

# Leading Your Firm in the Digital Ecosystem: What You Need to Know About Ai, Metaverse, Smart Contracts, Cryptos, and NFT's



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# Hello!

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Let's Find Out ...

**Who is in the room?**

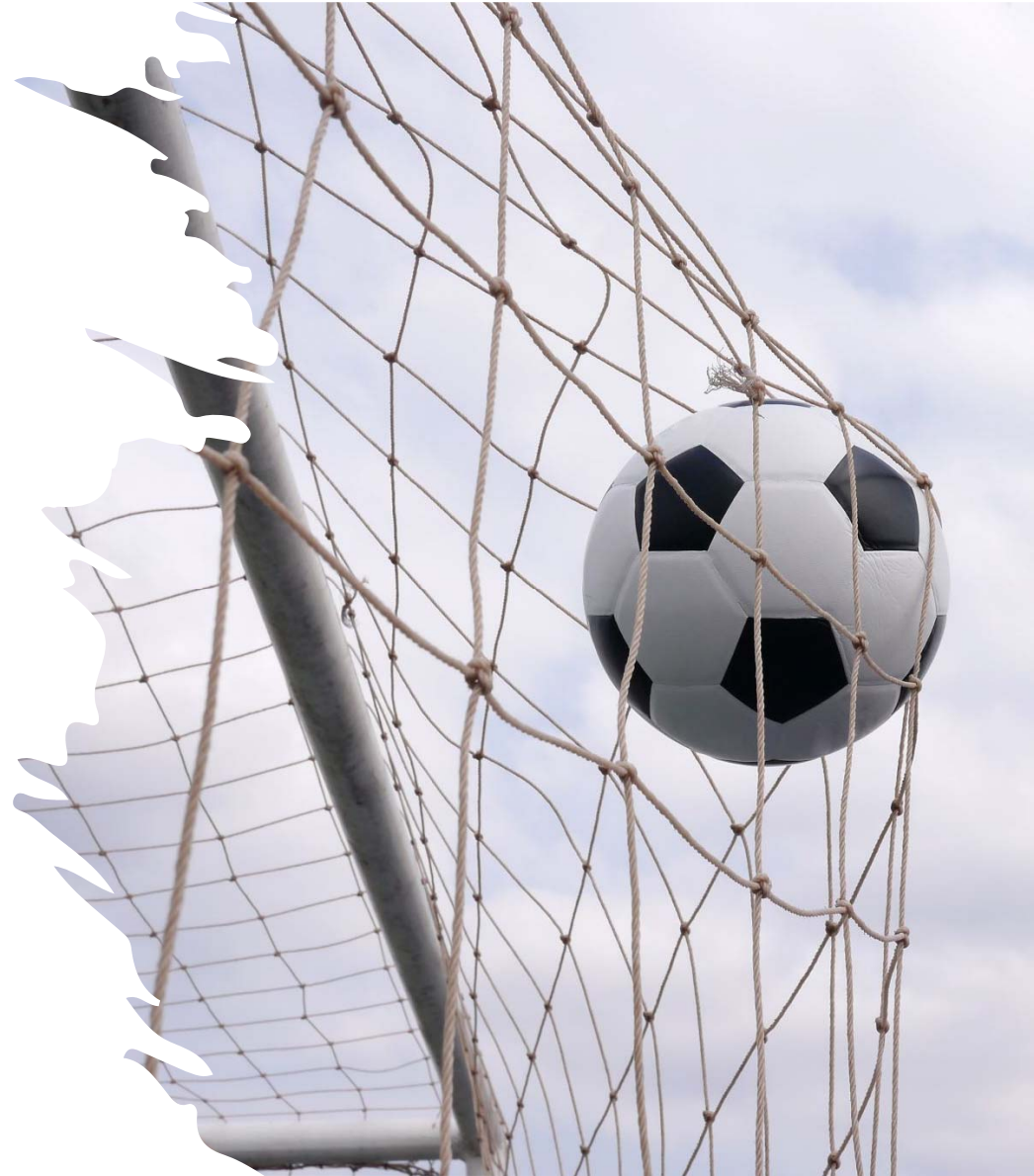
**Why are you attending this session?**

**What do you want to learn?**



# Session Goals

- **Leadership Focused vs. Technology Focused**
- **Familiarize With Emerging Technology in the Digital Ecosystem**
- **Explore the Effect on the Business of Law**
- **Equip Legal Management Professionals to Discuss With Stakeholders and Make Decisions**
- **Learn What Others are Doing in their Firms in this Space**



# After the Session Questions:

**Technical Details**

**Cryptocurrency Trading or Current Market Conditions**

**Specific Digital Ecosystem Software or Companies**

**Think of something to ask later?**

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# Principle Strategic Question

- Is Your Business, Law Firm, IP Practice:
  - Dependent on Today's World?
  - Innovating to Serve Tomorrow's World?



# Tomorrow's World: Tomorrow is Too Late

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Service Industrialization – **“Technology and ‘industrialization’ are reshaping services as they did manufacturing”** – UCLA Anderson Review

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Virtualization

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Digital Economy

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Social Economy

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Self-Service

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Automation

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Commoditization

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Information Ubiquity

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Decentralization

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Pervasive Dunning-Kruger Effect (Expert Syndrome)

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# Leadership in the Digital Age

- Profitability and Survival
- Sustainability – Transformative Digital Thinking
- Solving Problems/Needs
- Utilization and Efficiency
- Inclusivity – Barriers, Access, Disability, Communication
- Humanization – Innovation, Motivation, Facilitation, Assimilation



# Leadership vs. Status Quo

- “Customer expectations are far exceeding what you can really do. That means a fundamental rethinking about what we do with technology in organizations.”

-George Westerman | MIT Principal Research Scientist and Author

- “As a director, if you’re not asking questions about how your organization is navigating and plugging into disruption, forming new ecosystems, and tapping into open markets, then your organization is at risk.”

-Andrew Vaz | Global Chief Innovation Officer at Deloitte



# Some Key Terms and Concepts

The Language and Technology  
of the Digital Future of Work



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## Here Are Today's Categories

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- **Digital Ecosystem**
- **Ai**
- **Gold and Cryptocurrency**
- **Distributed ledger**
- **Blockchain**
- **NFT**
- **Metaverse**
- **Token**
- **Smart Contracts**
- **Wallet**
- **Web3 – Web1- Static; Web2- Participatory; Web3- Metaverse**



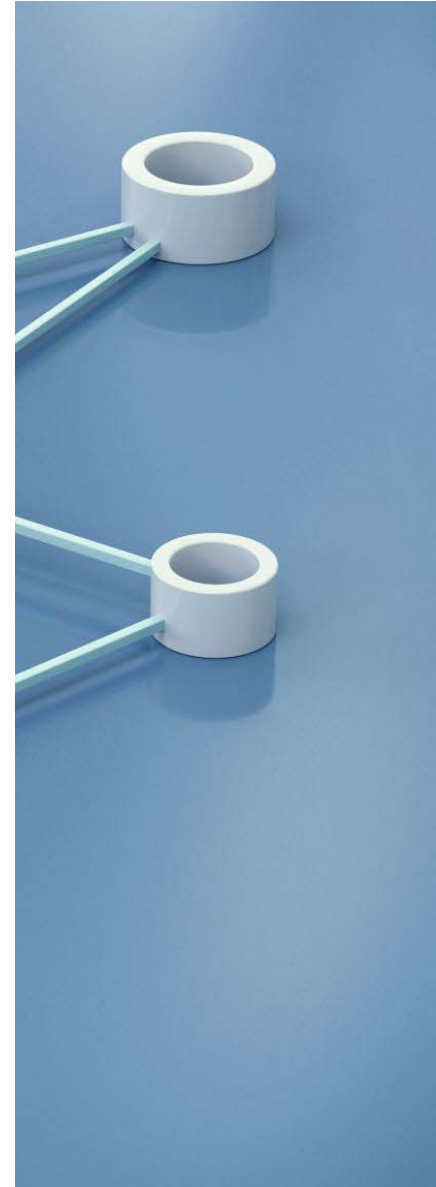
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# The Digital Ecosystem

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“A network of stakeholders (partners, products, suppliers, applications, and third-party data services) that are interconnected in a digital space.” – Bynder



# You Already Participate

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- “Digital technology is so broad today as to encompass almost everything. No product is made today, no person moves today, nothing is collected, analyzed or communicated without some 'digital technology' being an integral part of it. - **Louis Rossetto**, *Wired*





# Why the Digital Ecosystem Matters

- **Strategic Advantage / Avoid Obsolescence**
  - Client Demand
  - Emerging and Dying Industries
  - Emerging Areas of Law
- **Radical Disruptive Innovation**
- **Global Ubiquity**



## Your Attorneys and the Digital Ecosystem:

- Don't Know Anything, Dismissive or Engaged and Using
- Irrelevant to Law or Developing Areas of Law
- Invested and Secretive or Invested and Obsessed
- Intrigued but Wait and See or Entrepreneurial and Ready to Exploit



## What About You?

### Can You Talk to Attorneys Who:

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**Don't Know Anything, Dismissive or Engaged  
and Using**

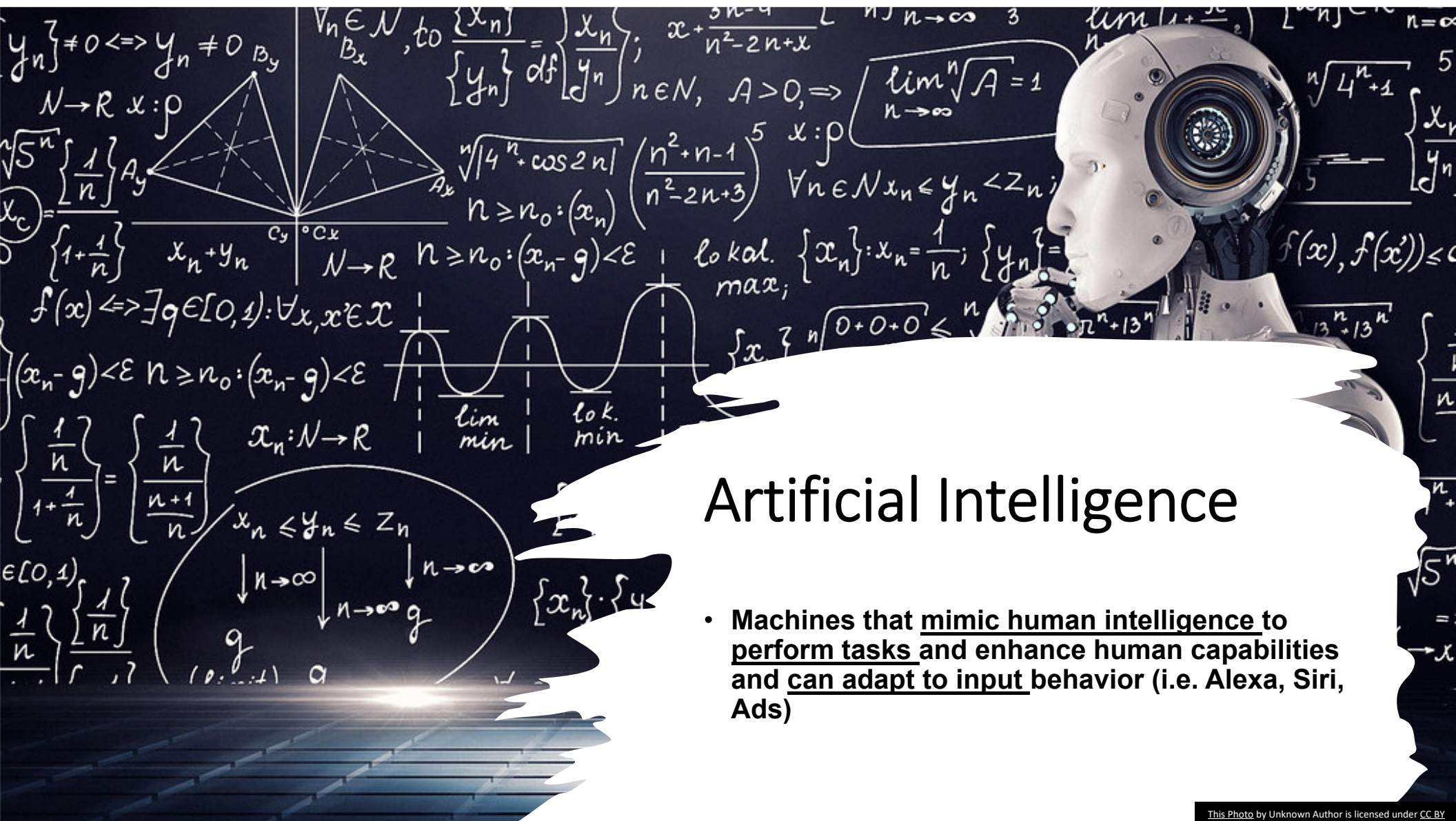
**Irrelevant to Law or Developing Areas of Law**

**Invested and Secretive or Invested and  
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**Intrigued but Uniformed to Entrepreneurial and  
Ready to Exploit**



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# Artificial Intelligence

- Machines that mimic human intelligence to perform tasks and enhance human capabilities and can adapt to input behavior (i.e. Alexa, Siri, Ads)



# **Ai in Law Firms Saves Time**

- **Chat Bots**
- **Document Review: Find common or missing language, terms, compliance items**
- **Automation in data collection, parsing, sorting, patterns**
- **Insight into activities and practices of opposing counsel on matters**
- **Predict outcomes and timelines based on previous common threads related to counsel, rulings, judges, similar matters**

# **Ai Analytics Advantages**

- **Firm Advantage: Leverage Collective Work Product and Experience in Your Firm**
- **Preemptive Advice to Manage Risk vs. Litigation Outcomes Afterwards**
- **Equity: Newer, Better, Lower Cost Legal Services, More Served**
- **From Anecdotal to Data Driven Legal Practice**
- **Predict Matter Costs and Outcomes**
- **Discovery**



# Challenges

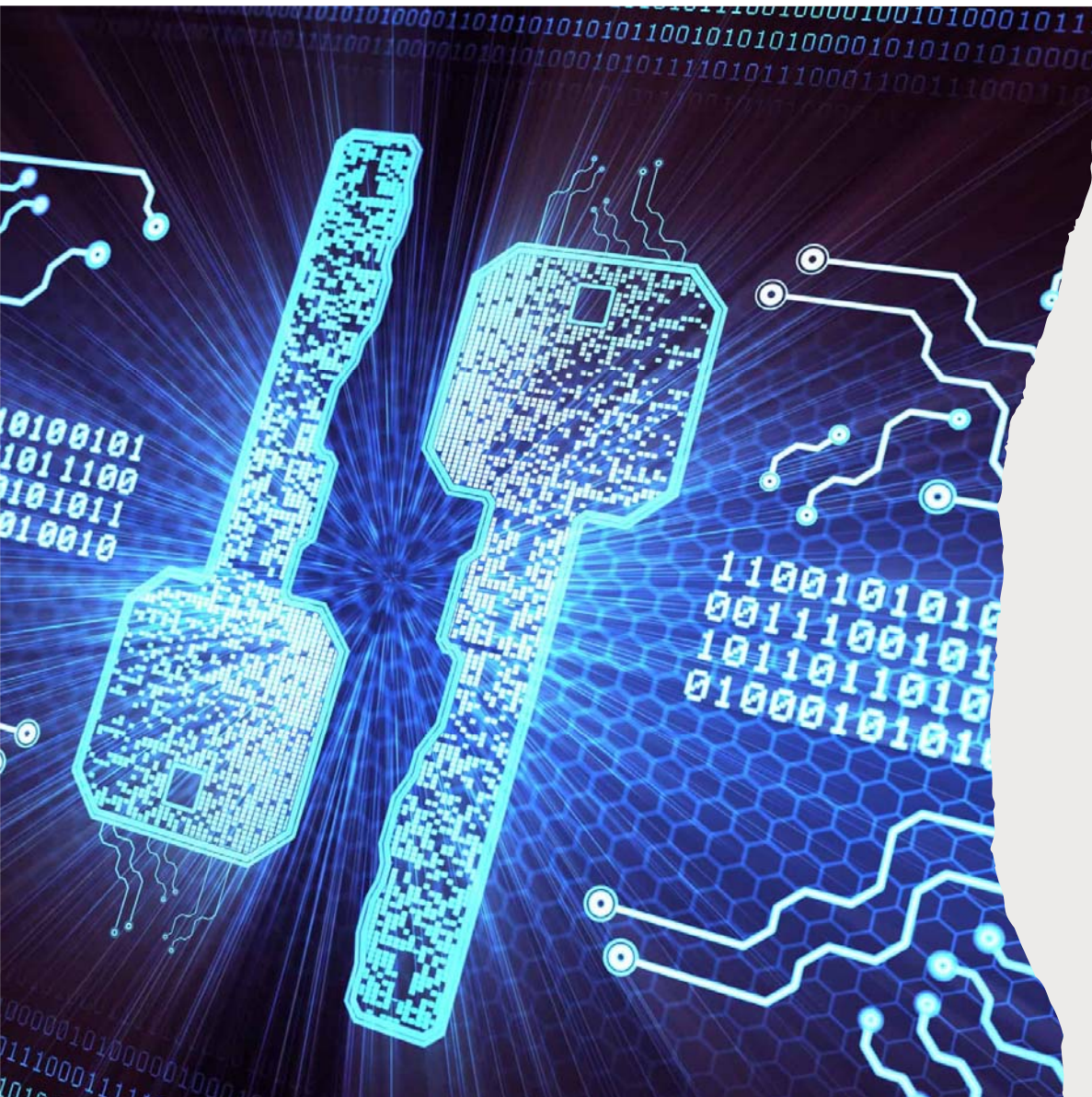
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- Expensive
- Not Perfect
- Setup Flaws
- Algorithm Bias (i.e. Offender Profiling for Recidivism)
- Adoption Fear: Lawyers Fear Losing Jobs



# Cryptocurrency

- **What is it**
- **Value**
- **Volatility**
- **Security**



# Cryptocurrency

- Digital Currency or Token
- Medium of Exchange
- Accessing a Peer-to-Peer Database to Confirm Transactions
- Using Cryptography
  
- A Peer-to-Peer Digital Payment System Confirmed by Network Participants

# Cryptocurrency

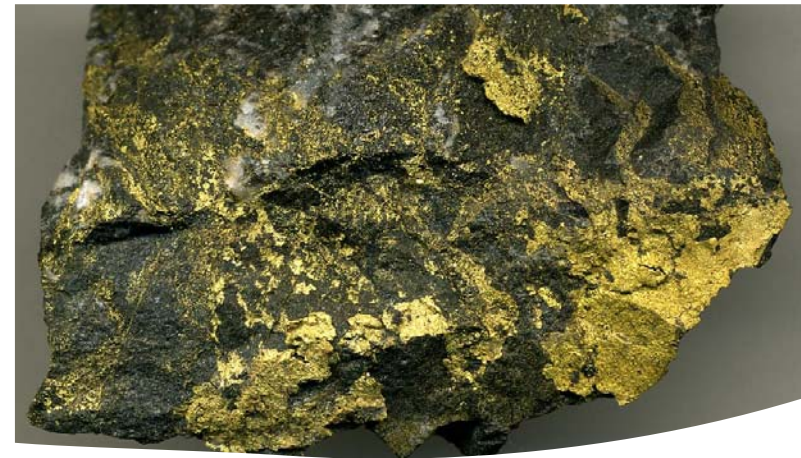
- **Digital Currency or Token (Bitcoin, Alt-coins Such as Ethereum, Litecoin, etc)**
- **Medium of Exchange (Digital Transactions)**
- **Accessing a Peer-to-Peer Database (Distributed Computer Network Ledger)**
- **...to Confirm Transactions (Blockchain vs Banks, Governments, etc)**
- **Using Cryptography (Encryption for Security)**
  
- **A Peer-to-Peer Digital Payment System Confirmed by Network Participants**
- **Digital Coins Have a Market Value Similar to Stocks**
- **Stored in Digital Wallets or on Exchanges**





# Things to Know

- **Many Networks – Competition, Utility, Functionality (Computer Code)**
- **Attractive for Time, Cost, International Trade Value**
  - **Traditional Wires – 1-5 Days During Banking Hours, Middlemen, Exchange Rates**
  - **Crypto Exchange – Seconds to Minutes Anytime, Common Value**
- **Volatile Market Creates Volatile Value and Risk**
- **Online Exchanges Could Be Hacked**
- **Fees and Tax Effects**



# Gold is Money? Do You Have Any On You?

- **Bartering (User Deemed Value)**
- **Rare Rocks (Local Esteemed Value)**
- **Shekels (Better than Rocks)**
- **Gold Coins (Government Designated Value)**
- **Gold Backed Banknotes (Gold Trading)**
- **Various Country Backed Banknotes (Cooperative Value)**
- **Digits in an Account (Designated Value)**
- **Cryptocurrency (Universal Value)**



# Smart Contracts

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- **Digital Contracts (code) with Conditions**
- **Executed *Automatically* When Conditions Met**
- **Using *Blockchains***
  
- **No Human Intervention or Time Loss**
- **Unchangeable**
- **Certain Execution**
- **No Fees**
  
- **Imagine No Billing and Collection Activities in Your Firm**
- **Practice Areas**





# NFT

- Non-Fungible Token
- Non-Fungible = **Unique and Irreplaceable**
- Token = **Tradable Code Using Blockchains**
  
- Art, Music, Digital Information
  
- **Represents Ownership of Unique or Scarce Item**
- **Conceptual Examples:**
  - Vehicle Title
  - Collectible Items Such as Baseball Cards
  - Artwork at a Museum vs Owner's Gallery





## NFT and Legal

- Copyright and Trademark
- Intellectual Property Licensing
- Entertainment Transactions
- Securities
- Privacy



## Metaverse

**“It is the combined network of 3D virtual worlds in which people work, play and socialize.” – [Law.com](https://www.law.com)**

Digital Reality, Worlds, Connections, Events, Commerce, Real Estate



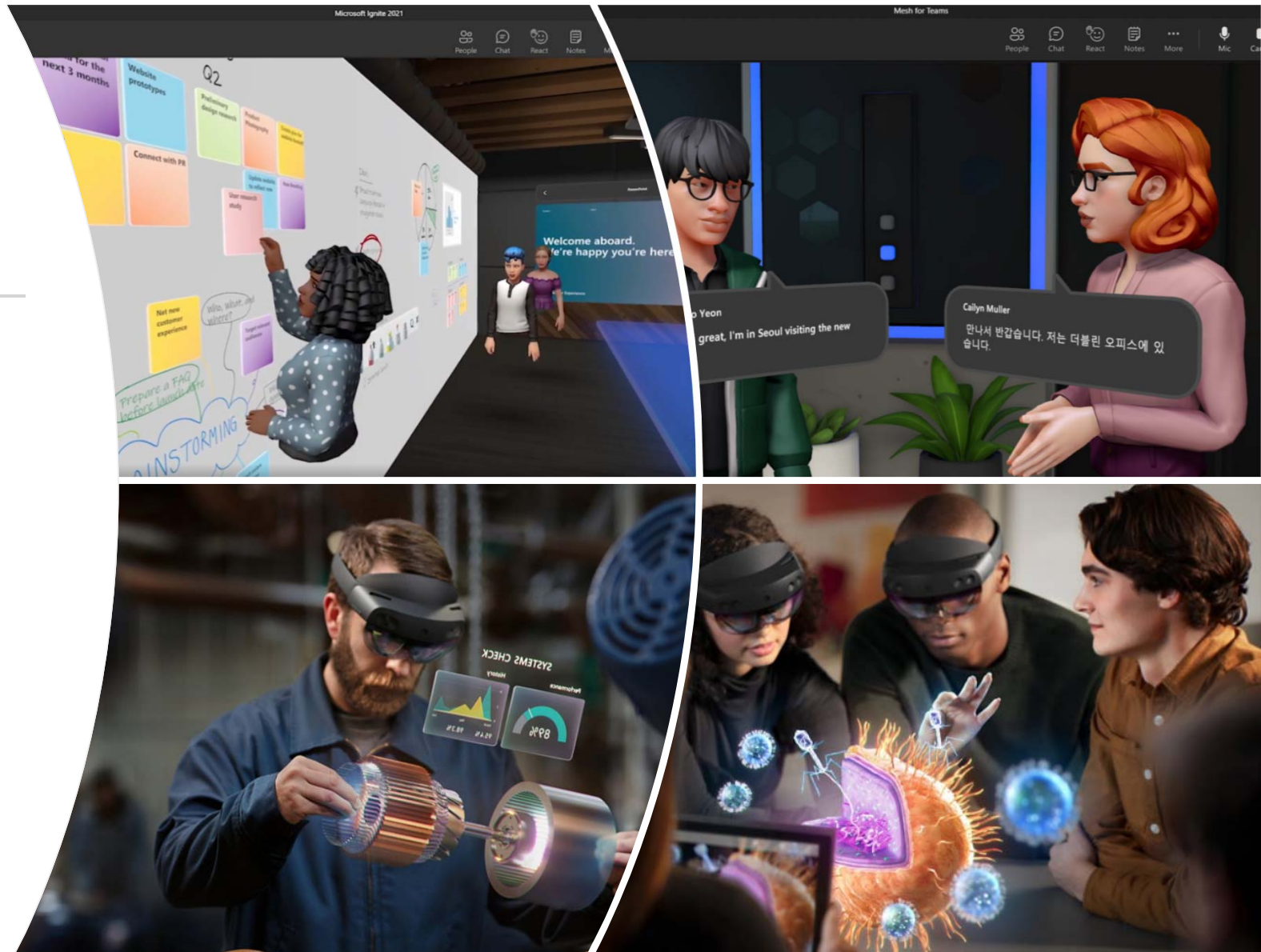
The Future Was  
in Movies

# The Future is Here Fast

- Virtual Reality
- Augmented Reality
- Mixed Reality

## USES:

- Communication
- Client Interactions
- Meetings
- Collaboration
- Mediations
- Trials
- Learning

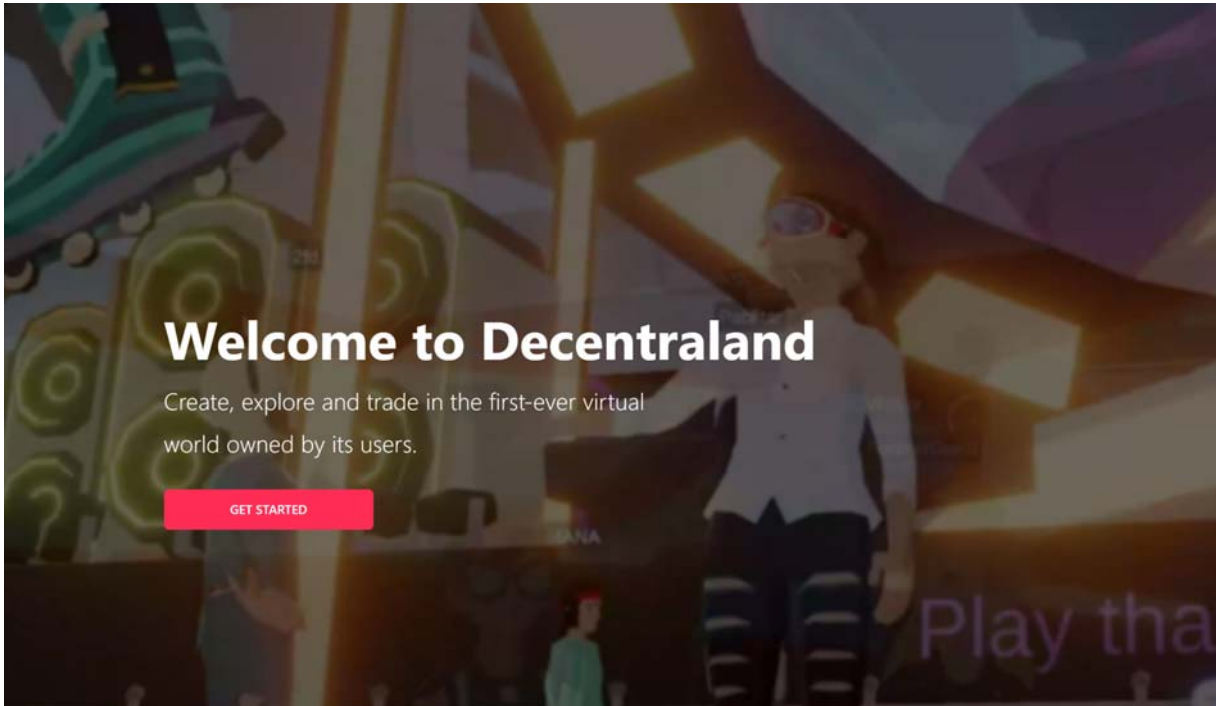


## Some Recent Equivalent Migrations

- Landline to Cellular
- Snail Mail and Fax to E-Mail
- Telephone Conferencing to Video Conferencing
- Office Meetings to Zoom
- Day planner to Smartphone
- Photo Film to Digital Picture
- Typewriter to Keyboard and to Voice Recognition



# Meta Law Firms



**Grungo Colarulo – First PI Firm in the Metaverse**

**Arent Fox – First “Big Law” Firm in the Metaverse**

**“Arent Fox’s virtual offices will be a place where lawyers can meet with clients for business or socializing.”**

**“We don’t know what the metaverse will be in five years, but we’re not waiting five years to find out.”**

**-Anthony Lupo,  
Chair, Arent Fox Law Firm**



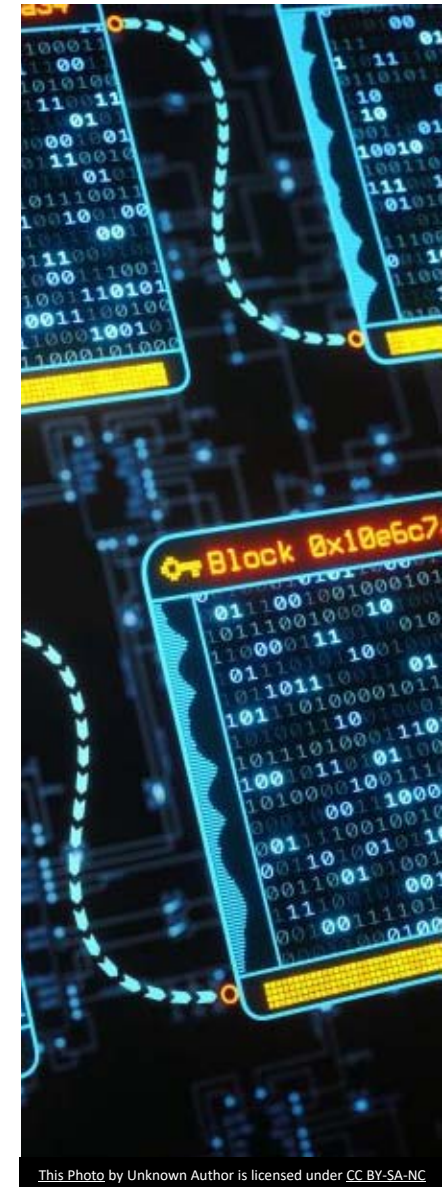
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# Blockchain, Ai, and Law

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**More Transparent, Efficient, Automated,  
Secure Services**

- **Shared ledger accessible by all parties to an agreement, compliance built-in, no misinterpretation, tamper-proof**
- **Digitally signed and immutably stored agreements**
- **Automate administrative tasks and transactional work**
  - 2018 Legal Trends Report by Clio, 48% of time spent
- **Applicability of Current Law?**



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# Emerging and Changing Practice Areas – Blind Justice

**Transactional, Contracts, Structured Settlements**

**Intellectual Property**

**Banking**

**Arbitration and Court Decisions**

**Criminal**

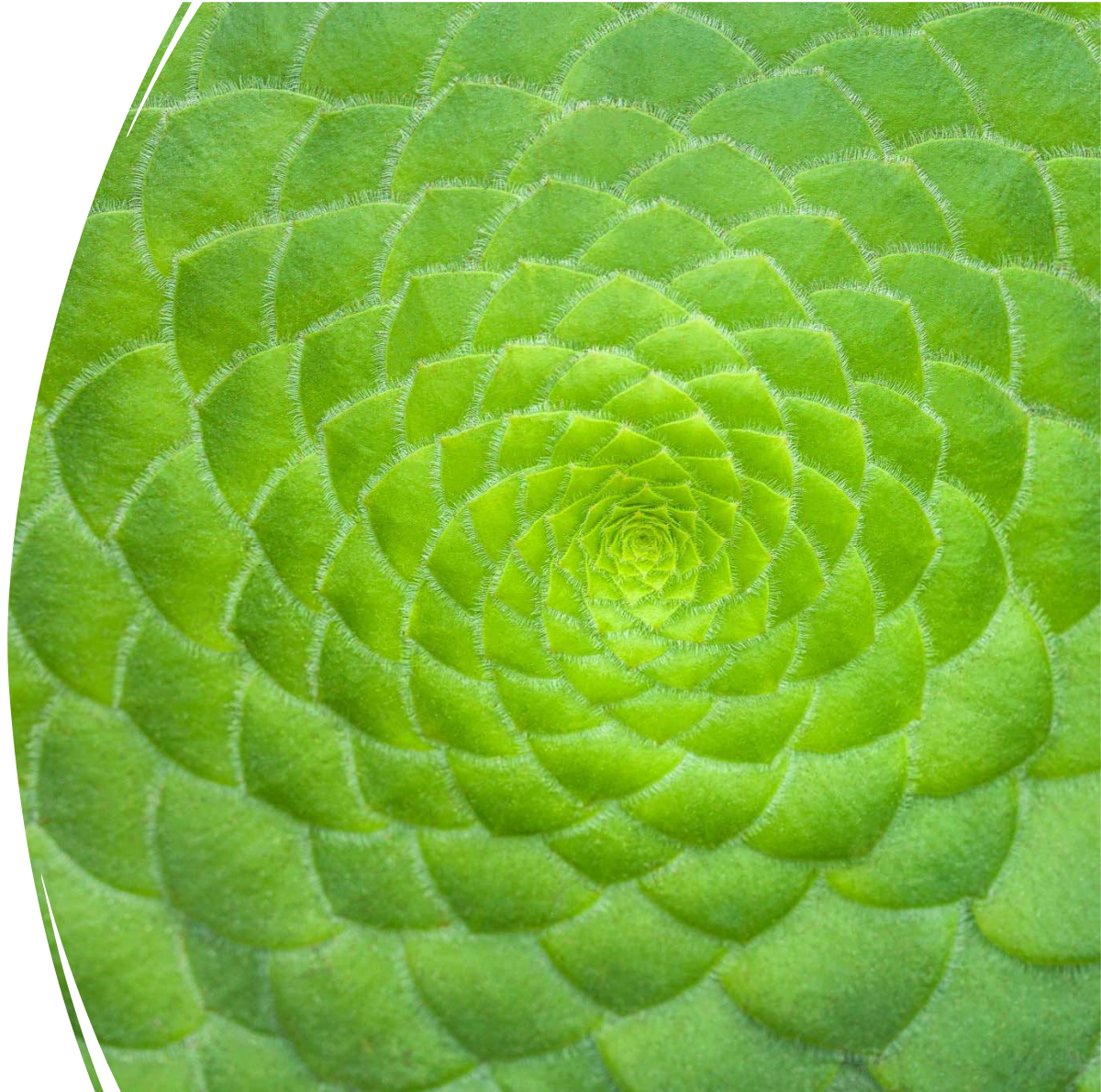
**International Trade**

**Tax**

# Still Immature

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- **From Unknown to Known**
- **Misunderstood to Understood**
- **Skeptical to Acceptance**
- **Risky to More Secure**
- **Uncertainty to Necessary**
- **No Relevance to Mission Critical**
- **Impractical to Convenient**
- **Ubiquity= Mission Critical,  
Convenient, Known,  
Understood, Secure**





# Widespread Development and Capital

Global Economy Momentum  
Nations and Companies

# Still Resisted and Risky: Disruptive to Profitable Industries

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**Threat and Resistance  
(Resistance is Futile)**

**Quantum Leap in Commerce  
Structures and Practices**

**(Parties Deal Directly With One  
Another)**



# Have a Business Case for Adoption

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- Firm/Organization Driven Innovation
- Client Driven Need
- Firm/Organization Management Need
- Strategic Need or Opportunity
  
- **How is Your Firm Engaging in These Technologies?**



# Selecting Ecosystem Business Partners

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**Marketing vs Delivery**

**Use the Technology; Anyone Can Buy  
Technology**

**Innovation in Processes vs Doing Faster**

**Return on Investment**

**Problems That are Solved**

**Developer Partnerships (Creating vs.  
Reacting)**





# Developments, Needs, Challenges

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- GPR: Global Patent Registry – First Blockchain Registry
  - Transparency for Patent Ownership and Identification
- Need for Immediate Digital Market Introduction
- Need for Managing and Valuing IP Assets and Risks
- Simplified and Cost-Efficient IP Asset Transactions (Licensing, Sales, Acquisitions)
- Effect of Blockchain and Digital Ecosystem on Domestic and Foreign Filing?





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# Questions?

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**“Do  
Something  
Today to  
Make  
Tomorrow  
Better”**



**THANK YOU!**

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