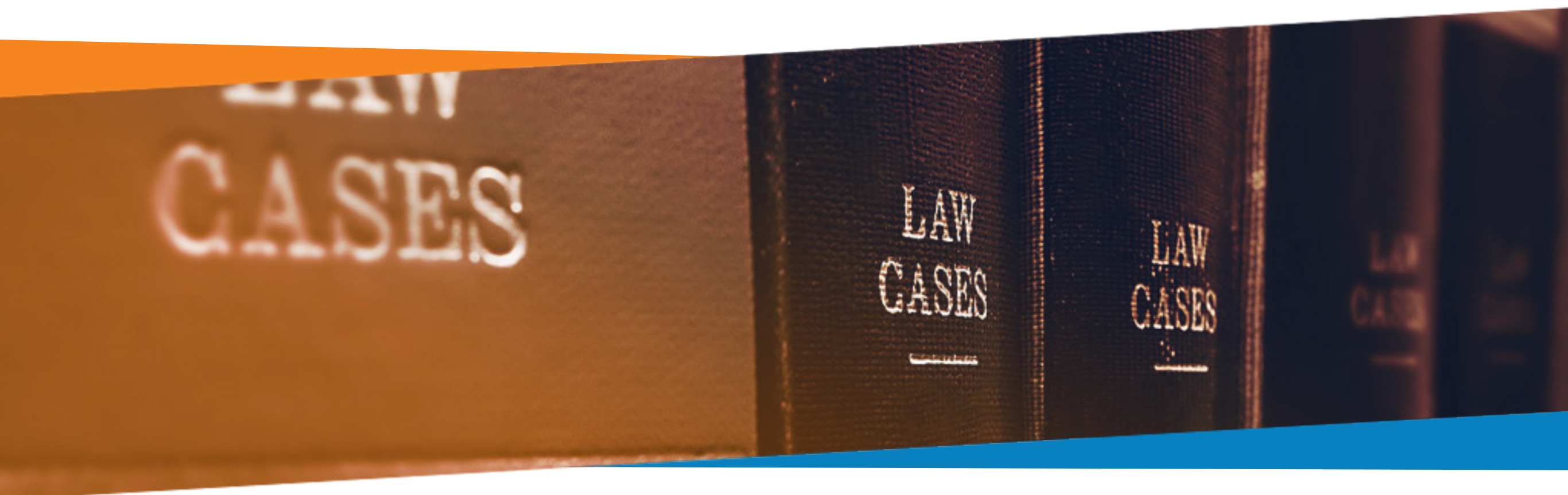


# LAW FIRM HEADS TO THE CLOUDS

A Vertical Market Guide to Cloud Solutions for the Legal Profession



# INTRODUCTION

For many attorneys, the idea of storing sensitive data—particularly client information—on remote servers outside of their direct control contradicts sworn obligations to maintain confidentiality and ensure professional conduct. Even if they want that direct control, most firms can't invest the capital required to build a traditional, on-premise server network, which overrides any perceived need to modernize.

It's true that large law firms may have the resources to mount their own servers and networks, provide web-based tools for employees and clients and store their own data and applications onsite—but is that the most effective use of the firm's budget? Large firms aside, most small law firms simply don't have those resources available. How do they compete with larger firms for clients and capabilities?

## THE CLOUD PROVIDES AN ANSWER.

- The flexibility and security of the cloud enables law firms of any size to store client information, financial records, legal documents and other confidential data externally, rather than in servers or paper files located in the office—a critical feature in terms of record access and retention.
- The ability to provide cloud-based resources to clients and legal staff—available from anywhere, at any time, on any device—helps the firm increase the public's overall access to legal services, a great benefit to society.
- The affordability of cloud solutions deliver robust data center-level capabilities at a reasonable operational cost, with no capital expenditure required.

### Cloud computing services and technology are on the cusp of mass adoption by the legal industry.

- Nearly 33% of lawyers are already using the cloud.
- Nearly 75% of law firms surveyed said they were more likely to use the cloud in the coming year.
- Over 50% of solo practices are moving toward adoption.
- Adoption levels among attorneys in small firms is forecast at 40%—a 10% increase over previous years.

SOURCE: LexisNexis Business of Law Insights Report – Cloud Technology in the Legal Industry

Cloud-based solutions provide effective alternatives to on-premise servers and networks that maintain the highest standards of data security and access. By delivering infrastructure, software and services via the cloud, rather than locally on office servers or individual users' desktops, cloud solutions offer many advantages to legal practices of any size.

# LOW BARRIERS TO ENTRY

## FIRST THING'S FIRST.

For a law firm, building and maintaining proper on-premise servers and a network to connect it all is capital-intensive. Most small to medium firms can't afford to do it at all, and with cloud alternatives now available, it makes little sense for large firms to spend the money.

With cloud-based solutions, a firm pays a recurring operational fee for storage, data transfer and backup and recovery services, while the service provider handles all maintenance and upgrades. The cloud scales to fit whatever size firm needs the capabilities, and the cost is commensurate.

By eliminating the capital expense of new IT hardware, software and systems—plus the staff to maintain it all—a law firm can realize the advantages of a robust data center at a fraction of the cost. In addition, a firm can reclaim valuable office space taken up by hardware and IT personnel.

For many firms, budget needs are tied into efforts to foster environmental sustainability. Cloud solutions are an immediate, impactful way for a firm to “go green” and reduce costs at the same time.

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**Reduced costs remain a powerful motivation behind cloud adoption in the legal sector.**



**56%** of law firms cite the low cost of entry and the predictability of the monthly expense as the primary reason to adopt cloud solutions.

# UNPARALLELED EFFICIENCY

DYOPATH

What is the cost-benefit to a firm if all their client and case load information—from documents and contacts, to client management and invoicing—was centrally located and accessible from any device, at any time, from anywhere?

The advantages of the cloud enable law firms to practice virtually across platforms, and instantly call up information and resources regardless of location—whether in the office, on the road, at the courthouse or meeting with clients.

Additionally, the cloud gives firms access to complex software applications at an economical price.

This eliminates the need to purchase multiple seats of an expensive software suite or develop costly custom applications for the firm's internal use.

No hardware or software needs to be installed and cloud applications are regularly updated by the service provider, so there is no delay waiting for new versions or product releases.

With web-enabled document automation, a firm can increase productivity and profit margins, while keeping costs reasonable. When attorneys and firms leverage cloud-based systems, they can achieve a tremendous level of operational freedom and save hours of lost productivity better spent on billable tasks.

## What are the most popular cloud-based products among attorneys and law firms?

- 1) Document storage and management
- 2) Data backup and recovery
- 3) Hosted email
- 4) File-sharing
- 5) Practice management

SOURCE: LexisNexis Business of Law Insights Report – Cloud Technology in the Legal Industry

## Sudden Competition

The recent explosion of online legal services websites that directly compete for clients has put massive pressure on law firms. Such online services appeal especially to a younger generation of clients—a demographic firms cannot ignore.

The cloud enables attorneys to compete more effectively against these services by offering the same cloud-based resources, but backed by the reputation of a legitimate firm.

## What are the top 3 benefits of the cloud among attorneys and law firms?

- 1) Freedom of access
- 2) Offsite data backup and security
- 3) Ease of use

SOURCE: LexisNexis Business of Law Insights Report – Cloud Technology in the Legal Industry

# SECURITY THAT MEETS COMPLIANCE STANDARDS



The ethical obligations of the legal profession create strict requirements for data security. Every state has different laws, which are stacked onto federal regulations as well as guidelines from state bar associations. The compliance pressure on attorneys and law firms is tremendous.

So why risk a violation by moving confidential materials to the cloud? For starters, most states and state bar associations have examined the security of cloud solutions and found them to not only be acceptable, but often superior to keeping data in servers or paper files housed in the office.\*

Because the regular backup of all data via encrypted transmission is conducted automatically and consistently, data backups over the Internet are arguably more secure and reliable than doing it in the office. Plus, in the event of a theft or disaster, the data remains unaffected and recoverable when the situation returns to normal.



## Is the cloud secure enough for the legal industry?

41% of lawyers believe that the cloud is secure



36% are unsure



9% say it is unsecure



Security is a real concern, but 4 in 10 attorneys are already believers, and another 1/3rd are open to the security message, which presents a great opportunity to start a conversation.

SOURCE: LexisNexis Business of Law Insights Report – Cloud Technology in the Legal Industry

# BUILT IN DISASTER RECOVERY

DYOPATH

What happens to a firm's data or paper files if a fire, tornado or some other unforeseen disaster occurs and the law office is severely damaged? What if a thief breaks in and steals valuable records? How does a firm recover these confidential assets?

A backup plan is important in a catastrophic situation because law firms can't afford to be down. Whether natural disaster, physical theft or vandalism strikes the physical office, cloud solutions help mitigate the risk of loss and minimize the practice's downtime.

The best recovery plan is a robust, secure, redundant, stable backup solution and a recovery service that quickly restores all data and applications. If the firm's data is secured in the cloud on a remote server, they can recover and resume operations within a few hours



93%

of law firms that lost their servers for 10 or more days due to a disaster filed for bankruptcy within one year.

# THE CLOUD IS TRANSFORMING...

DYOPATH

...THE WAY ATTORNEYS AND COURTS CONDUCT BUSINESS.

The market for cloud-based legal solutions is roughly \$20 billion\* annually, and growing at a rapid rate. For law firms, cloud-based solutions represent a major shift to delivering legal services over the internet, increasing productivity and enabling firms to serve a broader group of clients and expand their access to justice. Nearly 40% of attorneys currently believe that cloud-based systems will overtake on-premise hardware in the legal profession within five years. \*\*

Secure cloud solutions enable law firms to operate on the internet without fear of violating ethical requirements. The security and redundancy standards that cloud vendors and providers established for their solutions have assured malpractice insurers and bar associations of the cloud's viability as a safe legal tool.

The trend toward cloud adoption is accelerating as law firms realize this is a lower-cost method of achieving enterprise-level computing. The expenses involved in shifting to the cloud are minimized—compared to doing it themselves—while the benefits of cloud computing enable the firm to be more flexible, more efficient and more profitable.

DYOPATH delivers custom, cloud-based data storage, backup and recovery and infrastructure solutions and services. Our solutions meet the demand for secure, efficient and reliable technology without a large capital outlay and long-term investments in an IT staff.



We've invested in the cloud so that you don't have to.

\*SOURCE: "Cloud Computing", Solos and Small Law Firms, and Consumer Access to Affordable Legal Services  
\*\* SOURCE: LexisNexis Business of Law Insights Report – Cloud Technology in the Legal Industry