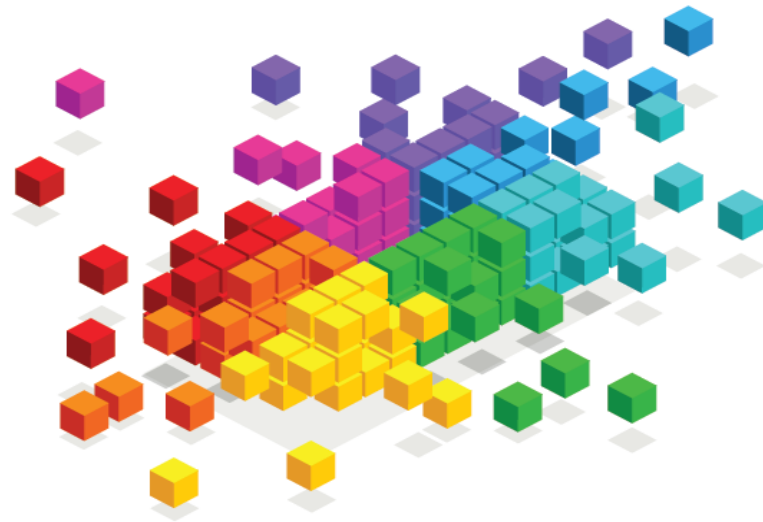


Helping Your Legal Department Meet Information Obligations and Reduce Risks

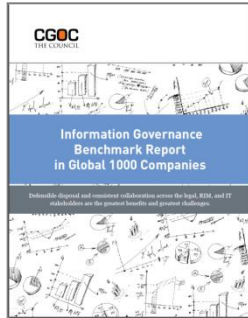
Putting Content to Work
ECM UserNet 2011



Our Program Goal

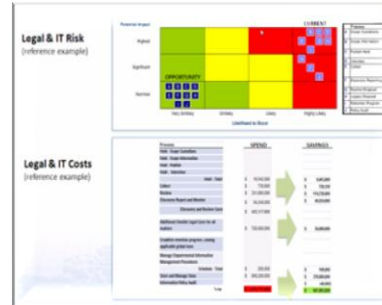
Help you identify opportunities to leverage your skills and investments on high-cost, high-risk information governance challenges your organization faces with sessions on:

1



Executive Challenges & Recent Findings

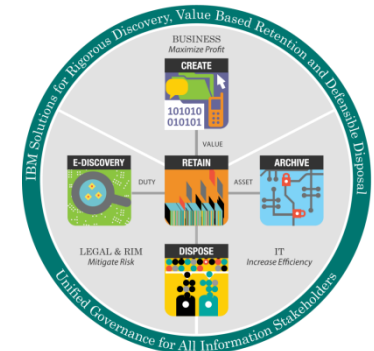
2



Executive Points of View on the Challenges

- ✓ CIO
- ✓ **General Counsel**
- ✓ Risk & Compliance

3

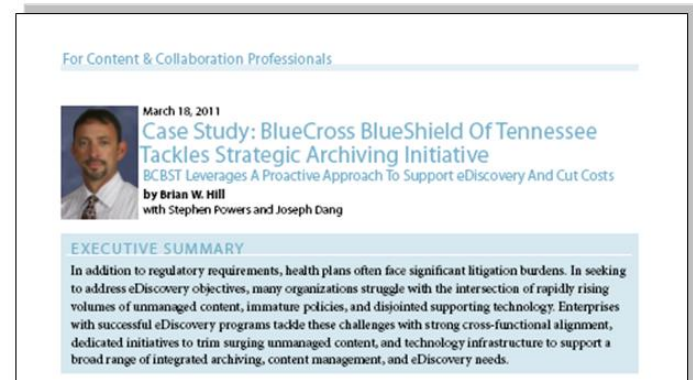


ECM Building Blocks

- ✓ Value Roadmap
- ✓ Product Roadmap

Leadership Opportunities for ECM Practitioners

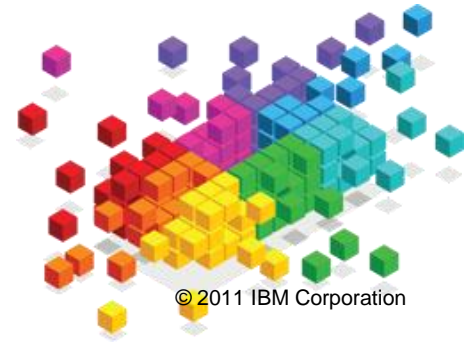
- “Working with other content and collaboration professionals at BCBST, **Andy Jacobs, the company’s lead enterprise content management (ECM) architect**, sought to address [the challenges of surging volumes of content ... including mounting legal expenses when relying on high-cost, third-party services organizations for identification, collection, and downstream eDiscovery efforts]”
- “His key steps included:
Creating a strong cross-functional team.... **Jacobs collaborated with the company’s records manager, associate general counsel, and other stakeholders** to understand requirements, identify areas of highest legal risk, and capture sufficient detail to scope and justify the program.”





[Forrester Case Study:](#)
[BCBST Tackles Strategic Archiving Initiative](#)

Topics

1. The GC's pain points
2. Addressing the problem
3. Developing the business case for change
4. Building on your expertise and ECM investments
5. Resources to learn more



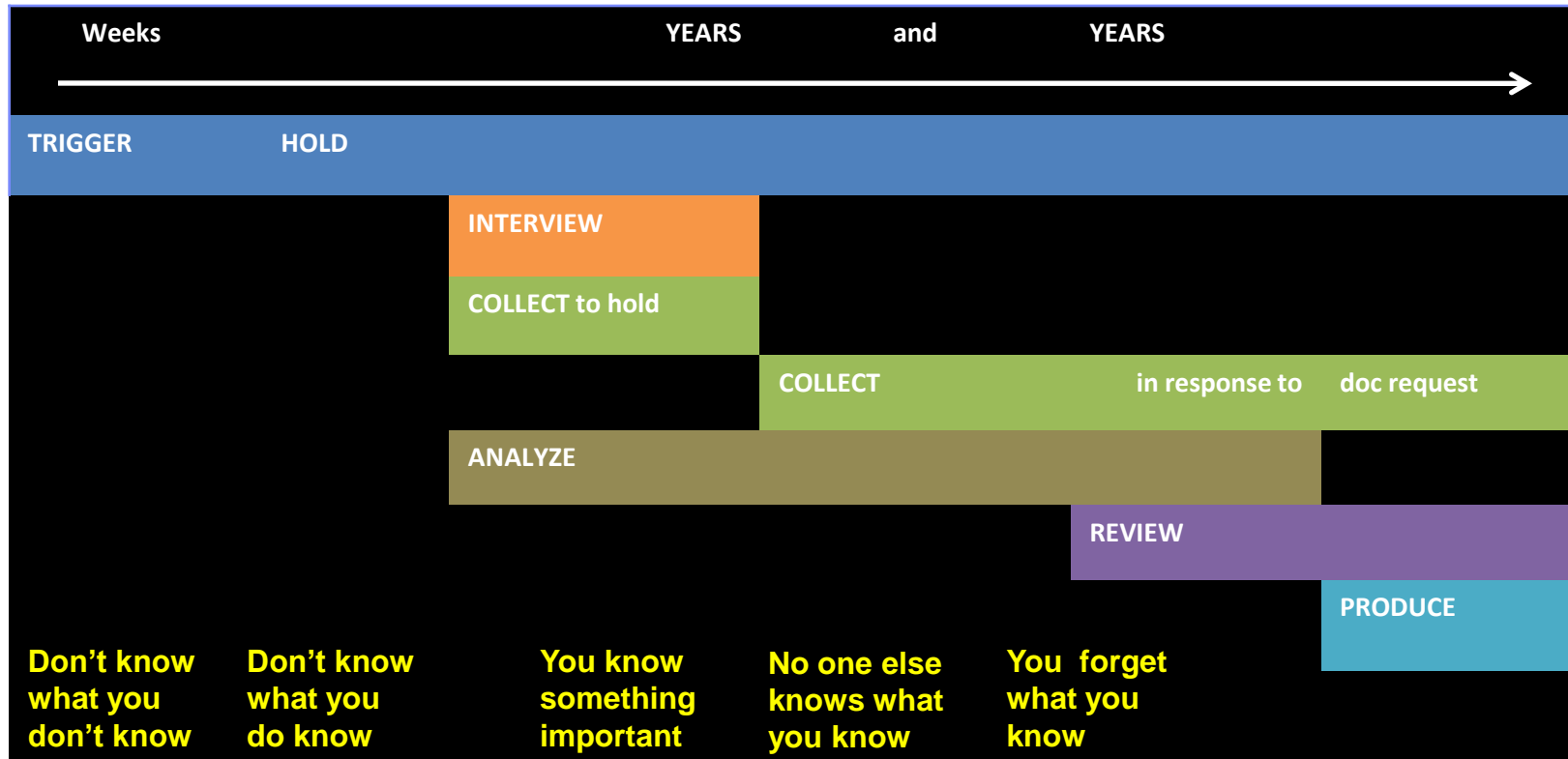
Legal Duties for Information or “eDiscovery”

Duty to Preserve	Duty to Produce
<ul style="list-style-type: none">▪ Legal hold on all potentially relevant information must be instituted when specific litigation is reasonably anticipated▪ Adversary does not have to request the hold▪ Obligation to update and monitor scope▪ Data in custody or control of company	<ul style="list-style-type: none">▪ Obligation to respond to a specific request for documents or motion to compel▪ Do not have to produce without being asked▪ Often can avoid producing what was asked; always attempt to avoid▪ Reviewed by counsel for relevance and privilege first -- difficult to argue irrelevance
 <p>100% of matters</p>	 <p>10-20% of matters</p>

Lack of institutional process memory, reliance on “people glue” create gaps and exacerbate risk

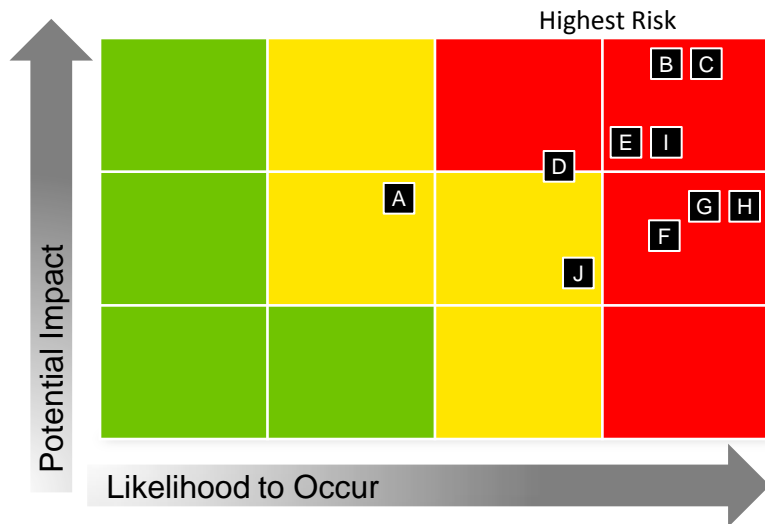


Average Case Lasts 3 Years ... Only 1% Ever Go to Trial



Process Memory and Transparency Are Critical Factors in Risk & Cost

Process is Source of High Risk



- Low risk** Does not require constant monitoring and is easy to prevent, detect, correct, defend. Less than 10% likelihood.
- Moderate risk** Requires frequent monitoring to prevent and detect; costly to correct or mitigate. Between 10-50% likelihood.
- High risk** Requires constant monitoring and review, immediate escalation on failure or impending failure. 50% chance of occurring.

Typical Preservation Risk Scenarios

Sources of Failure Risk in Manual Process	
A	Legal scopes the wrong employees, those employees terminate or transfer mid-matter and data subject to hold is lost.
B	Legal fails to identify sources of data managed by IT staff and data subject to hold is destroyed.
C	IT migrates, retires or modifies data subject to hold.
D	Legal fails to identify or follow through on information gleaned in thousands of interviews.
E	Data isn't collected because of a missing data source, departing employee, incomplete prior collection inventory, and communication and tracking errors.
F	Unable to assemble, understand or defend the audit trail of discovery activities.
G	Retention schedules are not followed and/or the validity of the current schedule is hard to defend.
H	IT saves all data because they fear disposing of the wrong data, increasing discoverable mass and confusion.
I	IT disposes of data subject to legal obligation.
J	Internal compliance audit failures on records and legal holds expose the company in discovery or unable to respond to regulators.

Volume of Enterprise Information is Source of High Cost

“Electronic discovery requires litigants to scour disparate data storage mediums and formats for relevant documents.” Harkabi v. SanDisk, Inc. (2011)

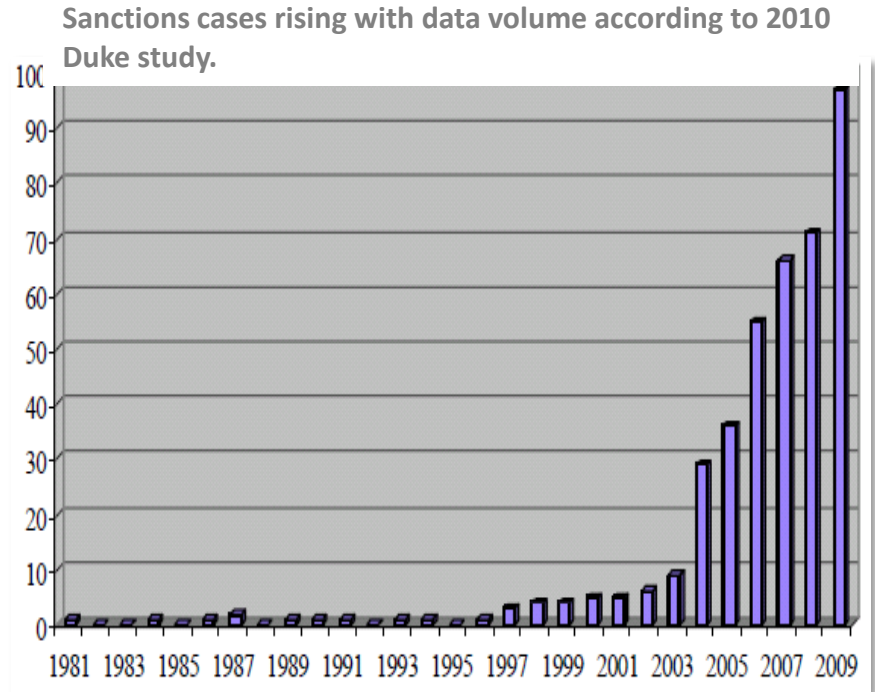
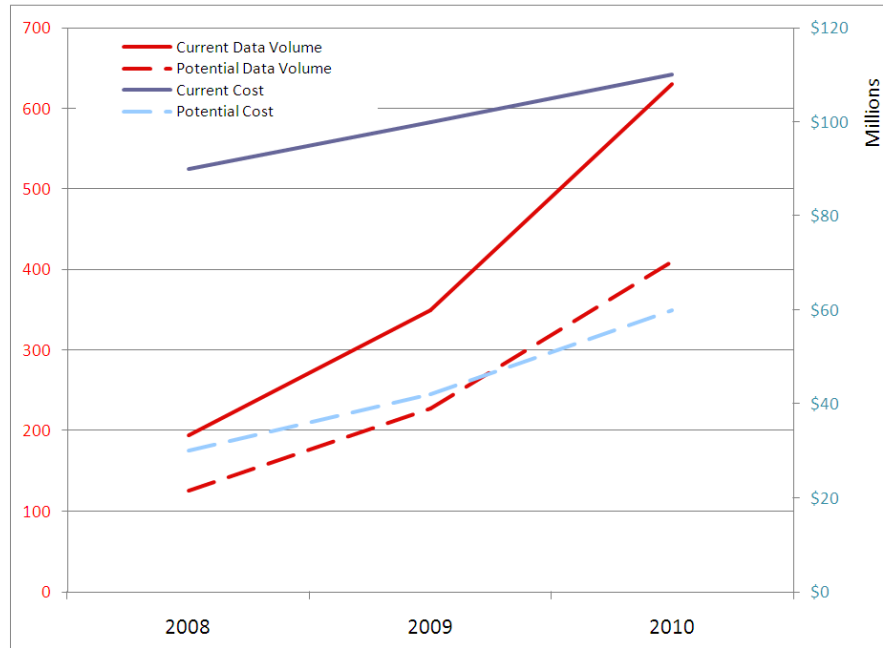
- Unable to find data subject to legal hold
- Over **1,200 terabytes of data -- estimated 19 billion pages** -- were restored and reviewed by outside counsel
- Over 7 million pages produced to adversary
- Cost far in excess of original \$4 million damages sought in wrongful termination case

At Bayer:

“200 tons of documents produced for single lawsuit and product line”

- Unanticipated earnings hit from expense
- **40 million pages** already produced from 130 sources
- Adversary requesting **30 million more pages** now

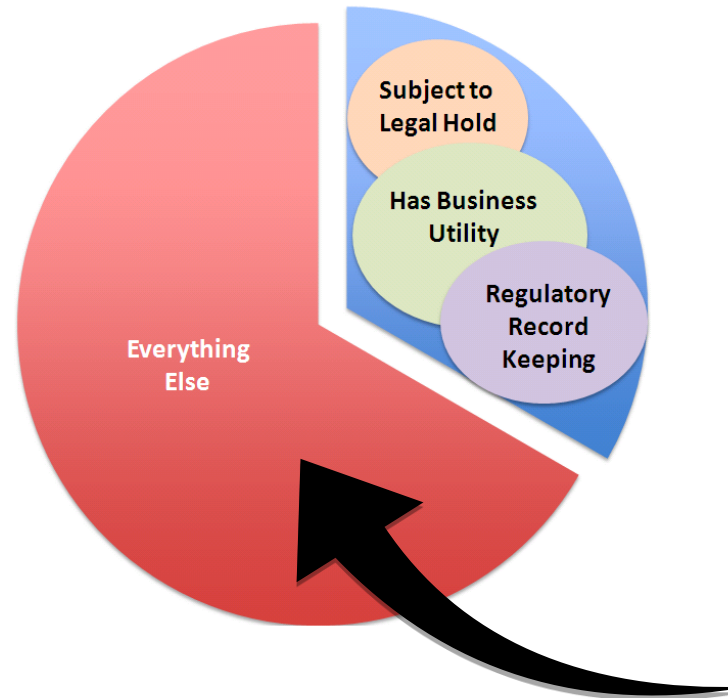
More Data Does Not Reduce Risk



- **Currently storing in perpetuity with 80% growth per year**
- **Benchmark 3 year retention requirement**
- **IT spend benchmark is 6.5% of revenues, 7.4% of opex**
- **35% of current information eligible for disposal and a source of financially material unnecessary cost and risk**
- **Excess IT cost and excess exposure to eDiscovery cost grow at the same rate as information volume ... not self resolving**

Conundrum

- If you know what you need to preserve for litigation and regulation
- And you know what you need to keep for its business value (and for how long)
- Then you can throw everything else away



If you can't determine specific value and legal duty, you must:

1. Manage everything as if of value
2. Guess if you're in compliance
3. Spend too much to manage unnecessary data
4. **Spend too much to preserve and produce it unnecessarily**

The GC and CIO Share the Pain and Problem

3.5%

Percentage of revenues spent on information management (6.5% in Financial Services)

44x

Projected information growth, 2009-2020¹

¹ [IDC Digital Universe Study, May 2010](#)

\$3M

Average cost to collect, cull and review information per legal case²

70%

Portion of information unnecessarily retained³

² [Litigation Cost Survey of Major Companies, 2010](#) (from [Conference on Civil Litigation, Duke Law School, May 2010](#))

³ Industry estimates

98%

Companies that cite defensible disposal as key result of governance programs⁴

22%

Companies that can defensibly dispose today⁴

⁴ [CGOC Benchmark Report on Information Governance](#), October 2010

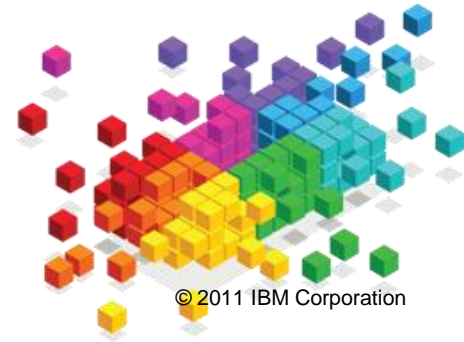
Questions for Litigation Executives

“Our current process is fine” requires MORE process questions

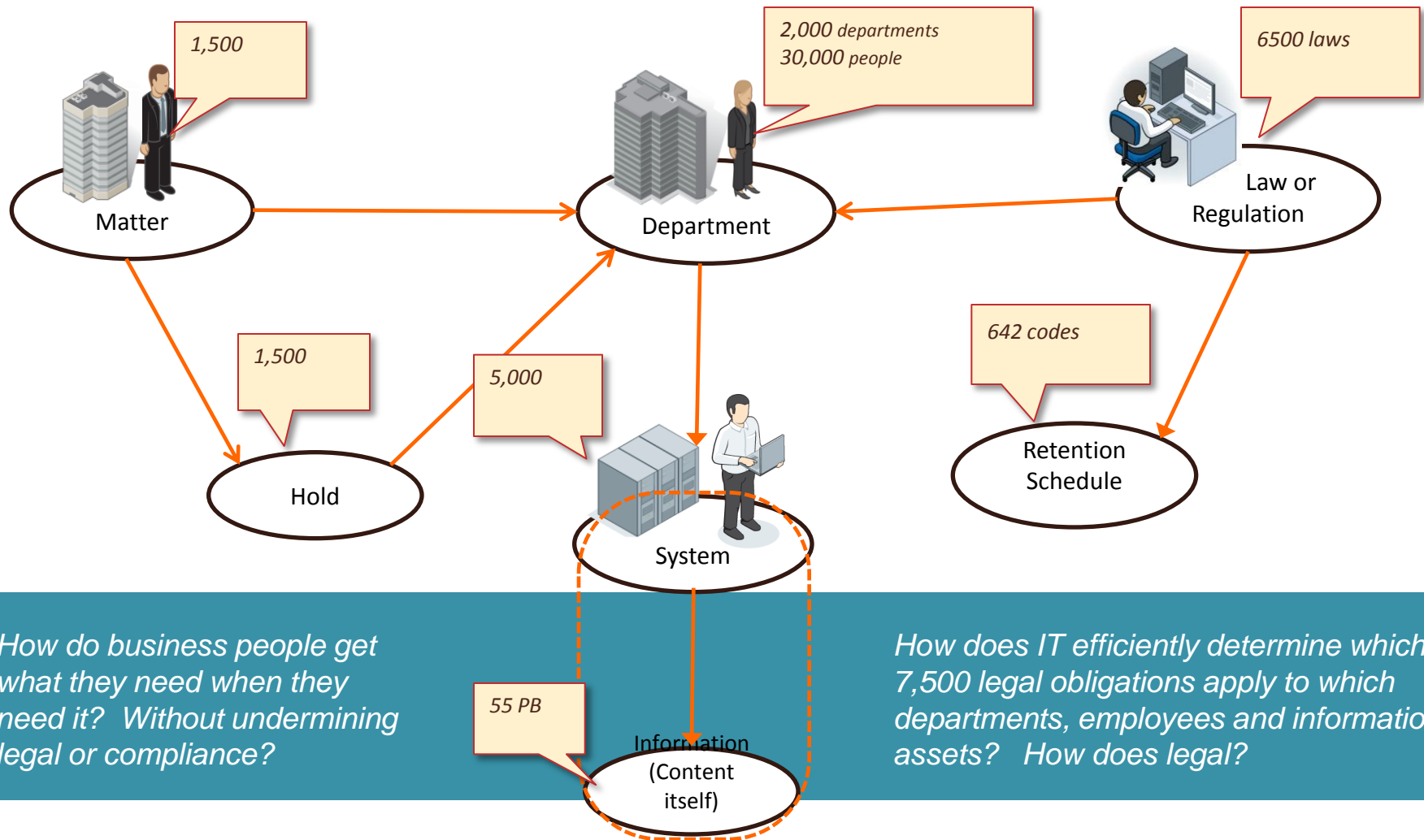
Process Element	AGC is focused on how RELIABLE the discovery process is <i>In contrast, a Director of Legal Ops is focused on how painful the process is</i>
Scope of Custodians	How accurate do you think the HR directory you're scoping from is? How easy is it to really keep track of who gets added and removed from scope over time and why? Are you sure everyone identified in the spreadsheet receives a notice and that is documented?
Scope of Data	Do you just identify and notify custodians? How does IT know how to manage those custodians' data in the background during the hold? How do they know they shouldn't migrate server data, recycle departing employee laptops? Are data sources tracked through spreadsheets or lists? How would IT handle overlapping holds on server data and tapes?
Legal Hold	Are you confident everyone receives and responds to notices? How do you ensure everyone receives a reminder and how do you track that? Do you have a standardized escalation process? How does Legal communicate the descriptions of records or information subject to hold so RIM and IT staff can comply and how much second guessing do these stewards need to do? How do you know people on hold have left the company and how is preservation of their data ensured? <i>How much time do these activities really take and is your team covering all the bases given their workload?</i>
Interviews	Do you use outside counsel to interview custodians and find out about their data? Or do you attach forms to notices that custodians must download and fill out? If so, how does your legal team reassemble the facts and follow up on all them?
Evidence Collection	How many spreadsheets are really used between legal and IT in the collection process for a single matter? For all matters? How many IT hands touch collection for a single custodian? For a single matter? How do you make sure legal doesn't have potentially relevant information in the pile of evidence already collected? Are there multiple copies of collected data for every hand that participated in the process?
Review	What portion of data collected is really relevant in any given matter? Do you over spend on processing charges and review for irrelevant and duplicate information only to find out that the small amount of actual evidence should have informed your strategy much earlier?
Early Cost Assessment	How often are you or your internal clients surprised by the cost of discovery after the game plan has long been in place? How confident are you that you provide these clients with timely, reliable insight on cost to make better decisions about case strategy? Do you find out how much discovery will cost <i>after</i> discovery?
Monitoring	How do you ensure that your holds process is consistent, non-responders are identified and addressed, custodians and collection facts are lost in spreadsheet translations, and the fact pattern will be good under scrutiny?

Topics

1. The GC's pain points
2. Addressing the problem
3. Developing the business case for change
4. Building on your expertise and ECM investments
5. Resources to learn more

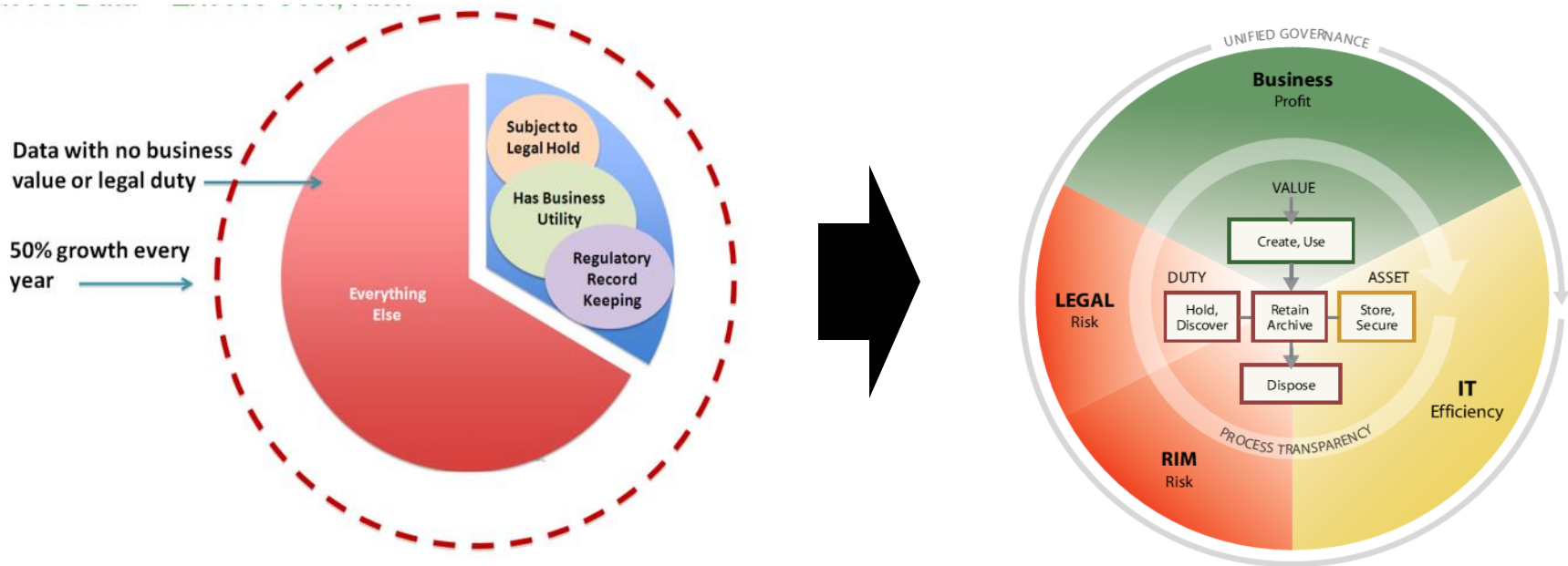


A Billion Information Choices, None of Them Actionable



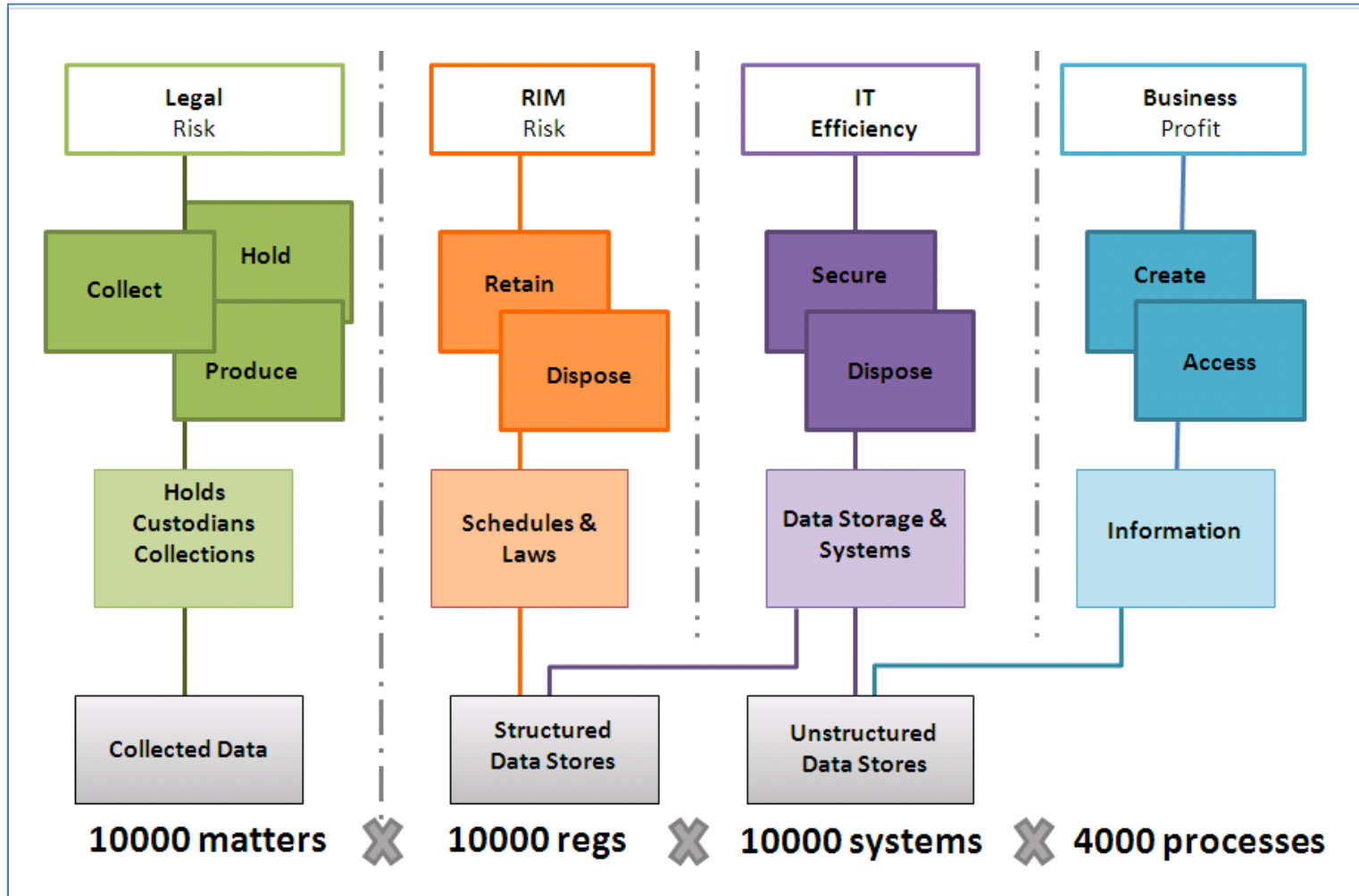
The Path from Ad Hoc to Shared Responsibility

Lower Risk & Cost, Higher Value



Everybody's doing their job, but ...*risk and cost are too high!*

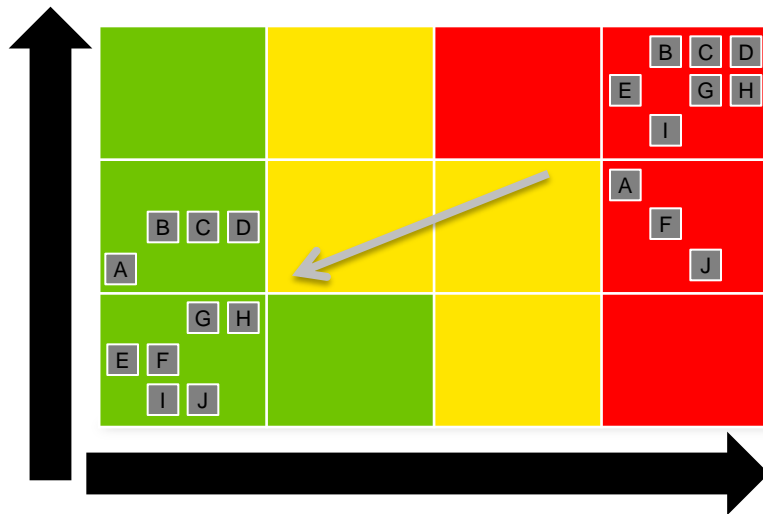
Isolated Stakeholders & Processes



Close the Gaps to Reduce Risk & Cost



IBM Software Addresses Virtually All Litigation Risks

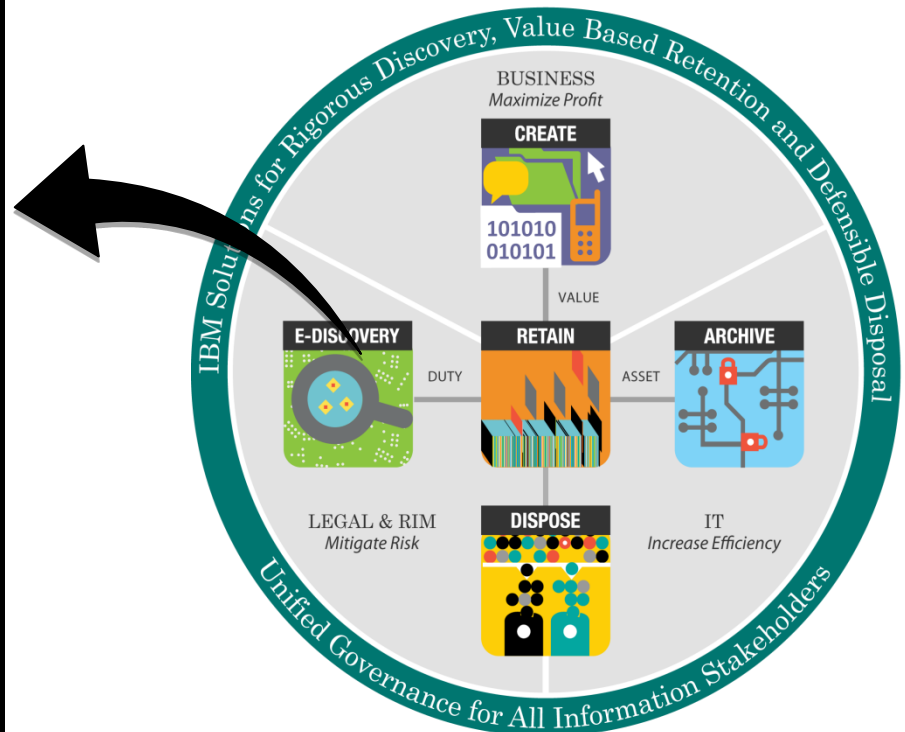


Typical Preservation Risk Scenarios

Sources of Failure Risk in Manual Process	Risk Mitigation Achieved with Software
A Legal scopes the wrong employees, those employees terminate or transfer mid-matter and data subject to hold is lost.	Legal can reliably scope custodians by current and historical organization hierarchy and automatically detect terms and transfers.
B Legal fails to identify sources of data managed by IT staff and data subject to hold is destroyed.	Legal can reliably and accurately scope data and information managed by IT and RIM staff source
C IT migrates, retires or modifies data subject to hold.	Legal holds can be automated on data in place and IT and RIM staff are systematically alerted; they have continuous visibility to holds on systems and records.
D Legal fails to identify or follow through on information gleaned in thousands of interviews.	Interviews are conducted online, results automatically compiled and follow up action items trigger alerts and exceptions
E Data isn't collected because of a missing data source, departing employee, incomplete prior collection inventory, and communication and tracking errors.	Information inventory workflow and tracking link legal with RIM, business and IT information owners for transparency, automated collections and tracking.
F Unable to assemble, understand or defend the audit trail of discovery activities.	Hold and collection audit trails are generated automatically to eliminate double record keeping, errors and risk.
G Retention schedules are not followed and/or the validity of the current schedule is hard to defend.	Business specific schedules can be easily and sustainably managed and automated.
H IT saves all data because they fear disposing of the wrong data, increasing discoverable mass and confusion.	IT saves only data of value or that which is subject to legal obligation, and performs routine, defensible disposal.
I IT disposes of data subject to legal obligation.	IT saves and manages data commensurate with its value
J Internal compliance audit failures on records and legal holds expose the company in discovery or unable to respond to regulators.	Predictable audit compliance and highly defensible legal holds and disposition.

IBM eDiscovery Management Solution Set

Process Needs	Capabilities Required	Products that can help
eDiscovery Process Management	<ul style="list-style-type: none"> ▪ Issuing Holds ▪ Custodian Interviews and tracking ▪ Scoping people, data sources & records ▪ Coordinating and conducting collections ▪ Enterprise map for rapid discovery ▪ Monitoring and reporting on the eDiscovery process ▪ Defensible disposition of collected data ▪ Enforcing and releasing holds ▪ Compliance coordination for IT, employees and records managers 	<ul style="list-style-type: none"> ▪ Atlas Discovery for Legal* ▪ Atlas Discovery for IT* ▪ Atlas Discovery for Employees*
Case Assessment & Analytics	<ul style="list-style-type: none"> ▪ Evidence assessment and analytics ▪ Case cost assessment ▪ Cross-portfolio cost forecasting ▪ First pass review ▪ Cross-portfolio custodian, case and evidence pattern analysis 	<ul style="list-style-type: none"> ▪ Atlas Discovery Cost Forecasting* ▪ eDiscovery Mgr ▪ eDiscovery Analyzer ▪ IBM CM8 or FileNet P8 ▪ IBM Content Collector



* - New ILG portfolio elements

IBM Provides Essential Memory, Good Facts, Lower Risk for Matter & Portfolio



Matters

Search matters

Detailed search

List **Scheduled Events** History Metrics

Sort by: Matter Name View: Matter Status

Matter Name Matter ID	Attorney Legal Assistant	Exceptions Critical - All	Past Due Oldest Due Date	Due in 7 Days Earliest Due Date	Activities
Carpenter Inc. vs. Bonneville 2004-0002	Matteson, Eric Duval, Daniella	11	15		<ul style="list-style-type: none"> Holds <ul style="list-style-type: none"> Preservation obligation notice regarding Surlong Design Inc. You ... Preservation obligation notice reminder regarding Martin & Latma ... Interviews <ul style="list-style-type: none"> Expanded follow-up ESI Interview Key Players Interview - Accelrys Collections <ul style="list-style-type: none"> Collection Request, Zantax Records Collection of files for Accelrys SEC Investigation Collect Archived Information from Off-site Storage Collect from Email Archive System
Martin & Latman vs Bonneville 2009-0001	Karmananadicha, Nazrul Duval, Daniella	1	9		
Dardali Inc. vs Bonneville 2007-0004	Smith, Robert Jr. Duval, Daniella	2	3		
Fructose Inc. vs. Bonneville 2010-0003	Branlebut, David Duval, Daniella	1	7		
Mentira Oceans vs. Bonneville 2004-0002	Branlebut, David Duval, Daniella	1	4		
Surlong Design Inc. vs Bonneville 2009-0004	Matteson, Eric Duval, Daniella		7		Today C
Transalta Rubber Inc. vs. Bonneville 2010-0001	Espioletta, Ravier Duval, Daniella		3		H I C
Orange vs Bonneville 2010-0002	Matteson, Eric Duval, Daniella		2		H I C
Plum vs. Bonneville 2004-0002	Niederwiese, Peter Duval, Daniella		0		H I C
Berry Inc. vs Bonneville 2010-0004	Fowler, Martin Duval, Daniella		0		
Total of 10 Matters		16	51		

Showing 1-10 of 10

Detail · Requests · Holds · **Interviews** · Collections · Master List · Documents · Search

Plans · Logs · **Results**

Plan: Organization:

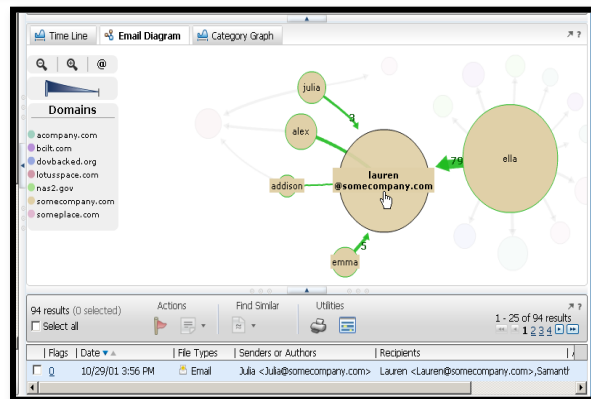
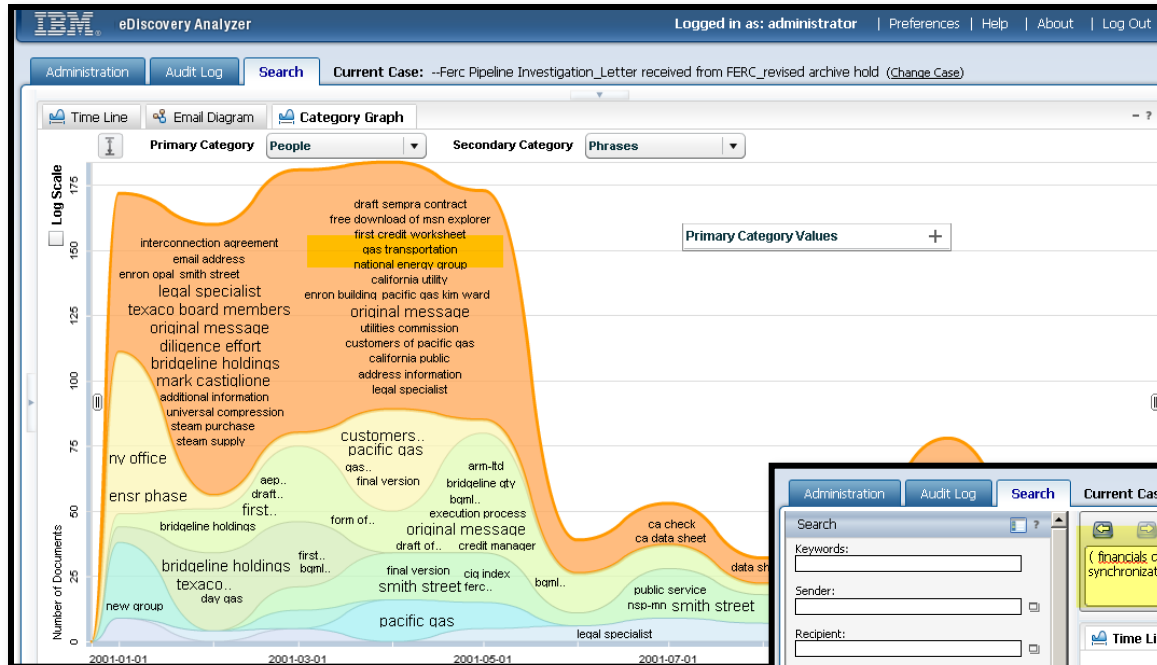
Interview Sent: Status:

Recipient Name: Action Required:

Question: Answer:

Recipient	Interview Sent	Interview	Question	Answer	Detailed Response	Notes	Actions
Adams, Stacey	Jan 22, 2011	Custodian Interview	Do you know other people that should be included in the matter?	Yes	Trish Daniels		
Bellson, Louis	Jan 22, 2011	Custodian Interview	Do you know other people that should be included in the matter?	Yes	Paul Donnis		
Gatto, Julia	Jan 22, 2011	Custodian Interview	Do you know other people that should be included in the matter?	Yes	Doug Greene		
Mattingly, Ken	Jan 22, 2011	Custodian Interview	Do you know other people that should be included in the matter?	Yes	Steve Gross		
Page, Nicholas	Jan 22, 2011	Custodian Interview	Do you know other people that should be included in the matter?	Yes	Noah Wise		

IBM Evidence Analytics Integrated with Process Provides Better Insight, Lower Risk



Administration | Audit Log | Search | Current Case: --Ferc Pipeline Investigation_Letter received from FERC_revised archive hold (Change Case)

Search
Keywords:
Sender:
Recipient:
Subject:
Dates between: 10/23/2001 to 10/23/2001

Filter by Flags: None (Add filter) | Update Results | Reset

Time Line | Email Diagram | Category Graph

Actual Count | Expected Count | Overlap

21 results (0 selected) | Actions | Find Similar | Utilities | 1 - 21 of 21 results

Similarity	Flags	Date	File Types	Senders or Authors	Recipients
Summary		10/24/01 10:06 AM	Email	Ella <Ella@somecompany.com>	Ella <Ella@somecompany.com>
Summary		9:06:23 Synchronizing Favorites			9:06:24 4 item(s) added to offline folder 9 ... 24 Synchronizing
Summary		1/2/02 7:36 PM	Email	Ella <Ella@somecompany.com>	Ella <Ella@somecompany.com>
Summary		36:31 24 item(s) added to offline folder			18:36:31 4 item(s) deleted in offline folder 18:36:31 1 view(s)/form(s) ... folder
Summary		12/26/01 7:20 PM	Email	Ella <Ella@somecompany.com>	Ella <Ella@somecompany.com>

IBM Continuous Cost Assessment Leverages Facts to Improve & Accelerate Matter & Portfolio Decisions



ATLAS Quick Navigation My Atlas Law Library Schedules Matters Reports Cost Map My Holds Admin

Matters » Zephora v. AfterGen, Inc. dba Jumping...
Cost Forecasting

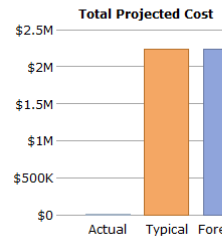
Detail · Requests · Holds · Collections · Master List · Documents · Search · Costs

Matter Cost Calculator Cost Probability and Budgeting

	Actual	Typical	Forecast
	\$986	\$2,238,452	\$2,238,452

Forecast Parameters	Actual	Typical	User	Forecast
▼ Custodians				
Custodians in Scope	19	24	24	24
Custodians in Collections	10	15	15	15
Volume per Custodian (GB)	11.32 GB	10.091 GB	10.091	10.091 GB
Pages per Custodian	571,069	485,355	485,355	485,355
Collection Cost per Custodian		\$10.00		\$10.00
▼ Data Sources				
Data Sources in Scope	6	9	9	9
Data Sources in Collections	2	5	5	5
Volume per Data Source (GB)	21.163 GB	17.827 GB	17.827	17.827 GB
Pages per Data Source	1,007,502	880,363	880,363	880,363
Collection Cost per Datasource		\$20.00		\$20.00
▼ Collections				
Portion of Data for Review (%)	NA	14.35%	14.35	14.35%
Collected Data Volume (Atlas)	155.525 GB	232.301 GB	232.301	232.301 GB
LCC Data for Review (GB)	0 GB	30.637 GB	30.637	30.637 GB
Collected Data Volume (Non-Atlas)	13.631 GB	13.657 GB	13.657	13.657 GB
Non-LCC Data for Review (GB)	*0 GB	1.723 GB		1.723 GB
Collection Cost per GB		\$5.00		\$5.00
▼ Processing and Review				
Cull/Reduction Rate	NA	30%	30	30%
Page Count after Culling	0	1,103,696	NA	1,103,696
Review Cost per Page	NA	\$2.00	2	\$2.00
Processing Cost per GB		\$50.00		\$50.00
Hosting Cost per GB-Months		\$18.00		\$18.00
Hosting Period (Months)		48		48
▶ Total Cost	\$986	\$2,238,452		\$2,238,452

Additional costs include:



ATLAS Quick Navigation My Atlas Law Library Schedules Matters Reports Cost Map My Holds Admin

Matters » Zephora v. AfterGen, Inc. dba Jumping...
Cost Forecasting

Detail · Requests · Holds · Collections · Master List · Documents · Search · Costs

Matter Cost Calculator Cost Probability and Budgeting

ATLAS Quick Navigation My Atlas Law Library Schedules Matters Reports Cost Map My Holds Admin

Costs

Most Expensive Matters

During: Current Fiscal Quarter

Matter	Incurred	Period	Total
Zephora v. Netestate, LLC	\$90.8K	\$50.4K	\$90.8K
Zephora v. Verza Domain Depot BV	\$35.3K	\$42.8K	\$59.6K
Zephora v. AfterGen, Inc. dba JumpingDot	\$0	\$33.3K	\$2.21M
Zephora v. Universo Online S/A (UOL)	\$23.9K	\$28.3K	\$35.3K
Zephora v. GoDaddy.com, Inc.	\$12.8K	\$17.4K	\$35.4K
Zephora v. AirNames.com Inc.	\$0	\$13.7K	\$1.09M
--Age Discrimination Matter - Greg Sol	\$0	\$13.1K	\$397K
--Supressa Product Investigation	\$0	\$12.6K	\$604K
Zylos v. A Rite Tern, LLC	\$13.6K	\$12.0K	\$18.3K

Showing 10 - 18 of 817 Page: 1 2 3 4 5 ... 91

Manage Risks & Costs for the Portfolio

Data Governance Metrics Export

Catalog · Catalog Management · Data Governance Metrics

Category: All Search Clear

Information Class: All

Organization: All sub-orgs

Steward: All sub-orgs

Steward's Organization: All sub-orgs

Advanced Search

View: Overview

Legal Duties

Top Data Sources

- EV Email Archive North America
- SharePoint HR
- Centera Clinical Tests
- Iron Mountain West
- SharePoint R&D #4
- File Share General Finance HQ

[View Full Report](#)

RIM

Top Data Sources

- SharePoint HR
- SharePoint Finance
- Iron Mountain West

Volume

Top Data Sources

- Iron Mountain Northeast
- MS Content Management (West)
- Open Text eDocs Finance
- IBM FileNet RM Tech & Serv
- Oracle Stellart HR (NV)
- Iron Mountain West

[View Full Report](#)

Combined

ATLAS Quick Navigation

My Atlas | Law Library | Schedules | Matters | Reports | **Cost** | Map | My Holds | Admin

Costs

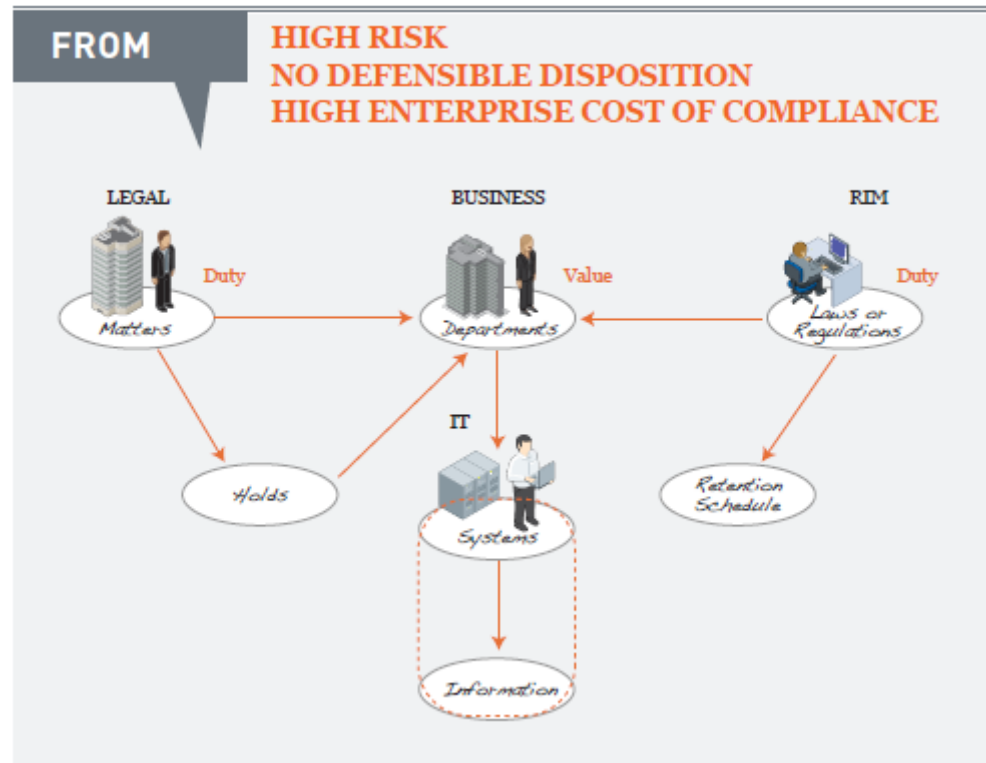
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Showing 10 - 18 of 817

Page: 1 2 3 4 5 ... 91

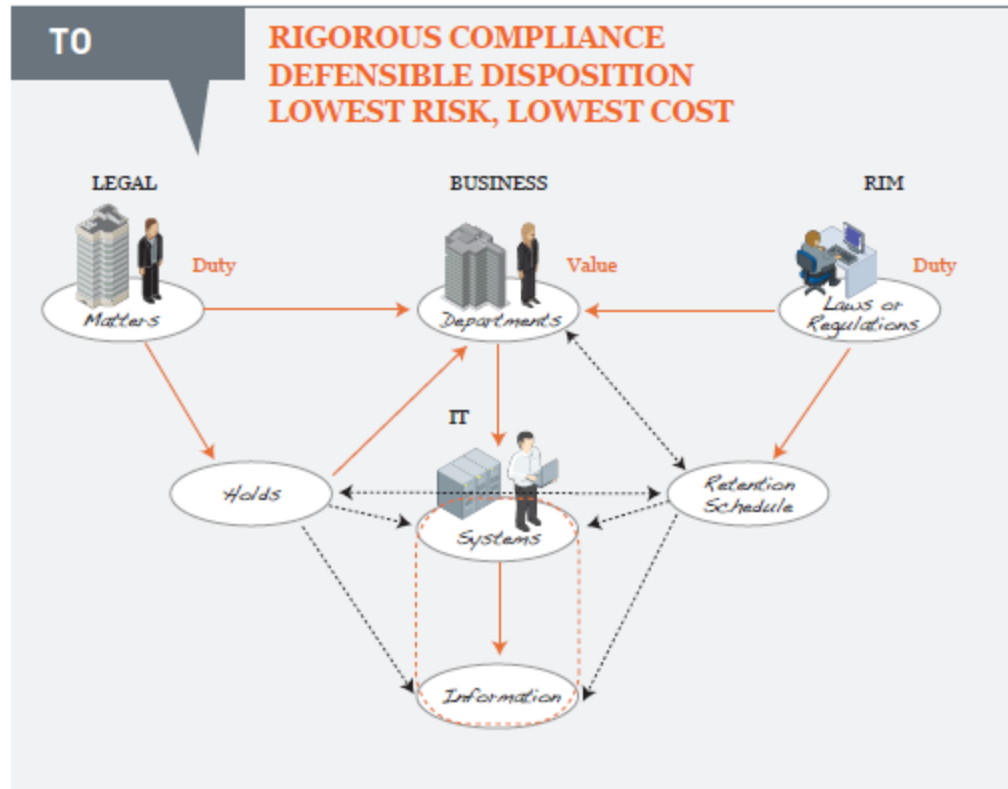
Form and Process Mismatch



Legal holds defined by employees involved, notices sent to them.
IT and Records left out of process.

Schedules documented by record class.
IT unable to apply the schedule.

Systematic Linkage of Stakeholders and Processes

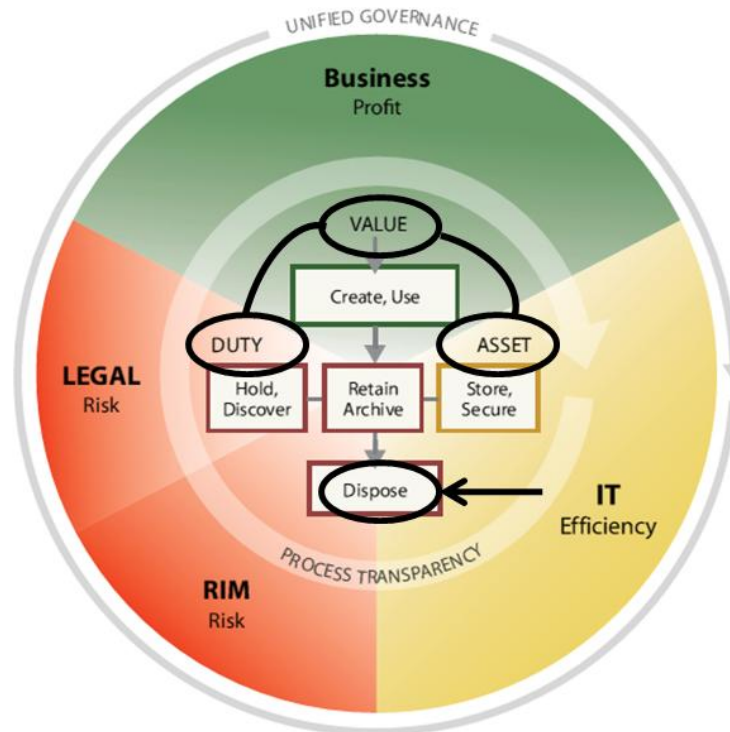


IBM Provides Governance Capabilities for **Legal**, RIM, IT & Business Stakeholders

PROCESS TRANSPARENCY

Unified Governance

- ✓ Natively integrated workflows
- ✓ Common data model, enterprise map and governance hub
- ✓ Automatic linkage of duties, value to information assets and business processes



CREATE, USE

Optimal accessibility

- ✓ Determine what is of value
- ✓ Ensure trusted content availability
- ✓ Search smaller corpus faster for better business productivity
- ✓ Meet SLAs for structured and unstructured information access

HOLD, DISCOVER

Rigorous Discovery

- ✓ Robust, automated legal holds for people + data
- ✓ Efficient discovery process, including data collection
- ✓ Early case assessment
- ✓ Legal cost and risk analytics

STORE, SECURE

Efficient Storage

- ✓ Standardization and consolidation
- ✓ Virtualization and deduplication
- ✓ Rationalization
- ✓ Policy and governance

RETAIN, ARCHIVE

Value-Based Retention

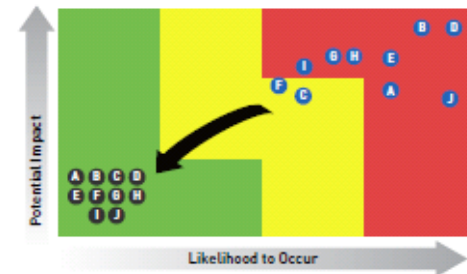
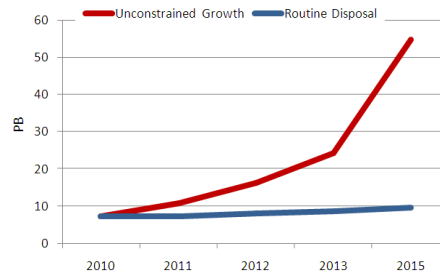
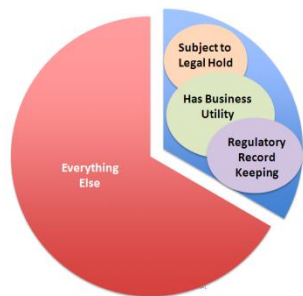
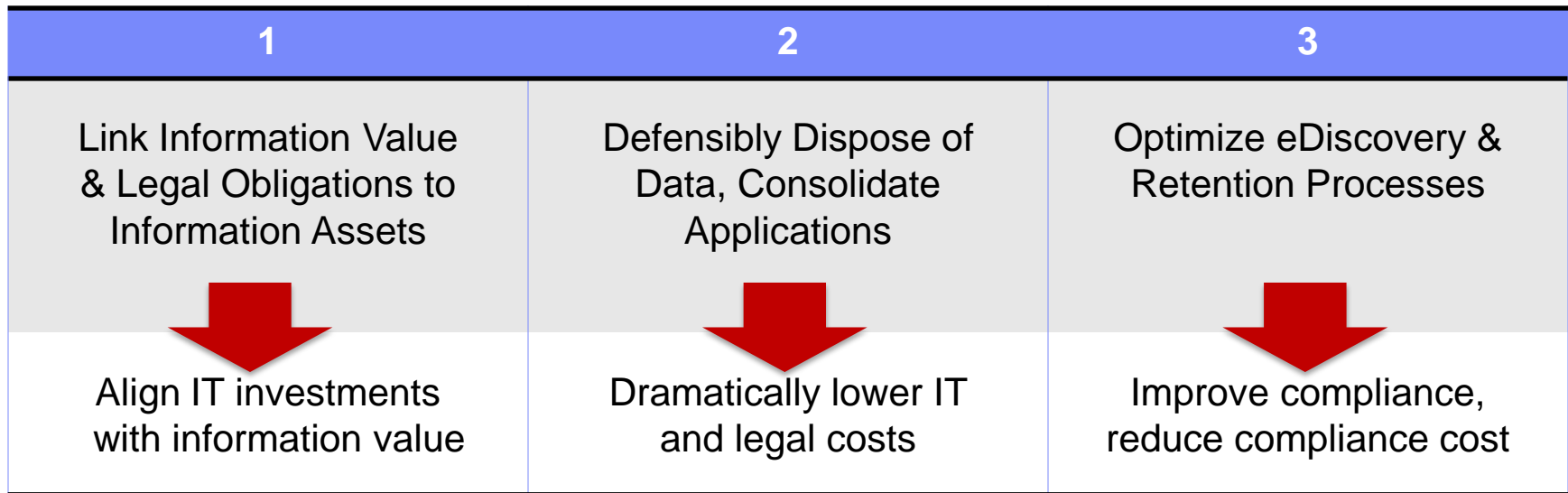
- ✓ Regulatory requirements master
- ✓ Index of information's business utility
- ✓ Reliable retention schedules with automated classification and execution
- ✓ Cohesive archiving across data types
- ✓ Program cost and risk analytics

DISPOSE

Defensible Disposal

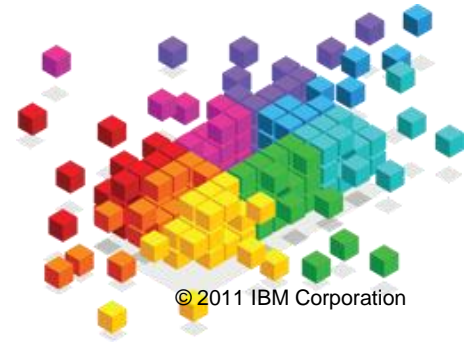
- ✓ Catalog of obligations and duty by asset
- ✓ Legacy data clean up, application retirement
- ✓ Procedures for disposal by source
- ✓ Risk and cost dashboard for information portfolio

Breakthrough Solution



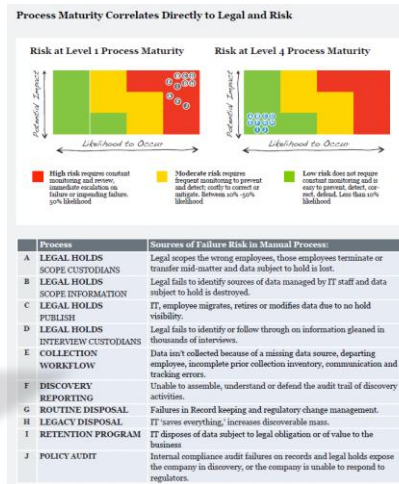
Topics

1. The GC's pain points
2. Addressing the problem
3. Developing the business case for change
4. Building on your expertise and ECM investments
5. Resources to learn more



We Have Tools to Help You Assess Processes, Quantify Risk and Cost and Chart the Course Forward to Lower Cost and Risk

PROCESS MATURITY MODEL FOR INFORMATION GOVERNANCE				
PROCESS	Level 1: AD-HOC, MANUAL, UNSTRUCTURED	Level 2: MANUAL, UNSTRUCTURED	Level 3: SEMI-AUTOMATED WITHIN-SILO	Level 4: AUTOMATED AND FULLY INTEGRATED ACROSS FUNCTIONS
A Legal Hold - Scope Custodians	Multiple custodian spreadsheets.	Centralized custodian spreadsheet.	Scope by organization, people, systematically track all custodians in all holds including multiple holds per custodian; scope terminated/transferred employees in real time.	Continuous update of custodian roles, responsibilities; automatic employee transition alerts; systematically use existing custodian lists for similar matters.
B Hold - Scope Information	Limited collection from data sources, custodian-based rather than information based; spreadsheet tracking lists.	Identify data sources by organization; understand back up procedures.	Have linked legacy tapes and data sources to organizations, and open holds/collections.	Automatically scope people, systems and tapes, information and records in holds; scope terminated employee data and legacy data/tapes where applicable.
C Publish Hold	Manual notices, confirmations, no escalations Ad-hoc description of record or information subject to hold requires interpretation and manual effort to comply.	Centralize reply email box for confirmations; process well communicated; all holds on intranet.	Systematically send notices and reminders, require a track confirmations; ability to manage exceptions; employees can look up their holds at any time. Communications tailored to recipient role (IT, RIM, employee).	Publish to system, propagate hold, automate hold enforcement. IT staff have continuous visibility to current discovery duties, holds during routine data management activities; automatically flag records in appropriate systems.
D Interview Custodians	Ad-hoc manual interviews and follow up.	Questionnaire mailed to custodians, responses compiled manually for collection and counsel follow up.	Online/auto interviews with system follow-up, view individual and aggregated responses; auto non-response escalations, alerts for specific answers; export for O/C.	Individual responses propagated to collections, custodian-specific collections instructions, interview results shared with outside counsel to interview by exception. From their browsers, Attorney's collect directly from custodians or any system.
E Collection Workflow	Detailed and duplicate spreadsheets of custodians and information between IT and legal; multiple copies of the collected data.	Centralized, version controlled spreadsheets of custodians and information; evidence server without inventory.	IT can efficiently collect by custodian and content, avoid recollecting; auto logging of file collected; source, chain of custody, IT self-service look up.	Legal fails to identify or follow through on information gleaned in thousands of interviews.
F Review Volume	Image drives or over-collect from custodians, over scope custodians; high quantity of data for review	Image drives or over-collect from custodians, over scope custodians; high quantity of data for review.	Quantity of data reviewed from tightly scoped custodians; leveraging prior scoping histories; accurate enterprise map.	Data not collected because of a missing data source, departing employee, incomplete prior collection inventory, communication and tracking errors.
G Cost Control	Image drives or over-collect from custodians, over scope custodians; high quantity of data for review.	Estimate costs on the "big matters" in spreadsheets or by outside counsel.	Discovery cost forecasts are automatically generated as soon as the hold is scoped; costs are calculated continuously for matters.	Unable to assemble, understand or defend the audit trail of discovery activities.
H Monitoring, Compliance	Each attorney tracks their own matters, status.	Formal, but manual reporting of open holds; no summary reporting on interviews, collections, responses.	Automated reminders and escalations, online audit trail; management reporting on discovery status, visibility within legal dept across custodians, collected inventory and matters.	Failures in Record keeping and regulatory change management. IT "saves everything," increases discoverable mass.
				IT disposes of data subject to legal obligation or of value to the business. Internal compliance audit failures on records and legal holds expose the company in discovery; or the company is unable to respond to regulators.



LEVEL 1 LEGAL AND IT COSTS				
Process	Data Management	Outside Legal	Internal Productivity	Total
Hold	\$0	\$1,405,000	\$1,140,480	\$2,545,480
Collect	\$0	\$64,000	\$56,064	\$120,064
Review	\$2,072,000	\$67,200,000	\$0	\$69,272,000
Discover Report	\$0	\$448,000	\$4,603,200	\$5,051,200
Other Outside Legal	\$0	\$42,000,000	\$0	\$42,000,000
Retention Program	\$0	\$0	\$200,000	\$200,000
Store/Manage Data	\$160,000,000	\$0	\$140,000,000	\$300,000,000
Info Policy Audit	\$0	\$0	\$0	\$0
Total	\$162,072,000	\$111,120,000	\$145,999,744	\$419,191,744

LEVEL 4 LEGAL AND IT COSTS				
Process	Data Management	Outside Legal	Internal Productivity	Total
Hold	\$0	\$752,000	\$1,027,392	\$1,779,392
Collect	\$0	\$63,892	\$54,989	\$118,881
Review	\$414,400	\$40,320,000	\$0	\$40,734,400
Discover Report	\$0	\$448,000	\$4,257,120	\$4,705,120
Other Outside Legal	\$0	\$0	\$0	\$0
Retention Program	\$0	\$0	\$190,000	\$190,000
Store/Manage Data	\$80,000,000	\$0	\$70,000,000	\$150,000,000
Info Policy Audit	\$0	\$0	-\$40,000	-\$40,000
Total	\$80,414,400	\$41,593,892	\$75,489,501	\$197,497,793

13 Key Processes Maturity Model and Self Assessment

Risks in these Processes Current and Future State

Legal & IT Costs of Process Current and Future State

We Can Assist You with an Assessment

EXECUTIVE
ENGAGEMENT

1



Calibrate value

2

Fact finding on current processes

Cross-stakeholder workshop

PROCESS MATURITY MODEL FOR INFORMATION GOVERNANCE

PROCESSES	LEVEL 1: FOUNDATIONAL STRUCTURED	LEVEL 2: SEMI-AUTOMATED BLENDED	LEVEL 3: HIGHLY AUTOMATED PROCESSED
A. Legal-Info-Compliance	Multiple custodian awareness	Centralized custodian awareness	Scope by generation, people, responsibility, location in all data residing, multiple custodian, link to custodian transferred employees in real time.
B. Data Retention	Limited collection from data sources, consolidated rather than information based, structured information	Identify data sources to be aggregated, understand back up procedures.	Have limited legacy tapes and data sources to be generated, and open back-ups/restore.
C. Publish/Find	Confidentiality, no restrictions on the reception of hard or soft copy subject to hold request interpretation and manual effort to comply.	Confidentiality and retention, no restrictions, process will be automated, identify on process.	Automatically store people, systems and data, information and search ability. Scope, retention, employee data and legacy data types where applicable.
D. Information Categories	Ad hoc manual interviews and follow up.	Standardized, automated, manual	Push in system, program, hold, automatic hold enforcement. IT staff have continuous visibility to current discovery data, both during routine data management activities, automatically flag.
E. Collection Methods	Identified and published responsibilities of custodian and information released IT and legal.	Standardized, automated, manual	Push in system, program, hold, automatic hold enforcement. IT staff have continuous visibility to current discovery data, both during routine data management activities, automatically flag.
F. Retain/Dispose	Single drive or over collect from custodian, over-erase custodian, high quantity of data for review.	Single drive or over collect from custodian, over-erase custodian, high quantity of data for review.	Single drive or over collect from custodian, over-erase custodian, high quantity of data for review.
G. Cost Control	Single drive or over collect from custodian, over-erase custodian, high quantity of data for review.	Single drive or over collect from custodian, over-erase custodian, high quantity of data for review.	Single drive or over collect from custodian, over-erase custodian, high quantity of data for review.
H. Monitoring/Compliance	Single drive or over collect from custodian, over-erase custodian, high quantity of data for review.	Single drive or over collect from custodian, over-erase custodian, high quantity of data for review.	Single drive or over collect from custodian, over-erase custodian, high quantity of data for review.

INFORMATION GOVERNANCE STRATEGY DESIGN AND IMPLEMENTATION

The team has a shared objective to reduce the time volume of data and the cost of managing it to reduce the cost of compliance with regulatory and legal obligations, and a supporting multiple element of the total information life cycle. This includes: an enterprise-wide data lifecycle management strategy and a high degree of energy, resource and knowledge to support it.

Strategy & Business Objectives - Day 1

Clarify the Business Case and Information Strategy

Day 1

Assess the Current State and Information Strategy

Identify the key elements of the current state and the information strategy. This includes: an enterprise-wide data lifecycle management strategy and a high degree of energy, resource and knowledge to support it.

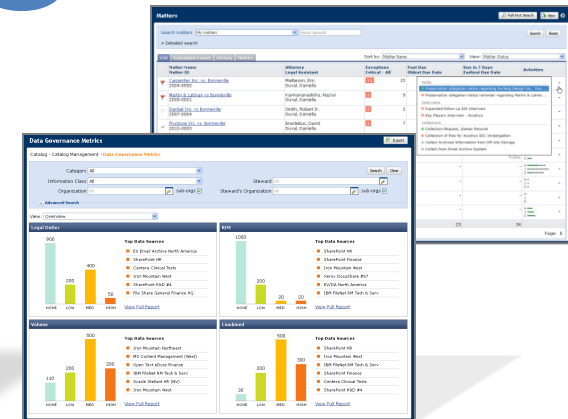
Day 2

Identify the key elements of the current state and the information strategy. This includes: an enterprise-wide data lifecycle management strategy and a high degree of energy, resource and knowledge to support it.

3



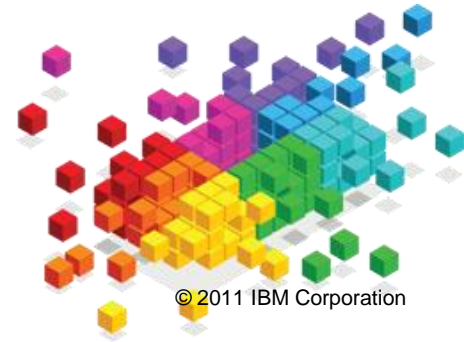
Executive report on ROI, Roadmap for action



Demonstrate value to each stakeholder community

Topics

1. The GC's pain points
2. Addressing the problem
3. Developing the business case for change
4. Building on your expertise and ECM investments
5. Resources to learn more



Room for Improvement is in Adjacent Area for ECM Leaders

85% cited lack of systematic linkage and collaboration across legal, records and IT a critical point of failure

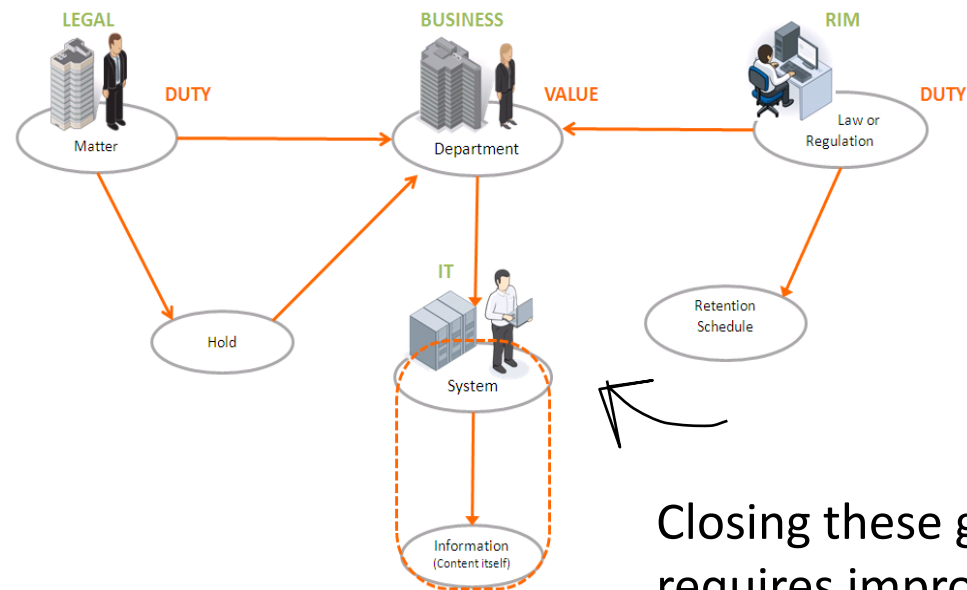
70% use people glue to link legal obligations and business value to information assets

50% of IT departments don't use retention schedules at all

33% identified records subject to legal holds as part of the hold definition

30% of companies are achieving disposal and risk reduction benefits of information governance today

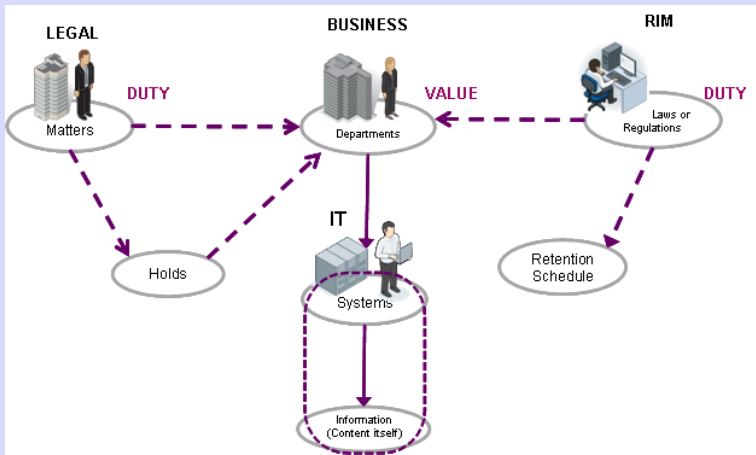
22% of companies can routinely dispose of data, predominantly paper



Closing these gaps requires improvements in:

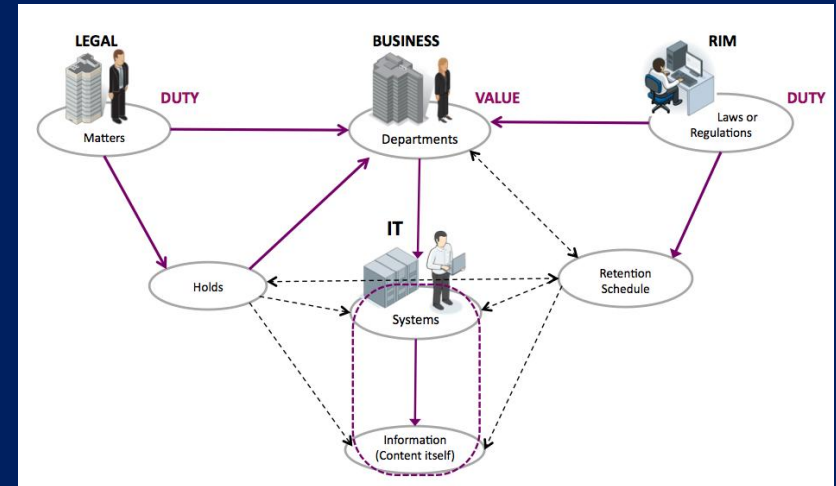
- ✓ Business process
- ✓ Information practices
- ✓ Systems

IBM Has a Differentiated Enterprise Solution



Other vendors:

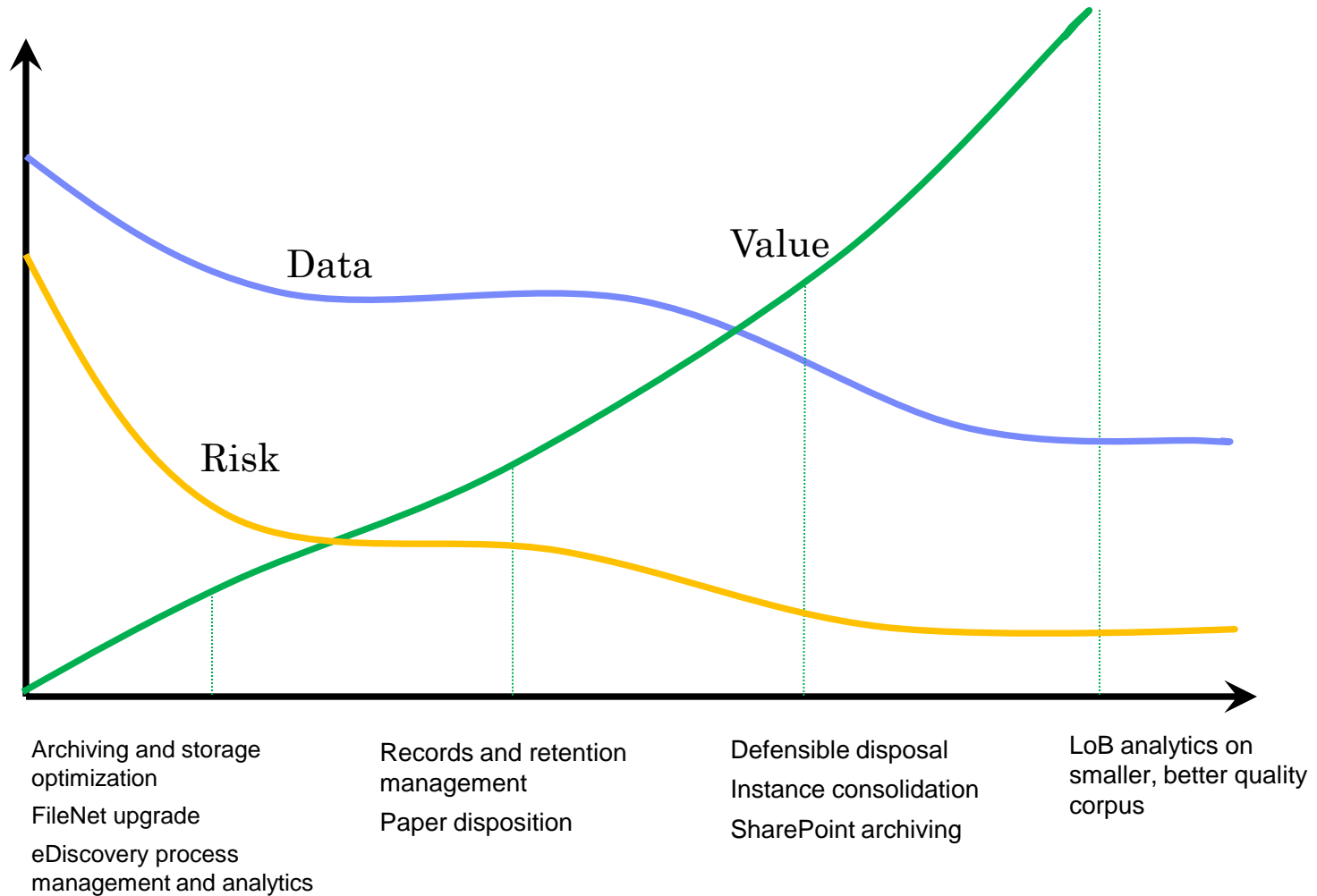
- Stretch the small budget rather than changing the huge growth curve
- Make routine disposal impossible or unreliable
- Create permanent disconnected silos between IT, legal, records and business – which leads to endless data build up
- Some ediscovery solutions actually *increase* data volume and undermine IT
- Benefit from the “storage addiction”



Only IBM:

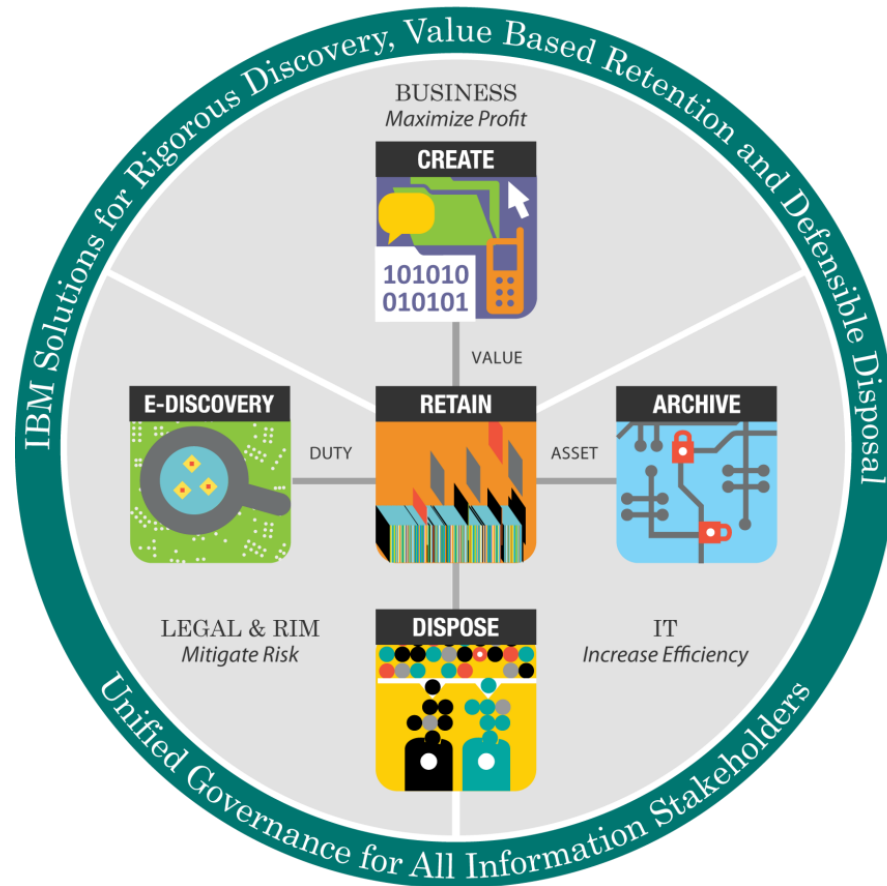
- Systematically links business value and legal duties to information assets
- Enables legacy data clean up and application retirement with data disposal
- More efficiently manage less information with Smart Archive
- More efficiently manage legal obligations for information with eDiscovery and Retention and Records Management

Building on Your ECM Investments for Enterprise Value



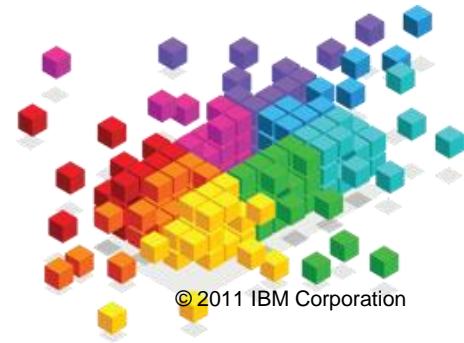
ILG Solutions Close Gaps Between Legal, IT and Records Stakeholders to Systematically Lower Cost and Risk

Only IBM links stakeholders and their processes to connect legal duties and business value to information assets.



Topics

1. The GC's pain points
2. Addressing the problem
3. Developing the business case for change
4. Building on your expertise and ECM investments
5. Resources to learn more




Learn More and Assist Your Legal Colleagues

www.cgoc.com

Tool Kit for Communicating Legal Risk to Business and Finance Executives

Presenting the business case for legal hold and discovery workflow software to IT, business and finance execs is more productive when framed in familiar business — rather than legal — terms.



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THE COUNCIL

CGOC Advisory


Legal Holds and Discovery Whitepaper

Judge Scheindlin's Recent Pension Decision

Guidance for Corporate Counsel

Pension Comm. of the Univ. of Montreal Pension Plan v. Banc of Am. Secs, No. CIV. 05-9016, 2010 U.S. Dist. LEXIS 1839 (S.D.N.Y. Jan. 15, 2010).

by Thomas M. Lahiff, Director, PricewaterhouseCoopers and Deidre Paknad, President & CEO, PSS Systems



PSS
SYSTEMS

PRICEWATERHOUSECOOPERS

Participate in CGOC Programs

CGOC is a corporate practitioners forum focused on the intersection of legal holds, discovery, retention and information management started in 2004.

- ✓ Exclusive, invitation only
- ✓ Highly relevant business content
- ✓ Not a trade show or vendor event
- ✓ Customers lead discussions

CGOC
Compliance, Governance & Oversight Council

2011 PROGRAM OVERVIEW

Events

Building Better Bridges — Achieving Enterprise Excellence in Discovery, Retention and Disposition
Guest experts from ExxonMobil, Wells Fargo, Bank of America, Novartis, Travelers, Amgen, Pillsbury Winthrop, Husch Blackwell LLP, and Seyfarth Shaw, plus The Honorable Andrew J. Peck and The Honorable Richard A. Kramer.
20th Annual CGOC Summit, San Francisco, June 27-29-20

Right Steps, Wrong Outcome — What Harkabi Teaches Us
Review of this important case and lessons on institutionalizing process memory to avoid excess cost and risk with guest experts David Stanton from Pillsbury, Tom Lahiff former CGOC Chair, and Deidre Paknad, CGOC founder.
Webinar— April 5

Discovery and Disposition — From Strategy to Execution
Case study and guidance on how to extend a rigorous discovery program to information governance and defensible disposition. Guest expert Eckhard Herych, Global Head of Information Governance, Novartis.
Webinar— April 5

Working Group Presentation on Information Retention Management
The 10 Retention Elements Needed for Routine, Defensible Disposition — work product from the CGOC RIM working group. Co-chairs Lorrie Laellig, counsel, Ryley Carlock & Applegate, Harry Pugh, former Managing Director, Operations & Technology Policy Coordinator, Citigroup
Webinar— April 19

Rigorous Discovery, Value-Based Retention and Defensible Disposal
With guest experts from Novartis, Swiss Re, Gartner and hosted by Swiss Re at their Center for Global Dialogue.
May 3-4, hosted by Swiss Re

Prevailing Practices — Peer Benchmarking & Common Breakdowns
With expert discussion leaders from Exelon, JPMorgan Chase, ExxonMobil and other corporations. Long lunch meetings hosted at Seyfarth Shaw offices.
San Francisco, June 2 | Chicago, June 7 | Dallas, June 9

Social and Mobile Media Mock Discovery Hearing
Exploration of the tricky issues corporate and individual litigants face in preserving and producing social and mobile data, including a discussion of the SCA and other constraints. US Magistrate Judge Peck presiding, hosted at JPMorgan Chase. Morning session and lunch. With guest experts from JPMc. U.S. Magistrate Judiciary and hosted by JPMc, this is a 1/2 day executive meeting.
New York, June 15

Defensible Disposal Workshop
With guest experts from Novartis and others sharing their best practices on addressing eDiscovery and Disposition
September 12-13 Basel, Switzerland

What Legal, RIM and IT Leaders Can and Should Do to Reduce Risk and Cost
Expert discussion led by Susan Rider, Assistant General Counsel at Exelon, on why these stakeholders must engage and what areas their practices need to change.
Chicago, October 5-6

With support and expertise from:
PSS, IBM, Huron, HUSCHBLACKWELL, SEYFARTH SHAW, LECCG, RYLEY CARLOCK, pillsbury

For more information or to register go to www.cgoc.com

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2011 PROGRAM OVERVIEW

Working Groups

Prevailing Practices for Preservation and eDiscovery
Co-chairs Robert Levy, Counsel, ExxonMobil and Tom Lahiff, attorney

Records Information Management
Co-chairs Lorrie Laellig, counsel Ryley Carlock & Applegate and Harry Pugh, former Managing Director, Operations & Technology Policy Coordinator, Citigroup

Social and Mobile Media
Chair: David Stanton, Partner, Pillsbury Winthrop Shaw Pittman LLP

Information Governance
Co-chairs Eckhard Herych, Global Head Information Governance Management, Novartis and Bill Chulak, IT Director, Amgen

CGOC Membership

CGOC is an exclusive community of corporate practitioners with more than 800 members today from the disciplines of legal, records, and IT.

Discipline	Percentage
Legal	50%
RIM	25%
IT	25%

by Dept.

- Legal
 - General Counsel
 - Assistant General Counsel
 - Litigation Counsel
 - eDiscovery Director
- IT
 - CIO
 - VP, Information Technology
 - IT Governance and Security
 - Information Security Officer
 - Information Architecture
 - eDiscovery Technical Director
- RIM
 - Records and Compliance Program Officer
 - Records Manager

“CGOC has done significant work in advancing legal holds and retention practices of corporations.”
— Vivian Tern, IDC

The CGOC meetings “... exceeded my expectations... information and knowledge rich...”
— Cathy Perry, Schering-Plough

Publications

Information Governance Benchmark Report in Global 1000 Companies

Benchmark Survey on Prevailing Practices for Legal Holds in Global 1000 Companies 2nd edition
Fall 2011

Social & Mobile Media: Discovery Practices & Considerations

Subscribe to our monthly newsletter to get the latest news and updates

CGOC [Compliance, Governance and Oversight Council] brings legal, IT, records and information management professionals together to discuss current and best practices in discovery, information governance, privacy and data management. For more information or to register go to www.cgoc.com

Learn More About Executive Challenges & How You Can Be Part of the Solution



4:30 PM – 5:20 PM Tuesday
Addressing The CIO's Cost Challenges



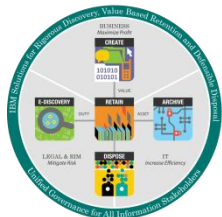
10:15 AM – 11:05 AM Wednesday
Addressing General Counsel's Risk Challenges



11:15 AM – 12:05 PM Wednesday
How RIM Helps -- Aligning Retention Policy with Information Pace



1:05 PM – 1:55 PM Wednesday
A Smarter Approach to Archiving Can Reduce IT Cost and Legal Risk



2:05 PM – 2:55 PM Wednesday
Building on ECM Investments – Value & Product Roadmap

IBM Information Lifecycle Governance

TOOLS

Legal & IT Risk (reference example)

Legal & IT Costs (reference example)

IBM Information Lifecycle Governance

PROCESS MATURITY MODEL FOR INFORMATION GOVERNANCE

Executive Report
Disposal, Discovery & Data Management
Recommendations & Roadmap

Data Governance Metrics

Key Data Metrics

Key Data Metrics

BEST PRACTICE EXPERTISE

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Compliance, Governance & Oversight Council

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Right Steps, Wrong Outcome — What Ate My Data?

What Legal, Risk and IT Leaders Should Do to Reduce Risk and Cost

Defensible Disposal Workshop

Information Governance Benchmark Report in Global 1000 Companies

Social & Mobile Media: Discovery Practices & Considerations

Discovery and disposition — from strategy to execution across legal, IT and risk leaders

SOLUTIONS

E-DISCOVERY

CREATE
101010
010101

ARCHIVE

DISPOSE

RETAIN

IBM Solutions for Rigorous Discovery, Value Based Retention and Defensible Disposal

BUSINESS
Maximize Profit

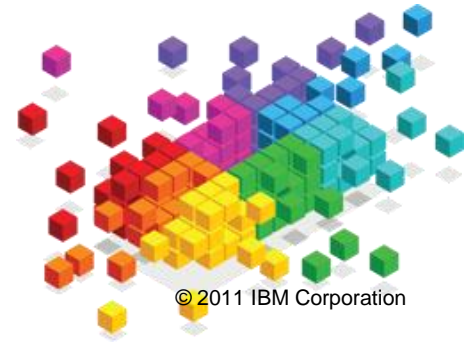
LEGAL & RIM
Mitigate Risk

IT
Increase Efficiency

United Governance for All Information Stakeholders

References / Links

Resource	Link
Forrester Case Study: BCBST Tackles Strategic Archiving Initiative	http://www.forrester.com/rb/Research/case_study_bluecross_blueshie_id_of_tennessee_tackles/q/id/58702/t/2
CGOC Benchmark Report on Information Governance, October 2010	http://www.cgoc.com/register/benchmark-survey-information-governance-fortune-1000-companies
Litigation Cost Survey of Major Companies, 2010 (from Conference on Civil Litigation, Duke Law School, May 2010)	http://civilconference.uscourts.gov/LotusQuickr/dcc/Main.nsf/\$defaultview/33A2682A2D4EF700852577190060E4B5/\$File/Litigation%20Cost%20Survey%20of%20Major%20Companies.pdf?OpenElement
IDC Digital Universe Study, May 2010	http://gigaom.files.wordpress.com/2010/05/2010-digital-universe-iview_5-4-10.pdf
Information Management Reference Model from EDRM.net	http://edrm.net/projects/imrm
Join the CGOC today!	http://cgoc.com



Thank You!



Helping Your Legal Department Meet Information Obligations and Reduce Risks

Michele Kersey

michelekersey@us.ibm.com

Putting Content to Work
ECM UserNet 2011

