

# Finkelstein, Levine, Gittelsohn & Partners Presents the Case for Online Legal Service

- Executive Summary . . . . . 1
- Introduction . . . . . 2
- Step 1: Developing a New Vision for the Online Law Firm . . . . . 3
- Step 2: Expanding a Law Firm’s Business into e-business . . . . . 4
- Step 3: An Open-and-Shut Case —  
Selecting the Right Technology Partner . . . . . 5
- Step 4: Building a Technology Backbone . . . . . 6
- Verdict for the Law Firm: Internet Success . . . . . 7
- Future Plans . . . . . 9
- Conclusion . . . . . 10

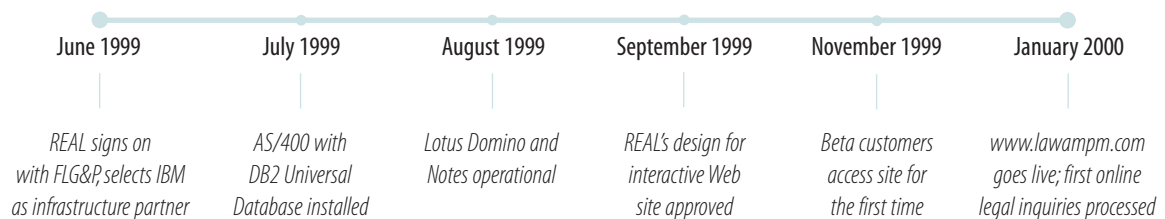


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## Executive Summary

New York-based personal injury law firm Finkelstein, Levine, Gittelsohn & Partners (FLG&P) collaborated with IBM and Web-based solution provider REAL Solutions to reinvent online legal services. The law firm selected IBM based on the proven reliability and scalability of IBM's Web-based technology — enabling e-business for a staff of 240 and a client base that includes more than 6,000 individual case files. FLG&P, IBM, and REAL worked together to automate time-consuming business processes, allowing the law firm to reduce costs, redeploy more than \$1.6 million in billable work time each year, and develop new opportunities for revenue growth via the Web.

## Countdown to Success



## OVERVIEW — IBM AT FLG&P

- |                          |   |
|--------------------------|---|
| <b>Applications</b>      | — Business-to-consumer automated inquiry evaluation<br>— Web-based client service<br>— Automated case file access   |
| <b>Business Benefits</b> | — \$490,000 estimated annual labor-cost savings<br>— \$1.68 million estimated annual increase in revenue<br>— Establishing market leadership<br>— Improved customer satisfaction<br>— Secure online client access to case files |
| <b>Software</b>          | — Lotus Domino and Notes, DB2 Universal Database  |
| <b>Server</b>            | — IBM AS/400  |
| <b>Business Partner</b>  | — REAL Solutions  |

## Introduction

Law firms are traditionally slow to embrace technology as part of their business strategies. In a paper-intensive, face-to-face environment where transactions are most likely to occur in a courthouse or over a conference table, the legal industry's shift to lines of e-business lags behind other markets. When establishing an online presence, most law firms seem resigned to offering the most basic brochureware and simplistic company background on the Web.

One firm is looking to change all that. Partnering with IBM and Web-based solutions provider REAL Solutions, the personal injury firm of Finkelstein, Levine, Gittelsohn & Partners (FLG&P) is positioning itself as the "lawyer's lawyer" for the Internet age. FLG&P works with seriously injured clients to obtain compensation from insurance companies. In the past 10 years, the firm has obtained more than 225 verdicts or settlements worth between \$500,000 and \$28 million each.

FLG&P wanted to create a Web site that automated some of its most time-consuming, labor-intensive work, while offering clients an even higher grade of service. The company chose IBM and REAL Solutions to help realize its e-business goals, citing the proven reliability and scalability of the Web-based solutions REAL has developed using IBM technology.

FLG&P launched its IBM-based Web site <http://www.lawampm.com> in January 2000. Among the groundbreaking applications the firm has planned and in effect:

- ▶ **Automated case evaluation.** Lawyers respond within 30 minutes to case inquiries filed electronically, potentially saving \$500,000 a year in labor costs.
- ▶ **Web-based client service.** The site redirects associates away from labor-intensive processes for an estimated \$1.68 million in redeployed billable work time each year.
- ▶ **Instant case file access.** FLG&P plans to offer clients 24x7 access to case files, along with e-mail alerts of case updates and other personalized services that fully leverage online accessibility.
- ▶ **Online education.** The firm intends to develop online academic courses that will allow lawyers to fulfill state-mandated education requirements electronically.
- ▶ **Interactive Web content.** Site visitors can e-mail attorneys, obtain recent case results, and access attorney profiles and other background information on the firm.

Following is an account of how the law firm teamed with IBM and REAL to fulfill its vision for better client service and expand business using online resources previously untapped by the industry.

## Step 1: Developing a New Vision for the Online Law Firm

Founded in 1962, FLG&P has 240 employees (including 60 attorneys) at 13 offices throughout the New York area, including headquarters in Newburgh, NY. The company prides itself on being among the most technologically advanced law firms in the world, with an 11-person computer programming staff that oversees the development of company code and technical security. The firm operates under a "100% paperless" standard, processing all client files and interoffice communication electronically.

Two years ago, FLG&P partner Andrew Finkelstein decided that e-business was the next logical step in the firm's technology evolution. Finkelstein noticed the way other industries were using the Web to reach new clients, improve customer service, and gain market share. Law firms, he realized, had fallen behind in terms of maximizing the potential of e-business.

**Law firms, Finkelstein realized, had fallen behind in terms of maximizing the potential of e-business.**

"We wanted to use the Internet to redefine the way legal services were offered," said Finkelstein. "We see the Internet as very much a business tool we can use to provide better services for our clients."

Working with his IT and business staffs, Finkelstein established the top priorities for an e-business infrastructure that would set new standards for online legal service:

- ▶ **Automating activities that drain resources and time from his firm**
- ▶ **Providing more efficient, cost-effective customer service via the Web**
- ▶ **Establishing a user-friendly, relevant electronic forum for FLG&P clients who are learning to cope with catastrophic events**

## Step 2: Expanding a Law Firm's Business into e-business

Finkelstein began his search for an e-business solution provider that could create more than the static, brochureware Web sites he'd seen developed by most other law firms. "We wanted to develop a site that reflected the ambitious, technology-focused business plan we already had in place," said Finkelstein. "We wanted to limit the time attorneys spend on non-revenue-generating activities such as the manual retrieval of case documents, and refocus these attorneys' skills to help us grow our business."



The "lawyer's lawyer" for the Internet age: FLG&P offers online legal service at its site, <http://www.lawampm.com>

Finkelstein wanted a solutions partner and integrator that could help develop FLG&P's architecture from the ground up, creating an infrastructure robust enough and flexible enough to facilitate e-business for thousands of clients and a multi-office operation.

REAL Solutions, a division of El Camino Resources, Ltd., offered the three pillars of service FLG&P needed to launch a successful Web-based initiative: e-business development, technology expertise, and network services. The company also offered the experience necessary to create a user-friendly Web site that clients would continue to visit. "REAL understood our law firm's needs," said Finkelstein. "They realized that FLG&P required a reliable tool set to allow unprecedented online interaction with clients, an infrastructure flexible enough to grow with our operation, and a Web site instantly distinguishable from the competition."

Once REAL and FLG&P established their priorities for a Web-based system, the partners set about creating an infrastructure with the capacity to address these priorities.

### **Step 3: An Open-and-Shut case — Selecting the Right Technology Partner**

FLG&P developed into a “strictly IBM house” after purchasing its first IBM application server back in 1984. The firm installed IBM’s AS/400 to manage electronic mail for its 240 employees. Since that original installation, the firm has upgraded its AS/400 multiple times to address the growing needs of its operation.

When it the time came to select a vendor that could help fulfill his company’s vision for a revolutionary legal Web site, Finkelstein chose IBM. The choice was simple, he said, based on the two companies’ strong relationship and IBM’s longstanding record of performance at his firm. He knew IBM offered the power and performance necessary to support the following components of his e-business plan:

- ▶ **A system powerful enough to make more than 6,000 individual case files readily accessible for client use**
- ▶ **The interactive capacity to communicate online — in realtime — with arbitrators, clients, and third-party organizations involved in negotiating legal settlements**
- ▶ **Access to an extensive store of digital images, many of which are incorporated onto the site**
- ▶ **A site design that inspired frequent traffic from clients and potential clients while expediting business functions**

In short, Finkelstein said that IBM understood his firm’s business goals and offered the knowledge and expertise to meet those goals. “We didn’t want to create your typical Web site,” he said. “We knew IBM would give us the necessary support and security to make online service easy for our clients to use — to make us stand out from the crowd.”

### *Where's the Pain?*

*Clients pinpoint injured body parts online at the FLG&P site, backed by IBM technology.*

Based on their successful partnerships in the past, IBM and REAL had developed a strategic reseller alliance — IBM's first cross-brand, e-business alliance that makes REAL the largest solution provider selling IBM solutions directly to customers. "It made sense to bring IBM in on this installation," said the representative from REAL. "AS/400's scalable architecture lends itself to the unique business needs of a growing firm like FLG&P."

## Step 4: Building a Technology Backbone

Working with FLG&P's IT staff, technical advisors from REAL began implementing IBM technology to help launch the law firm's e-business. In July 1999, REAL installed FLG&P's second AS/400, this time with DB2 Universal Database, to serve as the foundation for the law firm's Web server.


The power and scalability of AS/400 with DB2 Universal Database gives FLG&P clients online access to legal documents, court records, legal counsel, and success stories for the firm. DB2 Universal Database houses all client/lawyer information that is made accessible via the Web site. "The level of business functionality and data protection possible with an object-oriented database like DB2 is invaluable when you are processing large volumes of confidential legal documents," said a sales representative for REAL.

In August, REAL installed Lotus Domino and Notes as part of FLG&P's Web solution. Lotus Domino is being used as a communications/Notes server to manage electronic communications with more than 6,000 clients via the site and to act as a Web server when REAL extends the site's interactive capabilities. Lotus Notes routes information from potential customers to the appropriate analyst within the law firm for immediate service.


REAL worked with FLG&P from September to November to develop the interactive capabilities for its site. The joint team developed a user front end for the site with Domino customization and linkage to DB2 to ensure the flow of information to the appropriate parties within the firm. Development occurred in three stages:

- 1. The user front end was customized to obtain client information**
- 2. This client information was then immediately stored in DB2**
- 3. Domino's communications capability was added to alert lawyers to newly submitted case inquiries (also stored in DB2)**

Throughout the installation process, REAL worked closely with FLG&P, making several onsite visits to ensure that the firm's e-business was integrated with its core operations. REAL's onsite involvement, coupled with IBM's easy-to-implement technology solutions, enabled FLG&P to complete its Web-based initiative on schedule. The companies worked together to have beta customers live by November. By the time the Web site went live in January 2000, the firm already had been flooded with requests by clients for online access to personal case files.



**Information is routed from potential customers to the appropriate analyst within the law firm for immediate service.**



## Verdict for the Law Firm: Internet Success

FLG&P reports substantial savings in labor time and resources through the use of its new automated appraisal service. Before the installation, it took FLG&P 20 minutes to document and evaluate a potential case manually. Using the interactive services developed with IBM technology, attorneys now gain instant access to appraisals filled out by potential clients and submitted online.

By automating the inquiry evaluation process, there is considerable opportunity for cost savings and new revenue. According to National Business Employment Weekly, an associate in a U.S. law firm makes an average annual salary of \$65,295. If the automation of case-inquiry forms at FLG&P saved the firm's associates one hour of work per day, the annual savings in labor costs for 60 associates is \$490,000.

***\$8,160 per year in labor costs x 60 associates = \$490,000 saved annually through automation***



*To sue or not to sue: FL&G lawyers are able to respond to case inquiries online in 30 minutes.  
Client information is stored on IBM's DB2 Universal Database.*

The potential for new revenue is even more significant. TexLaw, an online service of the journal Texas Lawyer, recently conducted a survey of first-year associates at firms in several major metropolitan areas throughout the state. The hourly rate for these associates is \$112. If 60 associates devote one hour per day to other client projects as opposed to the manual, non-revenue generating process of client inquiry evaluation, the increase in redeployed labor is \$1,680,000 a year.

***\$28,000 per year in labor time x 60 associates = \$1,680,000 per year in additional revenue***

In addition to these new opportunities for cost savings and increased revenue for the firm, Web site visitors gain unprecedented 24x7 access to legal information, including:

- ▶ **Background on a range of services offered by the firm**
- ▶ **Detailed explanations of an individual's rights in the instance of a personal injury**
- ▶ **Updates on noteworthy legal verdicts**

"Clients use this information to decide which firm is the right firm for them," said Finkelstein. "We anticipate additional opportunities to increase productivity and customer service as clients become more comfortable using the personalized, self-service opportunities available through our site."


Having a robust Web site that serves as resource, information tool, and communications link for its clients is a market differentiator for FLG&P. Interactive Web services, still emerging in many industries, are virtually non-existent in the legal field. Finkelstein hopes to use its interactive site to further penetrate the New York regions that it serves and extend its practice into neighboring states and other U.S. markets.

## Future Plans


Automated appraisal forms and Web-accessible client account files are only the first steps in Finkelstein's long-term technology game plan. Over the next few months, FLG&P plans to offer online educational services. Lawyers will be able to fulfill state-mandated academic requirements by doing coursework directly through the law firm's Web site.

Andrew Finkelstein also envisions that the Internet will be used to initiate significant changes to the way legal cases are arbitrated in the coming years. Conflicting parties in a lawsuit will be able to submit cases electronically to an online arbitrator. In such instances, IBM's Web-based solutions system would enable the firm to link all systems, networks, and applications as a single enterprise, creating the necessary connections between opposing parties for the distribution of verdicts and the transfer of settlements/legal fees to Web-based financial accounts.

Finkelstein also sees his company's Web site as a potential forum for clients faced with serious injuries and other crises they never imagined. More than 6,000 clients and site visitors will be able to access everything from physician referrals to advice on seeking the appropriate reparations for their injuries to moral support. "A severe injury can be a traumatic, isolating experience. Our Web site will create an online community for clients who are learning to deal with these injuries," said Finkelstein.



**Conflicting parties in  
a lawsuit will be able to  
submit cases electronically  
to an online arbitrator.**



With the combined scalability and dependability of AS/400 and Lotus Domino, FLG&P is building a flexible, standards-based solution that will act as the foundation for a more streamlined, automated legal process.

## Conclusion

Developing a Web site with REAL Solutions based on IBM technology has helped FLG&P to automate some of its most costly, resource-intensive customer services. Visitors to the firm's site can access files, communication channels, and educational resources they need to make informed legal decisions.

**“As a result, we’ve been able  
to create a site that is  
revolutionary for our industry.”**

— *Finkelstein*

Automating services saves time and resources, but it also creates a unique channel for reaching a broader customer base. FLG&P, IBM, and REAL have developed a site that anticipates client needs — personalized legal counsel, case updates, interaction with other injury victims — and customizes services accordingly.

The firm has made e-business into a top-line revenue growth opportunity by:

- ▶ **Attracting new clients**
- ▶ **Retaining existing clients through improved services**
- ▶ **Developing new business opportunities**
- ▶ **Increasing its visibility**

Working with REAL and IBM to install AS/400 and the appropriate solutions technology gave Finkelstein, Levine, Gittelsohn & Partners the right mix of expertise to follow through on these initiatives. “As a result,” said Finkelstein, “we’ve been able to create a site that is revolutionary for our industry.”



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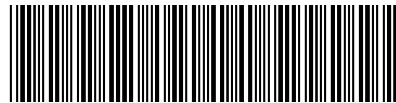
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