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**Canadians to outsource legal services to India
Lawyers already familiar with English common law provide a fresh
avenue to cut costs**

Curt Cherewayko
Business in Vancouver

A new company is dubbing itself the first in Canada to offer offshore legal outsourcing services to Canadian law firms and in-house legal departments.

Launched in February, Legalwise Outsourcing collaborates with a team of lawyers in India, where legal support services can be provided at 30% to 70% less than the price of services in Canada.

Gavin Birer, Legalwise's founder, worked as a private practice lawyer for a number of years and was also a corporate lawyer with two law firms on Bay Street in Toronto.

It was in his most recent position as vice-president of legal and business affairs for Travelex Americas, the world's largest non-bank foreign exchange company, that Birer - seeking to keep Travelex's legal costs down as the workload increased - first considered the viability of outsourcing legal work.

"With that sort of environment it's often a struggle to try and get some of the basic legal work ... done in a cost-effective way."

Aware that companies in the United States have been outsourcing legal work to India for more than five years, Birer anticipates that offshore outsourcing will be attractive to Canadian law firms and in-house counsels looking to shave costs.

Ontario-based Legalwise is not a law firm, stressed Birer, and does not provide legal advice.

It provides Canadian companies with lawyers in India who can complete voluminous work that doesn't require extensive knowledge of Canadian jurisdictions. This includes research, drafting, document review, due diligence and other such tasks that are typically handed over for completion to articling students, paralegals and junior associates. Although the work is basic and often repetitive, said Birer, it is necessary and can require long hours to complete.

India and Canada have legal systems based on English common law, which means lawyers trained in India are familiar with the structure and language of Canadian laws. That commonality, as well as India's enormous population and a lower cost of living, makes it an ideal place to outsource legal work.

Birer also noted that India is in a time-zone 13.5 hours ahead of Vancouver, which means lawyers in India start their day just as

lawyers in Canada are ending theirs. The staggered schedules allow a quick turnaround time: projects can be sent to India at the end of the Canadian work day and be completed overnight - during the Indian work day.

Legalwise doesn't directly employ any lawyers in India. Rather, it has partnered with Mindcrest, a Chicago-based offshore legal service provider, that's been in business since 2001.

Pangea3 LLC, a New York-based outsourcing firm, has roughly 250 employees in India. It is one of a number of U.S. companies offering offshore legal services - a market that Forrester Research predicts will grow to more than US\$4 billion by 2015.

The company has five Canadian clients, including one of Canada largest law firms (due to confidentiality agreements, Pangea3 could not disclose the Canadian clients).

Greg McPolin, Pangea3's vice-president of legal services, doesn't believe that sending legal work offshore has decreased the demand for the skills of lawyers in North America. "Look at the rate at which law firms are hiring associates and paying salaries and bonuses - I don't think we've dented that yet."

Scott Taylor, a Vancouver lawyer, journalist and legal analyst who has written about offshore legal outsourcing, said that the certainty of confidentiality needs to be addressed anytime you transfer or transmit potentially priority or sensitive information.

"You need to be certain that protection is in place to ensure that only the people you want to see the information have access to it."

He believes law firms and legal department in Canada will consider outsourcing if it presents the opportunity for them to save money. "If the standards are being maintained and if the costs and turnaround are as good as it is proposed to be, I think there is every reason to believe it will trend similarly to what's happening in the U.S."