



QUICKER CONTRACTS



Martin O'Donoghue, partner at Kerman & Co, on how Thomson Reuters' Contract Express gives his firm the means to improve the efficiency and responsiveness of its legal service and better manage costs with document automation

City firm Kerman & Co is improving its efficiency with document automation – something many other SME law firms are exploring.

Partner Martin O'Donoghue says: "We want to provide a more efficient and responsive service to our clients – by using Thomson Reuters' Contract Express we can produce draft documents quicker, improve the quality and consistency of our service as a whole and, in the process, reduce costs."

The firm's long-term goal is to better differentiate itself in the market by offering a superior value proposition to old and new clients. "Technology will play a significant part in reaching that business goal," O'Donoghue adds.

"The benefits are clear. Document automation allows us to quicken the pace at which we produce documents while maintaining quality and mitigating risk."

LINKING BUSINESS

At the moment, Kerman & Co uses Contract Express primarily within its corporate team. O'Donoghue says the firm started by creating generic documents it felt people in corporate would be able to use quickly and frequently.

"Every single corporate transaction we undertake commences with an engagement letter. As such, we thought it fitting to start our document automation

journey there as well."

Having automated a number of basic documents, the firm started a pilot programme where it made those documents available to its corporate team. Over a period of four months, it slowly added more documents to that range, which were taken directly from Thomson Reuters' know-how solution, Practical Law – and, in most cases, were infused with Kerman's own know-how to reflect the firm's unique style and brand.

"What I like most about Contract Express is that it's linked directly to Practical Law. Many firms our size depend on systems like Practical Law to provide both precedents and practice notes. For it to be integrated with Contract Express is a key feature as it means we are starting with base documents that we are familiar with and can customise," says O'Donoghue.

The firm now has access to a broad range of automated precedents through Contract Express, which have all been approved by the firm's partners – such as share purchase agreements, asset purchase agreements, confidentiality agreements, board minutes, and other documents that the firm uses on a day-to-day basis.

O'Donoghue says: "The range of clause options available within the system, and the ability to amend and supplement them, allows me to create bespoke

documents to suit different transaction types. That's quite important because, ultimately, our aim is to automatically produce a first-draft document that we don't need to amend heavily before we send it to for review."

And, he says, the firm is comfortable from a risk management perspective with the quality of documents that the corporate team is producing using the system.

SIGN FOR SAVINGS

O'Donoghue says that firms need to get on board with technology or risk being left behind in the market.

"The reality is that the market is driving efficiencies. Clients expect lower fees and for law firms to take advantage of technology to provide cheaper, more efficient and higher quality legal services."

Contract Express also allows the firm to better manage work in progress.

O'Donoghue says: "We typically spend a large amount of time preparing documents such as share purchase agreements because there's a lot of manual work involved even in preparing a first draft. Automation helps reduce that time and work in progress."

The firm estimated the average time it took the team to prepare each document manually and automatically recorded how long it now takes each user on average to produce the same document using Contract Express.

"With this information, we can instantly see the time savings between the old manual process and the current document automation process.

"And having identified those time savings, we can multiply them by the fee earners' hourly rate to get an indication of the cost saving to the firm. We keep track of those cost savings, accumulate them, aggregate them, and maintain them in a datasheet."

Kerman & Co circulates monthly reports to its lawyers within corporate to highlight how much they are saving and where.

Contract Express also retains client information. O'Donoghue says: "We're not constantly putting in information about clients such as addresses and company names. The system pulls information directly from Companies House so we get the most up-to-date information."

CLIENTS TALK

Kerman & Co has just started using Contract Express to liaise directly with clients externally. O'Donoghue says it now has a client pass facility where the firm can send information questionnaires to clients for data input. The data is then used within Contract Express for document preparation purposes.

"Because of the number of options available within documents, we can send a questionnaire to a client and they can select whatever option they wish. That helps speed up the document preparation process by

cutting out some of the work around liaising with clients via email or phone. This allows the firm to collaborate more efficiently with clients."

As for future use of Contract Express, O'Donoghue says Kerman & Co can see a number of uses and projects to pilot.

"We would like to establish an external

portal for clients. I could see a scenario where we would make a range of documents available to certain clients that they could complete online and download without needing to go through a lawyer.

"Obviously we have to give a bit of thought in terms of how we provide that model – whether that's a free, value-added, or subscription-based service. But it seems like a natural progression to cement our relationship with clients."

A combination of client interaction and use of Contract Express is going to be quite an interesting prospect, he adds. When it comes to clients, document automation has clear benefits – with it, SME law firms can improve efficiency and add value to legal services. **LPM**

LPM FIRM FACTS

Kerman & Co

Revenue: £9m

Corporate status: LLP

42 fee earners, 67 total staff

Office: London

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