



2005 COMPUTERWORLD HONORS CASE STUDY

BUSINESS

INTEGRATING A WEB-BASED, WIRELESS SOLUTION FOR CLIENTS WITH A FULL, BACK-OFFICE SYSTEM. VERITEXT LLC PROVIDED THE COURT REPORTING INDUSTRY WITH A PRODUCT BASED ON NEW TECHNOLOGIES, THAT MET ALL TRADITIONAL LEGAL STANDARDS FOR ACCURACY, RELIABILITY, SECURITY, AND EASE OF USE. [20055338]

A Search for New Horizons



SUMMARY

To develop an innovative product for the court reporting industry integrating a web-based, wireless solution for clients with a full, back-office system. To bring new technologies to an industry still functioning in the DOS world, creating acceptance and enthusiasm from our clients and staff for this new way of working.

APPLICATION

Five years ago our company, Veritext, was formed as a consolidator of small court reporting companies. The court reporting industry is composed mainly of small “mom & pop” agencies with limited technology resources. Veritext has grown to become second largest court reporting company in the United States by combining these small agencies into one company with offices around the country. From the formation of this company, the IT department has been considered a partner with senior management to grow the business. Veritext has consistently invested in strengthening the department and providing staff with the technology tools required to work efficiently. The IT department is considered a strategic force in the goal of increasing the profitability and power of this company.

At a corporate retreat 4 years ago, the senior management team, including the CIO, met to devise ways to give Veritext a competitive edge in the market. The group envisioned a new product that would give our clients new capabilities and that would integrate seamlessly with our back office. An important part of the product would be the reworking of the back office operation.

There were three specific goals for this product:

1. To increase sales by providing our clients with a product UNAVAILABLE anywhere else in the industry.
2. To enhance the ability of our production and scheduling departments to provide better service to clients and to our court reporters.
3. To enable our company to absorb future acquisitions without business interruption and to easily provide new staff and newly acquired clients with these capabilities.

Since the year 2000, when we opened for business, Veritext has acquired 20 court reporting agencies. At the time of acquisition, each one of these agencies was using a different DOS based software package to run the business. These “homegrown” packages were all designed to schedule and produce transcripts for small agencies, without IT departments and with very limited resources. Three years ago the Veritext IT department introduced Vision with its companion product VIP21, into our New Jersey office. We worked with the various departments in the company to create a logical work flow which was incorporated into Vision /VIP21. By the same token, we designed our web product to take our clients through a logical sequence of steps to perform the common tasks of scheduling a deposition, locating that deposition and finally using the transcript as a building block for litigation support. We hoped to help our clients, which are primarily law firms and corporate legal departments to add value to their clients by fully preparing to win a case in a cost effective way. With VIP 21, our clients can view their transcripts online, as soon as we produce them in-house. Depositions scheduled online are available to our Calendar department in real-time through the integration of VIP 21 and Vision. Importantly, we do not take away from our clients the ability to continue to use phone & fax & mail. We have found that law firms require a slow transition to a paperless office. The “gentle touch” of customer service is still necessary and appreciated. With VIP21 and Vision being essentially the same product, information entered via the Internet is available to our office to answer client service phone calls.

We had achieved our initial goals by 2002, but we sensed the industry striving to catch-up. We were determined to develop and introduce a product that would generate a high level of excitement from our clients. We began meeting with focus groups to determine our clients’ needs. After determining our wish list

Robert Carrigan,
Chairman of the Chairmen’s Committee

Ron Milton,
Vice-Chairman of the Chairmen’s
Committee

Dan Morrow,
Chief Historian

we set about the task of locating a vendor that could assist us in the development of our new product, VIP21+. Developed with the Sybase search engine this product is unique in the industry. It was introduced last year at Legal Tech. Its new capabilities provide our clients with the ability to:

- Use natural language queries to search the database, such as “Southwest transcripts in August 2002 in Philadelphia”
- perform keyword searches across transcripts “Worldcom case with keyword Enron”
- Search for and access their transcripts using a wireless device such as the BlackBerry or email. In this way, an attorney involved in active litigation can search his/ her transcripts in court or on the road and retrieve important testimony.

The introduction of Vision and VIP21+ has not only resulted in additional sales and growth for Veritext, but has also brought the entire court reporting industry forward technologically. We have effectively “raised the bar” in the court reporting industry through the use of technology. Other firms are trying to catch up to provide some of the early features that we had in VIP21 and Vision. By seamlessly integrating our back office system with our client Internet system we have been able to provide these products cost effectively – actually there is no charge to our clients for all the features in VIP21. By leveraging the integration of Vision with VIP21 we have observed an increase in productivity within all our departments. Finally, by the introduction of the new features of VIP21+, we have added pizzazz and portability to our product line.

BENEFITS

VIP21 was designed to help our clients and our office staff. Our clients have embraced this new product offering. Clients can now access their transcripts with their wireless device such as the BlackBerry and perform searches across all of their transcripts for key words using their own words anywhere in the world anytime of day. Previously these capabilities were available in the legal industry only with expensive litigation support packages that required extensive training. They are not available at all on wireless devices. We have leveled the playing field for smaller law firms that now have access to some of the capabilities that large firms have enjoyed. Our office staff is more productive as our clients rely more on the web product to locate and retrieve their transcript and scheduling information. The stress level has been reduced in all the operational departments of our company as everyone in Veritext has access to the same key information available to our clients.

One of the key elements of Vision was to implement a structured work flow throughout the company. This workflow can be expanded to include new companies as we make acquisitions. Data from new companies is easily imported into Vision and the new staff is able to work the “Veritext way” in a very short time. VIP21+ functionality is provided to our clients immediately. An extensive analysis was performed across the offices of our company to implement processes that are consistent throughout the organization. Still, we had to ensure that there was enough flexibility in the product to account for regional differences. For example, when a deposition takes place the transcript order is assumed. However, in the state of Florida, transcripts are not produced until a specific order from the attorney is generated. Our system which generally flags transcripts not archived as “missing” needed to be able to sense that in Florida no flag was necessary. We needed a new definition of “missing” transcripts. A deposition could still take place and be invoiced without a transcript being archived. By the same token, clients checking on the web site for depositions that happened across the country, who may not be familiar with the vagaries of Florida law, needed an indication that the web site was not “missing” their transcript either.

As far as our clients are concerned, apart from the obvious advantage of scheduling on the web and being able to share that information with their colleagues, they no longer have piles of transcripts on their desks. Service levels from their court reporting firm have been maintained, and within their law firms it has been enhanced. Attorneys no longer need to rely on their secretaries and paralegals to provide them with their transcripts. The transcript and initial litigation support capability is at their finger tips.

We have pushed the court reporting industry to come to grips with the fact that technology can really make a difference in sales and profitability. We have been able to change the standard product – the scheduling and delivery of transcripts - from being a basic commodity to being an enhanced service. At the same time, we are proud that we have been able to provide to all clients, regardless of size, a premium product at standard rates. If the Untied States is to compete internationally, we must differentiate our services through innovation. For example, in our industry there is a movement to outsource the transcription process. By designing an innovative product we are meeting that challenge head-on. We believe that the lessons we have learned in moving this industry forward can be applied to the economy as a whole – we cannot compete globally based on price alone but rather with innovation which can truly differentiate us.

IMPORTANCE

The first phase of this project was to establish the business goals of the new product. Once we defined what we wanted to accomplish to help Veritext grow, the next step was to select the proper technologies that would work seamlessly to accomplish these goals. Because we knew that we were “moving the industry forward” we needed to look carefully at the tools available to us, to make sure we had the best of breed. We looked at different tools and methodologies to implement this system: an office based business process tool and a web enabled client portal. After careful study we selected our tools:

- For transcript production we used a package that is standard to our industry. We felt that using a standard industry package would increase client acceptance and ensure compatibility with our clients’ systems. This package is called eTranscript, from RealLegal Inc.
- For exhibits that would be posted on the websites, we worked with Xerox and their proprietary software. We combined the Xerox software with Adobe PDF software to develop a custom solution that enabled our Production departments quickly scan, convert and post the exhibits on-line, without slowing the assembly line in one process.
- We used a standard relational database package Microsoft SQL server, for our backend databases. Our in-house application and the web site both refer to the same database for information retrieval. We knew this solution provided the maximum potential for customizing our solution for larger clients and integration into other legal service packages.
- For programming on the web and the Office system we followed the same logic and selected Visual Basic and a combination of ASP, HTML and JavaScript.
- To implement the advanced features and wireless capabilities of VIP21+ we licensed the iAnywhere solution from Sybase and worked with their in-house developers to create a custom solution. Sybase developers had never worked in our industry. Up to that time their product was primarily used for salespeople to access customer records. This opened up the legal market for them and was an innovative use of their technology.

Within our industry we have developed new ways of communicating with our clients. We provide the Veritext offices with the ability to automatically “push” scheduling and billing information as well as transcripts automatically to our clients. We have provided our clients with the ability to “pull” down any information in real-time. But even more, the clients have a real-time view of their accounts as we process their information. Our service level has improved greatly because our staff is aware that clients can immediately see the accuracy of their transcripts, note n time delivery and check for scheduling precision. This service level improvement has come about without staff meeting and target, but simply by virtue of the transparency of the Veritext business process.

Finally, the access to information at any time and anywhere and on any device impacts each of our clients and has increased client and staff productivity.

ORIGINALITY

This product is innovative in many different aspects. First of all, the court reporting industry, made up of mostly small independent agencies was technically far behind other industries. Having worked in other industries our team knew what was possible and wanted to bring the benefits of technology to this industry as well. For example, our clients are in the legal industry and as such, have come to expect a certain level of access to information. Many law firms have document repositories and access to a firm intranet. When we began this project, no court reporting companies had these technologies available to their clients. Litigation support packages were employed by high end Litigation practices but searches for keywords within transcripts or deposition details were simply not there from court reporting companies. Equally important was providing the benefits of technology and open access to information to our office staff.

VIP21+ and its companion product, Vision, were the first of their kind in our industry and three years later, after the introduction of VIP21 + and new versions of Vision, we are still far ahead of the pack. Keyword searches across all transcripts thousands of transcripts with almost immediate response, interaction with the service via email or wireless device for clients and instant display of archived transcripts are some of the features that make our product “one of a kind” in the industry.

SUCCESS

This project has exceeded its goals in the following ways:

GOAL 1:

- To increase sales by providing our clients with a product UNAVAILABLE anywhere else in the industry
- ACHIEVEMENT:

Clients love VIP 21+ and it has helped us to gain several very large accounts that have significantly enhanced

the value of our company. For example, after a demonstration of our product, we have added 2 large insurance companies with over \$2,000,000 of depositions taking place each year. In addition we have several high profile cases in the pharmaceutical industry that rely on VIP21 +. Empirically, when we our web site went down last year for 12 hours, (due to factors outside our control) our switchboard was absolutely flooded with calls from distressed clients.

GOAL 2:

- To enhance the ability of our production and scheduling departments to provide better service to clients and to our court reporters

ACHIEVEMENT:

We are able to better service our clients by locating transcript information quickly when they call for assistance. In addition, our reporters have access to the transcripts before transcribing a deposition. This enables the reporter to improve the accuracy of the transcripts. (One of the challenges of reporting is to transcribe technical terms without spelling mistakes – and to do it at 200 words per minute). Transcripts are handed in by reporters with fewer errors that require corrections, greatly reducing the load on operations.

GOAL 3:

- To enable our company to absorb future acquisitions without business interruption and to easily provide new staff and newly acquired clients with these capabilities

ACHIEVEMENT:

In December 2004 we completed our largest acquisition so far, a company roughly the same size as us. We are now the second largest court reporting company in the country. Within one week of the acquisition, the newly acquired calendar and production departments were fully operational and able to service client requests.

DIFFICULTY

Fortunately, senior management was enthusiastic and supportive from the outset. However, the staff in our different offices was used to working within a DOS environment, even long after Windows was the de facto business standard. They did not see the need for a new system that required them to change the way they worked. Initially, we encountered resistance in implementing work flow changes. Many thought they were already providing exceptional customer when in fact, they were duplicating effort. The new systems, providing transparency into the organization has put pressure on our office staff to be more efficient in the way they work. Our clients now expect to see their scheduling and production information on-line instantly. Where there once was resistance, there is now enthusiasm. We get daily suggestions from our staff on how to improve the system.

When we introduced the product our clients at first were not interested in the functionality we were providing. They viewed court reporting and transcripts as a commodity. It took a full year after the introduction of VIP21 for our clients to appreciate the value of a web repository of their transcripts. Now a year after the introduction of VIP21+, at Legal Tech, we are observing the same pattern. At first, clients said they were satisfied with a field driven search engine and did not require any additional functionality. We are now up to hundreds of natural language queries every day on our web site. We can see this number rising every day. These requests are coming from many sources: attorneys on the go with their BlackBerrys, paralegals in the office doing research and corporate counsel checking on a national case. The fact that the two products are bundled together and that the work flow was designed to support the web capabilities in Vision and VIP21+ enables us to offer this functionality at no charge. This product has traveled a long difficult road towards its enthusiastic acceptance. We are proud to have shepherded it along the way.