

Jeffer, Mangels, Butler & Marmaro LLP

Jeffer, Mangels, Butler & Marmaro LLP is a 150-lawyer, full-service law firm based in Los Angeles and San Francisco. JMBM's various practices cut across all areas of commercial and business law, and include complex industries like real estate, telecommunications, international distribution, financial services, information technology, entertainment, environment, hospitality and intellectual property.

JMBM

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VINCE KLEIN
IS MANAGER,
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BUTLER & MARMARO LLP

Harnessing the Power of the Relationship

Building strong relationships is part of the culture in the hospitality industry. Establishing a long-term rapport with customers is the surest way to ensure future growth and revenue streams. And, when it comes to legal representation, hotels, restaurants, resorts and other institutions naturally expect to receive the same level of client care that they give to their own guests.

Attorneys at Jeffer, Mangels, Butler & Marmaro (JMBM) know this. By distinguishing themselves as an aggressive, savvy firm dedicated to client care, they have become the legal counsel of choice to top players in the hospitality industry. Partner Jim Butler says that going the extra mile for the client makes the difference. "In many ways we become part of our clients' teams — not just the contract lawyers who pull out the pen and write down what the client says. We actually bring resources to the table and help make deals happen."

Applying Technology to Relationship Management

Jim Butler understands the importance of developing, maintaining and managing a wide array of relationships in order to fully represent his clients. "I have always believed that people are the key. So I stayed in touch with them and kept track of who was involved in which particular things. Whether I'm trying to find the people who want to provide a particular type of financing or the people who are looking for a particular type of employee, JMBM puts the pieces together and helps bring in the resources to get the right results."

As Butler's success grew, his database of relationship information ballooned to more than 14,000 names. He could no longer manage it in the firm's WordPerfect Notebooks environment; nor could he efficiently conduct mailings or send out newsletters. Unfortunately, software vendors were not yet developing relationship management tools, so he had one built. According to Vince Klein, the firm's IS manager, the internally-created system worked well for most users. "Basically, each attorney had an ID. The system had a central database. It provided marketing codes to collect data for mailing lists. We developed a Microsoft Access table for mailing information and a Visual Basic front end to track all the firm's contact data."

While this "home-grown" relationship management system served the firm's basic needs, it also presented some complications. For instance, even though the database was centralized, each attorney's personal contact directory was a copied subset of the whole. This meant that if an attorney wanted to maintain his own contact directory, duplicate records would abound. "And there were a lot of duplicates," says Butler.

Moreover, Butler increasingly needed to share information about clients and contacts with his staff and other attorneys. "If I were at a meeting, I would want to know who else in the firm had contact with that individual. Were their experiences positive or negative? What problems, hot points or opportunities arose from the meeting? In our business, the continuity, background and insights are invaluable. If you want to serve your client better, you are better armed with this information."

The Search for a New Tool

By early 1998, the firm's need for full-fledged relationship management exceeded the capabilities of their in-house software package. After determining that upgrading and maintaining the existing system would be too costly — and Y2K loomed for the noncompliant package — they once again turned to the software marketplace — and found that this time, there were choices. Klein says *ACT!*, a sales-oriented contact manager, was dismissed out of hand for lack of flexibility. And its primary competitor, Goldmine, didn't have the relationship capabilities the firm wanted. And neither program allowed them to separately maintain people and companies. "Each contact was pretty much its own entity. One had to maintain company data within each separate contact listing." Klein said that this was unacceptable, given how quickly company information, such as area codes and mailing addresses, changes. "As far as I'm concerned, at an enterprise level serving the diverse needs of 150 attorneys, one has a very difficult system to maintain at that point."

JMBM also briefly considered a database for law firm marketing departments called LegalEase. "It ran over a proprietary database," recalls Klein, "so I wasn't interested."

Then they discovered LexisNexis® InterAction®. InterAction uses a centralized SQL Server database that enables attorneys and marketing departments to store and easily access key client and contact information, and then share it among all authorized users. At the same time, the system makes it easy to store contacts privately in appropriate situations, or to privatize certain pieces of information in otherwise publicly accessible contact records — such as private phone numbers or notes from confidential conversations. Frank Moon, the firm's Director of Marketing, recognized that for attorneys, having this capability is critical. "I was most impressed with the system's ability to hold certain information private — personal information or confidential financial data — that an attorney would not want to share widely in the firm."

It quickly became obvious that InterAction was the right choice. "The tool enables us to store company information separately from people information," says Klein. This reduces database administration, because if a change is made to company data — such as a new area code or a new mailing address — the changes automatically filter down to each individual associated with that company.

Butler agrees. "I thought InterAction was extremely intuitive. It was something one could pick up and start using right away — even some of the more advanced features." By providing the ability to chronicle all interactions with clients and contacts, Butler says that the product gives him the information he needs, when he needs it, to succeed as a dealmaker. "It gives us the kind of information about what relationships we have with particular contacts. We want to be able to know such details as whether we met someone at a UCLA hotel conference in January, or at a breakfast in June. We can also store press releases and other information such as industry trends that we receive about people, for future reference."

Making Rain: Identifying Revenue Opportunities

As a "rainmaker," Butler demanded that his relationship management tool be able to do more than simply store and retrieve data. Knowing that subtly connected information can often lead to enormous revenue generation, he relies on InterAction's powerful relational database and search capabilities to help sift out opportunity. "On a basic level, whenever I have a meeting, the first thing I do is get a complete printout of all notes and activities stored in the system about the client. In so doing, I can understand how long I have known this person, where we met, the nature of the relationship, and whether it's personal or business."

"Beyond that, whenever I travel, I will do a search to find out who else I know in the same city to possibly arrange a meeting. I regularly go through the database looking for who might benefit from a particular idea or who ought to be introduced to whom. I search through activities stored on the system for key words such as 'financing,' 'development,' 'management' — different aspects of work with which people may require help. We believe in trying to make deals happen and helping our clients achieve their goals."

Return on Investment

Jim Butler's use of InterAction for relationship management aptly demonstrates how attorneys can generate additional revenues through the sound management of their client data. On the flip side of the balance sheet, JMBM also put the product to the test for cutting costs.

For instance, the firm's marketing department holds a number of seminars and other events for clients designed to update them on current legal trends and showcase the attorneys' expertise. Organizing these events is highly labor intensive, and therefore expensive. Moon wanted to lower the cost of sponsoring these seminars. "It's my job to get the greatest bang for the buck — and make sure those bucks stay small." Moon decided that InterAction could help. "Last year we held our annual 'Meet the Money' conference in downtown Los Angeles. More than 30 speakers from the hospitality industry were featured at the event, ranging from Wall Street financing experts and representatives of private investment firms to CEO's of the nation's largest hotel companies. About 350 attend this event."

The logistics of organizing an event like this can be staggering, especially for a small marketing department. "We needed to ensure that the right people were getting invited and attending, and that appropriate follow-up was being done," said Moon. With a team of people organizing the event, the old system made it nearly impossible to keep the data updated and accurate. Klein recalls, "We couldn't determine which files were updated, which ones were out of sync. Activities couldn't be entered into the system at certain times." According to Moon, in 1998, the firm expended something on the order of 500 overtime hours on the project.

This year, however, Moon used InterAction to manage the conference — and the savings were considerable. "The overall number of hours devoted to the 'Meet the Money' conference dropped from 500 to under 100. 250 of those hours saved are directly attributable to InterAction." Klein added, "InterAction has probably turned out to be far more critical than we ever imagined."

A Sound Investment

Beyond delivering the functionality users demand, a sound investment in software must also take into account more intangible considerations, such as firm culture, architecture, emerging technologies and vendor support. Take remote computing, for instance. "We have people who frequently travel — doing deals, going to conferences, etc. They need to be able to take the database with them on their laptops. Otherwise they lose the opportunity to add information to the system while they're away."

InterAction lets us synchronize our mobile database. That's key." Klein also believes the InterAction Web Client, which empowers users to access their relationship information remotely, via the Internet, will play an increasingly critical role. "If another way to access data gives you an edge, you've got to supply it to the attorneys. Some people don't want a full mobile database to manage and maintain. A lot of people in the firm would prefer Web-based access. We will be looking at that fairly intently."

Finally, Klein expressed confidence in LexisNexis InterAction — the company behind the product. "It is really reassuring to me as an IS person to work with a company that has such pride in their product. It comes through in the support and in the actual product. We pretty much had a budget and a goal to hit in terms of features, performance and shareability. InterAction satisfied 99% of our requirements out of the box. It's great using a product that effectively solves the business objective. It exceeds any other program that we investigated. I love this program. I really do."

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