



CLOUD NINE

*How operating a paperless law office
can save money and increase efficiency.*

BY DIRK JORDAN

LAW SCHOOL TEACHES US ABOUT THE LAW AND HOW TO THINK LIKE A LAWYER AND GIVES US OPPORTUNITIES TO REFINE OUR PRESENTATION AND WRITING SKILLS.

But it typically teaches almost nothing on how to manage a law practice. This omission is okay for new lawyers hired by existing firms, but if you start your own firm, you need to know how to set up and manage your office. The more you learn, the more efficient your practice can become. And one of the things I have done to make myself more efficient is set up a paperless office.

THE PAPERLESS OFFICE

As our profession becomes increasingly tied to technology, the paperless office is becoming a reality for many lawyers, including myself. I have no file cabinets, keep almost no original documents, do no paper filing, and can find documents whenever I need to. The Texas Supreme Court has ordered that all courts in Texas use e-filing by 2016. Because more documents are stored electronically, the transition to a paperless office is more seamless. And it saves you money. I teach a class at the University of Texas School of Law on “Starting and Managing a Law Practice,” and one of the underlying themes is that *it is not what you make, it is what you keep*. And going paperless can reduce your overhead.

THE CLOUD

It is impossible to talk about the paperless office without talking about the cloud. First, what is the cloud? It is storage and software at a remote site, accessible over the Internet (often wirelessly). The cloud continues to be refined and becomes more useful as time goes along. In fact, many software vendors are moving from products that are on your computer’s hard drive to offerings that are accessible through the Internet in the cloud. These products are often called software as a service. Microsoft Office, for instance, is moving to this platform, allowing users to purchase software as an annual subscription.

In a sense, the cloud becomes your hard drive in the sky. There are many options for using these sky hard drives. A very popular one is Dropbox, but there are a multitude of others. Microsoft has OneDrive, Apple has iCloud. There is also box.net, which is growing in popularity among attorneys due to its encryption, spidersync, and many other capabilities. Most cloud storage systems work seamlessly, just like folders on your computer. You drag or save documents to a folder, and they upload automatically. When you open another platform, you are able to access the revised documents. Also, Dropbox stores a complete copy of its files on your hard drive so you can access all of your files even if you do not have Internet connectivity. It is amazingly handy and is essential for anyone who wants to have a paperless office.¹ I store my entire collection of files on Dropbox.

TEN REASONS TO GO PAPERLESS

1. Get rid of clutter. The only paper around my office is neatly tucked away in a corner.
2. Locate documents and files quickly.
3. Save money. I do not print that much, so I don’t have to purchase toner often and I use less than one ream of paper every two years. Because I don’t print documents, there are no costs to store files at the end of a case. It always amazes me that firms pay companies to store files for years, incurring monthly costs that usually cannot be passed to the client.
4. E-file with ease. More and more courts require e-filing. If you are paperless, the files will already be on your computer.
5. Quit paper filing. Now I don’t have to procrastinate.
6. Say goodbye to file cabinets. I also don’t waste space on storing reams of paper.
7. Access your documents from anywhere. If you use cloud storage, like Box or Dropbox, you will be able to retrieve files from anywhere you have Internet access using your tablet, smartphone, or computer.
8. Reduce staff. You can do all of this without any help.
9. Give clients a CD or flash drive. At the end of the case, you can provide your clients with an electronic file instead of reams of paper.
10. Use fewer natural resources. We have a responsibility to our planet.

THE HARDWARE AND SOFTWARE NEEDED

You really don’t need all that much to transition to a paperless office. Assuming you have a computer (if you don’t, then we need to talk), the first thing you will need is a sheet-fed scanner. I use a Fujitsu ScanSnap, which is available for both Macs and PCs and comes with a full version of Adobe Acrobat XI Standard. Recently on Amazon it cost \$419.95. Adobe Acrobat Professional XI Windows costs \$449.00. So you can get a slightly lower level version of the software *and* a scanner for \$29.05 less than the software alone. (The going rate for Adobe Acrobat Professional XI Mac is \$434.99, so you would save \$15.04 if you are a Mac person.) That is one way to look at it. I have my scanner right next to my desk and scan everything that comes in. Although you can use different programs to facilitate scanning to PDF format, Adobe Acrobat is the best I have seen.

Once you have a scanner, you need to make a decision on where you will store your files. I use the cloud service Dropbox, which costs \$100 per year for 100 GB of storage, more than I currently need. After having used Dropbox Pro for several years, I have used less than 25 percent of the capacity that I have access to.

With Dropbox, I also use a free program called Data Locker, which allows me to encrypt any file on my computer. It is

available for Macs, PCs, tablets, and smartphones. I only use it for confidential documents. The downside to encrypting a file is that I am the only person with the key, so if I forget what that is, the document is unreadable. Another helpful cloud application is Evernote. It is a free service, and its organization and productivity uses are limited only by your imagination.

Another way to reduce the paper in your office is to use an email fax service, such as eFax or RingCentral. To fax, I send an email to the service with documents attached, and any fax sent and received is in PDF format, which I can then open and save to my Dropbox folder. I do not need a separate fax line or a fax machine, and no paper is printed in the process. Most services are in the \$15 to \$20 range per month, which is less expensive than a dedicated fax line.

FILE ORGANIZATION IN THE CLOUD

This is a personal choice, and you don't have to use any organizational software if you do not want to. There are many software and Internet providers for this purpose. Here is how I do it.

I have a folder on Dropbox titled "Active Cases." Each case gets its own sub-folder, and within the case file I have additional folders for pleadings, correspondence, discovery, and so forth. When I create a Microsoft Word document or a PDF, I title it with the date formatted as: 120919, which

would be Sept. 19, 2012. This keeps the documents in chronological order. After the date I describe the document, like "Original Petition" or "First Set of Interrogatories to Defendant." You may have a different way of organizing your files, but the key is to be consistent and use your system with every document stored on your computer or in the cloud.

CONFIDENTIALITY CONCERNS

The immediate concern that rises in the minds of all lawyers is how to protect confidential documents. In a paper office, your files are on top of your desk, in a box in the office, or in file cabinets. Or perhaps they are on an assistant's desk. The only thing protecting the documents from theft is a deadbolt lock and possibly an alarm system. Otherwise, anyone can take documents if they really want to.

Document storage in the cloud has been discussed over the years, and 19 state bars in the United States have rendered decisions regarding the use of the cloud.² All recognize the usefulness and cost savings of cloud storage, but they do put the duty of maintaining confidential client documents on the lawyer. The standard by which you are evaluated is not absolute confidentiality but that you have used reasonable care. Reasonable care will be defined by the specific situation. In the case of Dropbox, there is a two-tiered authentication process by which you enter your password, and then a text is sent to your mobile phone to use for authenticating the transaction.

I disclose to my clients in the legal services agreement that I have a paperless office, that I keep no original documents, and that they are welcome to a copy of the file on a CD at the conclusion of my representation. So far, no clients have objected to this practice.

I do keep a few documents, like receipts from certified mail deliveries, but not much else.

CONCLUSION

The paperless office is a valid option for most types of legal practices. My practice and life are easier because of it. And it can save you money. Learning more about the management of your office can pay dividends in terms of lowering your overhead and giving you more income to take home. **TBJ**

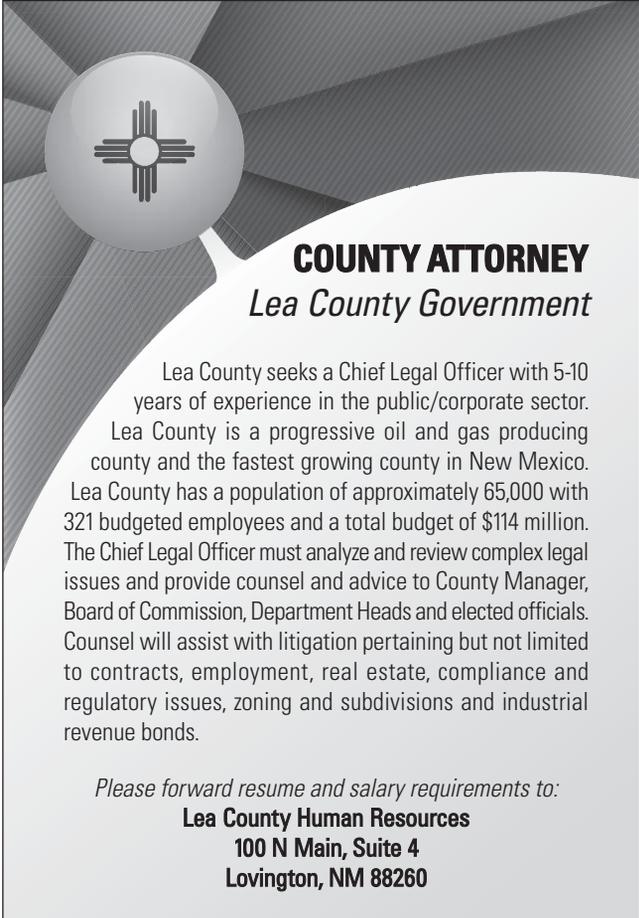
NOTES

1. For more information, read the book *Paperless* by David Sparks, which is available only on iBooks.
2. Texas is not one of them.



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is a graduate of Louisiana State University and the University of Texas School of Law. He was with Strasburger & Price in Austin for 10 years before forming the Jordan Law Firm, where he practices construction and commercial litigation. Jordan was recently elected to the board of trustees of the American Inns of Court. He teaches the new course "Starting and Managing Your Law Firm."



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