

## Managing Discovery Documents Through Imaging

Originally Published in Summer 2000

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Anecdotes and advertising alike suggest that law firms can gain economic as well as strategic advantages by using imaging technology. Having used imaging in several cases, we had the general impression that imaging plus database was more cost effective than paper plus database or microfilm plus database, but we had no hard data to back up that impression. When we got the chance to gather that data, we jumped at the opportunity; our research confirmed that imaging allowed us to deliver a better and less expensive work product.

### The Case

The firm was retained as lead plaintiffs' counsel in a document-intensive class action case. It was also selected to direct the discovery process and to maintain the master file. We initially estimated that between 500,000 and 1,000,000 pages of documents would be produced during discovery. Ultimately about 750,000 pages were produced, and more than 500,000 pages were scanned and coded.

### Image Retrieval, Database Program, and Printer Costs

For the subject case, we used IPRO-Trieve for Windows (IPRO) from IPRO, Inc. A 10-concurrent-user license cost \$12,995 at that time.\* To store the CD-ROM disks, we installed a 100-CD jukebox costing approximately \$7,200. We also installed a dedicated CD-ROM server costing about \$6,200 to manage the disks and relay image files to users. Our database program was Concordance Professional Edition for Windows; a 10-concurrent-user license cost \$4,000. No additional hardware was needed to run the program. For virtually all our image printing, we used a dedicated printer (\$4,000) connected to a PC that functioned as a print server (\$1,500). The printer and the print server were both equipped with printer accelerator cards that cost around \$3,300.

### Scanning and Coding Costs

The images filled 48 CD-ROM disks— an average of 10,792 images per disk. We also received one printed set of the images, required, among other things, for use by the coding vendor. Our total scanning cost was approximately \$152,000, or about \$0.29 per page. This included document preparation, scanning, document reassembly, conversion of the image files to IPRO format, burning the images to CD-ROM disks, and delivery of the disks to us. We had approximately 518,000 pages coded for a total of approximately \$132,500, resulting in a per-page cost of less than \$0.26.

### Training Costs

The firm's practice support manager conducted separate initial group training sessions for the attorneys and the legal assistants. Five attorneys went through a two-hour training session on IRPOTrieve and Concordance. Four legal assistants went through a more detailed three-hour session. The total cost of training—lost productivity for the attorneys and legal assistants and the practice support manager's time—was less than \$4,000.

## Printing Costs and Savings

Even with images at the desktop, we still printed approximately 224,000 pages over 14 months. At an averages of \$0.04 per page for paper and \$80 each for the 55 toner cartridges we used, printing cost us just over \$13,000, or about \$0.06 per page. Had we been working with a paper-based system, we would have made yet another set of paper copies to minimize loss of damage to our "original" set. With image retrieval, we had no need for the extra set. Consequently, we avoided making 518,000 additional copies at \$0.09 per page—a savings of \$46,620.

## Space Savings

Without an extra set of copies, we needed approximately 600 fewer square feet of storage space. The space would have cost us an average of \$2.33 per square foot. Over 14 months, therefore, we realized a savings of about \$19,572.

## Personnel Savings

Because we were using an image-and-database approach, we were able to handle the case with 2.5 fewer temporary full-time clerks. With a paper system, those clerks would have been busy pulling documents identified in database searches, copying the documents, delivering the copies to the attorneys and legal assistants, and refiling the originals. The clerks also would have spent considerable time searching for misfiled originals. Two and one-half clerks at 160 hours per months over 14 months amounts to 5,600 hours. At approximately \$14 per hour, the clerks would have cost us about \$78,400.

## Incidental Copying Savings

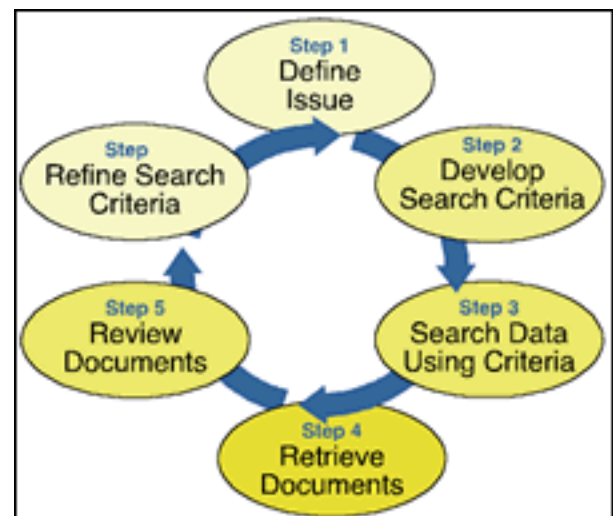
With a paper-based system, those 2.5 clerks would have made about 112,000 incidental copies at an additional cost of about \$0.20 per page. Eliminating those copies saved us another \$22,400.

## Review Savings

Imaging can help you to locate relevant documents faster and more effectively. No matter what technology you use, the basic process remains the same six-step process (figure 1).

All these steps can be done without the assistance of computers. The introduction of a computerized database can speed the process immensely, particularly at Steps 2, 3 and 4.

Quantifying these savings is quite difficult, if not impossible. A conservative estimate is that the time attorneys took to review documents in this case using the image retrieval system was about 250 hours. At an average rate of \$100 per hour, this translated into a savings of approximately \$25,000.

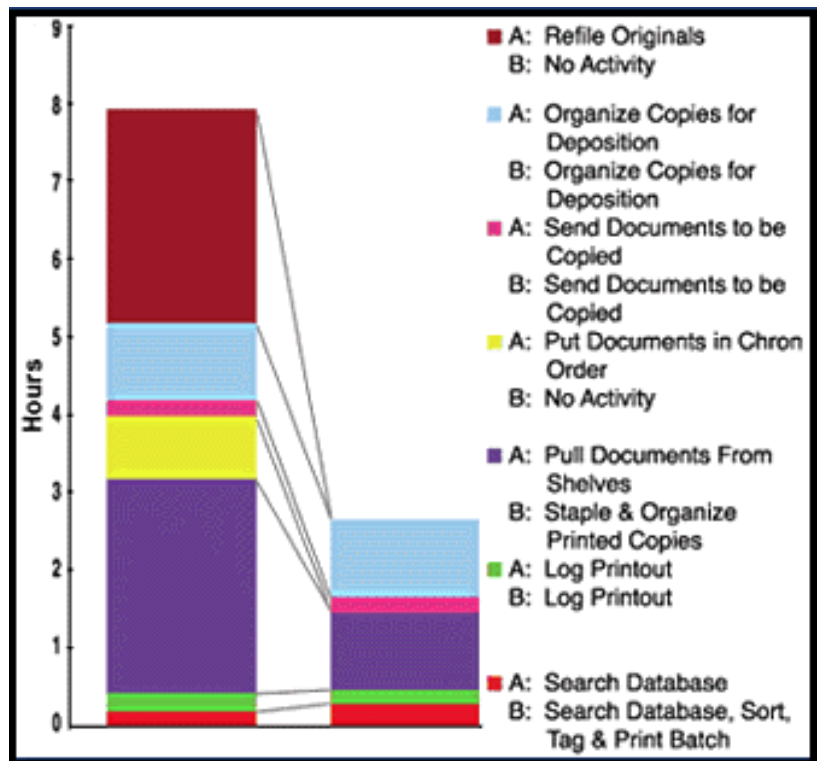


*Figure 1: the review process*

## Deposition Preparation Savings

The most dramatic cost savings was in legal-assistant and document-clerk time preparing deposition kits. We took approximately 94 depositions during discovery, which required review and collation of a substantial number of documents. On average, we identified and printed 100 documents per deposition. The parties introduced approximately 2,100 exhibits.

Using the image retrieval system thus saved us between 4.4 and 5.9 hours — or approximately \$307.37 — for each deposition that we took (figure 2).



*Figure 2: Time to prepare deposition kit, paper (left) versus imaging (right).*

## Conclusion

It is possible to reduce costs by using an image retrieval system and working more effectively. After evaluating the costs and savings detailed above, we determined that using the image retrieval system clearly saved us money in this case. We have been able to identify gross costs of approximately \$169,196.40, not including what we paid for the image retrieval system and the dedicated printer. Including that hardware and software, we figured that our gross costs amounted to approximately \$204,391.40. The gross savings to which we were able to assign dollar figures came to approximately \$220,884.78. If the cost of the image retrieval and printing hardware and software is not considered, the difference — our net savings — is approximately \$51,688.38. If those costs are factored in, net savings diminish to approximately \$16,493.38 — still a respectable sum. Perhaps the most significant benefit of using an image retrieval system is the time it buys: legal assistants and attorneys can spend less time on the tedious mechanics of maintaining paper sets of documents and getting their hands on copies of the documents they hope are of interest, and more time on analysis and synthesis, the areas where the greatest gains can be found and the greatest value is created for the client's money.

This article is excerpted from a longer piece. To receive a copy of the article in its entirety, contact Laurie Burke at [lburke@uniscribe.com](mailto:lburke@uniscribe.com).

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