



LexisNexis Survey Paints Problematic Portrait of File Sharing in Law Firms

Study Uncovers Disconnect between Security Fears and the Measures Law Firms Employ to Secure Confidential Legal Information

RALEIGH, NC – May 28, 2014 – LexisNexis® Legal & Professional, a leading provider of content and technology solutions, announced today the results of a survey of U.S.-based law firms and their usage of file sharing tools. More than 70% of law firms report that file sharing is increasingly important and there is a heightened awareness that if privileged information is compromised, the fall out for the law firm could spell disaster. However, unencrypted email (89%) remains the dominant means for sharing privileged communications.

More than 80% of respondents said that if someone other than a client or privileged party accessed confidential documents – the results would be consequential or very consequential to the firm. Even so, an overwhelming 77% of law firms report that their primary means of securing documents is a confidentiality statement below the body of an email. Astonishingly, in response to an open ended question 4% of law firms reported they take no measures at all to protect privileged communications shared by email.

“There’s clearly a disconnect between expressed security concerns – and measures law firms employ to protect their clients and themselves,” said attorney [Christopher T. Anderson](#), senior product manager at LexisNexis. “Relying on a mere statement of confidentiality when sharing privileged communications by email is a weak measure – and further it might protect the law firm but affords very little protection for the client.”

Key findings in the survey include:

- **File sharing gaining importance in privileged communications.** 73% of law firms say file sharing is more important this year than in previous years. There is an increased awareness that the electronic compromise of privileged communications has serious consequences.
- **Despite concerns, un-encrypted email most used means of collaboration.** Law firms rely on email more than any other tool to collaborate with clients and third-parties on privileged information. 89% of law firms report using email and another 74% say they use email daily. Despite concerns over security, most firms do not use encryption. Larger firms are more likely to have encryption or secure means to share files in place; smaller firms tend to be more

lackadaisical and therefore more vulnerable.

- **Confidentiality statements are the most common shield against compromise.** Most law firms include a confidentiality statement below the body of their emails as the primary means to protect privileged communication. Some also include confidentiality statements in an email subject line, or require clients to sign consent forms. A minority is using security technology to protect electronic communications: email encryption (22%), password-protects documents (14%), use a secure file sharing site (13%). Four percent of respondents said in an open-ended answer section they take no measures at all. Larger law firms – those with 100 or more attorneys on staff are more likely to use encrypted email or other IT security tools.
- **Free commercial file sharing services proliferate.** About half of law firms say they have used free commercial file sharing services to transmit privileged information. Vendors that are focused on serving businesses, rather than consumers, tend to be more attentive to the security concerns of businesses and law firms. When asked if *other* employees were using free file sharing services, about one-third said “yes,” another third said, “no,” and the final third were “unsure.” In larger law firms, respondents were more likely to say they don’t use free commercial file sharing services, but that other employees in the firm were. The data suggests free file sharing services are probably used more often than law firms are aware.
- **Top three features law firms’ demand in file sharing services.** The ability to add a watermark to documents was the most popular feature law firms said they wanted in a file sharing service, which identifies the sender, but provides little security on the recipient’s end. The ability to revoke or modify access privileges after a document was sent ranked second. The ability to also use a file sharing service for document storage ranked third.

“Law firms are caught in a bit of a bind because their clients demand a simple way to collaborate, but the risks, as this survey found, are exceptionally high,” added Anderson. “There are far more secure ways to easily share privileged documents than by unsecure email or free commercial file sharing tools. Law firms need to perform their due diligence, stay abreast of technology and ultimately protect their clients’ interests online just as they do in providing legal counsel.”

This survey aimed to understand the uses and perceptions of file sharing tools by attorneys and legal professionals working in U.S.-based law firms. The survey was conducted online from March 5 to March 19, 2014. Respondents were required to identify as a practicing attorney or a legal professional supporting a law firm. Two-hundred and eighty two (N=282) attorneys or legal professionals from across more than 15 different practice areas, and representing 40 different states and two territories, including Washington, D.C. participated in the survey. Respondents were provided an incentive – a chance to be entered in a random drawing for one of 14 prizes – to complete the survey.

Survey results are freely available in a slide presentation embedded on in a blog post on the Business of Law Blog: <http://goo.gl/DQxs70>

An infographic is also freely available and a comprehensive report (PDF format) is available for download with registration: <http://goo.gl/lq9LQD>

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