THE LEGAL TECHNOLOGIST

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Our Staff.

Insight into the future of law

The Legal Technologist

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A note from the editor

This is the very first edition of The Legal Technologist and I hope you enjoy reading it. I created this magazine to provide those at the junior end with an idea of what technology is available.Times are changing within law firms and technology is becoming more and more important, not only to assist you in your everyday work but also to advise clients. This edition covers various aspects including automation, Artificial Intelligence and social media. As a reader you are more than welcome to disagree with any of the articles. If you'd like to comment on any of the articles please feel free to visit legaltechnologist.co.uk. The magazine is always looking for more content so please feel to contact me if you'd like to feature in the next edition.

Marc May

Disruption Forecast

Technology is currently one of the biggest disruptors in the legal profession. Law firms are now embracing technology like never before and for good reason as profits could be at stake. The Law Society recently published a trend report which estimates that 67,000 full time jobs will be lost through the automation of legal services functions by 2038. The axe will inevitably fall on the lower skilled end of the scale with a view to reducing the internal costs of the legal business. Last year some large law firms made redundancies in part due to their implementation of legal technology.

In the coming years, those firms who want to survive in the legal profession will have to surf the wave of change. Some will attempt to get ahead of the curve by incubating their own legal start-ups, implementing internal change or collaborating with higher education institutions to create artificial intelligence (AI) applications. Those law firms that don't adapt risk being drowned by the competition.

For those that are making their way along the path to law, it is worth thinking about how the profession will look when you arrive at your destination. To prepare you for your journey, The Legal Technologist will provide you with some detail on how law firms are currently implementing legal technology. The future lawyer will be required to use legal technology in their day-to-day work so this will hopefully give you a head start.

This edition will cover some background to legal technology in the legal profession, as well as detailing some examples of use.

Why do we need legal tech?

Legal technology has been around for a while now but law firms' interest in it significantly increased after the 2008 recession. Around this period, many commercial clients reviewed how much they were spending on outsourcing to law firms, and subsequently reduced their spend. The clients were no longer prepared to outsource work to law firms on pre-recession hourly rates, leading to the retention of less complex legal work. In-house legal teams swelled as work traditionally outsourced to law firms could now be done more cost efficiently in-house.

Legal work is still outsourced to law firms but there is less flexibility on how they charge their clients. With a greater pressure on how much they charge clients, the equation for profitability switches to making the legal work quicker and cheaper to carry out. This is especially the case where hourly rates have been replaced with fixed fees. Clients appreciate this as it provides certainty over the cost of legal services. This is where legal technology enters the stage.

Legal technology now makes lawyers' lives easier, assisting them to provide legal services in a far quicker, and cost efficient way than ever before. The addition of technology can make each matter more efficient and therefore more profitable. Many firms are now embracing technology for this reason and a great number of firms actively promote how innovative they are in their use of technology.

The UK legal market is saturated, meaning that all the firms are vying for the same work to a greater or lesser extent. The bigger the firm the bigger share of the market they are hoping to realise. Legal technology is increasingly seen as a way of differentiating firms from their competitors, and the effective use of that technology ultimately allows them to be more competitive when it comes to pitching. Firms that fail to embrace technology risk being undercut on cost when pitching for new work. From a marketing and brand perspective it may also make those firms look less forward thinking.

If law firms do not embrace technology, it will be the client that suffers in the short term as they will be paying for inefficient work. But it will be those law firms who suffer in the longer term as the client will instruct another firm who quotes more competitively. Clients are aware of the available technology and will expect law firms to use it to deal with their instructions as efficiently as possible.

MM

Special guest interview
Peter Wright

Law Society Board Member
and all round cyber security and tech guru

MM: Congratulations on your recent appointment to the Law Society board.

PW: Thanks Marc. I'm very pleased to be appointed onto the Board. The Board is supported by two individual committees with portfolios devoted to policy and regulatory affairs in one, and membership and operations in the other. The overall Board now has one chair, 3 elected seats, 2 non-Law Society council members , 2 lay members (non-lawyers and there to be totally impartial and bring in business experience) and finally the two committee chairs. Law Society Chief Executive is also a member of the Board. So I'm in good company. MM: Are there any areas you are keen to make a difference in your tenure?

PW: I'd like to focus on membership and supporting students. I'd like to focus membership not just on those that are doing the Legal Practice Course, but also on those that are doing a law degree or are currently on a Solicitor or paralegal apprenticeship. If I think back to when I was training to be a solicitor, the first thing I received from the Law Society was something that said I had to pay a couple of hundred pounds for my student membership fee. This takes you back a bit and doesn't really put your professional body in a positive light. Membership fees are now dealt with by the SRA but I think apprentices and students in general are overlooked. I think this is missing a big trick. These are people that are interested in finding out about the profession and finding out what it means to be a Solicitor. They are likely to have the time to look for and read the information available but haven't been able to so far. In the next three years this will change and I hope to engage these members more with the Law Society.

MM: I'm a supervisor of a Solicitor Apprentice at the moment and I think he would find that really useful. PW: My firm is recruiting two Solicitor Apprentices this year and they will join us in September. After six years they will be qualifying as a Solicitor, so we want to be able to get them fully involved with the Law Society and Junior Lawyers Division at a local and national level.

PW: The other thing the Law Society I'm looking to focus on is information technology and the introduction of technology in general. For example, the Law Society will be modernised so membership can be dealt with through the website. There's an awful lot of work that's gone into this and they want to get it right and one of the key reasons I asked to be on the Board was so that I could properly scrutinise that modernisation. I'd like to think that I will be one of the people on the Board that would be able to understand the work being done on the site and could ask effective questions and keep a level of accountability. I really want to make sure that modernisation happens effectively over the next three years.

MM: My next question relates to your talk earlier in the year in Tunis on the lawyer of the future. What do you imagine the lawyer of the future to look like?

PW: That's a very good question. What I was talking about in Tunis was actually more about how technology is going to make a difference and I spoke to the international cast of lawyers that were assembled in Tunis about the online courts hackathon. I was on the winning team for that and we put together an Artificial Intelligence (AI) based app called CoLin (Courts on Line). The idea was that you could have app to solve legal problems and help people settle their issues, and if it wasn't settled it could recommend a lawyer that could help. It even had the functionality to create documents like basic witness statements. So when people have issues such as a housing disrepair issue, they could easily deal with it with their housing authority or landlord. I think you'll see more apps like the one we designed or using an AI based design. We used the Amazon echo with ours. You could actually talk to it and it would be ideal for those people that do not want to or can't fill out forms.

I think that law firms will use AI more with their clients. The possibilities could include the client speaking with the AI chat bot on a Sunday afternoon, which in turn triggers the setting up of a matter by taking the relevant details, processing ID checks, taking monies on acccount, putting together a basic statement of facts and details about a problem, case or issue. Then on Monday morning when a lawyer is ready to take a look at it the matter is ready to go and the lawyer can review the matter and start advising far more quickly than they can right now. It would reduce administration and it would allow people to have meaningful easy access to justice and legal services. The lawyer of the future will be working with AI and systems like CoLin (my hackathon project). It would mean that a particular Associate would be able to handle a bigger caseload than they could before as technology will mean that a lawyer will be able to get through a lot more matters in a day. AI will be able to assist in helping to manage caseloads more effectively, but I can't emphasise this enough, this will not mean an end to lawyers or support staff.

MM: It's good that you say that. I spend a great deal of my time working to roll out and implement legal technology and sometimes people are concerned that it is going to take their jobs. In my opinion, it will always be a helpful assistant rather than something that will replace lawyers.

PW: I know there will be some job losses but a good example is that of the accountancy profession because the late 1970s spreadsheets were paper documents. Any changes would therefore take a long time to complete as the Clerks would need to recalculate all the figures. When the Apple2 came along in the 1980s a click of a button could change a whole row instantly, or a whole formula, and as a result of technological change there were massive job losses for the Clerks as there weren't people adding up anymore. However, as a result accountancy became more affordable and anyone off the street was then able to take in their tax return. The actual volume of accountancy work in the US increased five – fold as a result and firms expanded massively to handle the resultant influx of work in the 19802 & 1990s IT changed the accountancy profession but this hasn't happened to the legal profession to the same extent. However, now you're getting to a point where AI is able to do some legal analysis and could lead to far greater efficiencies. However, loyalty still matters to people and clients will come back to a law firm that helps them. I think we need to look at the longer term picture. There may be some job losses in the short term, and it will be painful, but the legal profession will evolve and the volume of legal work will exponentially increase.

MM: What skills do you think they will need to develop to get ahead of the curve?

PW: I think it is important not to get pigeon holed into a narrow specialism too soon. This was something I was mindful of when I was training. Sometimes depending on the role you could find yourself getting pigeon holed very quickly. Make sure you have several strengths. It's beneficial to keep several avenues open otherwise you may find that if you do get pigeon holed in one particular area, then you might find it isn't the opportunity you thought it was. Whatever you end up doing focus on a particular area of law and develop your skills. Do something that interests you. I've seen too many people that haven't enjoyed what they do and they've either changed job, went in-house or left the legal profession. I've seen people leave the legal profession after a short period of time because it wasn't what they thought it would be, and that's a massive shame. I thought about this a few years back and asked myself whether what I was doing was what I wanted to be doing? I'd say that passion element cannot be overstated. Just paying the bills isn't going to be enough. Find individual areas of passion. Go to law firms and see what you like and don't like. Also go to Law Society events. Get talking to people already in the profession. It'll allow you to enjoy the work you do and develop your niche.

MM: I totally agree. When I qualified the main area I was working in I didn't really enjoy and so knew if I was ever going to practise law it wouldn't be in that area. I could have pursued it but I was pleased that the opportunity to do work relating to automation and legal tech came along, as it was something I enjoy and had a passion for. If you're doing it 9 to 5 every day you definitely need to enjoy the work you do.

PW: Another key question is are you going to be happy in an office space? Don't get restricted into something that's desk bound if not. It's useful to work back and understand where it is you want to be and then figure out how to get there. Then make decisions that allow you to get there.
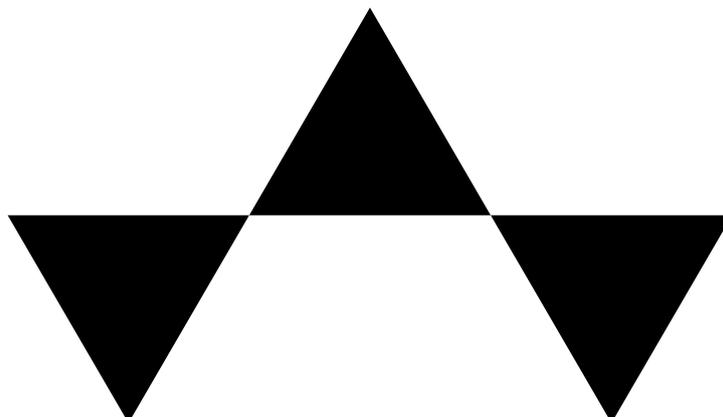
PW: Legal innovation is a lot higher than it may seem. I think that the UK, and in particular England and Wales, there is quite a lot going on when it comes to legal tech and innovation. When I look back at the Legal Geek conference in 2016 there were 500 attendees and that was good going. In 2017 there were around 1200 attendees and it was rammed. You couldn't get a seat in the main stage. That to me was really illuminating as it showed the strength of interest at the moment. People were coming that were interested in legal tech and there were presentations by people who were already doing it, innovating, using blockchain, developing. There is a huge amount going on. I know that other jurisdictions look at England and Wales quite enviously and ask "how do they catch up?". An example is being shown by London. It isn't an example that's been shown intentionally but the UK has become a leader in the field, not only for innovation but also for AI and machine learning. There are actual offshoots from that. I've been asked to come and give talks to boost innovation in other countries because they know that firms there aren't looking at this.

However, despite the positive overall picture there aren't enough firms looking at legal tech and innovation. There are some firms that are making hay and making things happen. There are quite a few that aren't though and saying it's too expensive and we are going to do things the way we have always done it.

MM: Do you think that is down to the business structure? For example, the difference between Alternative Business Structures and traditional partnerships.

PW: It could be. There are partners and managers out there that don't understand the benefits of technology and are still providing legal services in a very linear fashion. So they don't really understand the potential and are reactive. So taking the online court as an example, they are going to be reactive to that rather than being proactive. The vast majority of firms are on board with technology though. As a profession we are doing well but there is still quite some way to go but it will get there. In the meantime the Law Society will present a forward looking vision which will present the positive uses of technology but also manage any fears about it. A Young Lawyer asked me at a conference a little while back "will technology take over my legal research?" and I said "yes it will", but this is a good thing. Instead of engaging in legal research Lawyers will be able to be a thoughtful active thinking lawyer sooner in their career rather than at the moment doing legal research, making tea, photocopying and holding doors open for people. I know what I would rather do.

MM: My last two questions relate to cyber security as I know you're an expert in your field so firstly, cyber security is a big issue at the moment with various high profile data leaks. What do you think are the biggest cyber threats to law firms at the moment?

PW: At the moment, the biggest threat that firms face will be the difficulty for firms to ensure they are alive to all the risks. The threat always develops and changes. Ransomware atacks such as Wannacry and Petya were big a year ago and people looked at that and made sure they upgraded their computers and stopped using Windows XP, but they need to be alive to the fact that different mediums can be infected. A lot of law firms have understood that you can't go around use USB flashdrives and some have deactivated their ports. That is good and I feel we are getting somewhere. However, where I think there is still a bit of a problem is with very targeted spearfishing and fraud by determined actors out there.

MM: Is that like the Friday afternoon fraud type scenario?

PW: Yea, exactly. For example, a Friday afternoon fraud would be a firm receiving an invoice for £200 or a purported email from the client confirming the change of account details. The problem is that attacks like this are stil successful on a regular basis so staff really need to have regular training on this and keep up to date with the evolving threats. If a client says he wants to use some dodgy app or send things via their personal Dropbox account then staff need to have the confidence to say no. That element of continuous training is quite crucial. For smaller firms I'd say they don't need to have the most advanced technology or protection mechanisms. You just have to have awareness and once you have a few cheap or free solutions then you will be able to combat most of the threats out there. After all, the regulator the ICO is only looking for firms to take reasonable and proportionate steps.

MM: ..which leads on to my last question. I know firms will provide their own cyber security training but just generally what tips you offer those juniors in law firms to avoid a data breach or cyber attack within their own firms?

PW: I think the onus is definitely on younger lawyers. They have grown up with technology (e.g. mobile phones, social media, etc) to a far greater extent than those that are likely to be managing them, and they need to use that experience to their advantage. They should demonstrate not only their awareness of this type of technology but also show they are alive to the risks. They need to question. For example, with Snapchat is there an awareness that a picture doesn't just disappear after a number of seconds but sits on a server somewhere in America. What are the legal consequences of that? By staying up to date with developing risks and reading the Law Society Gazette or popular press, they are able to understand how this happens. They should not be afraid to talk to their seniors and making sure those cyber threats don't occur within their own firms. They will be able to become invaluable to their employers if they can develop that type of skill set. Furthermore, if you can show you are aware of technology and are alive to the risks then you will quickly become invaluable to your colleagues and other people out there. I speak to lawyers sometimes they seem to think that they don't really need to keep up with technology and can allow their digital skills to go to grass as it were compared to their peers in other professions and sectors. They are looking at the people they want to work with in their firms and determine that they aren't using technology, so why should they? That is the worst possible assumption they can make.

MM: so the juniors of today should be the trend setters then?

PW: Exactly. Do not be afraid to be a trend setter.

MM: That's all from me. Thanks a lot for giving up your time to talk to me.
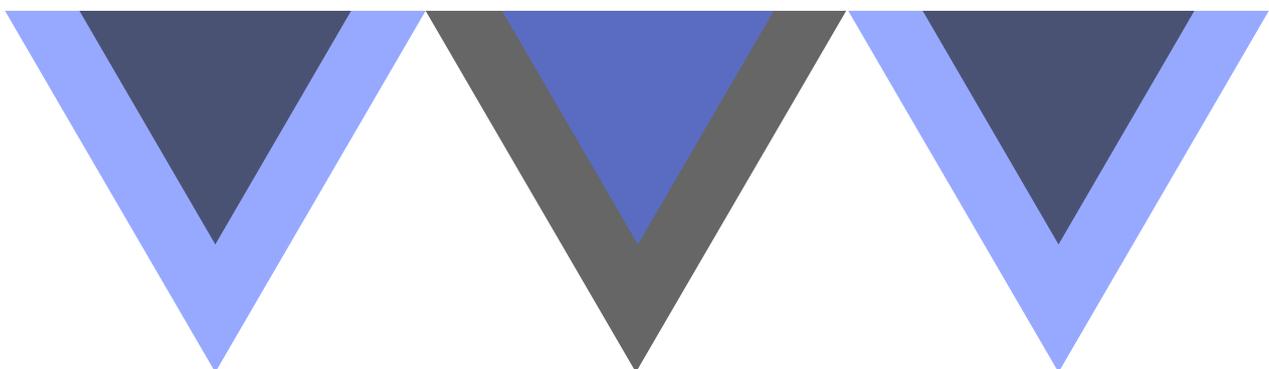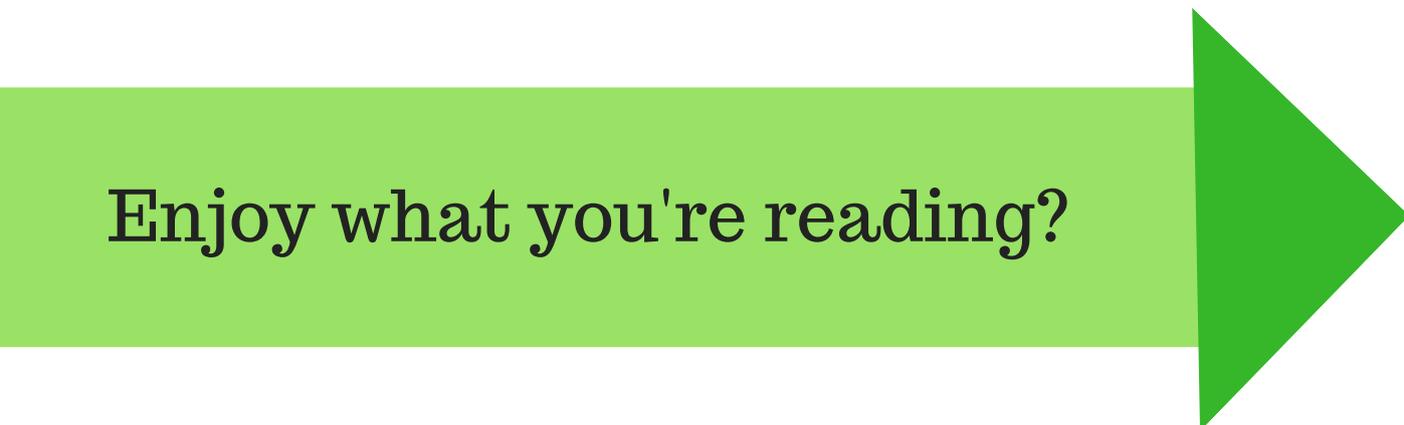
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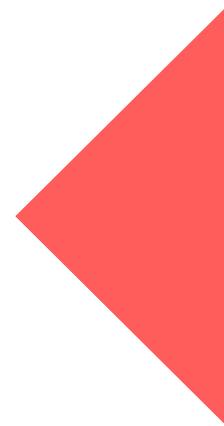
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Building legal documents

One of the key competencies for lawyers is drafting. Lawyers spend a large proportion of their time drafting documents, be it letters, agreements or court forms. Broadly speaking, legal technology at most firms is applied in two areas — construction and storage of documents — to help make the overall process of creating documents more efficient.

Legal technology surrounding the construction of documents is a fairly big area, and one which I will cover in more detail in the next edition. However, in summary, law firms are now using software to create documents more quickly and more consistently, and soon it may well be the norm to create documents in this way rather than drafting manually. Firms can either employ their own automation specialists to automate their precedent documents, or outsource it to the software provider. Lawyers are then given access to the software and documents are generated via a simple-to-use questionnaire with the input populating the relevant parts of each document.

Speed and consistency are two clear benefits of drafting using technology rather than drafting manually. It avoids the need for a lawyer to enter the same information more than once, e.g. party names. From a team perspective, it can also allow a document to be created consistently across the whole team, making approval of documents easier for partners and the output of the team to clients broadly consistent.

Risk is also a key consideration when it comes to the automation of documents. Firms are keen to avoid lawyers re-using previously drafted documents as there is potential for those documents to contain errors, which are subsequently compounded the more times they are used. Errors in drafted documents may lead to complaints by clients and, depending on how serious they are, it could also lead to professional negligence claims against the firms themselves by disgruntled clients.

One example from my time as a claims handler defending claims against solicitors related to wills and probate. The solicitor had been instructed to draft wills for an elderly couple which were meant to mirror each other. However, the solicitor had written the same name on both wills. The wife (who was named on the will) died first and her will operated correctly. When the husband died, the error was found, leaving the husband effectively intestate. The executors of his estate claimed against the firm for professional negligence.

It was a relatively simple error but for the firm it has repercussions in terms of client service (as those involved with the estate are unlikely to recommend the firm to anyone) and insurance premiums (if money was paid to settle the claim then the firm might be required to pay more in premiums). So this is a good example of how automation could alleviate simple errors and minimise risk.

When it comes to storage, law firms are moving towards becoming paperless by using document management systems. This software allows lawyers to store and access documents with ease, whether they are in the office or working remotely. Incoming letters to lawyers are now scanned when they are received and saved straight to the electronic matter file. There could therefore be very little in the way of hard copy material on certain types of matters, and so the cost of storage is minimised when the matter is closed.

Although litigation still has hard copy bundling work, it is possible that this work will be done by an internal non-legal team that deals with administrative tasks or is outsourced. As court modernisation continues, it may be the case that the courts themselves will become paperless so sending hard copy bundles to the court will no longer be required.

MM

Social Media Corner

Social media is not new. Facebook, Twitter and LinkedIn are all teenagers. Most law firms set up their social media accounts between 7 and 9 years ago, but it is only in the last 18-12 months that the majority of firms (of all sizes) are taking their social media accounts seriously.

Recent research by Christian Annesley for Social Media Week in Bristol into the use of social media by professional service firms (so not just law firms) and an analysis of their main corporate account showed that activity volume was up in the last 12 months with a quarter of mid to large sized firms in the South West posting 100+ times a month on at least one platform.

100% are on Twitter
90% are on LinkedIn
25% are on other platforms such as Facebook and Instagram.

So it is clear that law firms are doing stuff. But then we need to ask ourselves are law firms doing the right stuff? Do they have a strategy? Are you planning ahead?

Christian's analysis showed that the content and approach varied from firm to firm and video was being underused, but the pattern that emerged was that most firms do one (or a combination) of three things on social media:

provide insights and commentary and research;
promote local events and talk about what is going on and what they (and their clients) are doing;
talk about themselves including job opportunities, new clients and key deals.

All of these things work (some better than others) and it is important to specifically work out – what works for you personally.

The key message was don't spread yourself too thin. If you have multiple sub-accounts – look at the numbers. Ask yourself do they add enough value?

So what could law firms be doing better?

There are lots of activities that law firms (and individuals) can be doing on social - and may are already doing it. Examples include:

- engaging with people more (e.g. liking, sharing, retweeting, responding)
- having a "voice" and a consistent visual identity (create clear guidance)
- creating "quote cards" to add to your visual identity
- using graphics and infographics to tell stories
- going "off-diary" and grabbing the moment and using it
- maximising your "on-diary" (e.g. keeping your staff up to date on larger campaigns and using the power of numbers)
- finding your influencers and champions internally and encouraging professional use of social media and training your staff
- creating content specifically for digital and different platforms rather than just repurposing existing content
- using a big moment to make noise (in a joined up way)
- thinking beyond external engagement and engaging internally too.

If you are struggling to use video why not try sharing:
- a short video of a company event
- "reaction" videos
- explainer and top tip videos

Video is becoming more and more embedded in all social media platforms and video is 6x more likely to be retweeted on Twitter - which is something worth thinking about to expand your reach.

by Coralie McKeivor (@coralie_mck)

Next time..

Next time we will talk more about finding your influencers and social media champions internally.

Out of Office: Working remotely

Legal technology not only makes the practice of law more efficient but also allows lawyers to work more flexibly. Many firms these days provide their lawyers with remote access so that they are able to work outside the office, as well as providing them with work laptops and phones as standard. This allows 'agile' working where the lawyer can work from anywhere with an internet connection.

For the law firm, there are several key benefits to using legal technology in this way. Allowing lawyers to work remotely, or at least more flexibly, gives them the opportunity to work around commitments outside of work, e.g. for parents with children or those with caring commitments. Giving the option to work flexibly is seen as a way of keeping lawyers happy, which in turn has a positive impact on productivity.

Allowing lawyers to connect remot-ely gives them the flexibility to work while with clients, while travelling or while in meetings, without having to return to the office. Lawyers are able to access electronic documents remotely, where once they would have had to come back to the office to collect the hard copy folder.

On top of that, the remote access element gives the business flexibility to reduce their floor space and implement a system of hot-desking. This is especially the case for larger firms who have expensive floor space in London and wish to reduce their overheads. They will want to maximise the space they have by making sure that it is used as efficiently as possible.

Flexible working is almost a completely win-win use of legal technology which makes law firms more profitable, while simultaneously allowing lawyers to work in a way that suits them. However, it also has the scope to negatively impact the work/life balance, especially for the more scrupulous firms with sizeable billable hours targets.

MM

Law and technology haven't always seen eye to eye, but with the landscape rapidly changing a handful of firms have now made it a core part of their offering. Here, Toby Harper, the founder and CEO of Harper James Solicitors - a full service, commercial law firm - talks to us about the role that technology has played in the success of the almost entirely remote-operating firm to date.

"I have always worked with, or on behalf of, technology-based or market disruptive companies, and I wanted to reflect how those businesses did business in our own approach to providing legal services. One of my key objectives was to recruit the very best people without having to stick a pin in a map dictating where their daily commute would lead them. Flexibility and accessibility needed to be a key component, and it was ultimately this train of thought that led to the formation of our remote-operating model."

"Whilst we have a head office in Sheffield and meeting spaces at several other locations - including Birmingham and London - our solicitors all work remotely, and the significant savings on overheads can therefore be passed onto clients. In turn, this allows us to provide expert services from partner-grade lawyers at a fraction of the cost of traditional City firms which, coupled with our pricing structure which offers both ad-hoc rates and our pay-monthly subscription services, means we can also offer our clients complete flexibility and transparency."

"Ultimately, that gives us, and them, a degree of financial certainty." And whilst the concept of remote working isn't necessarily new, Harper says that certain technological advancements have allowed a 'seamless collaborative approach' across the team which simply wouldn't have been possible in the past. He said: *"Our lawyers all have access to the same resources and cloud-based practice and case management systems, and that means they're able to collaborate seamlessly on clients' projects together, no matter where either the client or the solicitors are based."*

"As a firm we're able to get much closer to clients' needs, in terms of providing them with real-time data on the status of their project, and the actual costs they are incurring. Essentially it has helped us to empower our clients: enabling them to do more for themselves and use our solicitors as added value safety-nets rather than administrators, as some traditional firms might."

Harper goes on to say that technology has also facilitated new business wins for the firm, which was established in Birmingham in 2014. *"Our business development team make full use of tech and social media"*, he said *"We've also reached far more clients by spending on PPC/AdWords and producing targeted, authoritative web content that our clients want advice on, than by the old-school method of treating potential leads to expensive lunches."*

Commenting on whether he thinks technology will further shape the legal landscape in the years to come, he said: *"Without a doubt. Try to standstill and you'll be moving backwards, as the old adage goes. Move with the times or move out of the way!"*

by Ashlea McConnell and Toby Harper

Portrait of a blockchain lawyer

Becky Baker in conversation with..
Atik Ahmed of Axiom Law

In this issue of The Legal Technologist we draw on cutting-edge LegalTech developments to paint a vibrant picture of the future for the legal profession. Explore our articles ranging from innovative applications of AI to the shifts in the legal market which show the practice of law in ten years' time may be very different from what we know today.

As a lawyer, or an aspiring lawyer, you may not have considered that the work you do might change just as radically as the way you do it. Just as the birth of the internet created a demand for internet-savvy lawyers, the distributed ledger technology known as blockchain may well create another opportunity for lawyers to diversify their skills. Blockchain offers a secure and efficient way to conduct transactions, record data, and connect businesses and people and as with any new technology, it presents new legal issues too.

The demand for blockchain legal experts is already increasing as businesses start to exploit its potential and tackle associated legal challenges. One of these experts is Atik Ahmed, a lawyer at Axiom, the leading global alternative legal services provider. Atik presently works with TradeIX, a FinTech firm that uses blockchain technology to find innovative solutions for corporates transacting trade finance assets. TradeIX created one of the world's first platforms utilising blockchain for banks, corporates and B2B networks in trade finance.

Working with a relatively young technology is not without its challenges. Existing legal frameworks often need refinement for tackling blockchain related issues, as Atik draws out:

> *"Quite often, I'm having to 'invent the wheel' when it comes to the nuances of drafting blockchain language in commercial contracts. I enjoy it – it's the legal equivalent of creating original material to commercialise new tech propositions."*

His work shows that lawyers have a role to play in commercialising blockchain for a competitive market. However, it can be a learning process for businesses to get comfortable with this new technology, as Atik states:

> *"Opening the eyes of corporates to the potential and practical application of blockchain technology can take time, effort and persistence. Fortunately, for startups like TradeIX, having significant senior industry professionals in both trade finance and platform development on the team truly helps - Project Marco Polo (https://www.marcopolo.finance/) is a great example of this."*

Atik also sees great potential for blockchain in other industries and he references AXA's parametric blockchain insurance product for customer flight delay, Fizzy, as a particularly successful example of a commercial application of the disruptive technology. He believes that blockchain will not necessarily be commercially relevant for every industry, but he highlights payments, healthcare and the legal industry itself as "sectors that are riper than others for blockchain disruption".

We know that firms across the legal industry are exploring and successfully implementing LegalTech applications, but we haven't heard that much about blockchain so far. The Global Legal Hackathon helped open up the floor to blockchain LegalTech ideas: 100 out of the 700 teams worldwide pitched a blockchain application to the judges, including the winner of the UK first round competition.

For Atik, the success of any blockchain application in the legal world depends on existing commercial factors to fulfil demand:

"This is not so much about law initially – it's mainly about business and economics. A LegalTech blockchain proposition in this sense is no different to a physical product. There needs to be a market with demand for a practical blockchain idea to be successfully commercialised. If that hurdle is cleared, I'm interested in originality and creativity of thought in LegalTech blockchain propositions that seek to either disrupt an existing legal industry assumption or that refine a legal process in a unique way."

We are already seeing the early outlines of a future for blockchain in our legal landscape. Blockchain has found niches in the market but it is too soon to say whether the legal industry will be one of them. It is clear that blockchain is already changing the role and work of some lawyers and whether it becomes a bigger part of the legal landscape or not, it is certainly already part of the picture.

by Becky Baker (@neume_luthiel)

Robots will not replace lawyers

Be under no illusion lawyers will not be replaced by robots. There has been an extraordinary amount of hype about legal technology over recent months, but the reality is it is there to assist rather than replace lawyers.

When thinking of legal technology you should think of it more as a helpful assistant making your life easier while you navigate your matters. It is something to be embraced as it is likely to reduce time spent on administrative or mundane tasks in favour of arguably more interesting analytical or advisory work. While legal technology assists in a sizeable proportion of a lawyer's work there are always going to be areas which may never be affected by it.

For litigation matters, analysis of matters is an aspect that artificial intelligence may have difficulty in ever being able to carry out 100 percent. The start-up CaseCrunch recently carried out a lawyer vs AI competition on whether the Financial Ombudsman Service (FOS) would accept a series of PPI claims on the facts. AI won the competition. However, this was based on a single yes/no question. The majority of matters are much more complex than advising a client whether their PPI claim will succeed at the FOS or not.

Laws change or get updated and when that happens the accuracy of a given prediction is going to get called into question. Case prediction is likely to be beneficial for volume claims but not so beneficial for anything that is niche, where few cases have reached the upper courts.

Case prediction requires a result to have occurred in the first place. AI is good at determining probabilities, but analysing a case and then using the data to generate a statement of case is a whole different ball game. I would be surprised if artificial intelligence could ever determine whether someone had breached the duty of skill and care based on the facts, or many of the common law tests for that matter. So lawyers will still need to be involved in litigation matters.

For transactional matters, many firms use automation to make the process of drafting more efficient. However despite that, it still requires a lawyer's input throughout the whole process. Firstly, a lawyer with experience of a particular area of law will have to draft the precedent used for automation. That precedent still requires updating as laws change or as a result of court cases. Automation is also something which is predominantly used to create first drafts quickly. The likelihood is that the first draft won't be 100% complete so (a) a junior lawyer will need to finish it and (b) a more senior lawyer will need to review and approve it.

Legal technology also won't be able to predict new laws coming into force or new common law rules, or even determine when laws are no longer fit for purpose. Lawyers will still need to be there to advise clients on the latest legal developments and how it may affect them. For example, legal technology will not be able to predict who will be affected by a law change, ascertain how it affects their unique circumstances and advise them accordingly. On top of that, it is also going to be difficult for there to be a legal technology substitute for compassion and commercial awareness.

So despite the hype legal technology will not replace lawyers. However they will need to embrace it to provide the best possible service to their clients.

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