Lexis *for* Microsoft Office Offers a Turning Point in Legal Research and Workplace Evolution

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What You Need To Know

On April 13, 2015, LexisNexis announced several enhancements to its Lexis® *for* Microsoft Office® legal drafting and review tool, developed in partnership with Microsoft. The new announcement puts Lexis *for* Microsoft Office at version 4.9 with a number of enhancements made over the last year as well as adding integrations with the Lexis® Search Advantage enterprise search tool and extending integrations with the LexisNexis® CaseMap® litigation analysis and information management platform. While not a full ".0" release, version 4.9 stands as a culmination of five years of development and an example of a maturing attorney workspace and research solution.

The interface updates and integrations with Lexis Search Advantage and CaseMap further expand on Lexis *for* Microsoft Office's value as an unstructured environment for the development of legal documents, enhanced by in-context access to external and internal knowledge resources. The resulting solution sits at the crux of emerging trends in the evolution and maturation of legal research platforms and attorney workspaces, with opportunities to increase the speed and effectiveness of legal information work while simultaneously helping to automate repetitive and technical tasks associated with legal content development. This Analyst Insight explores this evolving market context as well as the opportunities presented by Lexis *for* Microsoft Office.

About the Solution

Since the inception of Lexis *for* Microsoft Office, LexisNexis has demonstrated a focus on embedding access to its databases of legal authorities, commentary, media resources, and other information within the Microsoft Office environment. Over time, the company has improved the interfaces and workflows involved and added functionality automating legal due diligence and document creation tasks, to create an integrated legal research and document creation toolset within Office. With version 4.9, LexisNexis continues to tweak

AT A GLANCE

Key Features of the Solution

Lexis *for* Microsoft Office embeds LexisNexis information context and research tools within Microsoft Word and Outlook environments. The solution intelligently matches key names, terms, and citations within documents to web and Lexis database resources. Additional functionality automates key legal document review tasks, such as citation review, quote validation, and Table of Authorities assembly. Version 4.9 extends the solution's reach through enterprise search and CaseMap integration.

Opportunity Presented

Lexis *for* Microsoft Office has emerged as a maturing workspace for legal document generation, enhanced by in-context access to external and internal knowledge. As such, the solution offers to consolidate legal research, knowledge, and deliverable creation through the "invisible" interface of Microsoft Office and LexisNexis task automation.

Potential Benefits

- Speed of legal research and information acquisition
- Automation of core due diligence tasks in legal deliverable creation

these improvements while adding an integration with Lexis Search Advantage that expands the reach of the Lexis *for* Microsoft Office environment to include internal documents and content in addition to Lexis Advance® and other web resources. Discussing the functionality of the resulting solution involves the discussion of three major aspects of the solution: (1) the Microsoft Office interface, (2) embedded research and search functionality, and (3) automated legal document tasks.

The Microsoft Office Interface

Lexis *for* Microsoft Office is available within Microsoft Office 2007, 2010, and 2013. The primary Office applications impacted are Outlook and Word. The solution uses Office's ribbon interface and a set of pane and tab-based organization to place Lexis research capabilities within Microsoft's email and document creation environments. Various side panes can be used to organize searches of terms across various web search engines, Lexis databases, and enterprise content and knowledge management (KM) resources. This same format is also used to organize various automated functions and organized views of information.

Figure 1: Screenshot of the Lexis *for* Microsoft Office Environment in Mircosoft Outlook

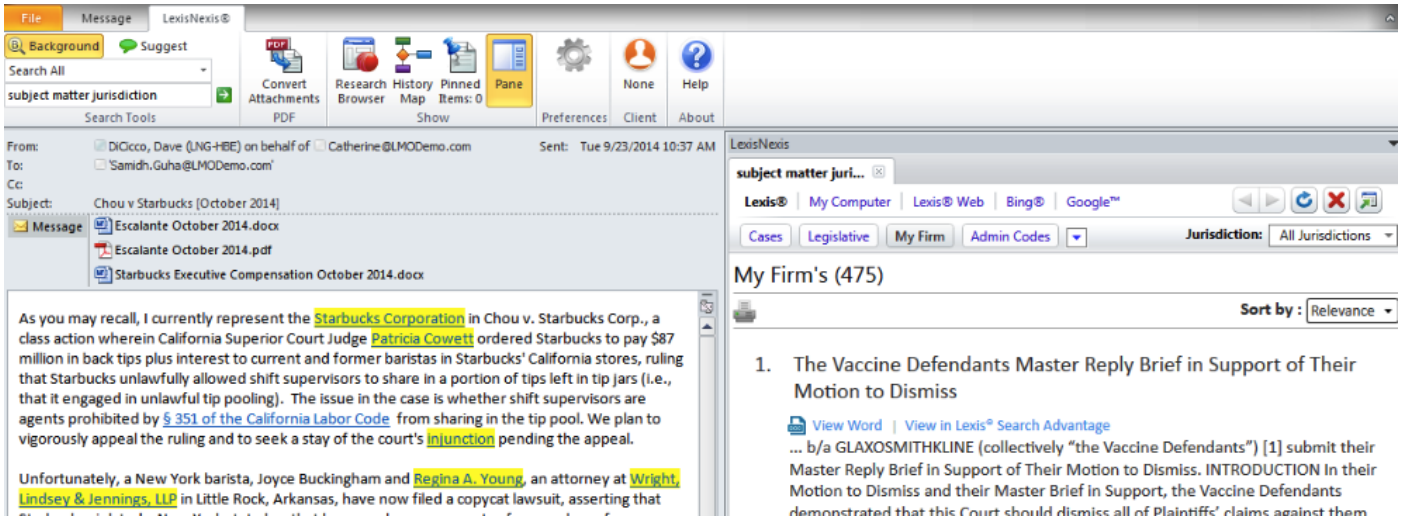
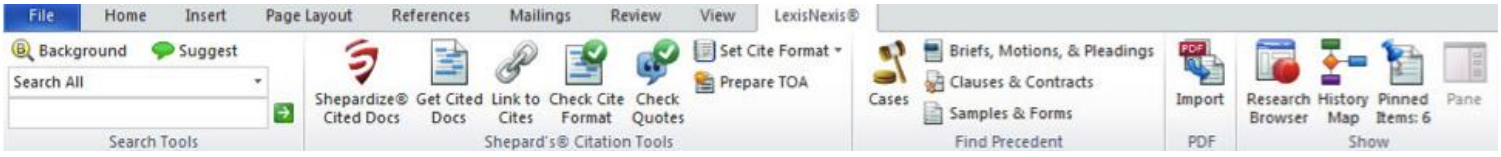


Figure 2: Close-up of Lexis *for* Microsoft Office Ribbon in Microsoft Word



Images Used Courtesy of LexisNexis, May 2015

Embedded Research and Search Functionality

Version 4.9 expands search capabilities to include Lexis legal, media, financial, and corporate information databases; perform Bing, Google, or Lexis Web searches; and conduct searches of internal content and KM resources to identify briefs, memoranda, motions, or other relevant data. Importantly, Lexis *for* Microsoft Office uses text analysis and search capabilities to automatically identify matter-relevant information resources, organized in the context of the relevant email or document.

Core examples of this context-based approach, include:

- Automated identification and search of attorneys, judges, parties, and terms of art
- Automated identification and assembly of citations and pin cites included in documents
- Shepardization and negative treatment assessment of referenced sources

Users may also conduct searches by simply highlighting text as they read through documents, launching a Lexis tab with an organized list of search results. Additional capabilities, such as the integration with CaseMap, permit users to extract information from briefs and other documents for management and analysis in the CaseMap system.

Automated Legal Document Tasks

In addition to supporting information collection and research activities, Lexis *for* Microsoft Office provides capabilities that use Lexis information resources to automate key tasks in legal document review and preparation for court, including:

- Persistent linking to citations
- Citation check and automated formatting in accordance to standard formats
- Validation of quotes and pin cites to resources
- Table of Authorities assembly

> "Attorneys are accustomed to a certain set of workspaces, mostly Microsoft Office environments. Solutions that use Office as a platform make a lot of sense. Word and Outlook become the familiar place to present workflow and data, while managing technical aspects in the background. That creates a better path and a smart way to go about supporting legal processes."
>
> *Legal Operations Manager*
> *Medical Technology Provider*

In most cases, these tools operate as dynamic document editing environments, running in side panes next to the companion document, not unlike familiar "Spellcheck" or "Search and Replace" capabilities of Word. In order to support fit into the various attorney and non-attorney stakeholders and preferred styles of work that might be involved in this process, Lexis *for* Microsoft Office provides capabilities to automatically make changes, email suggestions, or print structured lists of formatted changes.

Locating Lexis *for* Microsoft Office in the Legal Technology Landscape

Lexis *for* Microsoft Office bestrides two evolving trends within the legal technology market: (1) the increasing need for differentiation in legal research platforms and (2) the need for and emergence of attorney workspace solutions. We will address each in turn.

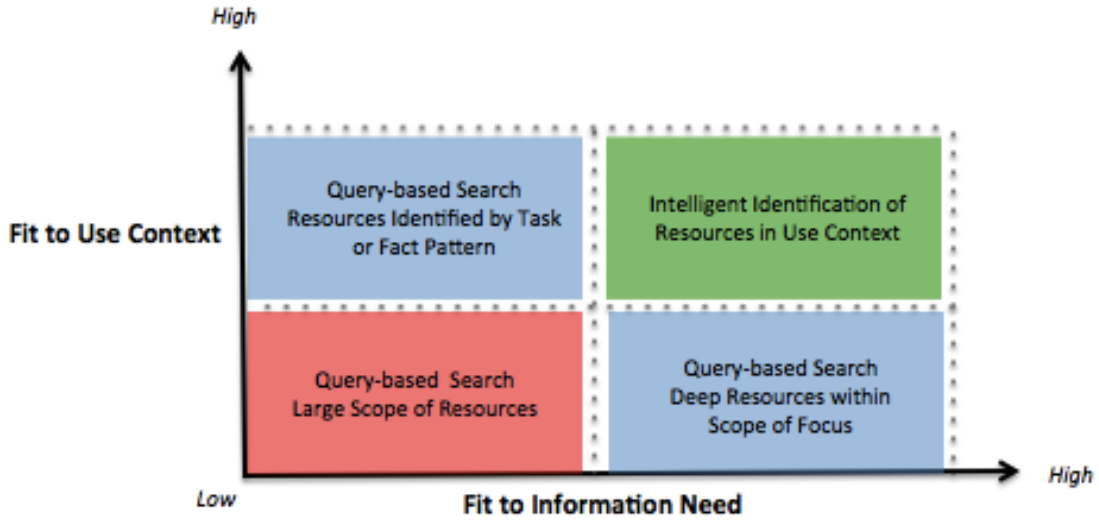
The Increasing Need for Differentiation in Legal Research Platforms

The development of electronic and online databases represented a seismic shift for legal research, improving users' access to a wider scope of authorities and other resources, while simultaneously increasing the speed with which users could parse documents and identify relevant resources. As online research solutions first emerged, the volume and reliability of resources included represented critical differentiators for providers. However, as the amount of information available electronically through the internet has increased and the costs of storing and accessing that information has declined, access to information, in and of itself, has ceased to serve as a critical differentiator. Today, an increasing set of legal research resources offering low cost access to authorities has emerged, including vendors such as Fastcase, Bloomberg BNA Legal, Casetext, Google Scholar, and Ravel Law. While few of these providers possess the scope of resources available from the big three providers of LexisNexis, Thomson Reuters' Westlaw, and Wolters Kluwer, they nonetheless represent alternatives, requiring vendors to find new ways to differentiate themselves.

As the amount of information available electronically has increased and costs of storing and accessing that information have declined, access to information, in and of itself, has ceased to serve as a critical differentiator. In its place, personalized tailoring of legal information to use context becomes a core value contributor.

Blue Hill has previously discussed four methods by which research providers have begun to seek this differentiation: (1) embedded analytics, (2) visualization of results, (3) use of social content, and (4) the integration of research resources within attorney workflows. Lexis *for* Microsoft Office falls squarely within the fourth category by embedding information resources within attorney documents, offering personalized access to legal information based on the immediate use context. In practice, this personalization approach reduces manual effort required by search-based research methods by automating the initial information acquisition steps. The ultimate upside potential for users is an increase in efficiency and efficacy of research not unlike the shift from paper to electronic research. Figure 3 provides a basic maturity matrix for the personalization of legal information resources, based on two factors: fit of information resources to workflow use context and fit of information resources to information need.

Figure 3: Maturity Matrix for the Personalization of Legal Information Resources



Source, Blue Hill Research, April 2015

The y-axis relates to how the information is to be used within a process, while the x-axis describes the type and range of information provided. For example, a high fit to use context would involve selective identification of information resources based on the nature of the project, analysis, or deliverable to be supported. A high fit to information need would be tailored according to the type of information sought, such as a form of authority (e.g. statutory, regulatory, or case law) or a particular practice or legal domain (e.g. securities, intellectual property, or family law). The following bullets provide additional context with respect to each of the resulting categories:

- **Low Use Context Fit, Low Information Need Fit –** these solutions include traditional legal databases that provide a large range of information, undifferentiated by use case or information type. Typically, users interact with these solutions by queries using Boolean or semantic search.
- **Low Use Context Fit, High Information Need Fit –** these solutions filter out extraneous resources to specialize in particular information sets Typically, these solutions organize information by practice or matter type. These solutions tend to provide deeper sets of resources within the area of focus, offering deeper practice guidelines, analysis, factual information, and learning aids. Examples include solutions such as LexisNexis's MedMal Navigator®, Thomson Reuters's Practical Law or Checkpoint Catalyst solutions, Bloomberg Law Areas of Interest, or Wolters Kluwer's RBsource or LoislawConnect.
- **High Use Context Fit, Low Information Need Fit –** these solutions provide selective identification of information according to the task or fact pattern on hand. Depending on the degree of automation provided, these solutions remain inquiry-based and contain some

limitation on the underlying information resources available based on the relevant legal regimes and doctrines. Examples include KM solutions or expert systems, which automate the identification of legal guidance based on factual scenarios. Solutions such as Lexis Practice Advisor® or Wolters Kluwer's General Counsel Navigator.

- **High Use Context Fit, High Information Need Fit** - solutions with high fit in both factors prioritize the intelligent organization of information within the user's environment. As such, these solutions limit inquiry-based search to provide dynamic and "passive" capture of information made available within the user's environment.

Lexis *for* Microsoft Office is an example of the fourth category. Rather than limit the scope of resources available, the solution uses embedded algorithms to capture and resources relevant to the matter at hand, based on the names of the parties involved, embedded citations and case names, and referenced terms of art and legal doctrines contained within a document. Notably, Lexis *for* Microsoft Office accomplishes this in a largely unstructured environment, leveraging text analytics and search to dynamically piece together relevant information, with little limitation on the resources available.

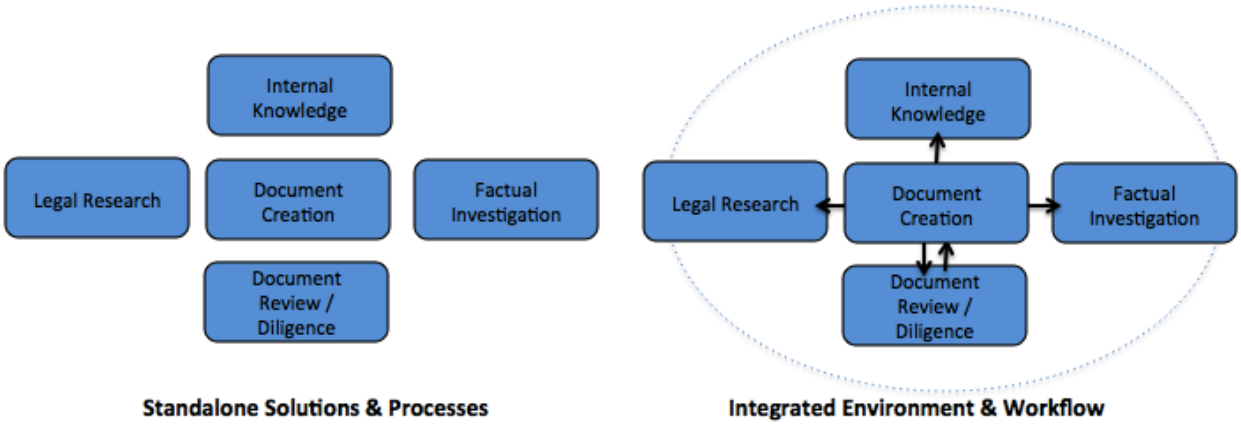
The Emergence of Attorney Workspace Solutions

In its shift towards information personalization, Lexis *for* Microsoft Office also represents a response to the emerging shift towards integrated platforms supporting larger legal processes.

Some history is required to understand this shift. Legal analysis, advice, and advocacy represent complex information management and application tasks, each requiring a diverse array of data inputs, including legal authorities, factual information, and observed experience and best practices. Historically, these tasks have been largely paper-based, requiring the review and drafting of documents, treatises, and compendiums. The first generations of electronic resources supporting these processes largely mimicked traditional expectations and document-based workflows, which lead to the development of task-specialization in standalone work environments. Electronic legal research databases replaced large-volume compilations of law. Word processors replaced paper and dictation-and-typist dynamics. Internal knowledge became captured in documents, or at best, centralized in KM systems.

Without any connection between these environments, the act of moving back and forth between the various tasks of research, discovery, analysis, and argument involved in legal representation requires moving between separate solutions. Connecting information often involves manual creation of new documents, with no persistent connection of data between those environments. This sort of mimicry of existing processes is a frequent step in the evolution of electronic environments. However, as solution capabilities mature and dedicated solutions begin to reach their maximum potential benefits, the next step in this process comes about as providers link information and processes between standalone solutions in support of on-going workflows, rather than discrete tasks.

Figure 4: Legal Process and Resources: Standalone v. Workspace Approaches



Source, Blue Hill Research, April 2015

By and large, the legal technology market remains largely a domain of standalone, task-based solutions. Increasingly, however, we can observe solutions that are orientated around ongoing work processes, rather than particular tasks. These sorts of "attorney workspace" solutions arrange resources, capabilities, and organize tasks around particular legal operations.

The legal technology market has been slowly progressing toward these integrated workspace solutions, so that as new solutions combine tasks, they largely do so within the context of particular workflows, such as deposition management, transactional document generation, or litigation analysis and development. Examples of these approaches include solutions such as: eDepoze, Allegory Law, the Workshare Transact platform, Opus 2 International's Magnum platform, or Everlaw StoryBuilder.

Lexis *for* Microsoft Office represents one of the more fully developed examples of what an integrated attorney workspace looks like, using Office to provide an unstructured environment for research, knowledge management, and process automation. The version 4.9 integrations with Lexis Search Advantage and CaseMap, in particular, extend Lexis *for* Microsoft Office's role as an in-context workspace hub for organizational knowledge and information resources. Thomson Reuters has taken similar steps with its MatterSphere product, which embeds matter and process management as well as document automation capabilities within Microsoft Office environments. However, where MatterSphere focuses on embedding process and project management within attorney activities, Lexis *for* Microsoft Office focuses on accelerating access to information for legal analysis and deliverable creation. The result is a much more unstructured solution, but also with more opportunities to remove the "heavy lifting" involved in legal work.

Assessment of the Opportunities Presented

Lexis *for* Microsoft Office represents a response to market pressures for both integrated research and integrated attorney workspace. In effect, the solution is an unstructured workspace for the development of legal documents, enhanced by in-context access to external and internal knowledge resources. For users, the solution stands to improve existing processes in two ways: (1) creation of an invisible user interface (UI) for legal research and knowledge management and (2) automation of legal document creation and due diligence tasks. We will discuss each in turn.

Invisible UI for Research and Knowledge Management

By transforming Microsoft Office into a central medium for accessing legal information and KM resources, Lexis *for* Microsoft Office essentially generates an "invisible" user interface for research and information management. In other words, by making the Microsoft Office environment the critical site for document creation and research, Lexis *for* Microsoft Office effectively moves established legal research databases and inquiry-based workflows into the background. The result is the creation of a consolidated environment for legal research and due diligence that proactively pulls knowledge resources into the work environment, rather than requiring users to step through manual processes and disconnected, standalone resources.

Business benefits following this shift include gains in attorney and user efficiency. Lexis *for* Microsoft Office works to put core information resources at the fingertips of attorney users. This intelligent collection of information in the context of documents reduces information research and review time, particular as compared to key word search-based research methods. By consolidating standalone research and KM processes and automating basic information acquisition processes, Lexis *for* Microsoft Office promises to reduce the research "heavy lifting" involved in matter resolution, while also improving the likelihood that attorneys adopt best practices. The ultimate business gains to result stem from improvements in the speed and effectiveness of attorney review and billing process.

Automation of Legal Document Tasks

As the Lexis *for* Microsoft Office solution has evolved, its value proposition has not been solely tied to increased awareness of information or reduction in search and knowledge acquisition time. Rather, the solution's various functionalities that automate and reduce manual effort with respect to citation review, quote, review, and document generation help to minimize obligations placed on legal support staff and paralegals to ensure validity and accuracy of legal deliverables. These capabilities do so by automating repetitive document due diligence processes that have typically been left to specialized legal secretaries and paralegals.

By automating these processes, solutions like Lexis *for* Microsoft Office help to reduce specialized, but largely mechanical processes, such as citation review and validation. The net value here lies in the reduction of time demand for support staff, such as paralegals, libraries, and secretaries, who typically

are responsible for this sort of work. Automating these processes helps to reduce the time demand and likelihood for error involved, both of which are meaningful as firms reduce reliance on specialized support staff and spread support staff across larger pools of attorneys. As a result, the ultimate business benefits to result from this aspect of the solution lie in reduced demands on support staff, while also helping to improve the reliability and quality of these assessments.

Key Observations and Takeaways

In and of itself, LexisNexis's May 14 announcement does not constitute a major shift in the market or LexisNexis's product portfolio. Rather, it marks the continuing progress of the maturation of a legal document creation and research workspace with the opportunity to erase previous distinctions between attorney tasks. The incorporation of Lexis Search Advantage resources, in particular, goes a long way to combining external and internal knowledge resources within a single user interface. In this way, the solution serves to enhance users' access to context-relevant information, while simultaneously making the resources needed to acquire that information transparent to the user.

Ultimately, the value provided in these trends relates to improved attorney efficiency and effectiveness. A number of the task automation capabilities provided, such as the Table of Authorities generator and cite and quote check features, serve to automate and reduce time spent on mechanical tasks. In some scenarios, this helps to increase attorney efficiency and effectiveness by removing mundane work, but law firms are likely to find that the greatest value lies in reducing the time required for library, paralegal, and other support staff. Particularly, as firms transition support staff from specialist to generalist models and increase the ratio of attorneys to staff, automation of these sorts of repetitive, but painstaking, tasks can help reduce labor demands while maintaining standards of quality.

LexisNexis has proven sensitive to shifting trends in legal research and knowledge acquisition, as well as demands on attorney workspaces. As a result, Lexis *for* Microsoft Office shifts attorney workflows and automates basic due diligence tasks in ways that ultimately reduce time required for information acquisition and document review. In particular, the use of Microsoft Office as an intermediary environment provides a "low resistance" entry point as it elaborates on its combined research and work process environment. Nonetheless, LexisNexis still faces challenges resulting from attorneys' established familiarity and comfort with existing processes. To this end, the success of LexisNexis, as well as Thomson Reuters, in acculturating attorneys to standalone research database environments represents an obstacle to the shift to integrated workspace and research environments.

By and large, modern attorneys are acculturated to online research solutions and splitting workflows between research, document creation, and due diligence tasks. Until fully comparable solutions emerge, overcoming this inertia with market and user education represents LexisNexis's most significant challenge with respect to Lexis *for* Microsoft Office. In the context of established attorney partners, LexisNexis's best route to success lies in using law schools as an education medium to acculturate new

attorneys to the shifts in research and knowledge management workflow offered by its Lexis *for* Microsoft Office platform. As competing solutions evolve, they will come face-to-face with similar challenges. LexisNexis's advantage lies in the provider's established success in using law schools to establish attorney familiarity with its research resources. As the company expands the maturity of its offerings, it has a similar opportunity and obligation to shift the conversation in legal education.