

DIGITAL DOCUMENT COPY COST

Dibble & Miller, P.C.

Dibble & Miller, P.C. is pleased to service our valued clients with 21st Century technology. This law firm tries to reduce its operating costs that are passed on to our clients. We are pleased to announce that we have been successful in doing so. As a result, this document is a modification of the document entitled "Disbursement Explanation".

Paperless Office Results in Cost Savings. In recent years, a significant part of that effort has been spent increasing efficiency by using cutting-edge technology, including moving toward a "paperless office." While it is unlikely that a law firm will ever be totally paperless (because of the need to keep originals of some documents), the sophisticated Xerox DocuShare based digital document management system implemented by this firm during the summer of 2000 has significantly reduced overhead for document handling, copying, printing, filing, faxing, and related expenses.

Although clients may not be aware of it, the new technology employed by this firm has resulted in a reduction of professional fees, due to an increase in attorney and staff efficiency and access to information on the Internet. When e-mail has replaced letter writing, faxing, mailing or personal delivery, then the costs associated with those functions have been eliminated. When the Internet is used to obtain information or to complete legal transactions, then travel, copying, faxing and document delivery costs have been eliminated and professional time has been significantly reduced. When an attorney at this firm needs a copy of a client's documents, or when a client requests a copy of their documents, as provided below, there is now no cost to the client to copy those documents.

We know of no firm in the Monroe County, New York, area that utilizes a sophisticated digital document management system similar to the one at Dibble & Miller, P.C.

Legal Research and Information Availability. In addition to our digital document management system, this firm performs most of its legal research on-line at significantly reduced costs, saving law-book purchase costs and costly trips to law libraries, government agencies, and other information sources. Messenger trips, and their associated fees, have been eliminated to the extent of on-line availability of forms, documents, and County Clerk filings.¹ Information from the IRS, the NYS Department of Taxation and Finance, and other government agencies, previously purchased from third-party publishers, is now available on-line at no cost.

We are no longer forced to purchase many costly printed reference materials, minimizing the publication costs that were passed on to our clients. Information technology has resulted in an ever-increasing amount of data (e.g., reference information, phone directories, encyclopedias,

¹ There are many forms (e.g., IRS and NYS Department of Taxation and Finance), documents (e.g., SEC) and County Clerk filings (e.g., Monroe County) on line, and more are coming on line.

dictionaries, government resources, expert lists, statistics, almanacs, people and asset finders, medical and drug resources, technological information, maps, etc.) available to attorneys and staff at their computer workstations, eliminating billable hours, and copy and printing costs, that were previously spent in seeking out and retrieving such information elsewhere.

Digital Document Management System Reduces Copy Costs. The focal point of our technological advances is this firm's digital document management system, provided in part by Xerox. Previously, documents received from clients, opposing parties, government agencies and others, were usually copied for each attorney, staff person, client, and other interested parties. This resulted in a charge to the client for each page copied. During the course of representing a client, it was common for this firm to make seven or eight copies (and sometimes more) of many documents, all of which were billed to the client. Each document was placed in a paper file, and billable professional time was spent storing, maintaining, locating and using the file. Although our paper filing system was very well organized and accurate, the inefficiency inherent in any such system, as compared to our digital system, is obvious.

Handling Documents Once Reduces Costs. Since we implemented the digital document management system during the summer of 2000, document handling, storage and retrieval has become much simpler, because documents have to be handled only once—a great advantage.

How the Digital Document Management System Works. All client documents that need to be referenced by an attorney or paralegal are scanned and uploaded onto a Server, where they are available for viewing on the computers of all attorneys and staff, using Xerox's DocuShare digital file manager. Additionally, rather than notifying the attorney of a new document by placing a copy on his or her desk, and rather than giving a copy of the document to each staff person who needs access to the document, the digital document management system now issues notification of receipt of the document by intra-office e-mail to all attorneys and staff persons working on the matter, automatically and without additional cost to the client. Further, now any attorney can have every document for any client on a laptop computer at any time and take it any place. The benefits to attorneys and clients of this system are enormous.

Attorney "Work" and Conference "Handout" Copies at No Charge. Because attorneys and staff now have the ability to view any document for any client at their computer workstations or in the conference room, client billing has been eliminated for the many copies that were previously made for purposes of creating attorney "work" copies and for sharing documents among staff. Billings for "handout" copies for meetings with clients and other attendees have also been eliminated, since clients and other attendees can now view documents on the conference room flat-screen computer monitor.² In the past, all of these copies were charged to the client.

Client Copies at No Charge. In the past, when clients wanted copies of files at matter completion or for other purposes, it was not uncommon for copying costs to rise into the hundreds of dollars. With the digital document management system, however, client files can be simply copied, in digital form, onto a CD-ROM, at no copy cost to the client. Additionally, requests for documents for the client, accountant, or other interested party can also be sent by e-

² Because of the way computers present documents for visualization, at times attorneys need to have "work" copies and copies of documents made for meetings with clients and other attendees. However, now there is no charge for such copies.

mail, at no copy cost to the client. This saves the client money not only by eliminating the copy charges, but also by reducing fax, postage and delivery costs.

A tangible example of the cost savings enjoyed by our clients can be seen in the fact that we have eliminated copy charges for all digitized documents, including copies for clients, court papers, and work copies. In the past, each copy was billed at \$0.20 per side of a page.³ Although this charge was low compared to similar services obtained elsewhere (e.g., medical record copies are permitted by law to be billed at \$.75 per side of a page, and in some cases higher), total copying charges were often hundreds of dollars due to the tremendous volume of copies required to be generated.

Document-Digitizing Billing Policy. Because clients are billed a single charge for digital document processing of \$0.45 per side of a page, the copy charges were eliminated for documents that are digitized as follows: Once the document is scanned and uploaded into the digital document management system, there is no copy charge for copies sent by this firm to clients⁴ or their advisers, for copies sent by this firm by e-mail, for copies used by any individuals at this firm, and for copies used by this firm at client conferences or in documents sent to others, including adverse attorneys and courts.⁵

Technology at Dibble & Miller, P.C. The integrity and privacy of digital client records and information is our highest priority. For that reason, this firm uses high quality hardware and software to protect these records from damage, loss, and intrusion. Our servers are kept in a secure area and protected by a locally monitored alarm system. As part of our effort to provide a high level of security and reliability, we currently use the following hardware and software:

- Servers:** Dell PowerEdge servers running Windows 2000 Server.
- Desktop Computer:** Dell Dimension desktop computers running Windows 2000 Professional and Windows XP Professional.
- Digital Document Manager:** Xerox DocuShare (utilizing Paperport), running on Microsoft Internet Information Server 5.0.
- E-Mail System:** Microsoft Exchange 2000 Server.
- Security:** Microsoft ISA Server firewall.

³ You may have received a copy of documents entitled: "Retainer Agreement" and "Disbursement Explanation" wherein clients agreed that all copies are charged at the rate of \$0.20 per side of a page. Since this charge is waived by the firm, it will no longer be charged.

⁴ If the client at any time requests a copy or copies of one or more documents (including when this firm is no longer involved with a legal matter or when this firm no longer represents the client), then, at the option of the firm, all such copies may be given to the client on a CD-ROM, at no copy charge to the client, in which case such documents will not be printed by this firm. If the client requests such documents to be printed instead of being placed on a CD-ROM, there will be a copy charge for all such copies of \$0.20 per side of a page. However, if this firm keeps possession of, and digitizes, original documents received from a client, then, upon request at the time the original documents are received from the client, the client will be given a printed copy at no copy charge.

⁵ When the firm copies documents that have not been digitized, or for which a client has not been billed for digitizing, there will be a copy charge for all such copies of \$0.20 per side of a page. The firm started charging for digitizing documents on April 1, 2002. Finally, because of the special equipment and handling needed, the charge for digitizing photographs will be \$1.00 per page, and the copy charge for printing digitized photographs will be \$1.00 per page.

Digital Document Copy Cost . . .

Anti-Virus: Computer Associates eTrust InoculateIT Anti-Virus.

Backup Program: BrightStor Arcserve Backup and copies of all backups are maintained off-site.

Word Processing: Microsoft Office XP.

Document Ditigitizer and Viewer: Adobe Acrobat 5.0.

Please sign below indicating your understanding and acceptance of the above.

Dated: _____

Print Name(s)

X

Signature(s)