

The Future Is Now?

Document assembly technology is gaining traction

[Michael Mills](#)

[Kraft & Kennedy, Inc.](#)

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Over the past 30 years, we have heard again and again that document assembly —



a.k.a. document automation, document modeling, computer-aided drafting — is the future of law practice. Instead of recycling the last similar document prepared for a client, we can answer (or invite clients to answer) a series of questions on screen. Then, wait a moment for the responses to flow through a logic-driven template to produce an accurate, comprehensive document.

For most of us that efficient, precise future has remained in the future. Or perhaps "the future is here, it's just unevenly distributed," in the words of science fiction author William Gibson.

Let's have a look at what's new, what's different, and what we should be doing to keep up.

WHAT'S NEW?

Solid stories of success abound — from law firms as well as clients. Last April, **Wilson Sonsini Goodrich & Rosati** debuted its online venture financing **Term Sheet Generator** that it had previously used only internally. It helps start-up companies (if they accept the firm's terms and conditions) step through an analysis of financing issues, and then draft a realistic, useful term sheet. No charge, but do call us if you need more help.

A few months later, **Orrick** raised the ante with a similar system for not only venture, but also bridge, and preferred stock, financings — part of the firm's **Start-Up Toolkit**.

There are now dozens of major firms in the U.S. and the U.K. using document assembly tools to serve clients in at least one area of practice. Equally substantial, and more

impressive because of their scale, is the roster of companies using document assembly tools: Amazon, BBC, Cadence, Catlin Group, Cisco, Credit Suisse, Dow Jones, EADS, Ford, GE, Johnson & Johnson, McAfee, Microsoft, Munich Re, Nissan, PricewaterhouseCoopers, Royal Bank of Scotland, Standard Chartered Bank, Telstra, Wespac (and no doubt others).

Scale? The Royal Bank of Scotland (which has an equity interest in ALM) generates more than 300,000 loan documents each year. **LawHelp Interactive** helps underrepresented *pro se* litigants produce more than 100,000 documents a year, created via a free online document assembly service. (*Disclaimer: I serve as vice-chair of Pro Bono Net, a sponsor of LHI.*)

TRANSFORMED PROFESSION?

Do these lists herald a transformed profession? Not yet, but firms and clients alike see significant success. U.K.-based **McGrigors** has a system that helps corporate clients draft employment documents. "We truly believe we have introduced an innovative service that adds enormous value for our clients," said senior associate Sue Gilchrist.

Cadence Design Systems said its Non-Disclosure Agreement system helps users quickly and easily create NDAs online. "That eliminates legal review for standard documents while maintaining the appropriate level of legal review for non-standard terms ... just what we needed," said assistant general counsel Gabrielle Walker.

On the software side, **HotDocs** was recently sold by **LexisNexis** to **Capsoft** (and quickly renamed HotDocs Ltd.). CEO Russell Shepherd said the next version of the **HotDocs Server** will be faster, and will incorporate Microsoft Silverlight .

At LegalTech New York, **Business Integrity** launched **ContractExpress.com**. (See Web Watch, page 36.) The Software-as-a-Service product helps solos, small firms, and individual lawyers create contracts without IT support or an extranet, says CEO Tim Allen. Pay by credit card, download the Author add-in to Word, create and upload a template, and your clients are ready to go.

Boston-based **Exari** is tackling the contract life-cycle. "We've found that post-execution is a huge problem for many organizations," said co-founder Jamie Wodetzki. "They have no visibility into the risks lurking in their contracts. So we're going to bring business intelligence and analytics to our clients' contract portfolios."

A new player, **Brightleaf**, also focuses on the broader business process. Luke O'Brien, senior corporate counsel, noted that in addition to sophisticated document assembly "customers can select among powerful process automation, collaboration, knowledge management, document analysis, and document management tools," primarily in SaaS mode.

Minnesota-based **kiiac**, addresses what may be the hardest document assembly problem – how to create document templates efficiently – with a statistical engine that analyzes and compares the structure and content of documents.

WHAT'S DIFFERENT?

The March 2010 "Client Advisory" from **Hildebrandt Baker Robbins** and **Citi Private Bank** reinforces the common wisdom that clients are insisting on efficiencies and cost effectiveness in the delivery of legal services. That requires new models and the use of sophisticated technologies – and "may well force a redefinition of commodity work and underscore the importance of all firms (including high-end ones) being able to deliver more standardized work products along with their more specialized services," asserts the report.

WHAT SHOULD WE DO?

- *Keep in mind that, despite ever-better tools, document assembly is legal work and is not easy .* As legal technologist **Richard Susskind** wrote, "It is entirely misconceived to think, as many lawyers do, that work on standards and systems can be delegated to junior research or support lawyers. If a legal business is going to trade on the strength of outstanding standards and systems, then it will need outstanding lawyers involved in their design and development."
- *Talk to the experts.* They can help you find the tools best for your purposes among the many and different available, and define projects that are both feasible and financially sound.
- *Listen to Bill Gates,* who said "We always overestimate the change that will occur in the next two years and underestimate the change that will occur in the next 10. Don't let yourself be lulled into inaction."

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