during a session at the Canadian Corporate Counsel Association annual meeting in Toronto in April. “We’re really looking at how deal-making and the deal process is changing in light of technological innovation, and how the tools we’re developing are helping to deliver value to the client.”

Overwhelmingly, Fraiberg says the innovations have been in the diligence area – using tools such as those from Kira Systems, a machine learning contract tool, to review documents and generate high quality reports, which has proven to be extremely efficient. Kira is being used by other firms in Canada and the United States, such as Torys LLP, Davies, Bennett Jones LLP, DLA Piper, Deloitte, Freshfields, and others.

In terms of deal execution, Osler is using Closing Folders, DocuSign and Contract Express® to improve workflow, automating a lot of repeatable tasks that used to take a lot of time for not a lot of value for the client and billed at lawyer rates much higher than can be delivered now by the Osler Works team.

The goal is to drive down costs while “enhancing quality and consistency.”

“The initial thought behind this was to have a small group dedicated to providing due diligence services for corporate, and very quickly it ballooned into not just due diligence for corporate,” says Munroe, who oversees a group of about 20 now, even though the Osler Works space in Ottawa has been designed to accommodate an expected growth of 30 to 40 percent.

“Then all of a sudden we started going down a path where we would also provide closing services really focused on the process and execution of closings. Within a month we were barreling down multiple tracks with those two services and far broader in terms of its scope than initially contemplated. So, it went from small to quite large and just continues to explode in all different directions because there is so much demand.”

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Munroe has been with Osler Works for two years. Prior to joining Osler in Ottawa, she was a corporate associate with a practice that was a mix of corporate finance and M&A. She had also practiced at Cravath, Swaine & Moore LLP. In addition, she spent several years at Bank of Nova Scotia where she was senior legal counsel supporting their treasury function – a securities practice for the most part, but still with some M&A work. As someone who was a client at one point and an M&A lawyer, she was a perfect fit to take on the challenge provided by Osler Works.

“I think it really started when the firm started an ediscovery group in 2011. I think there was recognition that it was a really interesting model supporting litigation with respect to discovery and the changes required in discovery. There’s no question that group has been quite successful. A little later folks were thinking about how we should proactively respond to our corporate clients.”

Based on the success of the ediscovery group, which is located in Toronto, ultimately a decision was made to form a similar alternative services provider to support what is now corporate and commercial transactions.

Other firms in the United States and United Kingdom were embarking on similar projects and Osler looked at the variety of models.

**Team Talents and Skills**

The team in Ottawa is a combination of lawyers and other professionals. After scoping a project, the team presents a detailed estimate with fixed, capped, or alternative fees, to give clients greater certainty on cost.

“Our lawyers are divided into two camps – most are junior lawyers – either brand new or one year out. A few are mid-level and one is a senior lawyer, and we’re looking to add another senior lawyer to the team to help with the revenue work they do,” says Munroe.

The lawyers don’t necessarily have a background in corporate or commercial law, especially the junior lawyers. Munroe receives applications daily from new grads. Many are from the nearby University of Ottawa Faculty of Law, although increasingly many are also from the U.S.

“A lot of graduates today have some sense of what’s happening in the market and there is a realization they should join in. Some have family law backgrounds or other types of law and we train them to do the work. The senior lawyers have more corporate backgrounds from national firms or in-house experience,” says Munroe.

Other professionals on the team include an analyst largely responsible for operations – that person helps with data analytics, budget, pricing, some HR matters, strategy, and change management.

“We do not have assistants,” says Munroe. “We have decided to go incredibly lean because a lot of what we do is electronic. We have a coordinator who is a jack of all trades and supports the group on multiple matters. I find our analyst and coordinator are brought in to do things for clients the firm has asked us to do but fall completely outside the bailiwick of legal services,” she says. That can include tasks such as taking large quantities of data and creating pivot tables to provide them with answers.

“We really started with our emerging companies’ group because they were so hungry for change,” says Munroe. “They really helped us get started. We’re starting to see more corporate transactions, banking transactions, and other different types of transactions on the closing side.”

“We did something in January where a client had to file a large quantity of forms with the securities authorities, and data had to be input and we did most of that. Part of it was they didn’t have anyone on their legal or operational side who could take that volume and do it for them. We used to have lawyers doing it, but you can imagine how costly that would be. The culture we have created with this group is to always challenge how we are doing things and what can be taken on,” says Munroe.

The team is focused on corporate commercial and the two main services today are due diligence (not just for M&A and corporate finance transactions) and contract analysis services to a number of the practice groups.

“It could be the technology group is working on an outsourcing deal, or the franchise group is working on a franchise disclosure document, or it could be our real estate group and one of our landlord clients has bought a new building and they need to know about certain restrictions or rights tenants have because they want to add that information to their rent roll, so it’s quite a broad service and there are lots of things we are looking to do with it,” says Munroe.

“On the closing side we help with a lot of the process and execution of closings and work with quite a substantial number of deal teams as well as starting more and more on the commercial side,” she says.

“We really started with our emerging companies’ group because they were so hungry for change,” says Munroe. “They really helped us get started. We’re starting to see more corporate transactions, banking transactions, and other different types of transactions on the closing side.

“That’s where I expect more growth in the next one to two years – certainly I expect it to go from being mainly from emerging companies to a far larger group of practice areas,” she says.
Legal Tech Startup Focus: Recent Deals and Funding Rounds

The first half of 2018 saw an acceleration in the number of deals involving legal tech startups, in most cases companies using artificial intelligence or advanced analytics to speed up legal processes. Here are some of the more important announcements.

Exterro: $100 million

Exterro provides information governance and ediscovery software specifically designed for in-house legal and information technology teams in Global 2000 and Am Law 200 organizations. Large corporations use the company’s software to optimize internal litigation and data management processes. This investment from Leeds Equity Partners, its first outside investment, will be used to “further execute on numerous growth opportunities in the e-discovery and information governance markets.”

Everlaw: $25 million Series B funding round led by Menlo Ventures

Everlaw is an ediscovery and litigation platform. Everlaw will use the new funds to accelerate development of its collaborative litigation software, which features document search, AI-powered analytics, and unique tools for multi-matter discovery, depositions, and case-building. Everlaw saves attorneys and review teams valuable time in discovering key documents, collaborating internally and with third-party firms, and litigation preparation.

Seal Software acquires Apogee Legal

Seal, a contract lifecycle management provider, has contract discovery and analytics products that help identify, locate, and analyze an organization’s contract and the risks and opportunities they hold. The acquisition of Apogee, which was already a Seal partner, brings an advanced suite of analytical tools into the Seal Offerings. The acquisition comes just a month after the Seal announced a $30 million investment from Toba Capital.

PactSafe: $5.5 million round

PactSafe is a cloud-based contracting platform that automates many aspects of the contracting process. It completed a $5.5 million Series A round co-led by Mercury Fund and Signal Peak Ventures, along with repeat investors Elevate Ventures and Vulpes Testudo.

LegalZoom invests $1.8 million in LawPath

LawPath is an Australian startup that, like LegalZoom, provides low-cost and automated service to businesses. The LegalZoom investment will be used to increase sales and marketing efforts in a bid to expand market penetration across Australia and offer its services to all types of businesses.

Clarilis: £3.1 million

UK-based document automation platform Clarilis has received a £3.1 million investment from NVM Private Equity. Clarilis provides clients with efficiency gains in their drafting processes, reducing the time and resource required to produce initial drafts of documents. It counts both corporate in-house teams and private legal practices amongst its customer base, including firms such as Travers Smith, Addleshaw Goddard, Burness Paull, and Baker McKenzie.

Tessian: $13 Million

UK-based Tessian has closed a $13 million round led by Balderton Capital and previous investor Accel. Tessian uses machine learning to watch for patterns of email behavior in order to prevent email security threats.

Events Reports

Building a Better Lawyer: Workshops at Michigan State’s LegalRnD

By David Curle

This spring LegalRnD – The Center for Legal Services Innovation at Michigan State University College of Law held two workshops focusing on the intersection of legal education and the skills and competencies required in today’s increasingly tech-centric and innovation-driven legal industry.

The first workshop was Building a Better Lawyer: Design Thinking Training and Study. The event was led by LegalRnD Director Dan Linna and Margaret Hagan, director of the Stanford Legal Design Lab. Hagan is a leading figure in a growing movement to incorporate design principles into the way organizations (law firms, public service agencies and courts) deliver legal services, and this time she extended the methodology to re-think the way we design legal education.

A broad group of stakeholders were represented, including law firm lawyers, in-house lawyers, operations and development professionals, law students, law professors, bar associations, judges and court administrators, and access-to-justice-oriented legal service organizations.

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After some preliminary exercises designed to put the participants into the right frame of mind for prototyping and design-thinking, Hagan led about 50 participants through an exercise to find solutions to concrete problems centered on what lawyers should look like in the future and what needs they must be equipped to address. The result was a series of proposed solutions that ranged from certifications, apprenticeships, client-immersion programs, and curriculum changes. For more details on the process and the solutions, see Stephen Embry’s summary at his TechLaw Crossroads blog.

Two big themes emerged from the workshops: Design and Measurement.

The design workshop format focused on the process of getting from market needs to specific solutions for a wide variety of challenges. What became clear was that most of the solutions involved a better integration of law school curricula and programs with real-world needs in legal practice. That step requires a great deal of thought put into how legal services and legal education itself are designed. The design techniques represented by Hagan and her Legal Design Lab are catching on in the industry, and this workshop demonstrated that law schools can be a great convener and a forum for future development.

On the measurement side, the second workshop, Legal Services Quality, Innovation & Technology: Setting an Empirical Research Agenda, turned its attention to what we need to measure in order to fill the gaps in today’s preparation of lawyers for roles in innovation. The competency model that comes out of that workshop can be a great platform for thinking about how we measure the success of law school itself and the skills of the new lawyers who represent the future of the industry.

A full set of videos from the events is available at LegalRnD’s YouTube channel.

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The “Delta” Model: Consolidating the 21st Century Lawyer Competencies

By Natalie Runyon

The LegalRnD Center conference hosted a design thinking workshop attended by a multi-disciplinary group dedicated to defining a research agenda for the competencies of the 21st century lawyer on Saturday, April 21st. The main takeaways from the workshop were twofold: #1 that the existing competency models did not capture all of the important competencies that had been highlighted as necessary by developments over the last five years and #2 that newer, emerging aspects of the competencies had not been fully implemented in a professional legal context. What came to be known as the “delta model working group” created a first iteration of the delta model and concluded that we needed to collect feedback from the previous experts who had completed research on competencies of lawyers. Members of the working are:

- **Alyson Carrel**, Assistant Dean of Law & Technology Initiatives at Northwestern University Pritzker School of Law
- **Jordan Galvin**, Knowledge Management Resources Lead at Mayer Brown and former Innovation Counsel at Legal RnD
- **Shellie Reid**, law student at Michigan State University Law School
- **Natalie Runyon**, Director & Content Strategist for talent issues at the Legal Executive Institute

The Problem: An Incomplete Vision of Educating Today’s Lawyer

The legal market is undergoing an undeniable transformation. Clients are demanding more value for less money. While emphasis on the business of law and legal operations is growing, there is still an incomplete vision of educating today’s lawyer. Further, current metrics do not gauge practice-readiness or ability to meet client expectations. The solution to these problems cannot be achieved through efficiency initiatives or new technology alone. The foundational paradigm of legal services must shift. Moreover, the access to justice continues to get work; fifty percent of the middle class and eighty percent of the poor do not have access to legal services, clients are starting to demand more for less out of their law firms, and law schools are not adequately preparing their students for 21st century practice.

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Our Mission. This group exists because we believe there is great untapped value in empirically measuring the quality of lawyer work. We believe that the client – the customer – should define quality and value, and not the number of hours worked or articles published.

Our Vision. We envision a legal marketplace where there is more alignment between lawyer and client, engendered by a movement toward collaboration, shared vision, and strategic partnership. This begins with a movement toward agile lawyer competency models and law school curricula that are continuously updated based upon feedback from customers and analyses of concrete metrics. In this ideal state, treating the training and development of lawyers as an investment with measurable returns leads to gains for the business and an increase in job satisfaction for lawyers.

Our Hypothesis. We believe that a new delta-shaped model of lawyer competence, combining currently available research literature and anecdata, will more comprehensively reflect the diverse skills, attitudes, and knowledge lawyers need to reach the highest level of client satisfaction.

The “Delta Model” of Lawyer Competence

- Data Analytics
- Data Security
- Design & E-Discovery
- Project Management
- Technology & Social Media
- Business Fundamentals

Character
Communication
Entrepreneurial Mindset
Emotional Intelligence
Relationship Management

Personal Effectiveness Skills (PES)

Process, Data & Technology

Legal Knowledge & Skills

The delta model of lawyer competence combines those identified by the following people and highlights the need not only for T-shaped lawyers, but lawyers with high character quotients, emotional intelligence, leadership, and collaborative problem-solving skills:

- Bill Henderson, Editor of Legal Evolution and Professor of Law at Indiana University Maurer School of Law
- Alli Gerkman, Director, Educating Tomorrow’s Lawyers, Institute for the Advancement of the American Legal System
- Amani Smathers, Legal Solutions Architect, Davis Wright Tremaine
- Jim Lupo, Professor of Practice; Director, Center for Practice Engagement & Innovation
- Dan Linna, Visiting Professor, Northwestern Law and Stanford Affiliated Faculty at Stanford CodeX

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Our design of the “delta” model started with the foundation level, widely accepted as “lawyering” skills already taught in law schools as the base of the triangle. These are the foundational skills that are table stakes for any lawyer passing the bar exam and practicing law. We developed the right side of the triangle with the well-documented skills that were identified at the top of the “T” shaped model, which include design and e-discovery, project management and analytics, and business tools and technology. We sought to build off the existing models developed by legal community peers rather than try to “re-invent the wheel.”

For the left side of the triangle, we chose to include the personal effectiveness competencies because they are indeed required for upward advancement in the legal industry. Leadership and the ability to lead teams is essential. Demonstrating empathy and the ability to put yourself in the shoes of another are critical for retaining staff and for building connections with clients. Being curious and learning agility are also crucial. Moreover, we saw the personal effectiveness skills and the process, data, and technology skills being equally important for a successful 21st century lawyer.

In our analysis of the current state, we discussed the fact that many law firms have competency models they use to evaluate lawyer talent, the ABA standards for law schools, and the tools of evaluation that certify the lawyer meets requirements to practice law. Indeed, the Delta model is based on a lot of research in this space, and we seek to go one step further and conduct empirical research on these skills, attitudes, and knowledge that purport to increase client satisfaction. In order to create impactful change in the practice of law and legal education, we believe it is critical to demonstrate measurable outcomes related to these competencies. Our ultimate goal is to highlight the changing nature of the delivery of legal services, provide a competency model that is based on empirical research, and ensure ongoing, critical evaluation of the model and the lawyers who follow it.

We know this effort will not be easy and will be met with many institutional status quo challenges that will inhibit change. We are committed to this effort and are asking for your help. If you know of any innovators, expertise, or legal institutions currently using the additional “delta” competencies, we would love your referrals and feedback. Stay tuned here to keep abreast of our journey.

Shellie Reid

Jordan Galvin

Next-Generation Legal Technologists Reflect on Legal Education at CALIcon

By Michael Robak

Michael Robak is Director of the Schoenecker Law Library, Associate Dean for Technology & Information Services, and Clinical Professor of Law at the University of St. Thomas (Minneapolis) School of Law.

Is legal technology a real path for future opportunities and employment for law students? And are law school administration and faculty doing enough to support them?

On June 8, I moderated a panel, entitled Bridging the Gap on Legal Tech Proficiency at Law Schools, at the CALIcon 2018 Conference at American University Washington College of Law. CALIcon is the annual meeting of the Center for Computer-Assisted Legal Instruction (CALI), a consortium of law schools focused on the application of technology to legal education. CALI conducts applied research and development in computer-mediated legal education and creates tools that increase access to justice. Each year, CALIcon attracts tech-oriented law faculty, law librarians, legal technologists, and EdTech and distance learning staff.
The panel I moderated consisted of four recent law school graduates, all of whom are inaugural members of the American Bar Association's Center for Innovation Fellows program – and representatives of the best and brightest of the coming generation of legal technology and innovation leaders. The Fellows work on projects at the Center that enhance legal services and improve access to justice with the help of technology.

The Fellows, and their current projects, are:

- **Amanda Brown, Loyola University New Orleans College of Law, ’16 [@BDASHAmBrow](https://twitter.com/BDASHAmBrow)** is assisting with a joint project by Microsoft, Pro Bono Net and the Legal Service Corporation to design statewide online justice portals.

- **Athena Fan, American University Washington College of Law, ’17 [@AthenFanLT](https://twitter.com/AthenFanLT)** is leveraging her legal-tech background and experience during a civil advocacy clinic to design a data-driven conversational chatbot project that guides self-represented litigants to legal resources and legal information.

- **Tobias (Toby) Franklin, University of Maine School of Law, ’17 [@tobyafranklin](https://twitter.com/tobyafranklin)**, has developed a web application called Fair Screening for tenants. The application improves long-term housing outcomes for tenants by empowering them to assert their legal rights, take control of the rental application process, and correct screening report mistakes, with the help of document assembly and expert system technologies.

- **Irene Mo, Michigan State University, ’17 [@imokx](https://twitter.com/imokx)** is currently working on statewide legal services websites to integrate a privacy and data security checkup tool into current state resources.

The panelists discussed their paths to legal technology and their experiences at their various law schools. Each had a particular mentor to help guide them into the world of legal tech. When Irene Mo was researching law schools, Dan Katz and the ReInvent Law program at Michigan State University (MSU) seemed to be the best option for her to build on top of her quantitative background and apply these skills to the practice of law. When Prof. Katz left for Chicago-Kent after her first year, she was fortunate to have the opportunity to help Prof. Daniel W. Linna Jr. launch and shape MSU’s LegalRnD – The Center for Legal Services Innovation.

For Toby Franklin, the University of Maine School of Law had no specific course framework on legal tech, but he worked with Prof. Lois Lupica on a grant from the Maine Economic Improvement Fund and partnered with Neota Logic to create the Apps for Justice project. Toby’s background as a technology developer gave him insight that is usually not part of a general law student’s background.

Athena Fan’s Dean at American University sits on the Council for the ABA Center for Innovation and, during her time in school, the Dean began focusing on innovation. Her work in a law practice management class, taught by adjuncts who were small law firm partners with practical experience, served as an inspiration to her to seek out more opportunities with legal technology.

Amanda Brown worked with a clinic run by Loyola faculty member R. Judson Mitchell, Jr. It was her work in the school’s Technology and Legal Innovation clinic that was her springboard for diving into legal technology.

These young lawyers, who had just left the halls of academia, observed a need to increase law school administration and faculty awareness that legal technology is a real path for future opportunities and employment. Most importantly, they all felt strongly that having technology incorporated into the curriculum and developing technology skills were a distinct competitive advantage in the legal marketplace.

**The panel as a whole concluded that, in the absence of more structure and direction, students who want to succeed with legal technology need to be very self-directed and highly organized, as well as able to work independently of direct instruction.**

The panel also saw a need for faculty – particularly traditional doctrinal faculty – to become more receptive to curricular programming involving technology and technology skills.

Law schools also need to create more substantive classes with “hands-on” components. There are plenty of tools out there for people to learn, but law schools need to get on board so students feel supported and guided.

The panel also suggested that working with adjuncts and clinical faculty who are closer to the ground in experience than regular faculty was also very helpful for them. They counseled that law schools need to be attentive to current trends and be mindful of what’s happening in the industry.

The panel as a whole concluded that, in the absence of more structure and direction, students who want to succeed with legal technology need to be very self-directed and highly organized, as well as able to work independently of direct instruction. As a final thought, Amanda Brown expressed the hope that students and faculty will realize that it isn’t just about providing access to justice, but rather giving lawyers a chance to do good things for their community.

In legal tech she sees, as did her fellow panelists, that technology provides an incredible opportunity to “do good.”
Legal Tech Events Calendar

September 2018

The Emerging Legal Technology Forum
26 September, Toronto, Canada
The Thomson Reuters Legal Executive Institute, in association with Law Made, presents this annual event in downtown Toronto. Set amidst Toronto's vibrant technology scene, our forum brings together some of the world’s top industry change leaders and practitioners for a series of interactive and provocative sessions around the ongoing revolution in legal services.

Info & Register Here

October 2018

VQ Forum
17 October 2018, Stockholm, Sweden
VQ Forum brings together legal professionals to discuss the future of the legal market from both an in-house and outside counsel perspective. This year’s main theme is Ushering in the Future of Practice of Law with a Client Centric Approach. The impact of technological advances and the potential disruption of the legal market will be explored, with a main focus on how we are bringing in the future of law is one that has humans working with machines to produce better and more affordable services for our clients (in-house as well as externally).

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Legal "Design" Geek Conference
18 October 2018, London
Brought to you by the same team as the legendary Legal Geek Conference, this year an event dedicated to "legal design" will be held the day after the Legal Geek Conference. As a unique approach to innovation, “legal design” focuses on the “human element” with the aim of achieving better processes and outcomes for legal services – as well as the average person when engaging with the law. The conference will bring together the best speakers from around the world, offer a “HackaFun” event, and a chance to engage with the coolest legal design startups.

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December 2018

JURIX 2018
The 31st international conference on Legal Knowledge and Information Systems
12-14 December, Groningen, Netherlands
JURIX is the annual international conference on Legal Knowledge and Information Systems, organized by the Foundation for Legal Knowledge Based Systems (JURIX) since 1988. JURIX 2018 is organized in cooperation with the Dutch Research School for Information and Knowledge Systems (SIKS).

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January 2019

Legaltech (Part of Legalweek New York)
29-31 January, New York
This is one of the longest-running trade shows devoted to legal technology. It is particularly focused on ediscovery and litigation support, but most branches of the legal tech industry are represented.

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