

With Technology a Constant, BakerHostetler Unit Aims to Make Sense Of Options

The firm's IncuBaker program was envisioned as a "voice of reason" as legal technology floods the market.

By Dan Packel

BakerHostetler proved itself a pioneer in the use of technology in 2016, when it became the **first law firm** to announce it had licensed the artificial intelligence product developed by ROSS Intelligence, powered by IBM's Watson.

Two years later, it organized the IncuBaker brand, an ALSP-type service focused on data analytics and making sense of the legal tech marketplace. At the start of this year, it placed the team of lawyers and technologists of IncuBaker under the umbrella of its **new digital assets and data management group**. For this Q&A, BakerHostetler director of practice services Katherine Lowry, who leads IncuBaker, joined digital assets and data management practice leader Ted Kobus earlier this week to talk about the unit's trajectory.

Tell me about the goals behind IncuBaker.

Katherine Lowry: We started by gathering a lot of data across a variety of industries and trying to help us simulate what the impacts of emerging technology were going to be on the legal industry, and I remember quite distinctly at the time we thought this is going to be the biggest tidal wave.



Ted Kobus, left, and Katherine Lowry, right, with BakerHostetler. Courtesy photos

We saw just a huge amount of vendors and services being offered out there—what I would consider a plethora of solutions that were touching machine learning. We decided we needed to develop a framework for how do we determine the efficacy of them. In the end, I think IncuBaker really was created in the beginning to be this voice of reason in the market.

Ted Kobus: As we were looking at IncuBaker, we started to ask ourselves, "Look if we're able to help make our operations a bit more efficient, and we're able to compete against other law firms and consultants by leveraging technology that we've been able to build through various large

engagements, what else should we be doing for our clients?"

IncuBaker turned into more than just a think tank for internal ideas and maximizing operations, and into a consultant strategy where we could partner with our clients, leverage the data and the resources that we've built through our own internal efforts and help them understand what they may be able to do with their own data and how we can assist them through that process.

How is it structured within the firm? Is it fair to consider IncuBaker a "captive ALSP"?

TK: IncuBaker sort of stood alone prior to 2020, and straddled

the [information systems] group and touched legal practice groups within the law firm, but it wasn't owned by anybody.

One of the pushes for forming the data management and digital assets practice was because we had this in-house capability, and it could fit in the emerging technologies team, which Katherine is now co-lead of. Technically, it could be considered an ALSP, but it actually does sit within a practice team within the digital assets and data management practice group.

KL: The composition of the team is fairly unique. We have a dedicated and funded team of about 10 individuals. Half of them have a similar makeup to me in the sense that we're lawyers by training, but technologists probably by practice. And then the other half are pure technologists, some with data science and machine learning capabilities.

The way we thread IncuBaker services with legal services is also really important to us. Even though I'm a lawyer by training. I don't practice. My goal is to focus on the technology side of the house and help with managed services, and help clients with software selection and implementation, and we work so closely with Ted's team that we've been able to actually create a handful of new service offerings.

Is it challenging to find pure technologists who have an interest and an acumen for advancing legal service delivery?

TK: Because our group is a bit more collaborative and really does try to get into the minds of our clients and understanding what's driving their business, it becomes easier for the technologists to

fit in and play a role in what we're trying to accomplish.

KL: A good example is the PII [personally identifiable information] review as a service. We were called in to look at the underlying technology in the market and identify what technology could help us—not only identify, but extract that data the fastest, and the most reliably with increased accuracy. And we, as an IncuBaker team, could not have done that alone. It takes the lawyers in the incident response team to work with us to marry the laws and the established standards that need to be done and met by each state.

Tell me about some of the other new service offerings you've rolled out recently.

KL: We have supported the attorneys with cookie compliance. What we've found is that not one service can provide a full picture so we have to look at multiple services, tag those, then give those back to the attorneys for analysis purposes.

The other piece, I would say, is data mapping. When you're looking at GDPR, for example, we're going into some of the large privacy management software, we're having to pull information out and collect a picture for our attorneys. We really pride ourselves on being able to leverage data, and this way, we're looking at a client's collection of information and where it's being transferred to and creating and illustrating that to allow our attorneys faster reaction time on analyzing any implications of GDPR.

What does the competitive landscape for IncuBaker look like?

KL: We have seen different reports, where we're seeing other firms that have subsidiaries, we're seeing some firms that claim to have similar groups. I would say that I feel the tide has turned a bit. Maybe we were one of the first on the scene. I think that there are more joining the effort and seeing the value that can be added to clients.

Any aims you have for the future?

KL: It is a constant effort to make sure that we understand what our clients' needs are and let them help us set the pace. If their need is more in helping them implement a legal hold solution, for example, we're going to continue down that path with them. If it is to help more in the managed services and privacy management space, the client's going to help dictate that pace.

Alongside of that, technology is a constant. We have a big database of 500 different solutions that we monitor: funding, product offerings, the competition and who's utilizing them. We want to be the voice of reason, but we also want to make sure that we are keeping our vantage point on the horizon and as well as what transformational technology could implicate us. While we may not always be able to predict that, we want to be on the pulse of that.

This interview has been edited for length and clarity.

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