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DTI Skyline: Commitment To Superior Client Service Results In Merger Of Equals

The Editor interviews John Davenport, CEO, Document Technologies, Inc., (DTI) and Michael McGowan, Managing Partner, DTI/Skyline – New York and former President, Skyline Legal Technologies.

Editor: Please tell our readers about your professional background and experience.

Davenport: I am the co-founder and CEO of Document Technologies, Inc. (DTI), and have been in this industry for 20 years. I began to work part-time in the litigation support industry at age 19 while I went to school in Georgia, and I've worked in every area of the business ranging from an operator to a production manager to a sales person. I also served as managing partner and regional vice president for a very large national litigation support company. I left that company in 1998 to start Document Technologies.

McGowan: I am the managing partner for DTI in New York and am the former president of Skyline Legal Technologies. I have also been in the industry for close to 20 years. In 1994 we started Skyline as a very small operation in New York. At that time I had the title of president, but that involved everything from managing production capacities to working all night to fully service our clients on the projects that we were working on. Prior to that, I worked as a case manager for an intellectual property law firm. That is where I formed the service strategies that are still in place today to keep the client, customer and the end user in mind at all times.

Editor: Would you tell us about the services that DTI and Skyline Legal Tech-

nologies offer to clients and the geographic reach of those services?

Davenport: We are a full-service litigation support service provider. We do everything from paper-based discovery services through the scanning and coding as well as forensics and e-discovery. We are really a full-service provider in the litigation support space, offering our customer base everything they need in this area.

We deliver our services through two important channels. First, we provide services through the 26 facilities that we own and operate in 23 markets across the United States. Second, we also provide those services on site by bringing our people, processes and equipment directly to the customers' location. We currently have contractual arrangements with over 100 law firms across the United States in 26 markets to provide those on-site services.

McGowan: Skyline was one of the largest single-market service providers in the United States prior to the merger. New York has the largest legal community in the U.S. so our services touch on a full platform of services for litigation support. Some of the services that we did not provide in a formal program that DTI offers are a robust web hosting solution, forensics, and large scale in-depth electronically stored information (ESI) services.

Editor: What were the factors that led to the merger between your respective companies?

McGowan: There have been dramatic changes over the past 10 years in the litigation support service industry. A lot of those changes have resulted from the

advent of electronic discovery and the demands that have been placed on corporate legal departments and law firms to administer this information. Companies need to work with service providers that take a strong consultative approach to manage some of these processes. They are looking for the best and the brightest approach. As a smaller operation we were looking for a partner that would allow us to expand and bring those types of services on a broader scale. A merger with DTI would broaden the platform of our services and practices for our clients based in New York.

Editor: Will the combination of the two companies allow you to achieve objectives that the companies could not achieve on their own or through organic growth?

McGowan: Without a doubt, it has been a real success. We were looking for a merger that would result in a new entity that would be able to provide clients with a greater value than the two companies would achieve on their own. It has been a great experience over the past few months, and we feel very optimistic and very excited about the next chapter moving forward.

Editor: In order for a merger to be successful the organizations coming together should have a shared vision and common goals. Do you believe that DTI and Skyline have these objectives in common?

McGowan: I used to say that I felt we were separated at birth and now we are reunited. Every time we have an in-depth conversation about philosophies for ser-

Please email the interviewees at jdavenportjr@dtiglobal.com or mmcgowan@dtiglobal.com with questions about this interview.

vice approach or methodologies it seems like we are always on the same page. I think we're very fortunate because it is critical to have the right business synergies and the right approach to client service in order to be successful.

Davenport: We were both leaders in our respective organizations, and everyone in our organization and everyone in Skyline grew up in the exact same manner. We all grew up in this business so we had really similar cultures. It was great to see that Skyline lived by the same principles that we had in place. Our founding principle is that we are a company based on people, both our customers and employees. Before taking any action we ask whether it is good for our customers and whether it is good for our employees. Skyline has a similar operating philosophy which is the only way to successfully run a service oriented business.

Editor: What benefits will current and future clients of DTI Skyline receive as a result of the merger?

Davenport: DTI had already invested a tremendous amount of time and resources to upgrade our infrastructure to meet the demands of the new digital world. We engaged in the necessary research and development to establish a world-class data facility. Skyline was on the verge of making those same investments to continue to serve its clients so it made more sense for us to partner to allow them to leverage our infrastructure.

From our perspective at DTI, a merger with Skyline would allow us to apply our infrastructure to a broader customer base in New York. In addition, clients with litigation based in New York have to worry about matters in other geographic locations. They have needs and their clients are in all of these markets across the United States and across the world. As a service-oriented business we want to facilitate the management of all that work to be able to provide a comprehensive solution. This is a great opportunity for customers to build a very strong relationship with one provider and be able to use that provider for all of the national litigation that they have.

McGowan: Our clients will be able to capitalize on the resources offered by DTI. For example, DTI has developed a program called LitWorks, which is a comprehensive litigation support training, education, and

tutorial program that spans everything from online e-schools to actual classrooms at the main training facility in Atlanta. LitWorks also allows DTI to bring certified trainers and software to the client and to educate attorneys, practice support people, paralegals, and corporate clients on how to use this software. The enhanced processing and the LitWorks training program offer an instant enhanced benefit for our client base.

The world is getting smaller. We are finding that clients are looking for comprehensive project management so that they do not have to deal with different companies in different markets. They want someone who can manage their litigation in New York, Washington DC, Boston, Philadelphia, San Francisco and even foreign matters in London and other jurisdictions. By managing all those matters from New York we give clients that sense of continuity that they are seeking. Our employees also have the benefit of being able to advance their career goals in a larger organization.

Editor: When do you anticipate to achieve full integration of DTI's and Skyline's services?

Davenport: We're nearly complete with the integration of the services. And then it's an education process for the customers. We have to be proactive about educating the existing customer base about the new services that we can provide, and we are in the process of doing that. That will take some time because today we are viewed in the marketplace in a certain way and with the advent of the new services we need to change that perception. By the end of the year we should have a fully integrated approach and be able to have all of the customers know all of the services that we're able to provide.

Editor: Where would you like to see DTI Skyline in five to ten years?

Davenport: We have had a tremendous amount of growth. During the eight and a half years that we have been operating we have grown to have over \$100 million in revenue and about 1,800 employees across the U.S. Because of that rapid growth we do not have a formalized growth plan. Instead, we will stay true to our value system and as long as we're doing a great job for our customers and a great job for our employees we'll be real happy with wherever we are at in five and ten years. At the

same time, that's the way we've operated heretofore and we've experienced rapid growth so I think we will continue to grow at greater than the market growth if we continue to do a good job for our customers and for our employees.

McGowan: Our growth has been similar to that of DTI. There is room for more growth and I envision the growth happening on a couple of fronts. Obviously we would like to increase our presence in other markets like the Midwest and the West Coast.

I think that what I'd like to see is a replication. We would like to expand our national technology center (NTC) to create a review center at various locations that can do the same processing that the current NTC does. We would like to see regional technology centers supported by Atlanta to serve the various regional markets.

Technology is constantly evolving so we also plan on continuing our research and development to create new tools and enhance those we already have. We want to be the best in litigation support service. That is where we will see our growth. Our goal is to continue to stay with the basic philosophies that got us to where we are, and I think the growth will happen through that approach.

Editor: Where should readers go to learn more about DTI Skyline?

Davenport: They can visit our website www.dtiglobal.com to learn more about our organization.

Editor: Is there anything that you would like to add?

Davenport: We are excited about our industry and our merger with Skyline. It gives us a huge presence in the biggest market in the world for our services. We couldn't be happier with the team that we have on the field in New York City, and I hope that Mike feels the same way about the national team. We're already starting to see benefits from the integration: we have got work going on for a New York client in other markets across the United States so we are very happy with where we are headed and look forward to continuing to do a great job for our employees and our customers.

McGowan: We are really excited about the future, and are especially excited for our employees and for our clients.