Optim™

The Rise of E-Discovery

Presenter:

Betsy J. Walker, MBA

WW Product Marketing Manager

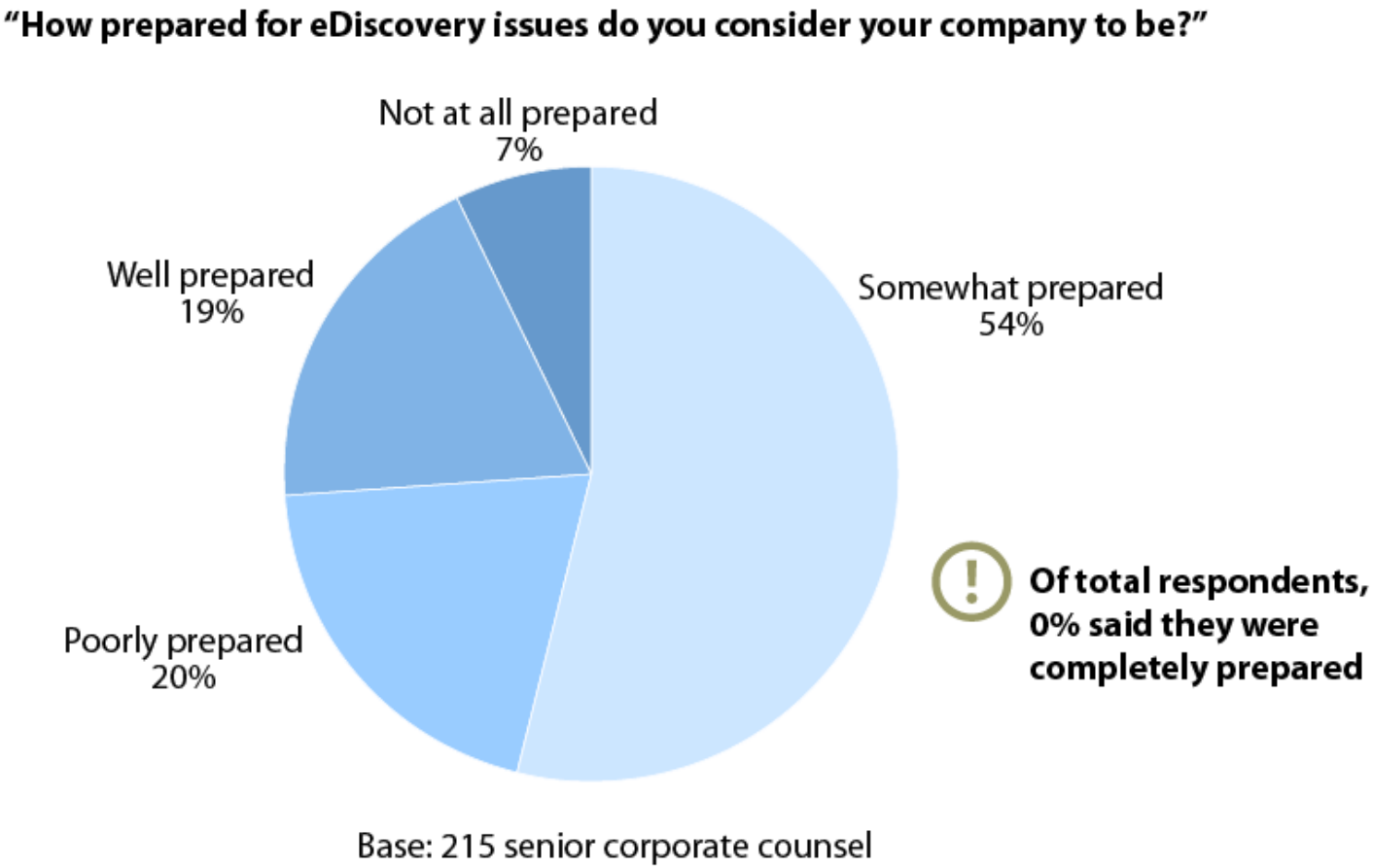
What is E-Discovery?

- E-Discovery (also called Discovery) refers to any process in which electronic data is sought, located, secured, and searched with the intent of using it as evidence in a civil or criminal legal case.
- In the process of E-Discovery, data of all types can serve as evidence. This can include text, images, calendar files, databases, spreadsheets, audio files, animation, Web sites, and computer programs.

The Increase of Regulations

- Privacy
  - EU Data Protection
  - U.S. HIPAA
  - California SB1386
  - UK Data Protection
- Governance
  - U.S. Sarbanes-Oxley Act
  - Euro-SOX
  - Japan-SOX
  - Australia CLERP 9
  - Canada Bill 198
- Security
  - U.S. Patriot Act
  - U.K. Antiterrorism Act
  - Japan Special Measures Against Terrorism
  - Australia Terrorism Act Queensland Terrorism Act
- Legal
  - FRCP
  - SEC 17A-4
  - FOI
  - Canadian Electronic Evidence Act

Organizations are not prepared for E-Discovery…



Source: 2006 Fulbright & Jaworski Third Annual Litigation Trends Survey Findings

Legal Costs of E-Discovery

Identify Appropriate Data	**$200/hour**
Preserve the Data	**$100-$300/hour**
Collect the Data	**$200-$300/hour**
Review the Data	**$120-$350/hour**
Produce the Data	**$1000-$2100/hour**

Debra Logan, "Mapping Technology and Vendors to the Electronic Discovery Reference Model," GartnerResearch, ID Number: G00153110, November 9,2007.

The E-Discovery Process

Request:	From plaintiff, administrator or regulator
Identification:	Custodians as well as time period
Preservation:	At the hint of demand, this becomes No. 1 priority
Collection:	Preserve chain of custody
Review:	For privilege or production
Production:	Give to third parties in a specified format

E-Discovery is a reality

- **Ignorance is no longer an option!**
  - "When it comes to eDiscovery, we sincerely hoped we would not be involved with this. Then, we had a situation come up where discovery was required — it was a nightmare. We had to search the mailboxes of senior management, and it was extremely difficult and time-consuming to determine what was available and what was not."
    - *Senior Manager of IT planning, telecommunications company.*

Forrester, 2007

Analysts Recommendations

- Relate E-Discovery to broader ECM or EIM strategy (Vision)
- Create or refine the process(es) for carrying out E-Discovery in the organization (Vision)
- Define the permanent and temporary roles on the E-Discovery team (Plan)
- Establish project parameters and success measures definitions (Plan)
- Identify potential sources of electronically stored information (Plan)
- Establish E-Discovery policies and practices (Build)
- Implement archiving systems for e-mail, files and other data (Operate)

Key Issues for an Electronic Discovery Project, Gartner, 2008

E-Discovery: Costly, Complicated and Court Ordered

For companies with more than $1 billion in annual revenue, the legal problem is immense and growing larger each day.*

- Average number of lawsuits: 556
- Average number of new disputes each year: 50
- Percentage of companies with at least one $20 million suit: 62%
- Average annual legal spending: $34.2 million*

* Source: Fulbright & Jaworski 2006 Litigation Trends Survey, Gartner 2008.

E-Discovery Issues Go Way Beyond Just Email

Example of Archiving Benefits

- Retail organization had contract dispute with partner over provisions in an agreement struck in the late 1990s providing for some collaboration as they expanded into the online world.
- Sales transaction data became central to the case.
- Reviewers analyzed details of every sales transaction the retailer completed over a six-year period—more than 250 million in all—to study the sales patterns of different categories of products.
- Analysis ultimately concluded no violation of agreement. Had the large volume of sales transaction data not be reviewable, the retailer would have been at risk of losing millions of dollars.

Source: FTI Consulting/Forrester Research

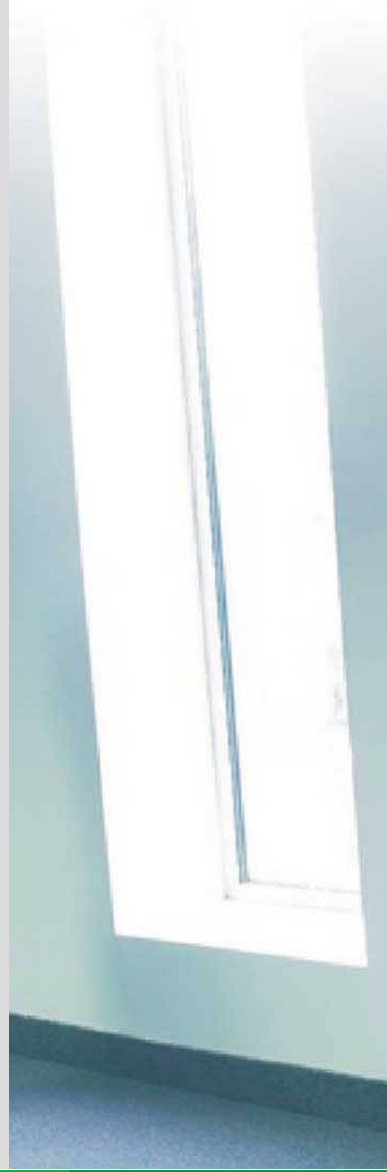
How IT can help in E-Discovery

The biggest problem that end-user organizations face today is the sheer volume of data that they have stored. Reducing data volumes will be a key area of information management activity to concentrate on in 2008. Much of this data is redundant and out of date.

-- Debra Logan, John Bace, Whit Andrews, Gartner 2008

Best Practice: Data Retention

- **Develop & Enforce corporate policies for managing, maintaining, and accessing critical data throughout the lifecycle**
  - for compliance regulations
  - for historical inquiries
  - for future business needs
  - ***for use in legal proceedings or E-Discovery***



How can data retention help?

- **Retain application transaction records stored in databases, in support of information governance and compliance programs**
  - Classify and consistently apply data management policies
  - Segregate transaction records using criteria such as age and status
  - Dispose of expired records in accordance with policy
- **Respond quickly and accurately to E-Discovery requests**
  - Easily access and produce the requested database records by leveraging industry standard methods such as ODBC/JDBC, SQL and XML, and common tools such as report writers and query tools

Data Retention helps in E-Discovery

- An inventory of information assets classified by system, format, and date range
- Backup and recovery plan plus destruction plan
- Audit of user managed policies
- Storage consolidation for better management
- Policy driven granular retention management

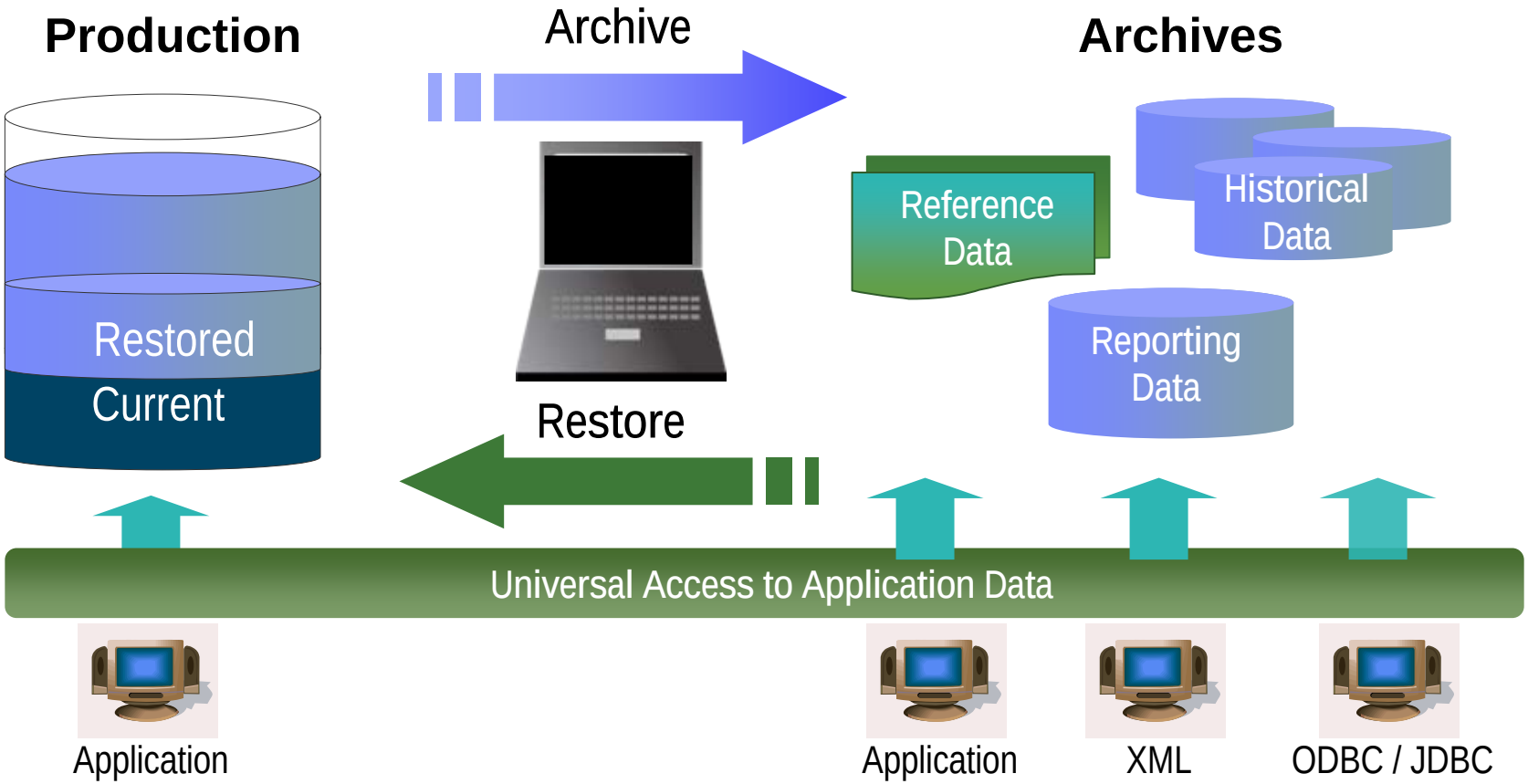
10% to 15% of companies have incompletely realized strategies, the rest have NOTHING AT ALL.

Gartner, 2008

Defining your Retention Policy

- **What data should I be saving, for how long and for what reasons?**
- **What data should I be deleting?**
- **How am I going to find the data when I need it?**
- **What do I do with the data when I no longer need it?**
- **What is the most appropriate solution to meet my archiving needs?**
- **What is the cost/benefit analysis to support an archiving solution acquisition?**

Best Practice for Data Retention



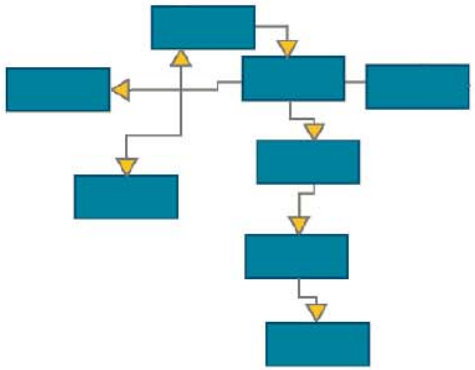
- **Complete Business Object provides historical reference snapshot of business activity**
- **Storage device independence enables ILM**
- **Immutable file format enables data retention compliance**

Solution requirements

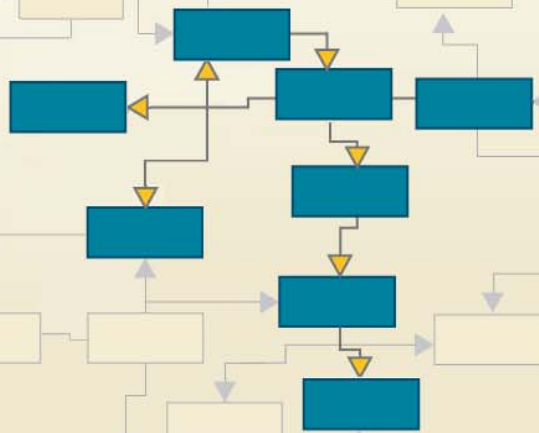
Provide a single, consistent EDM solution across applications, databases and platforms

1. **Capture a complete business object**
2. **Archive to selected target format**
   - Compressed, indexed file
   - XML file
   - Archive database
3. **Support unlimited ILM storage hardware and file migration alternatives**
4. **Enable multiple post-archive access paths**
   - Application independent access
   - Native application access
5. **Enable selective retrieval of archived transaction records**
   - Restore to production
   - Restore to alternate target environment
6. **Enable automated disposal of expired transaction records**

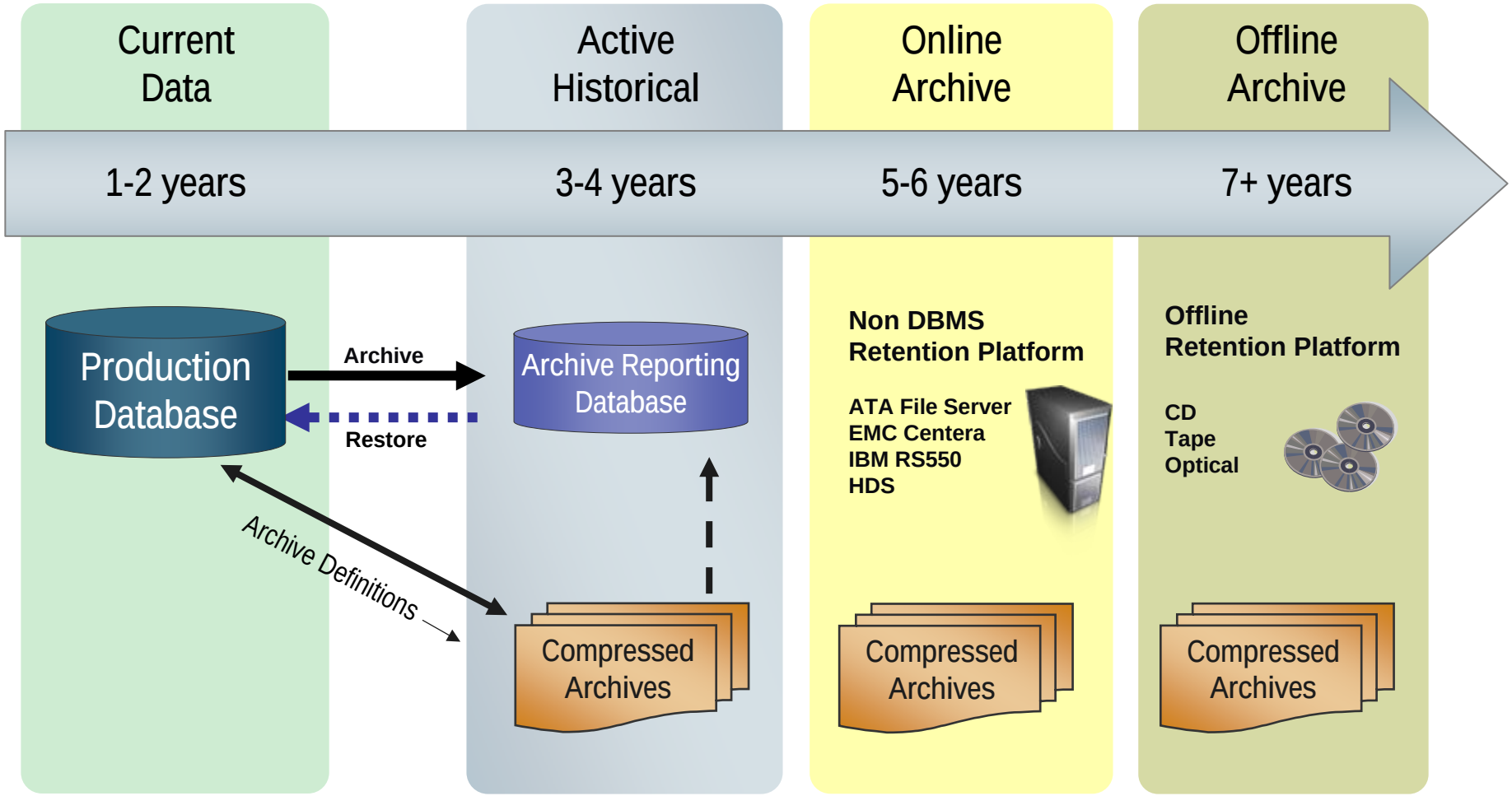
Archiving a Complete Business Object



- **Represents application data record – payment, invoice, customer**
  - Referentially-intact subset of data across related tables and applications; includes metadata
- **Provides "historical reference snapshot" of business activity**



Use a Tiered Storage approach



Universal Access

- **Native application access**
  - Familiar screens and processes
- **Application independent access**
  - Industry standard methods: SQL, ODBC/JDBC, XML
  - Portals
  - Report writers: Crystal Reports, Cognos, Business Objects, Discoverer, Actuate
  - Desktop formats: Excel, CSV, MS Access
  - Database formats

Access Any Record, Anytime, Anywhere!

Enterprise Solution for E-Discovery

- **Manage data across the enterprise including multiple applications, databases, and platforms**
- **Capture data at the business object level**
- **Archive to selected target format**
  - Compressed, indexed file
  - XML file
  - Archive database
- **Implement tiered storage strategies to maximize ILM efficiencies**
  - CAS devices (EMC Centera, IBM DR550)
  - Existing tape libraries
  - Optical disk
- **Multiple access methods to archived business records**
  - Native Application access
  - Self-Help Access (Canned Reports, Query Tools)
  - Application Independent access (Original app/version is not needed)

Client Success: Data Retention & Data Growth

About the Client

Leading Investment Management Company

Industry
Investment

Annual Revenue
$1 Trillion

System
Mainframe, Open Systems, Applications

Solution
Optim™ Data Growth Solution

- **Challenges**:
  - Faced with SEC 17A-4 requirements for retention and compliance regulations
  - Due to compliance and E-Discovery concerns all data was kept in production databases
  - TCO of managing their mainframe environment which supports all of their mission critical applications growing 30% annually
  - Degrading database performance
  - Increased operational costs as a result of increasing hardware to address performance issues and meet SLAs
- **Client Value:**
  - Enterprise offering that can used as a best practice for their mainframe, open systems, PeopleSoft and Siebel environments
  - By implementing a complete Enterprise solution, they can meet SEC 17A-4 requirements and estimate they can reduce their Capacity plan for CPU utilization 25% to 50% over the next 3 years

Client Success: Data Retention

About the Client

Leading Digital Satellite Service Provider

Industry
Telecommunications

Annual Revenue
$13 Billion

Application
Siebel CRM Application

Solution
Optim™ Data Growth Solution for Siebel CRM

- **Challenges**:
  - Need for data cleanse and purge records older than 7 years from Siebel databases
  - Preparing for corporate-wide data management effort to sustain goal of keeping only “what’s needed for the right amount of time”
  - Maintain operational efficiencies and reduce cost of maintenance
- **Client Value:**
  - Satisfied long-term data retention requirements by archiving for secure and readily accessible information
  - Ensured support for SOX and auditor compliance requirements by implementing archiving capabilities to locate and access historical financials data when needed for audit and discovery requests
  - Established a consistent methodology for managing and retaining historical data using Optim across applications, databases and hardware platforms