



Falcon Discovery: How A Pioneering Legal Services Firm Is Using Cutting-Edge Storage to Cut Legal Costs

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Drew Wright,
Systems Administrator, Falcon Discovery

Summary

Electronic discovery has become a massive legal expense and challenge for corporations. Companies are spending billions of dollars on processing and reviewing electronically stored information and in many cases they are doing so reactively and inefficiently. Falcon Discovery is a specialist in E-Discovery, providing innovative solutions as a managed in-house service, so its customers can own the technology if they choose. This provides tremendous advantages in enabling customers to reduce costs and maintain control of their data, but it means Falcon Discovery must deliver a robust, high-performance infrastructure that delivers documents when and where the client needs them without any snags or delays. When limitations in previous storage systems were preventing Falcon Discovery from adding a critical new application for a major customer, the company turned to a BlueArc Mercury network storage solution. The result: A positive return on investment in 180 days.

The Company

Falcon Discovery is a groundbreaking provider of electronic discovery solutions. Its primary customer base comprises corporate legal departments, but it works with forward-thinking law firms as well. The company was founded in 2006 with the idea that it would create a unique legal discovery and technology management process to tackle the challenge of E-Discovery. “We handle virtually every aspect of E-Discovery from identification and preservation through collection, review and production and we do that through an onsite or near-site model,” says Falcon Discovery founder, President and CEO Don McLaughlin. “The distinction is that we manage E-Discovery by integrating our propriety InsideOut™ model with the infrastructure and processes that exist within a company. Another distinction is that we often implement and manage technology that the client owns. The overarching goal is to give the client much better control of the entire E-Discovery process, and thereby substantially reduce the costs and risks around E-Discovery.”

The Challenge

Electronic discovery has become a major expense and headache for businesses. Some industry estimates peg E-Discovery as costing up to 80 percent of overall litigation costs. McLaughlin says one of the metrics he’s seen is a cost of between \$75,000 and \$100,000 per witness in a case. “We’re seeing billions of dollars spent just on processing and reviewing electronically stored information.” The challenge for Falcon Discovery was to come up with a solution that was far less expensive for its clients. “Our model delivers improved results at a fraction of those cost figures,” McLaughlin says. McLaughlin is a lawyer by background and had worked in-house at Qwest Communications when he realized that the money Qwest was spending on E-Discovery was not sustainable. That’s when he came up with the idea for Falcon Discovery’s InsideOut™ model and several large clients signed on immediately. “Our clients realize very quickly that they can realize a tremendous return on investment and better results with our InsideOut™ model,” McLaughlin says.

But rising costs were just one of the myriad challenges in E-Discovery that Falcon Discovery needed to address. In addition, E-Discovery puts tremendous pressure on both the capacity and performance capabilities of an organization's storage infrastructure. For one of its largest clients, Falcon Discovery is hosting and managing approximately 35 terabytes of data. And performance is critically important. "When we have a case coming up, there are a lot of deadlines out of our control," says Drew Wright, Systems Administrator at Falcon Discovery. "If a judge needs information by a certain time because a case is going to trial, we have deadlines that are given to us. We can't be delayed – seconds and minutes matter – we have to get that information to attorneys or outside counsel. If we run across technical or performance issues those problems go up the chain. Having a storage solution that is reliable and fast is really key for us."

The Solution

Falcon Discovery turned to a BlueArc networked storage solution to solve specific challenges in performance and flexibility for one of its largest clients. Prior to installing the BlueArc solution the client had been using two disk arrays. "We were having problems with disk I/O and network I/O," Wright recalls. "They were not performance oriented. We were basically using them for file storage. We needed higher performance. Plus, we wanted to lay an application on top of this for a third-party document review platform and we needed a lot of raw storage for that application to run."

Falcon Discovery installed a Mercury 50 with 10 terabytes of storage last year. "It's been all about performance and flexibility," Wright says. "We went with the NAS instead of a SAN because, when you need storage it's available easily. Say user X needs 500 gigabytes – on the Mercury, I can literally, in just a handful of clicks, have 500 gigabytes of storage without having to manage a single server. It gives me flexibility and I have my application running at the same time. Overall speed is another performance plus. We don't have to worry about network or disk I/O issues as we did with the older array."

For this client, Falcon Discovery installed four servers and used the BlueArc for back-end data storage. In addition to improved performance across the board, the BlueArc enabled Falcon Discovery to deploy the document review platform, called Relativity, which has saved the client hundreds of thousands of dollars, Wright says. Relativity is an E-Discovery software program by kCura and Falcon Discovery is not only managing the hardware infrastructure, it is managing the entire solution, including all of the software. Falcon Discovery is a pioneer in this endeavor, as it is the first and only known company to have architected, implemented and managed these servers and applications for an in-house legal department.

"My main points with the BlueArc were performance for the dollar plus flexibility," Wright says. "We looked at other products and the BlueArc wasn't lacking in any one piece. Even when it came down to physical space – the others would have taken twice the rack space

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The Results

In 2008 one of Falcon Discovery's larger corporate clients spent an average of \$42,000 a month on hosting document review and production databases with third-party application service providers (ASPs). In 2009, at Falcon's suggestion, the client invested in a combined document review platform, which included the BlueArc Mercury 50 as the back-end storage device. Even including the cost of servers, applications licensing and administration, the client saw a positive ROI within 180 days of implementation. The client is now able to host its own data easily, as well as process documents for legal review in-house, saving tens of thousands of dollars monthly.

For a managed services firm such as Falcon Discovery, the beauty of delivering that kind of staggering ROI for one client means that the process is replicable for other clients as well. That is the thinking behind the company's innovative InsideOut™ model, which was designed to give legal departments a streamlined in-house E-Discovery capability that can be repeated across virtually all legal matters. "There is an increasing awareness in legal departments that engaging different third parties and law firms to manage E-Discovery for every case is just not cost effective," McLaughlin says. "There are risks and inefficiencies in moving electronic documents around to different law firms and service providers for each matter. What we've done is built a model premised on keeping the data within the company's control. By doing that, we reduce costs in orders of magnitude and reduce unnecessary risks as well. The company licenses or buys the technology and we manage it for them." Having the BlueArc as part of the solution has enabled Falcon Discovery to roll out InsideOut™ with the confidence that it can deliver a robust solution for clients of any size.

The Conclusion

Falcon Discovery is a pioneer in providing managed E-Discovery solutions for clients. Because of McLaughlin's background as a lawyer and businessman, the company has put together an impressive team of attorneys and technologists who truly understand the challenges of E-Discovery. Being a leader means staying ahead of the curve in solving problems for customers and having the right technology infrastructure and process is often a key differentiator. "Our charter is to find the most cost-efficient solutions for our clients and BlueArc fits right in there in the biggest way," McLaughlin says. "We looked across the industry for storage for the needs of legal. These can be quite unique because high availability is critical, speed is critical and cost-effectiveness is critical. BlueArc fit the bill. We're all about finding solutions for clients and really canvassing the industry and constantly benchmarking products. The ROI picture is what we're looking for and BlueArc has delivered."



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