



TRANSUMERS

Every minute counts to a billing lawyer

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This series looks at technologies that will be game-changers for small business, particularly firms whose staffs are highly mobile and where travel is part of the game.

If you're one of Tony Baker's legal clients, don't be surprised if he pulls out his phone when you're talking to him. "It's the way I keep track of my [client] time," says Mr. Baker, an experienced sole practitioner in Toronto who specializes in estates, wills, real estate and small business.

Mr. Baker uses a cloud-based application called Clio [<http://www.goclio.com/>], from a Vancouver-based company that launched the product in 2008. It's far from the only law firm management software on the market – Mr. Baker himself switched recently from another product. But in an already cutthroat profession that measures work in six-minute intervals, he and other lawyers rely more and more on technology that keeps accurate records of work time.

"The technology seems to be sympathetic to guys like me," Mr. Baker says. Clients frequently, and justifiably, want to know what parts of their conversation with their lawyer are billable, and why. Lawyers bill their clients in various ways. While some transactions, such as drawing up a will, are often

done for a flat fee, more complicated work, such as negotiations or trial work, is often billed at an hourly rate. The hourly rate varies according to the lawyer's experience and expertise. Typically, the hour is divided into 10 parts, which is why lawyers often bill in six-minute intervals.

Before law office management software was available, keeping track meant taking copious notes about the exact timing and detail of every meeting, phone call and conversation. These would be reviewed by the lawyer later – often also billable time –and then either itemized in a billing memo or sent as a general bill for services. This could lead to misunderstandings and resentment. Across Canada, clients have the right to have their bills reviewed by provincial and territorial law societies, but this is time-consuming and can be frustrating. “The days of a lawyer saying, ‘Here’s a bill for \$50,000 for services rendered,’ are over,” says Tim Travis, Clio’s communications manager. “It’s all there” when it’s tracked by software, Mr. Baker says.

“Software does make my life easier,” agrees Cris Lam, a law clerk who works for a two-lawyer family law firm in Toronto called Benmor Family Law Group. Ms. Lam’s firm uses a different package called PCLaw, which, unlike Clio, does not store data in the cloud. “We’re not moving toward that technology,” she says. “I think it depends on the law firm. Our client data is still on our own secure server because we want to be in control of our files.”

Mr. Travis acknowledges that data security comes up as a concern among lawyers, but adds that, “Realistically, your own server can get hacked.” The advantages of cloud-based, or software-as-a-service (SaaS) law management applications, is that they can work across platforms, operating systems and devices, he says. Clio works on both PCs and Apple devices, is accessible on iPhones and the company is coming out with an Android version, he says.

The company was founded by two friends who met in Grade 3, Jack Newton, who is the chief executive officer, and Rian Gauvreau, who is the chief operating officer. Mr. Gauvreau came up with the idea when he worked in the IT department of a major national law firm in its Vancouver office and found its technology wanting. He turned to Mr. Newton, a software developer, and they sought guidance on how to structure the product from the Law Society of British Columbia.

There are similar cloud-based law firm apps such as Rocket Matters and MyCase, though Mr. Travis thinks Clio is the only one of its type headquartered in Canada. Other products such as PCLaw and Amicus are easily scalable to mega-firms. Clio focuses on single-lawyer or small firms (fewer than 30 lawyers) in English-speaking countries, casting a keen eye on the United States, where roughly half of that country’s 1.2 million lawyers are sole practitioners. The company has secured \$26-million in venture capital funding since 2012 and has 130 employees, in Toronto and Dublin as well as its Vancouver headquarters. It holds an annual cloud computing conference where it invites customers to tell it what they like and dislike about the product.

From its own research, Clio’s users save an average eight hours a week in administrative time, Mr. Travis says. Mr. Baker says he considers the service “a little pricey” (\$65 or \$72 a month, depending on the subscription) but likes the company’s tech support, and he believes it has a lot of additional features that he hasn’t tapped yet. He says he switched to the Canadian company because his old legal software was due for a costly upgrade when Microsoft discontinued support for its Windows XP operating system. Most of his legal work is done on Apple products now anyway, Mr. Baker says.