

Law as an aspect of a country's  
competitiveness and the impact on the legal  
profession and players

Saudi Law Conference – Sept. 2018

# Agenda

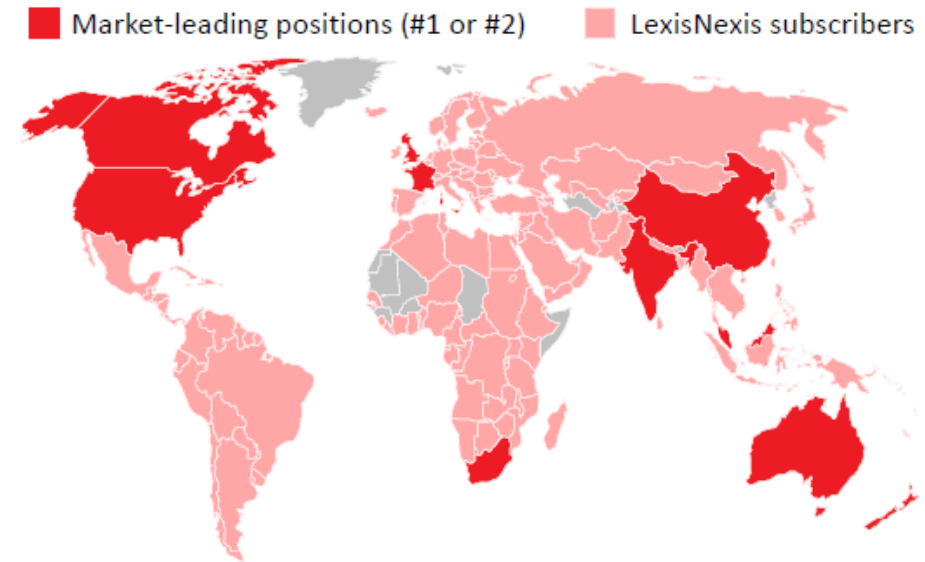
1. Intro
2. LexisNexis and LexisNexis in the Middle East
3. Higher scores in Doing Business indicators drive more Foreign Direct Investments
4. Legal aspects of Doing Business indicators
5. What can be done
  - a. Modernize laws and facilitate access to legal information
  - b. Empower legal professionals with the latest technologies
5. Conclusion

# Who we are

LexisNexis is a leading global provider of content-enabled workflow solutions designed specifically for professionals in the legal, risk management, corporate, government, law enforcement, accounting, and academic markets.

LexisNexis encompasses authoritative legal publications and services dating back to the 19th century including: the **All England Law Reports** and **Halsbury's Laws** in the United Kingdom, the **JurisClasseur** encyclopedia in France, and **lexis.com**, the **Shephard's** and the **Matthew Bender** portfolios in the US.

Through the integration of information and technology, LexisNexis uniquely unites proprietary brands, advanced Web technologies and premium information sources. Across the globe, we provide customers with access to billions of searchable documents and records from more than 45,000 legal, news and business sources.



## Legal Sources & Content

- > 1,5 bn documents
- 4bn legal topic links
- Primary law from over 150 countries
- > 1m jury verdicts and settlements

## People & Invests

- +1000 software engineers
- + \$500m CAPEX spent
- 95%+ spent on technology

## Technology

- Big data platforms (HPCC provider)
- Machine learning algorithms which cluster
- Artificial Intelligence to deliver decision tools
- Grid computing with low-cost servers
- 3 worldclass datacenters

# In the region

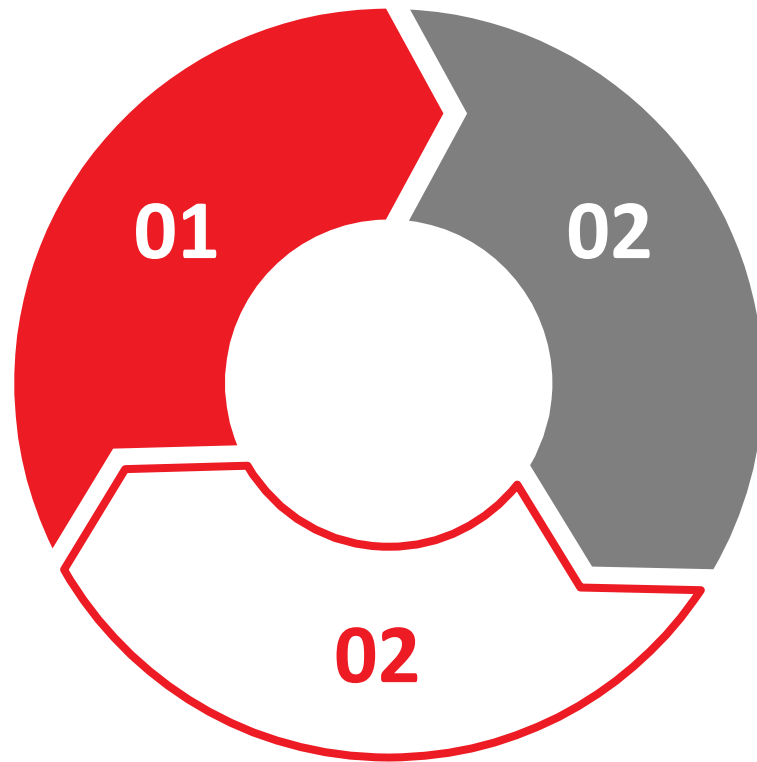
LexisNexis has partnered with SADER publishing a leading regional legal publisher which provides translation, publishing and sales support. SADER is the first and the biggest arab legal publisher and which contribution to the legal knowledge in the arab world is very important

What makes us different from the others is our deep understanding of the history and differences in the legal market in the Middle East. Following the lead of the great jurist Abderrazak Sanhoury, our challenge is to provide expertise in civil and common law, relevant understanding of the principles of Islamic law, and produce a truly unique offering which bridges the gap between these three legal traditions.

We operate from our Dubai Media City office in the Arjaan Tower.



# What drives us?



## **01** Legal Excellence

We are working hard to enhance the availability of Legal Doctrine in the Middle East region. We commit to collaborating only with the best legal experts in order to develop local content which has a solid scientific value.

## **02** Rule of Law

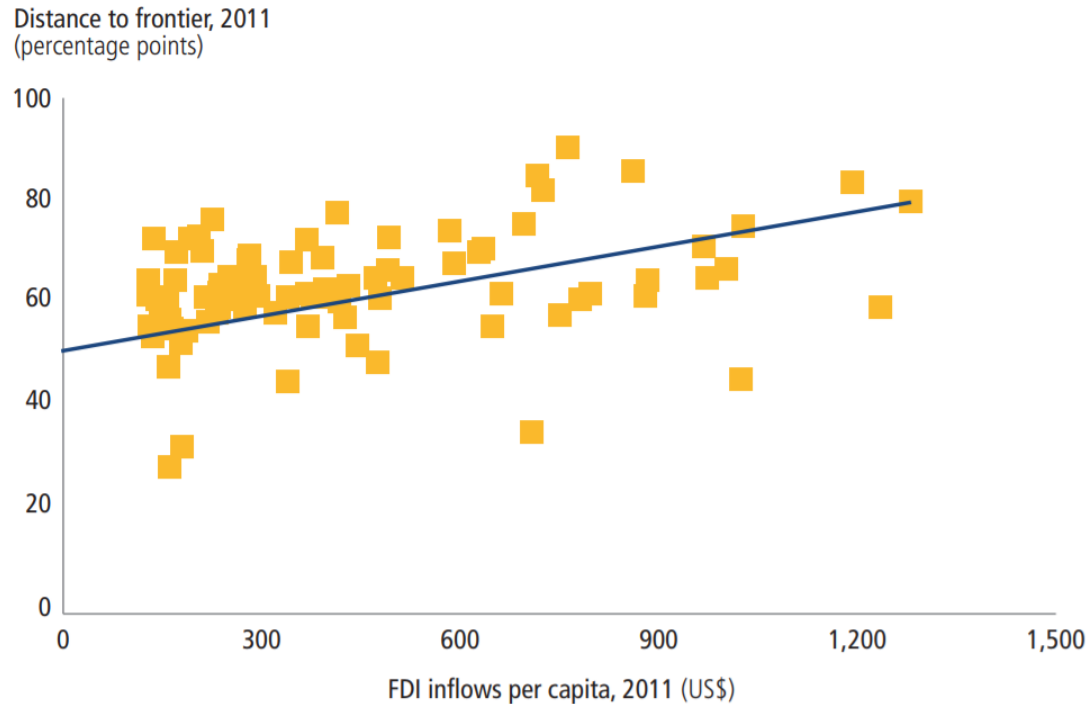
We are assisting the progress of Rule of Law in the region by partnering with leading institutions and by actively supporting governments who wish to improve their legal system.

## **03** Innovation

Innovation is at the heart of LexisNexis. In the region, we aim to deploy the latest legal technology available such as Lex Machina™ advanced litigation analytics....

# Higher scores in Doing Business indicators drive more Foreign Direct Investments

FIGURE 7.1 Better overall regulation is correlated with more FDI inflows per capita



Note: The distance to frontier measure is normalized to range between 0 and 100, with 100 representing the best performance (the frontier). Sample includes 157 economies with positive 2011 FDI inflows per capita of \$1,500 or less. This includes all economies covered by *Doing Business 2012* for which data are available, excluding outliers with negative inflows or inflows greater than \$1,500 per capita. Dropping these outliers does not significantly affect the trend line.

Source: *Doing Business* database; United Nations Conference on Trade and Development, UNCTADstat database.

TABLE 7.1 Average FDI inflows and stocks by tiers of economies grouped by their distance to frontier, 2011

Economies grouped by distance to frontier	Average FDI inflows (US\$ millions)	Average FDI stocks (US\$ millions)	Average distance to frontier (percentage points)
Top 10	50,384	768,496	86.0
Middle 10	14,362	89,776	58.9
Lowest 10	1,257	8,179	34.2

Note: The distance to frontier measure is normalized to range between 0 and 100, with 100 representing the best performance (the frontier).

Source: *Doing Business* database; United Nations Conference on Trade and Development, UNCTADstat database.

- Cross-country correlations show that Foreign Direct Investment inflows are higher for economies performing better on Doing Business indicators
- Results suggest that on average across economies, a difference of 1 percentage point in regulatory quality as measured by Doing Business distance to frontier scores is associated with a difference in annual Foreign Direct Investment inflows of \$250–500 million.

# Legal aspects of Doing Business indicators

What does the quality of judicial processes index measure?
Court structure and proceedings index (0–5)
Availability of specialized commercial court, division or section (0–1.5)
Availability of small claims court and/or simplified procedure for small claims (0–1.5)
Availability of pretrial attachment (0–1)
Criteria used to assign cases to judges (0–1)
Evidentiary weight of woman's testimony (-1–0)
Case management index (0–6)
Regulations setting time standards for key court events (0–1)
Regulations on adjournments and continuances (0–1)
Availability of performance measurement reports (0–1)
Availability of pretrial conference (0–1)
Availability of electronic case management system for judges (0–1)
Availability of electronic case management system for lawyers (0–1)
Court automation index (0–4)
Ability to file initial complaint electronically (0–1)
Ability to serve initial complaint electronically (0–1)
Ability to pay court fees electronically (0–1)
Publication of judgments (0–1)
Alternative dispute resolution index (0–3)
Arbitration (0–1.5)
Voluntary mediation and/or conciliation (0–1.5)
Quality of judicial processes index (0–18)
Sum of the court structure and proceedings, case management, court automation, alternative dispute resolution indices

# Legal aspects of Doing Business indicators

What do the indicators on the efficiency of resolving a commercial dispute measure?
Time required to enforce a contract through the courts (calendar days)
Time to file and serve the case
Time for trial and to obtain the judgment
Time to enforce the judgment
Cost required to enforce a contract through the courts (% of claim value)
Average attorney fees
Court costs
Enforcement costs

# Legal aspects of Doing Business indicators

What do the paying taxes indicators measure?

Tax payments for a manufacturing company in 2016 (number per year adjusted for electronic and joint filing and payment)

Total number of taxes and contributions paid, including consumption taxes (value added tax, sales tax or goods and service tax)

Method and frequency of filing and payment

Time required to comply with three major taxes (hours per year)

Collecting information and computing the tax payable

Completing tax return forms, filing with proper agencies

Arranging payment or withholding

Preparing separate mandatory tax accounting books, if required

Total tax and contribution rate (% of profit before all taxes)

Profit or corporate income tax

Social contributions and labor taxes paid by the employer

Property and property transfer taxes

Dividend, capital gains and financial transactions taxes

Waste collection, vehicle, road and other taxes

Postfiling index

Compliance time of a VAT refund process

Time to receive a VAT refund

Compliance time of correcting an error in the corporate income tax return including compliance with an audit process if applicable

Time to complete a corporate income tax audit

# What can be done?

- a. Modernize laws and facilitate access to legal information
- b. Empower legal professionals with the latest technologies

**Modernizing the laws and encouraging access to legal information are at the cornerstone of any sustainable legal system.** Government and policymakers are constantly seeking to look at best practices around the world to try to tailor the most adequate and responsive legislation possible

# Access to legal information for more legal certainty

## Information

- Primary Information
  - Laws
  - Regulations
  - Case decisions
- Secondary Information
  - Commentaries
  - Case Analyses
  - Practical Guidance & Skill-sets

Our editorial expertise:

- Collection, organization, selection, prioritization, commentaries and guidance
- Access to content

## Training

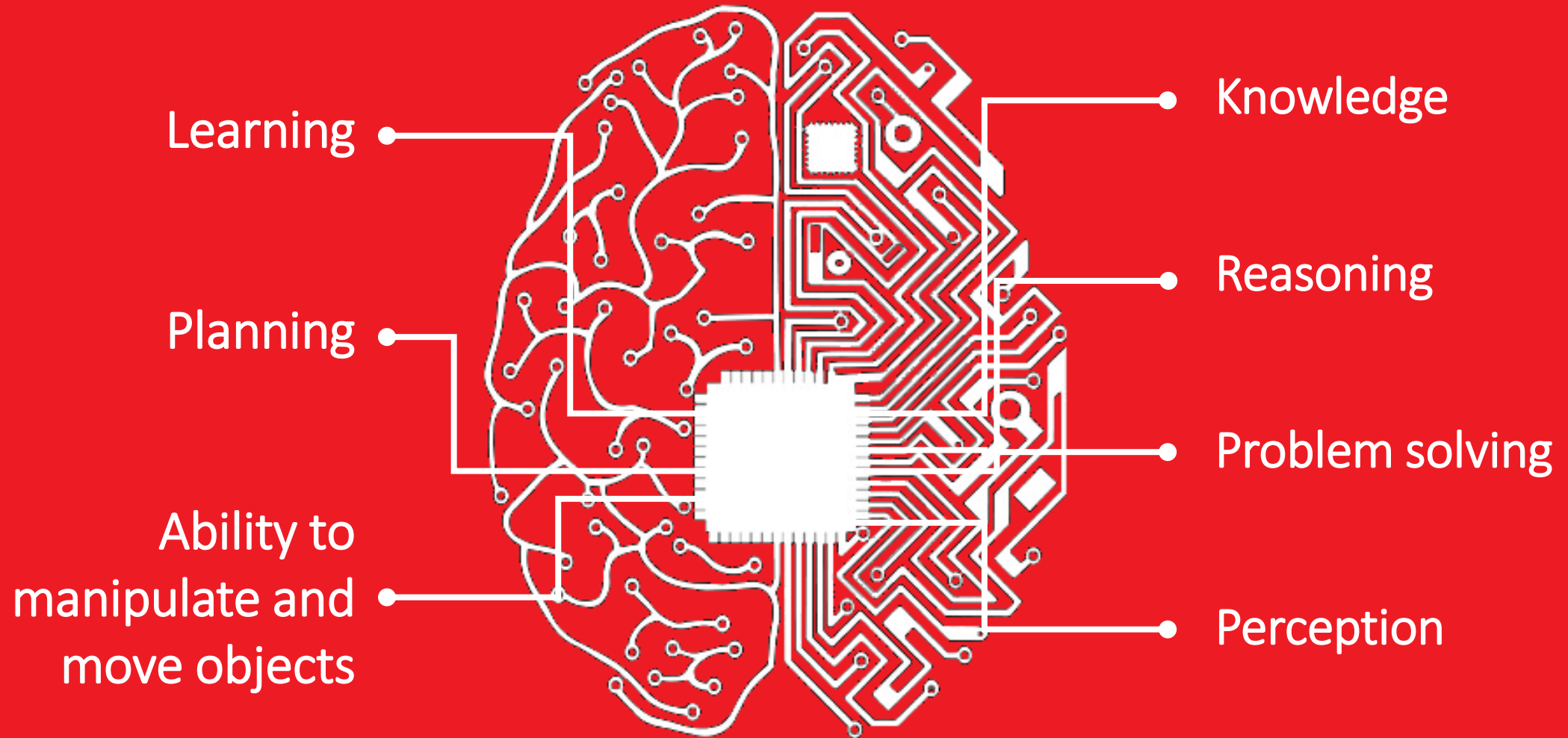
Awareness of local legal customs and comparative law.

- Lawyers
- Judges
- In-House Counsel
- General public

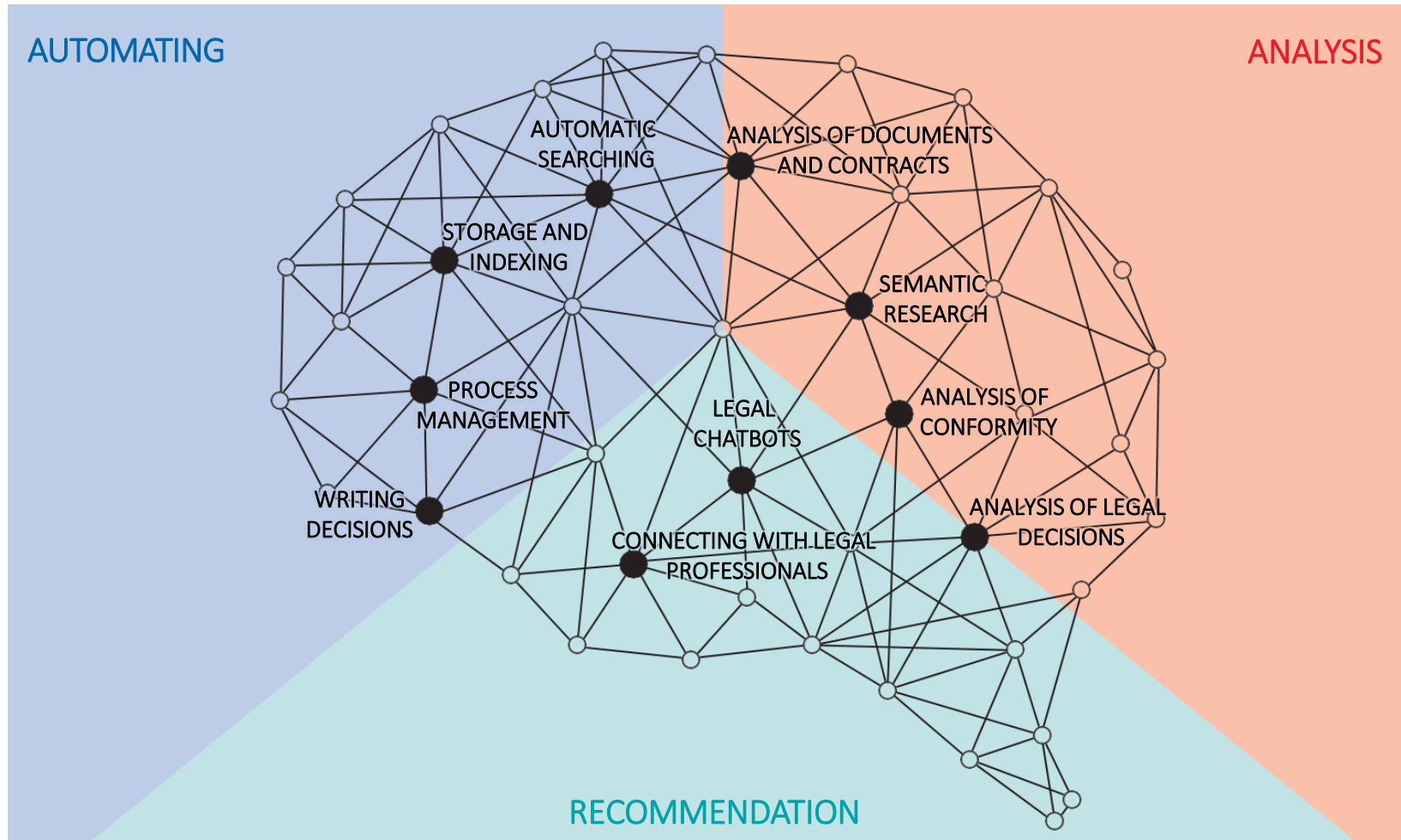
Our training expertise:

- Experts shaping experts
- Practical methodology, soft skills
- Topics of the moment (compliance, GDPR, analytics, etc.)

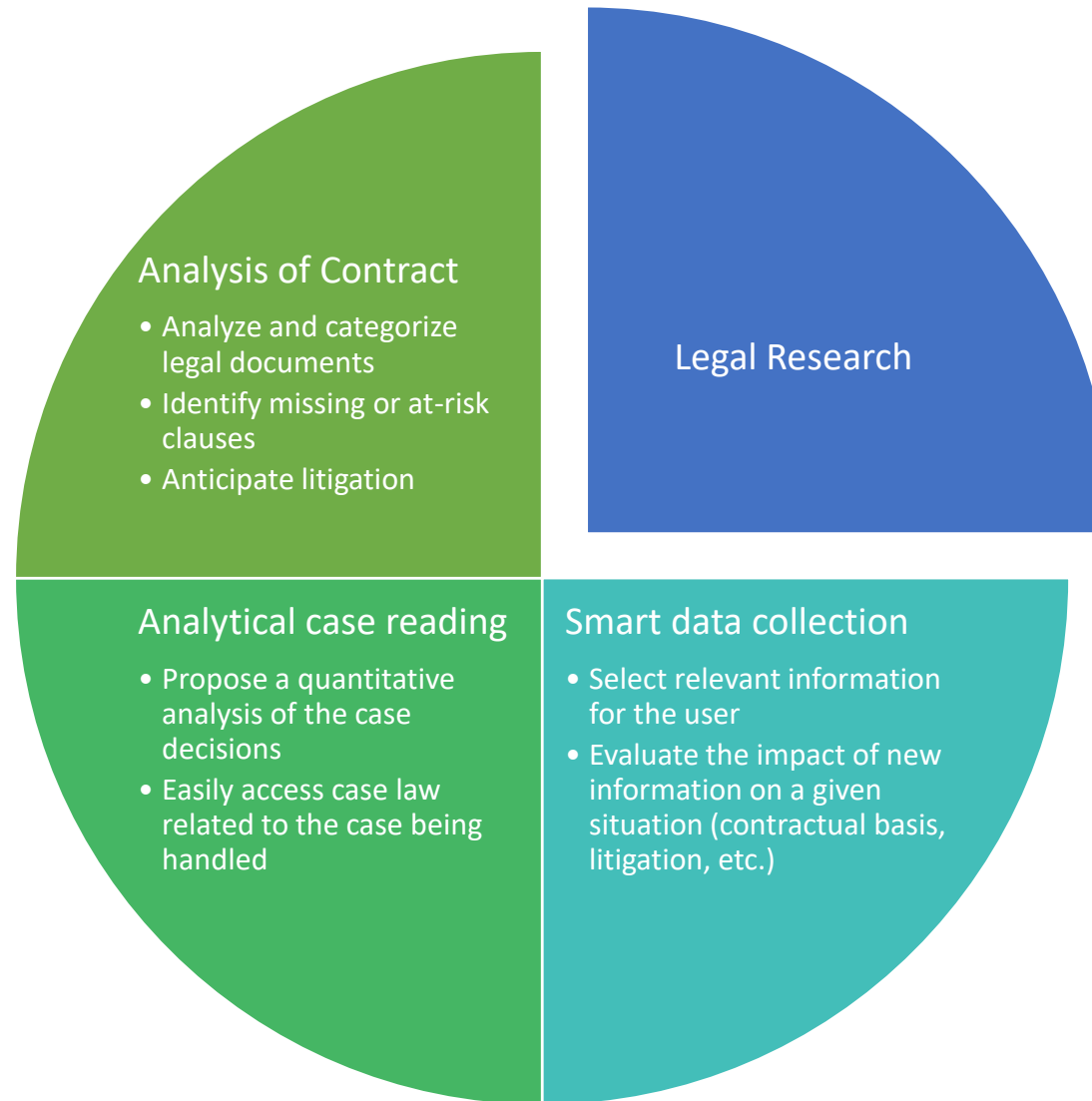
# What artificial intelligence can do today?

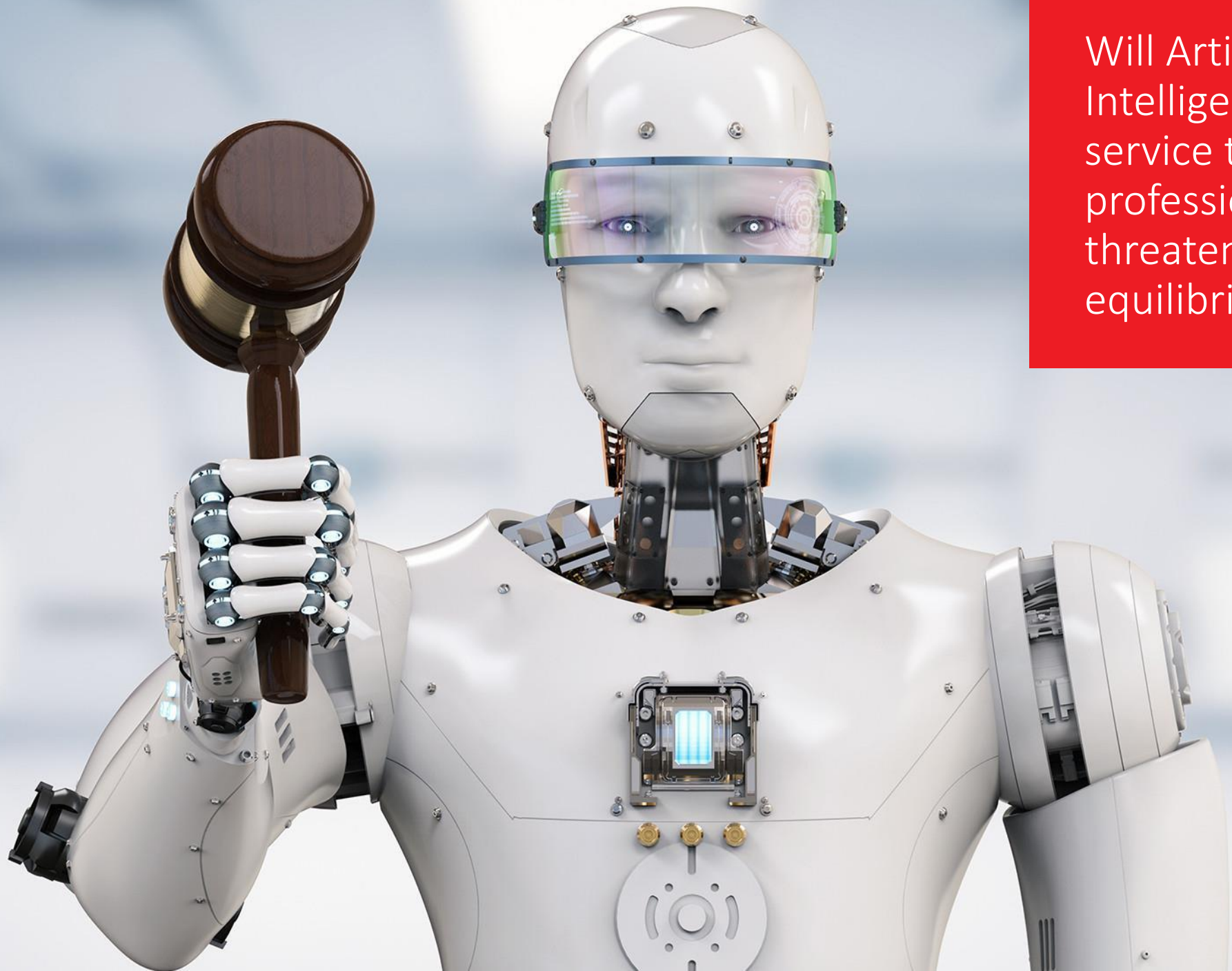


# How artificial intelligence applies to the law



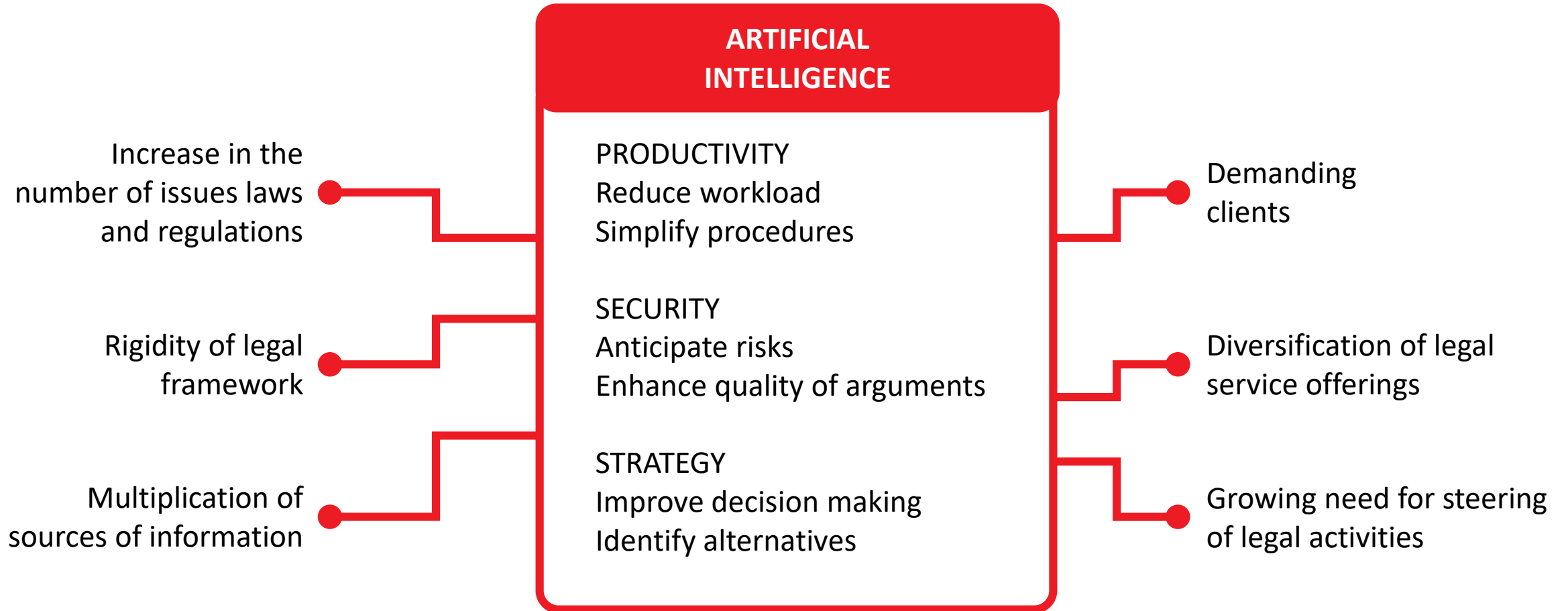
# The “Lexis Intelligence” Program





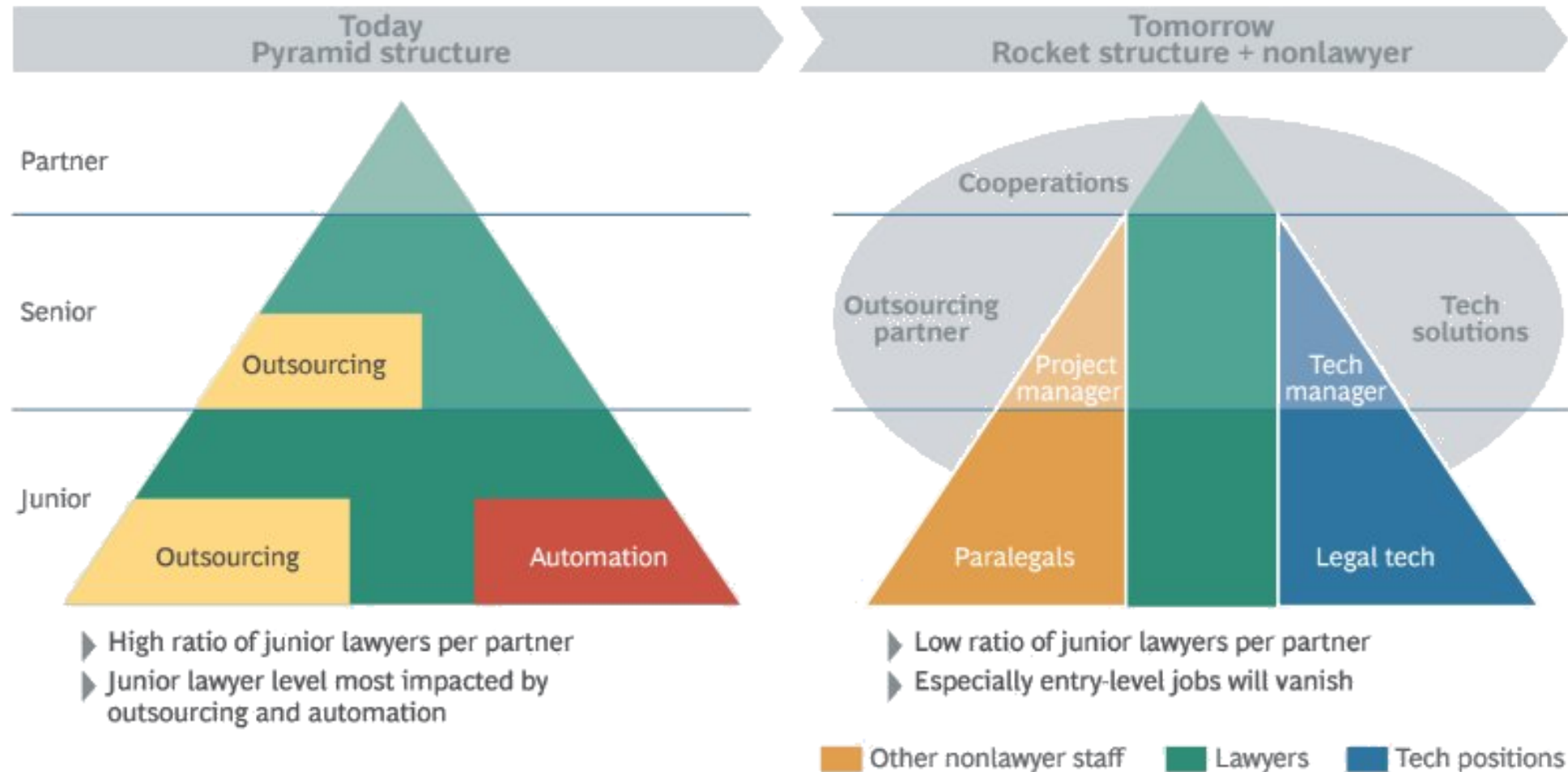
Will Artificial Intelligence, be of service to the legal profession....or threaten the current equilibrium?

# Artificial Intelligence to help us work faster and more efficiently in this data-driven world.



# How Law Firms will adapt

## EXHIBIT 5 | Adapting big law's business model also includes the traditional pyramid structure



Source: BCG analysis



Some schools and universities are already adapting teaching methods and content to make the most of these new technologies

"The digitization of society is at the heart of the economic and societal changes of the 21st century. It will affect all human activities, as it has already changed the business, finance, media, transport and hospitality (...). Tomorrow, digitization will upset the sectors of insurance, health, energy, education ... Professional medical, legal or tax services will be turned upside down by intelligent algorithms based on machine learning (...)".

*Jean Tirole, Nobel Prize winner for economics*



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