

kCura courts corporate e-discovery with on-premises and SaaS legal hold

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KCura gained rapid e-discovery traction through a strong hosting partner network for its extensible Relativity review platform, featuring a modern streamlined interface popular with attorneys. Its first add-on, Method, is a legal hold management application that boosts court defensibility by tracking legal hold notices, and will be available on-demand through Relativity hosting partners, or as an on-premises option starting at five-seat licenses in the low five figures.

The 451 take

Method is a fraction of the cost of existing on-premises legal hold products, although it doesn't synch with physical data collection and other discovery management workflow like rivals Exterro and PSS, at least out of the box. Pricing could even challenge aggressively priced SaaS entrants, depending on litigation volume and duration, especially for customers who still refuse to go outside the firewall with any legal data. While we have yet to see real urgency in the mainstream market around legal hold notices, recent court decisions outlining penalties for not issuing legal holds could yet ignite the mainstream if judges decide to send a message about the duty to preserve data with more punitive sanctions. Moreover, the new release shows kCura is serious about extending its Relativity review platform and getting its foot in the door with corporations – a move worth watching from a vendor known for upending incumbents.

KCura's Relativity is nominally an attorney review tool, but using its Dynamic Objects tools, partners and hands-on users can build out additional functionality and workflow from the platform to host, and track, respond to and audit data in custom business processes – for example, managing a matter intake system, supplementing review with chain-of-custody tracking, building an FAQ for reviewers, or managing attorney CLE (continuing legal education) credits.

Relativity's latest add-on, Method, is a 'super Dynamic Object' for managing legal hold notifications, pre-packaged for deployment on Relativity. Method allows users to enter or upload custodian names as a CSV file, then create and distribute legal hold notifications and reminders, track and monitor responses, and create a defensible audit trail and generate reports. A journaling feature lets users document any correspondence outside the system like phone calls for added defensibility.

Besides standard legal hold notices, the system can be used for creating and defensibly tracking other correspondence with potential custodians; for example, to perform an initial

risk assessment for litigation involvement, assess data assets, and distribute instructions to IT and HR around collection (although it doesn't formally integrate with collection systems and repositories on its own). It does, of course, integrate with Relativity, for customers looking to build their own integrated business processes around lit support and managing e-discovery.

Method will be available on-demand from Relativity hosting partners or as an on-premises subscription, charged by the seat starting at five-seat licenses in the low five figures, with unlimited cases and holds – this could be for corporate customers or include law firms managing their internal holds or billing the service to clients. This price tag includes Relativity's full platform with original review functionality, (albeit additional hardware, beyond what is recommended for Method, could be required to power it for full case management and lit support). The low seat minimum potentially reduces the price barrier for enterprise customers (still a nascent market for review vendors), and could pose an eventual upsell opportunity.

Overall, kCura reports a few more corporate wins since Q1, and a 140% increase in total active users since the beginning of the year – it recently shifted licensing deals from strictly enterprises of 100 seats or more down to a 25 pack to accommodate general counsel's need for a lighter-weight offering. The company also announced a reseller program to address clients looking for a full on-premises platform with professional services and consulting. For service providers looking to offer clients more of a managed service than a case-by-case or pay-as-you-go service, kCura has made changes to allow corporations to host the system in a Relativity partner's datacenter on a one-to-three year license.

Updates to Relativity 6 (released in Q2) include improvements to text analytics capabilities through an OEM with **Content Analyst** for clustering and concept search of data of any size, performed at indexing, and including a re-built 'compare' feature to let users better differentiate between similar documents. According to users we've spoken to, the analytics can even be built out for a 'suggested coding' capability to cluster documents that might be coded similarly to a given attorney judgment. New pivot tables (like in Excel) have also been added to visualize and drill down into large bodies of data in clickable charts – this could be for analysis of email domains, email frequency, keyword hits by custodian, timelines or file type distribution.

Competition

On-premises legal hold has been dominated by competitors **Exterro** and **PSS Systems**, both of which sell comprehensive GRC workflow platforms for not only legal hold, but discovery management and other cross-functional business processes between IT, legal and records management stakeholders. PSS' Atlas and Exterro's Fusion platforms each has connectors to enterprise repositories and e-discovery collection systems, synching custodian notifications with actual collections, but at a price point typically starting in the low-to-mid six figures, targeting the largest and most-regulated Fortune 500 companies.

Exterro recently released an aggressively priced SaaS version of Fusion Legal Hold on a per-case model for both law firms and individual litigants, with plans to extend the rest of the platform to **the cloud** eventually. New SaaS entrants **Zapproved** and **CaseGuard Technologies** released their own notification systems in Q1 2010 as well. Depending on litigation volume and pricing (which is sometimes custodian-based rather than seat-based in SaaS), kCura could offer a competitive alternative to these systems.

Other e-discovery platform players fold legal hold notice management into their collection systems directly, such as **Autonomy Corp's Aungate** Legal Hold, **EMC-Kazeon's** Legal Hold Manager and **Guidance Software's** latest EnCase eDiscovery release, due in Q3. In attorney review, kCura's Relativity platform is up against hosted and on-premises tools like **Autonomy Zantaz's** Introspect, **CaseLogistix** (now owned by **Thomson Reuters's** West division), **CT Summation's** iBlaze (now part of **AccessData Group**), **FTI Consulting's** **Ringtail** and **Attenex**, **iCONNECT Development nXT**, **LexisNexis** Concordance, and **Recommind's** Axcelerate. Other tools are available primarily on-demand in SaaS versions, including **CaseCentral**, **Catalyst Repository Systems**, **Daegis**, **Merrill Corp's** Lextranet and **Iron Mountain's** Stratify.

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