

Is Thomson Reuters Pangea3 the Original “Law Company”?

If you ask these two NewLaw executives (and we did), the answer is an unqualified, emphatic **YES**.

INDUSTRY PERSPECTIVES: Q&A WITH



Ed Sohn

VP, Product Management & Partnerships



Joe Borstein

Global Director

In 2010, publishing juggernaut **Thomson Reuters** made headlines with its acquisition of **Pangea3**, an early leader in the fast-growing legal process outsourcing [LPO] category.

Now a part of **TR Legal Managed Services**, the Pangea3 model has done more than stand the test of time: Global Director Joe Borstein says it is “**better, bigger, and far more mature.**”

Ed Sohn and Joe Borstein are a formidable pair.

Penn Law grads and ex-litigators who cut their teeth at prestigious Big Law firms, both are intelligent and energetic. After all, it’s hard to thrive for years in firms like King & Spalding or Kasowitz Benson without those traits.

But this dynamic duo shares something far more important than pedigree, maybe even more than innate talent or work ethic.

Both are independent thinkers, willing to bet on a future that looks very different from the traditions and institutions that trained them.

Sohn and Borstein are true believers in legal innovation, perhaps for the

simple reason that they spend every single day actually doing the work required to build their vision of the future – and then actually taking that work to a market of paying customers.

Together, Sohn and Borstein drive the consultative process of co-creating new legal service delivery models, with both corporate legal and law firm clients.

In their respective roles at TR Legal Managed Services, these two sit squarely at the intersection of legal commerce, where evolving client needs collide with frontier tech and new service delivery models.

In this Q&A, Sohn and Borstein answer the burning questions we were all afraid to ask, starting with “**what is managed services, anyway?**”



Q | What really defines the **managed services model** and separates it from pure-play outsourcing? What makes that approach superior relative to a law department or a law firm standing up an offshored or near-shored team of lower-cost resources?

SOHN: The short answer is three-fold. Process rigor with metrics for performance, a full-time talent model built for scale and specialized expertise, enabled with the latest and most appropriate tech.

First and foremost, process rigor is what sets managed services apart. **It is a nuanced difference but we're handling functions, not tasks.**

More of our engagements span multiple individual projects, with more of our processes integrating with our clients' processes. We don't deliver documents reviewed and call it a day – we have a seat at the table in a larger eDiscovery strategy. We are not a box in a flow chart for a first pass at contract drafting, but we are now an entire team of drafting and contract reviewers. And this managed services path is growing.

BORSTEIN: With respect to talent, Pangea3 is a superior choice for two related reasons: our scaled full-time talent model; and, flowing from that, institutional expertise.

We maintain a huge standing full-time staff. This is a really difficult model to run – we are well over a thousand people on three continents – but accepting that challenge is core to our identity. We assume the risk of engaging a highly trained, massively scaled workforce so that our clients don't have to.

BORSTEIN: Both corporate and law firm clients are hard-pressed to staff to their fluctuations in demand for legal work. We are purpose-built to solve for spikes in demand, across all service lines.

Attracting and retaining quality talent is a competitive edge for us, as it is for any services business. This model supports the quality of our talent pool because a full-time role comes with a career track and

“ We are purpose-built to solve for spikes in demand across all service lines... We do more volume and handle a greater variety of process-oriented work than any one corporate client – or even law firm.

professional investment. A career with a globally recognized brand like Thomson Reuters is a very appealing job. The proof is in the pudding here: most of our most senior leaders are long-tenured and grew up in the company.

And the benefit for us – and our clients – is that we capture all the experience and expertise from each engagement and pay it forward to the next client. AI and machine learning often dominate the conversation but **we have never forgotten the value of a human learning model, a continuously improving talent base.** In that regard, we are the envy of our peers.

SOHN: **Whenever we think about tech, it's important to remember that it is a key enabler for a broader goal.**

In the soul of our business, we value quality and efficiency: if we can do anything better, faster and cheaper, we will. It is central to our ethos and culture. To achieve that goal, we dedicate time and energy to horizon scanning for any edge, even if it costs us short-term revenue.

Law departments and law firms, by and large, must place bets on tech, and sustaining ROI usually requires

some supporting capabilities like program management. They may not be in a position to constantly be innovating. Often, the results are mixed.

Our investment tends to be both broad and deep, as well as more consistent. **It's our business to know which frontier technologies are ready for prime-time – and our clients seek our expertise and advice on this.**

It just makes more sense to test emerging tech in tandem with our process rigor in managed services. And ultimately, we are faster and more qualified to pull the whole solution together to take it across the finish line.

Q | How has the Pangea3 model evolved over the past 10 years?

BORSTEIN: We have always been a full-service LPO, with contract and regulatory offerings ahead of their time, but for a while document review boomed and ate everything!

Now, clients engage us more broadly – across both bet-the-company and run-the-company legal functions. Each year, in step with our clients, we push upward toward more and more sophisticated legal work.

SOHN: We are always exploring how the managed services model can create value beyond cost savings. The dialogue now focuses on cost predictability, contractual turnaround times, and guaranteed consistency of quality.

In these areas, Pangea3 and other managed services providers are still far ahead of traditional legal players. These are disciplines where experiential learning is cumulative – we get smarter with each and every engagement.

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BORSTEIN: We’ve also grown our corporate client base across every major industry, spurred on not by an episode like the financial sector in 2008, but by a growing desire for standing disaggregation.

Law departments today are much more comfortable with the idea of unbundling legal work that used to be sent to law firms.

There is definitely a more intentional decision process around optimal sourcing, whether to keep things in-house, send to traditional counsel, to engage an ALSP, or some combination of one, more, or all of the above.

VOICE OF THE CLIENT



Often, we are open to having these folks take on downstream legal work that used to be done by Big Law associates like myself. Yes, the managed services approach certainly cuts costs, but it also offers other benefits that I think are important. When providers like Pangea3 perform at their best, the optimal technology has been vetted and integrated into a stress-tested and refined process.

Stephen Williams, Counsel at FIS Global

