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The Path Less Traveled

CORPORATE COUNSEL
Q & A

Shannon Smith's first post-law school job puts her on the cutting edge of technology and the law.

Shannon Smith didn't join a firm after law school, nor did she take an entry-level in-house gig. The opportunity to serve as Globanet's general counsel was her first legal role and came after years of working as director of business development for the company and as a consultant and e-discovery specialist.

Globanet is an information management solutions provider that offers archiving, e-discovery, data migration and custom development services for its clients, largely within the financial services sector.

"I was with Globanet from '04 to '08. I left to focus on e-discovery, so I did some consulting to help organizations develop litigation readiness strategies and develop retention policies," Smith said. "After that, I worked for another software company as an e-discovery specialist. I came back to Globanet in August of 2011 to help build out their information governance practice and bring in legal functions in house."

Since rejoining Globanet last year, Smith has increased the size and scope of the company's legal department while working to expand its information governance practice.

Recently, Smith met with Daily Journal staff writer David McAfee at Globanet's Sherman Oaks headquarters to discuss the company's emphasis on data security and its recent partnership with Symantec. Here is an edited transcript of their conversation:

Shannon Smith

General Counsel and Director of Information Governance

Globanet

Sherman Oaks

Size of legal department: 2 lawyers

Daily Journal: Have you added members to Globanet's legal department since you joined as general counsel?

Smith: Yes. When I arrived in August of last year, there was no legal department. It was a department of one — just me — up until a couple of months ago, when Mike [Michael Swarz, information governance strategist] joined. Most of our legal functions are day-to-day corporate tasks, a lot of contract review and managing outside counsel for more specific areas that I'm not an expert in, nor do I have the time to tackle.

DJ: Why did you decide to hire an information governance strategist?

Smith: I was feeling completely overwhelmed with the amount of legal work I was doing, and I was unable to dedicate the time I wanted to our information governance



Juliane Backman/Special to Daily Journal

practice. I met Mike, and he had a very unique skill set that aligned perfectly to what I was doing. He has a legal background, and he's done transactional work before, so I was able to offload a lot of the day-to-day legal functions to Mike. In addition to that, he has a really strong marketing background in the e-discovery space.

DJ: You've been the top lawyer with Globanet for about a year. Have you made any substantial changes to the way the company handles its legal affairs?

Smith: We've made a lot of changes. We've put in a number of processes and structures internally to help streamline legal review. We are encouraging more conversation between our sales arm and our professional services arm to make sure legal isn't an obstacle in our day-to-day business and that we're actually helping facilitate deals, rather than preventing them from going through. We've put in a lot of processes in terms of how documents are received, reviewed and

negotiated. We're no longer relying on our business units to participate in negotiations, and I think before they were probably more involved than they preferred to be. We've also reduced our CEO's role in transactional review.

'We've experienced some substantial growth in the last 24 months, and with that has come a tremendous increase in volume and types of agreements that we're negotiating.'

DJ: What has been your greatest success in the past year?

Smith: So far, in the short time I've been back, our biggest achievement has been around developing our e-discovery services. In addition to what I do as general counsel, I'm also responsible for overseeing our e-discovery and compliance offer-

ings. In the last 12 months, we've been able to become certified as a Symantec professional services partner — that was quite an achievement because we were the first partner to do that. We've been able to ramp up and get our professional services team qualified to deliver services around Clearwell, which is their solution.

DJ: How has Globanet expanded beyond data archiving solutions?

Smith: We really did make a name for ourselves in the archiving space, but in the last five or so years we have moved away from archiving — that market is pretty saturated. We've developed our own line of products to augment Symantec's archiving solution. We've moved away from a pure service offering to now a split of services and products, and we are moving more into the products space.

DJ: What types of work do you handle in house?

Smith: Most of it is general corporate matters and a lot of transactional

reviews. We are a heavy services organization, and we deliver services to a number of Fortune 500 firms. We've played in the financial services sector since our inception, so we are used to complex agreements. But this is the first time that we're actually negotiating and managing those in house. We've experienced some substantial growth in the last 24 months, and with that has come a tremendous increase in volume and types of agreements that we're negotiating.

DJ: What types of work do you send to outside counsel?

Smith: For all of our employment matters, we use outside counsel — we work with a woman named Deborah Birndorf here in Los Angeles. We have a few foreign nationals on staff, so for any sort of immigration issues, we use outside counsel. We also use outside counsel for more complex business transactions — we use Homeier & Law in Sherman Oaks and Royse Law in West LA. And on any of our intellectual property issues, I work with outside counsel — we work with Jeff Sheldon

of [Sheldon Mak & Anderson PC] in Pasadena.

DJ: Is data security a big issue for Globanet?

Smith: It's become increasingly important over the last couple of years at Globanet, because we have our hands on our client data much more frequently than we used to. We used to go in and simply deploy solutions, configure them and then essentially leave and provide support as needed to our clients. But now we actually go and migrate very large volumes of data from one platform to another platform. As part of that service, we are touching our clients' data pretty regularly, and we deal a lot with the financial services vertical, so that data is highly sensitive. In addition, we also offer that designated third-party service, and we have access to the systems of a number of Fortune 100 banks, so data security is very top of mind. We've done a lot in the last six months to improve our security, and I've been in charge of that.

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