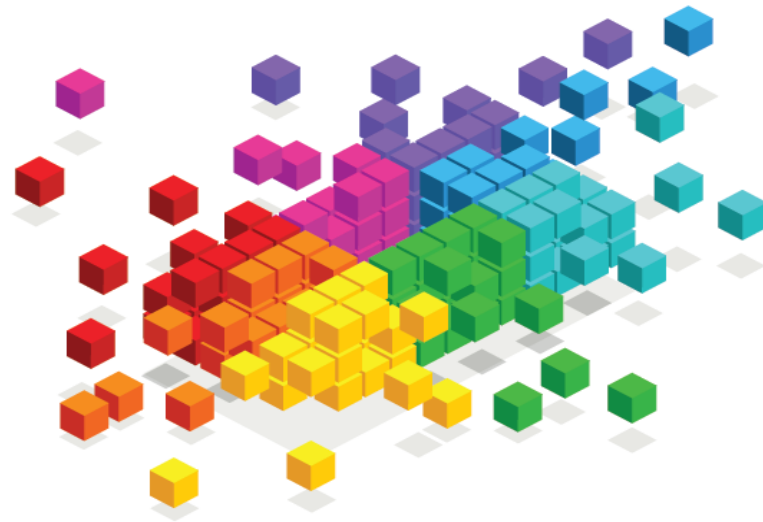


Too Much Content: Addressing the Challenges Faced by Today's Organizations

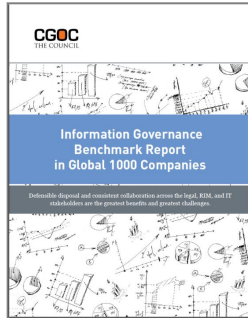
Putting Content to Work
ECM UserNet 2011



Our Program Goal

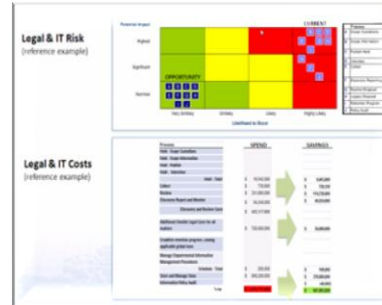
Help you identify opportunities to leverage your skills and investments on high-cost, high-risk information governance challenges your organization faces with sessions on:

1



Executive Challenges & Recent Findings

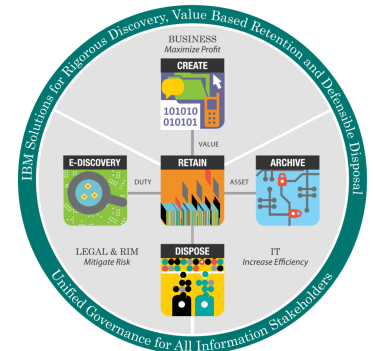
2



Executive Points of View on the Challenges

- ✓ CIO
- ✓ General Counsel
- ✓ Risk & Compliance

3

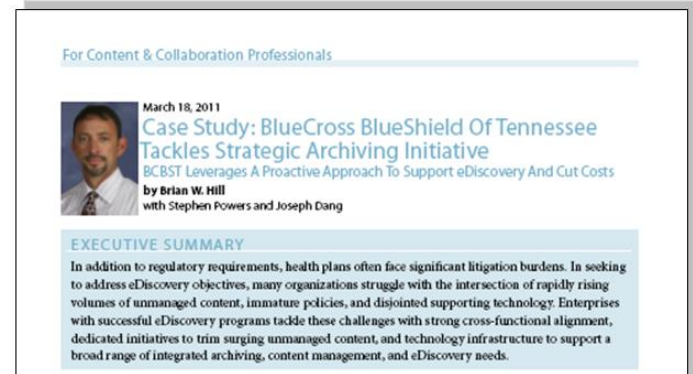


ECM Building Blocks

- ✓ Value Roadmap
- ✓ Product Roadmap

Leadership Opportunities for ECM Practitioners

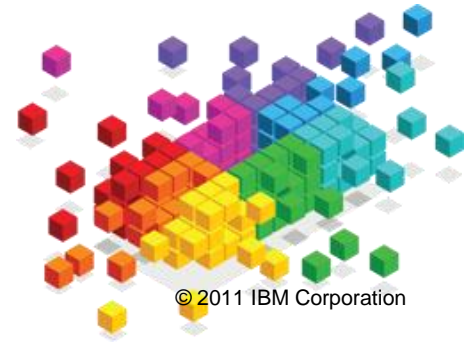
- “Working with other content and collaboration professionals at BCBST, **Andy Jacobs**, the company’s lead enterprise content management (ECM) architect, sought to address [the challenges of surging volumes of content ... including mounting legal expenses when relying on high-cost, third-party services organizations for identification, collection, and downstream eDiscovery efforts]”
- “His key steps included:
Creating a strong cross-functional team.... **Jacobs collaborated with the company’s records manager, associate general counsel, and other stakeholders** to understand requirements, identify areas of highest legal risk, and capture sufficient detail to scope and justify the program.”



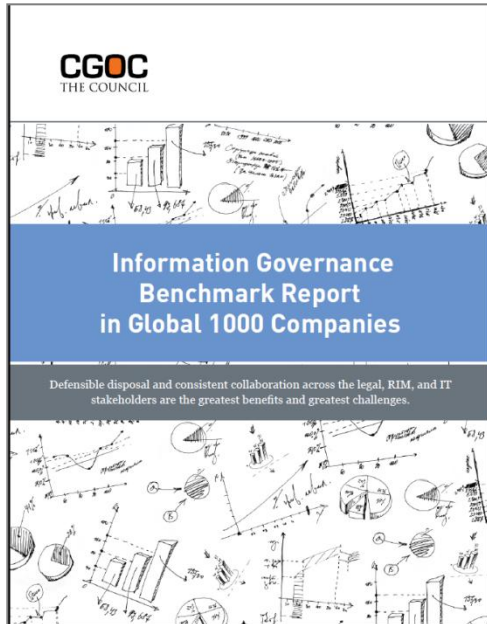
[Forrester Case Study:](#)
[BCBST Tackles Strategic Archiving Initiative](#)

Topics

1. The CIO's pain points
2. Addressing the problem
3. Developing the business case for change
4. Building on your expertise and ECM investments
5. Resources to learn more



Recent Findings on These Challenges Are Promising Executive Motivation Exists



INFORMATION GOVERNANCE GOALS AND OBJECTIVES

Stakeholders across legal, records and IT had almost unanimous information governance objectives:

- » 98% of respondents identified defensible disposal of information as a desired benefit
- » 72% cited disposal as the biggest benefit of an information governance program.
- » 66% cited consistent collaboration and systematic linkage across legal, records and IT
- » 53% identified compliance and risk reduction

The level of consensus on program outcomes is promising.

TOP PLANNED BENEFITS OF INFORMATION GOVERNANCE INITIATIVES IN 12-36 MONTHS

RISK REDUCTION

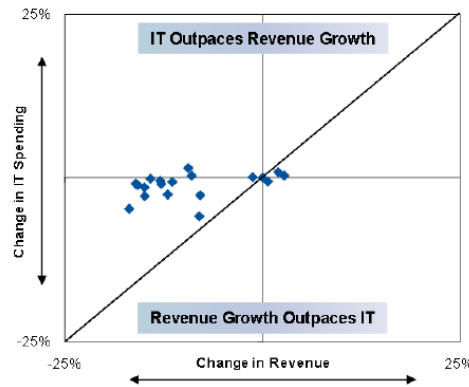
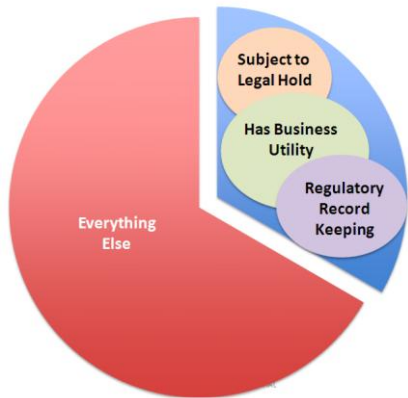
- » Reduce legal risk
- » Enable compliance
- » Protect sensitive information

COST REDUCTION

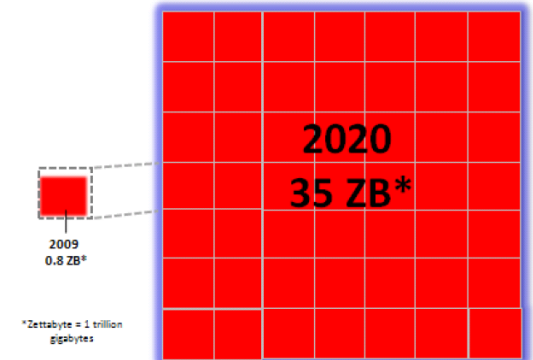
- » Increase IT efficiency
- » Ensure routine data disposal
- » Reduce data volume and IT cost

“We’re still trying to bring all stakeholders to the table.”

Break Point for CIOs



Growing by a Factor of 44



Source: IDC Digital Universe Study, sponsored by EMC, May 2010

Massive data debris today

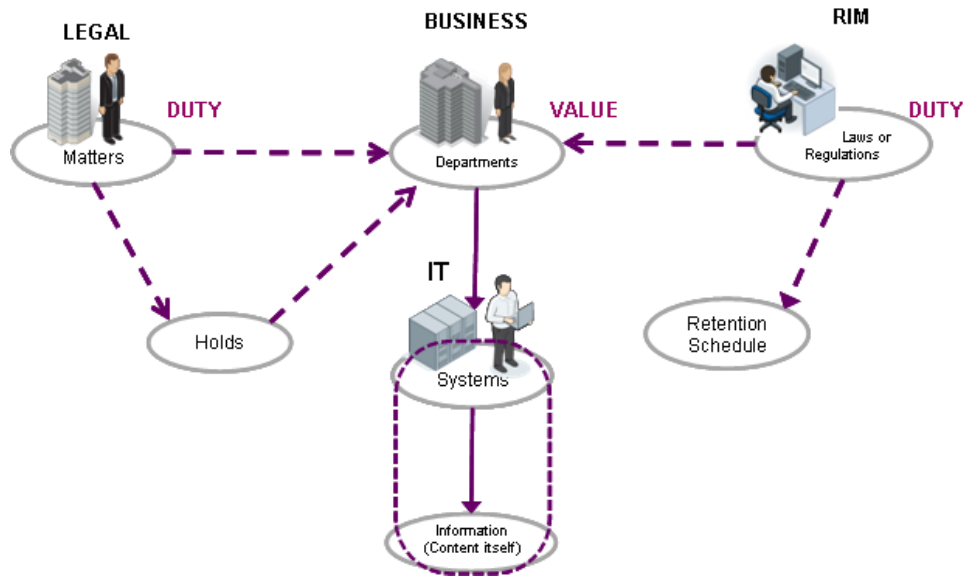
IT spend exceeds revenue growth today

44x growth next 10 years

Enterprise Information Management Challenge

Legal & RIM understand information obligations

- ✓ Manual or siloed process not systematically visible to IT
- ✓ 10,000s of duties that vary by case, country and line of business



Business teams know the value of information

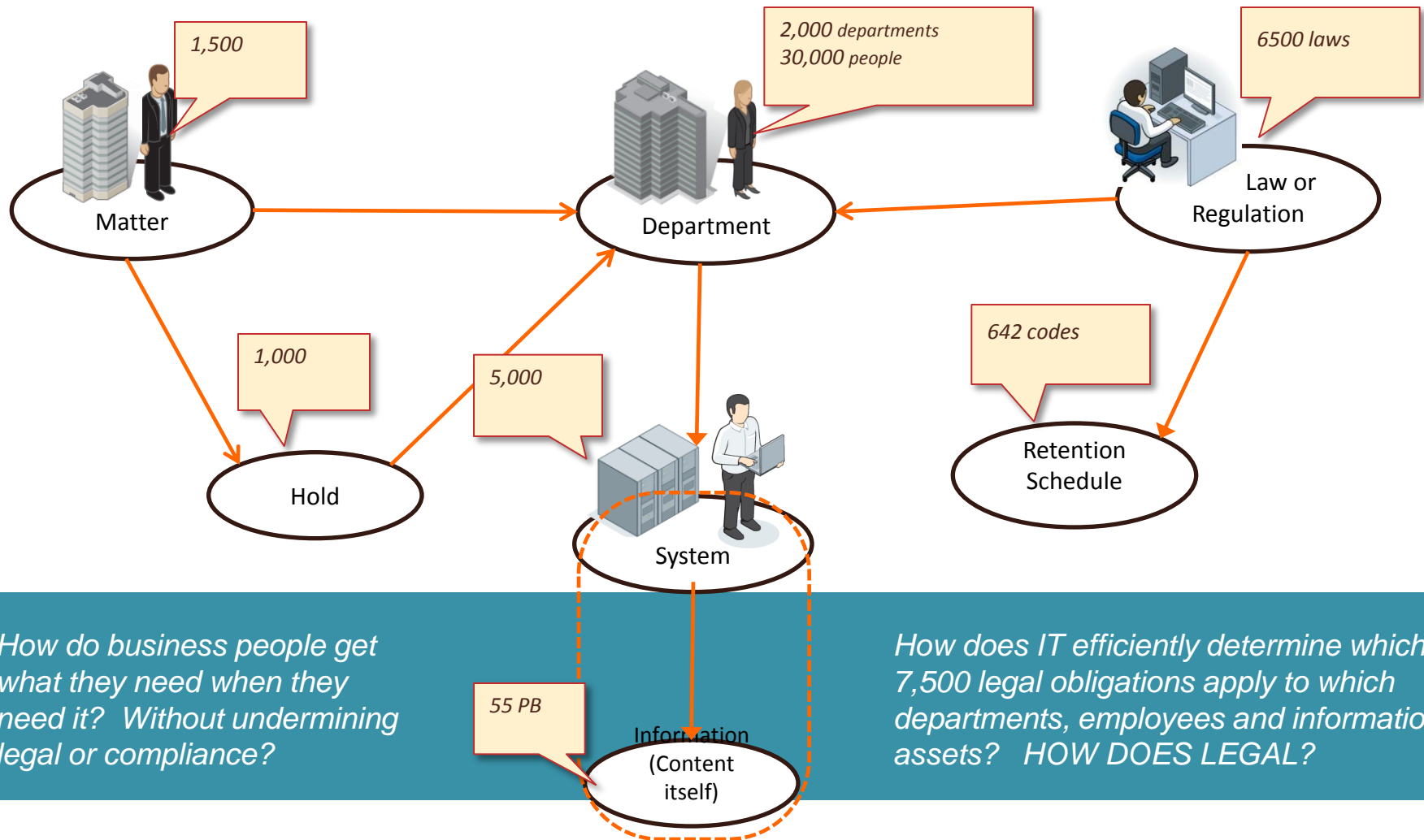
- ✓ No modern mechanism to communicate specific value to IT (or legal)
- ✓ 1000s or 10,000s of departments doing various business functions with variable info value



IT has the information but *no visibility to its obligations or business value*

- ✓ No safe disposal, serious constraints on migration and consolidation
- ✓ Uses capital to manage garbage rather than information of utility to the business

A Billion Choices, None of Them Actionable

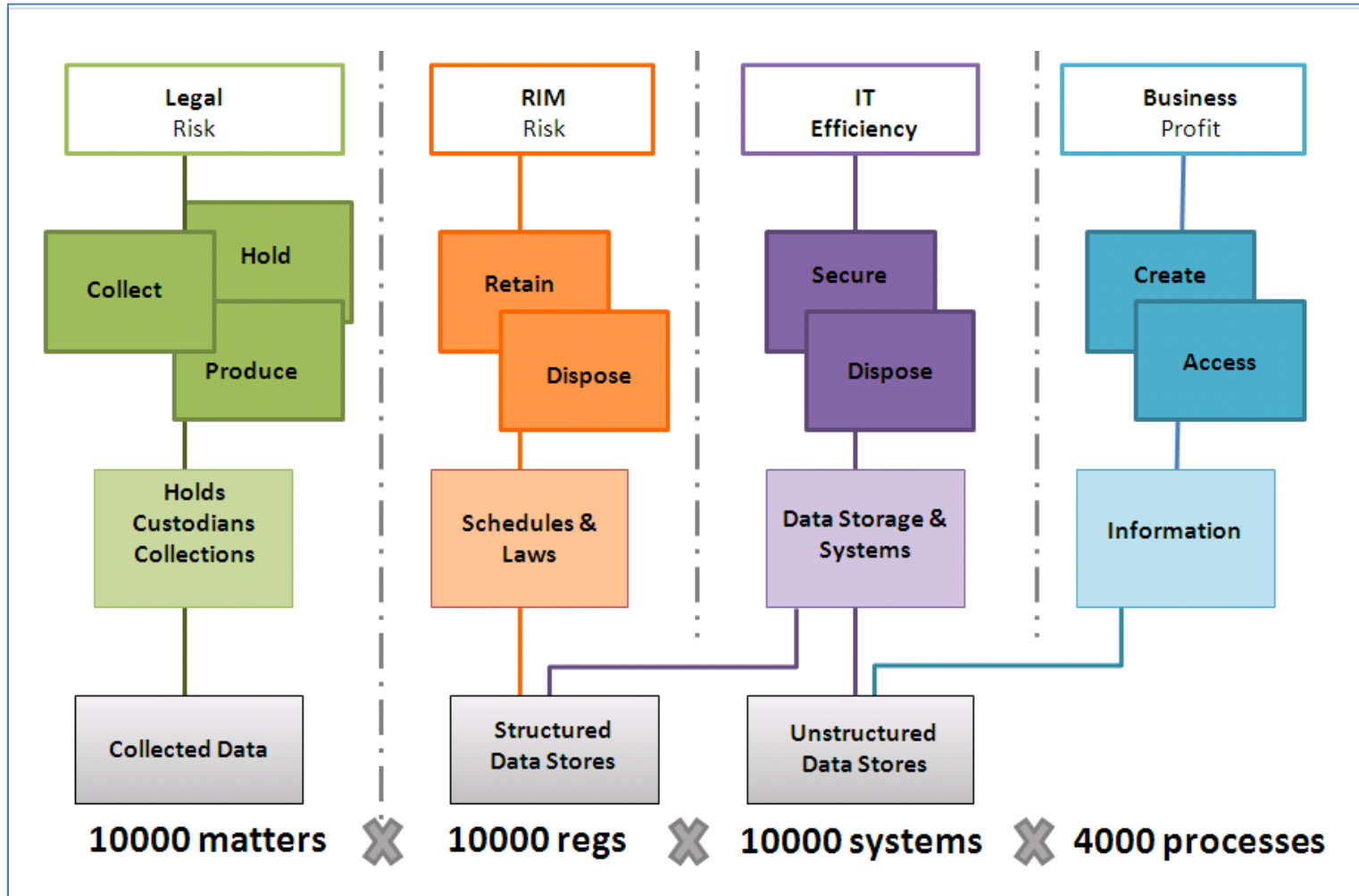


How do business people get what they need when they need it? Without undermining legal or compliance?

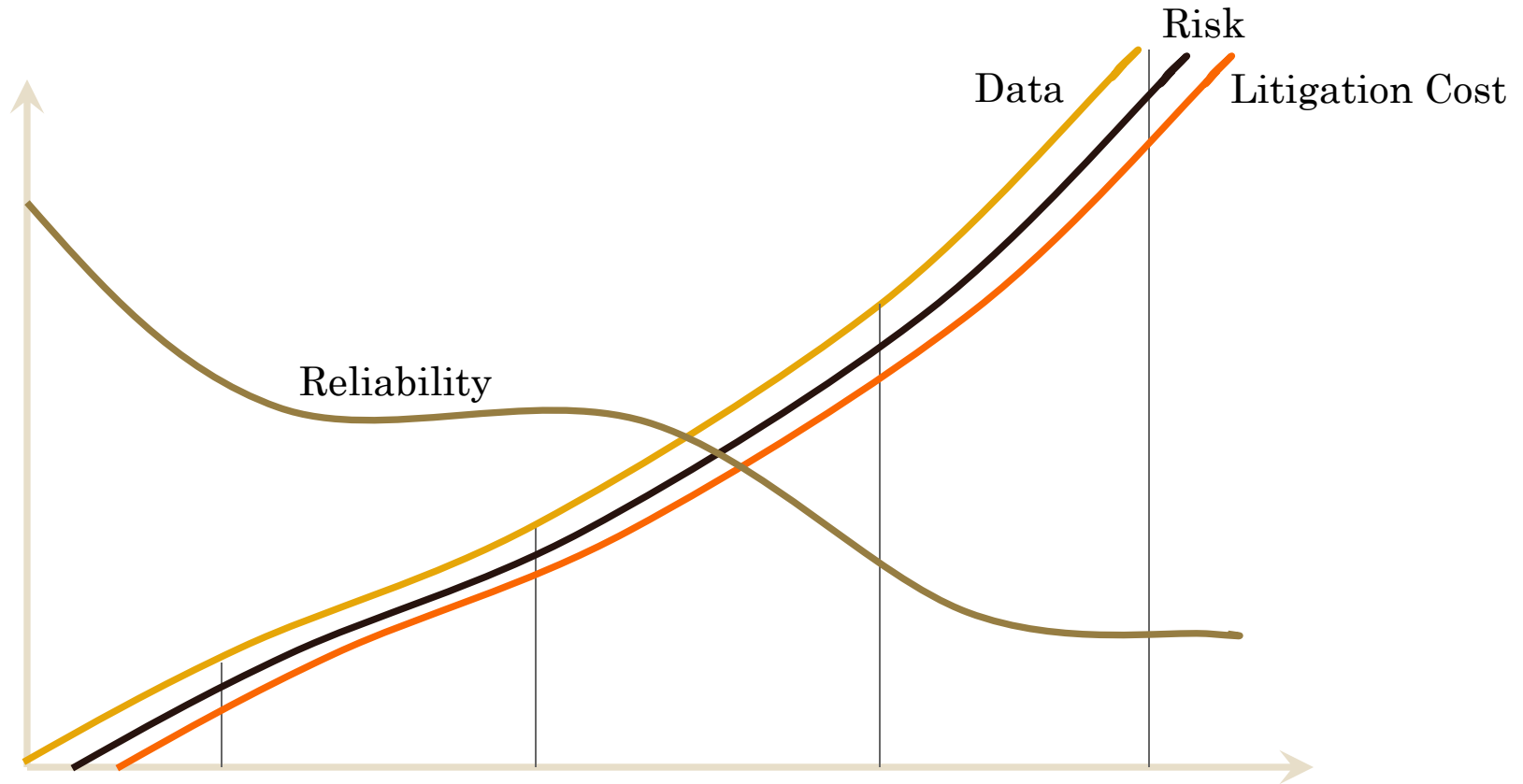
How does IT efficiently determine which of 7,500 legal obligations apply to which departments, employees and information assets? HOW DOES LEGAL?

Everybody's doing their job, but ...*risk and cost are too high!*

Isolated Stakeholders & Processes



Do Nothing Scenario



Exponential information growth
 Outpaces IT budget
 Outpaces risk control systems
 and processes

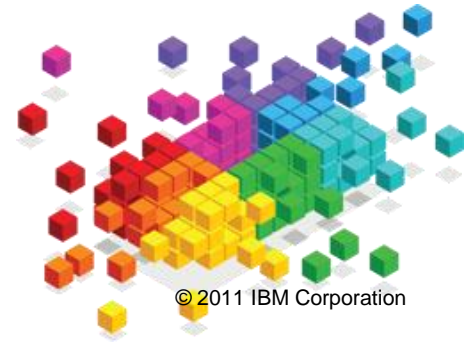
Outpaces business
 system capacity and
 compromises
 accessibility in key
 business processes,
 litigation discovery

Quantity and accessibility
 increase discovery risk and
 total litigation cost
 exposure
 Accessibility, reliability and
 utility undermine decision
 processes

Integrity and accessibility
 compromise financial
 reporting
 Reliability, integrity and
 accessibility impact business
 performance

Topics

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Key Questions for CIOs



WILL IMMEDIATELY TELL YOU HE IS TRYING TO CONTROL RUNAWAY DATA VOLUME AND COST ...

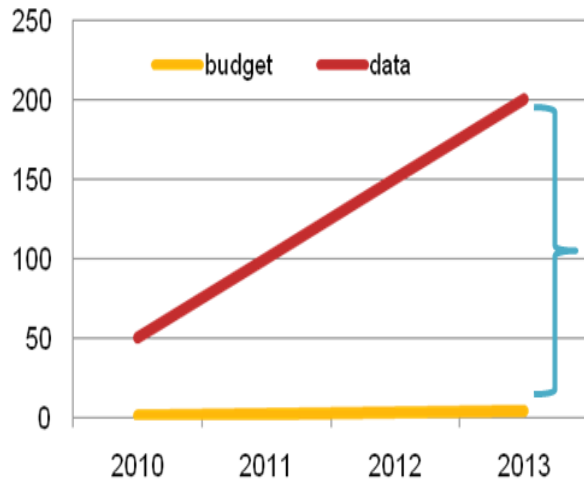
How big is the gap?	Strategy and tactics to close the gap?
Budget growth in 2011: Data volume growth in 2010: Revenue growth in 2010:	<input type="checkbox"/> How are you closing the gap between 50% data growth and 1% budget growth? <input type="checkbox"/> Stretching your budget or changing the curve?
<input type="checkbox"/> How much of the information you're managing actually has business value or some legal obligation?	<input type="checkbox"/> Do you currently have an initiative to dispose of legacy data? <input type="checkbox"/> What are the focal points if so (tapes, file shares, terminated employee data, old app instances, etc)?
<input type="checkbox"/> What prevents you from disposing of data today?	<input type="checkbox"/> Do you currently have an initiative to retire applications and consolidate instances? <input type="checkbox"/> What are the outcomes expected?
<input type="checkbox"/> Is the legal department asking you to keep everything or to dispose? <input type="checkbox"/> What reasons did they give if so?	<input type="checkbox"/> Is there a discovery project underway or planned to make identification and collection easier for legal? <input type="checkbox"/> What benefit does IT get from the project?
<input type="checkbox"/> Is there a retention schedule and if so, how does it tie to your back up and disposition processes in IT?	<input type="checkbox"/> What efforts are you making or planning to reduce storage spend? <input type="checkbox"/> What outcomes are expected?

Symptoms & Root Cause

Symptoms of Excess Information	Root Causes of Information Bloat
<ul style="list-style-type: none">• High storage costs, growth• Redundant applications• Redundant data• Operational complexity• System performance compromised• Tedious, expensive ediscovery	<p>Inability to associate specific value and duties to information assets caused by:</p> <ol style="list-style-type: none">1. Poor or no coordination across legal and business decision makers and IT2. Retention schedules that apply only to records leaving out the majority of enterprise information3. Legal and ediscovery processes that don't link to IT practices

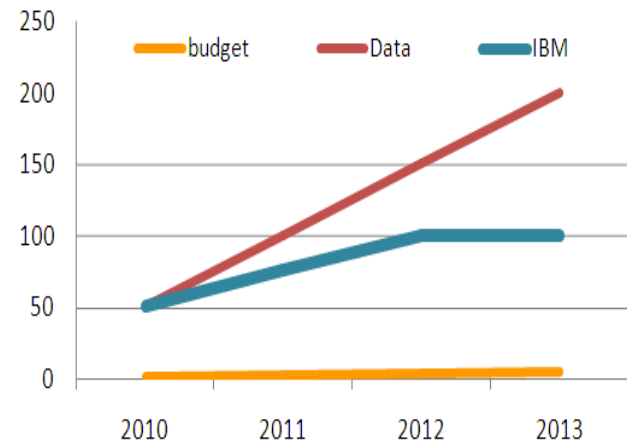
Change the Curve to Change the Game

% Increase in Growth Creates Urgent Need



The gap between budget growth and data growth can not be closed by stretching the budget. The budget curve will never match the data curve. You can help the CIO change the data curve.

Why IBM changes the game

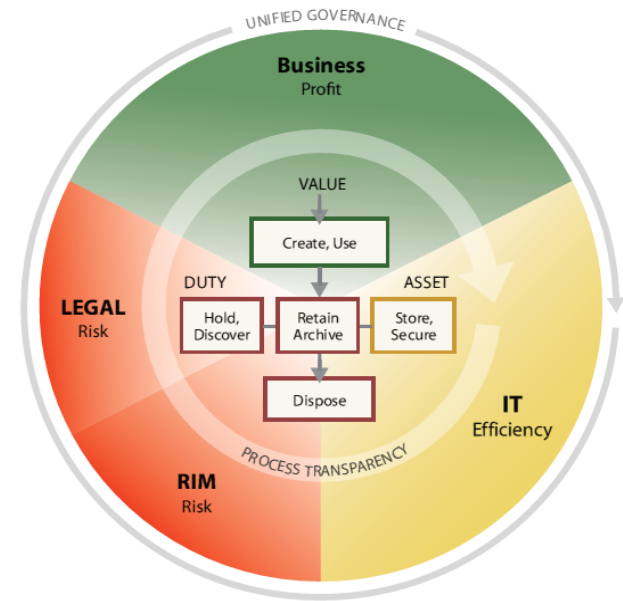
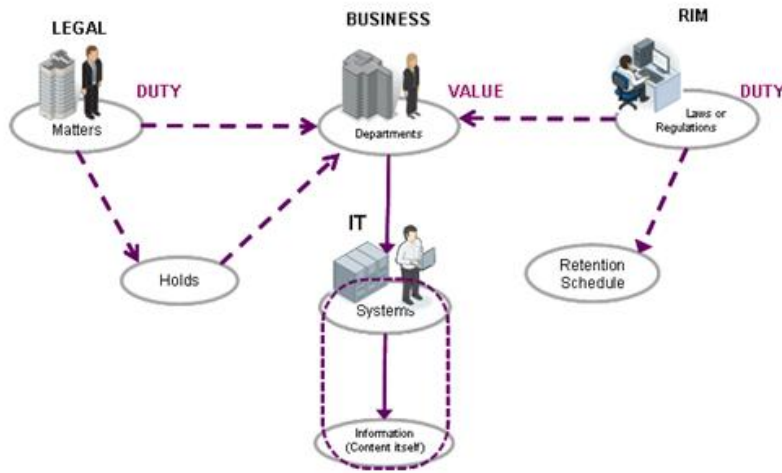


Opportunities to Address Both Symptoms and Root Cause

CHANGE THE CURVE Disposal & Governance Management	SUSTAIN THE CHANGE Smart Archiving
<ul style="list-style-type: none"> ▪ Link legal and discovery processes to IT practices ▪ Application and asset retirement ▪ Classify and clean up legacy data ▪ Governance and risk analysis by asset class, information category and business unit ▪ Retention and disposition schedules by information sources ▪ Determine which systems have the highest cost and dish profiles to prevent error by regulatory discovery loads ▪ Identify high risk systems without governance capabilities ▪ Determine where PII and confidential information are not well managed ▪ Capture, track and compare system and system attribute changes over time (history) ▪ Catalog DR and back up policies and discovery protocols by asset and asset class ▪ Distribute system mapping responsibility with workflow, approval and review processes 	<ul style="list-style-type: none"> ▪ Upfront cost and risk elimination by only archiving what has business value, legal or regulatory duty to deliver storage and space saving ▪ Common archiving practice for variety of content types, expediting IT time to value ▪ Self learning automated or semi-automated classification and retention policy implementation eliminating technology adoption barriers ▪ Keeping end user experience the same, virtually providing limitless back-end capacity, saving IT from litigation risks and costs of quota based blindfolded deletions ▪ Archiving flexibility from any application database, LOB or packaged, SAP, Siebel, JDE, Oracle or others ▪ Embedded storage tier management matching asset value to storage tier automatically (Hierarchical Storage Management)

The Path from Ad Hoc to Shared Responsibility

Lower Risk & Cost, Higher Value

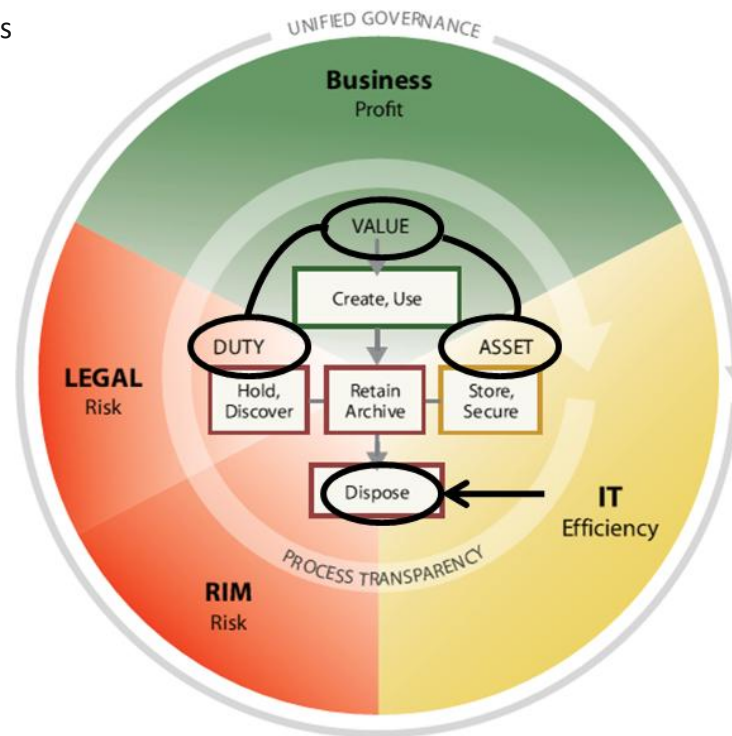


Essential Capabilities

PROCESS TRANSPARENCY

Unified Governance

- ✓ Natively integrated workflows
- ✓ Common data model, enterprise map and governance hub
- ✓ Automatic linkage of duties, value to information assets and business processes



CREATE, USE

Optimal accessibility

- ✓ Determine what is of value
- ✓ Ensure trusted content availability
- ✓ Search smaller corpus faster for better business productivity
- ✓ Meet SLAs for structured and unstructured information access

HOLD, DISCOVER

Rigorous Discovery

- ✓ Robust, automated legal holds for people + data
- ✓ Efficient discovery process, including data collection
- ✓ Early case assessment
- ✓ Legal cost and risk analytics

STORE, SECURE

Efficient Storage

- ✓ Standardization and consolidation
- ✓ Virtualization and deduplication
- ✓ Rationalization
- ✓ Policy and governance

RETAIN, ARCHIVE

Value-Based Retention

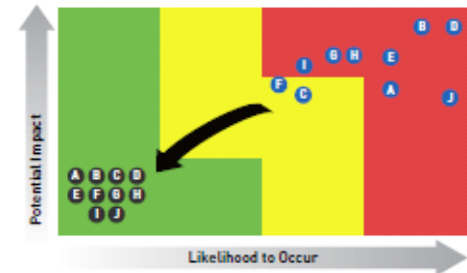
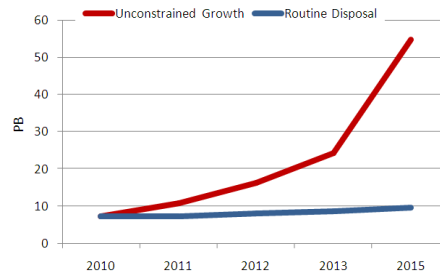
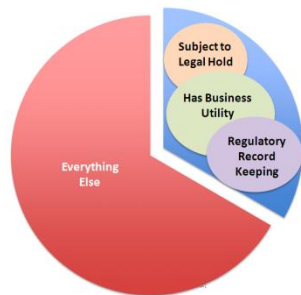
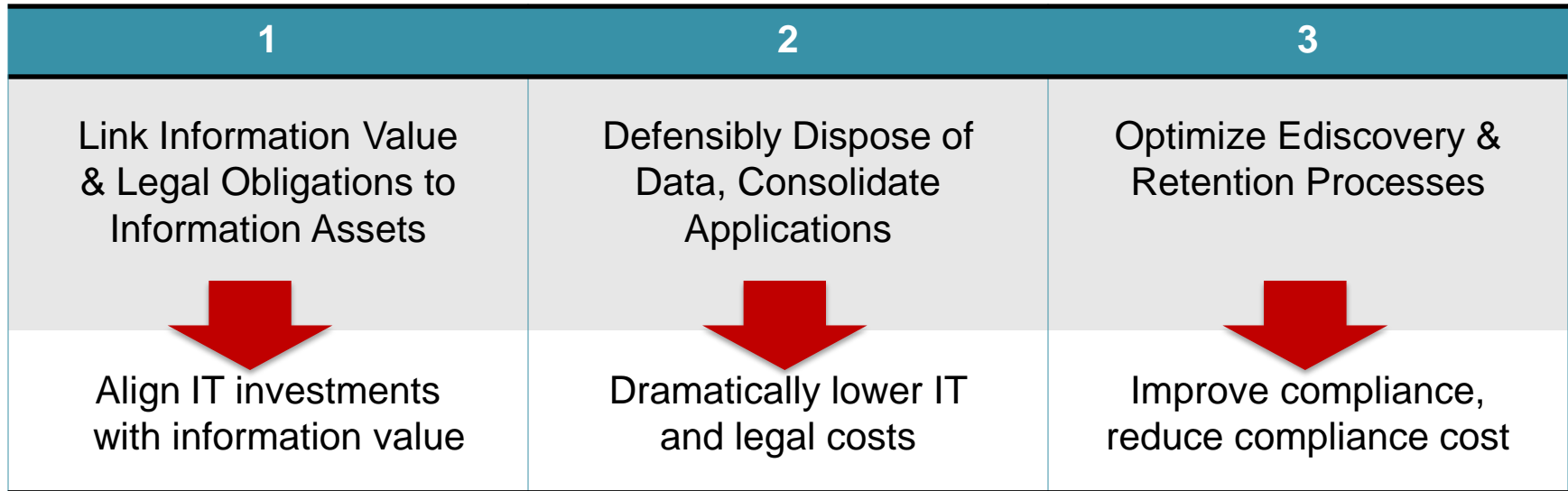
- ✓ Regulatory requirements master
- ✓ Index of information's business utility
- ✓ Reliable retention schedules with automated classification and execution
- ✓ Cohesive archiving across data types
- ✓ Program cost and risk analytics

DISPOSE

Defensible Disposal

- ✓ Catalog of obligations and duty by asset
- ✓ Legacy data clean up, application retirement
- ✓ Procedures for disposal by source
- ✓ Risk and cost dashboard for information portfolio

Breakthrough Opportunity for CIOs: DEFENSIBLE DISPOSAL



Global Pharmaceutical Company Example

A global program to better:

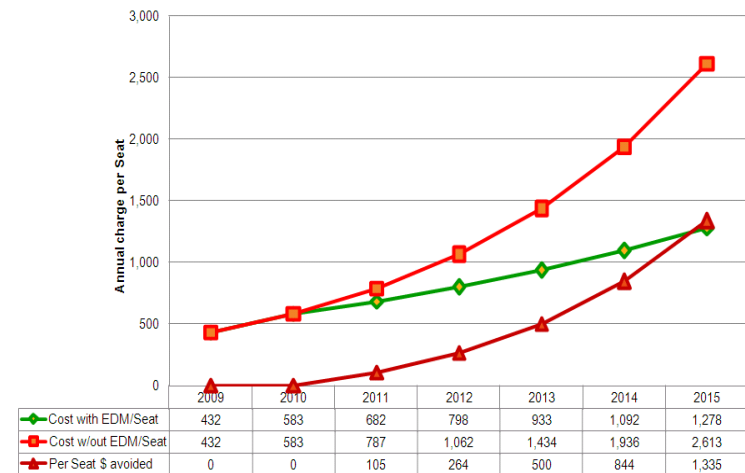
1. Dispose of unnecessary data promptly
2. Store and retrieve information easily and promptly for business use
3. Consistently store and identify Company records
4. Meet regulatory and legal requirements related to information

Which requires sustainable processes for:

1. Legal hold and discovery case management system that significantly reduces the business and operational disruption required to meet legal obligations
2. Policies that comprehensively address Privacy, Information Security, Records Management and Legal requirements
3. Procedures and systems that increase efficiency of record keeping and data retrieval for business users
4. Systems that support and streamline end-user management of information needed for daily tasks and official Company records

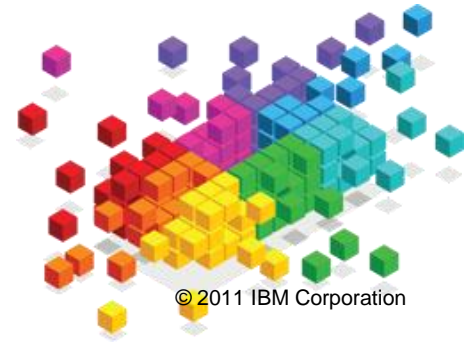
➔ **\$300 million ROI**

EDM Program avoids \$3,000/employee thru 2015



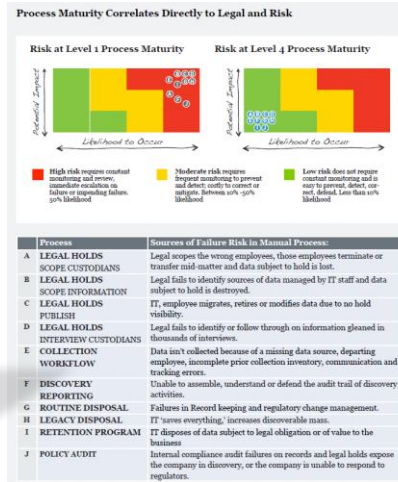
Topics

1. The CIO's pain points
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We Have Tools to Help You Assess Processes, Quantify Risk and Cost and Chart the Course Forward to Lower Cost and Risk

PROCESS MATURITY MODEL FOR INFORMATION GOVERNANCE				
PROCESS	Level 1: AD-HOC, MANUAL, UNSTRUCTURED	Level 2: MANUAL, UNSTRUCTURED	Level 3: SEMI-AUTOMATED WITHIN SCOPE	Level 4: AUTOMATED AND FULLY INTEGRATED ACROSS FUNCTIONS
A Legal Hold - Scope Custodians	Multiple custodian spreadsheets.	Centralized custodian spreadsheet.	Scope by organization, people, systematically track all custodians in all holds including multiple holds per custodian; scope terminated/transferred employees in real time.	Continuous update of custodian roles, responsibilities, automatic employee transition alerts; systematically use existing custodian lists for similar matters.
B Hold - Scope Information	Limited collection from data sources, custodian-based rather than information based; spreadsheet tracking lists.	Identify data sources by organization; understand back up procedures.	Have linked legacy tapes and data sources to organizations, and open holds/collections.	Automatically scope people, systems and tapes, information and records in holds; scope terminated employee data and legacy data/tapes where applicable.
C Publish Hold	Manual notices, confirmations, no escalations Ad-hoc description of record or information subject to hold requires interpretation and manual effort to comply.	Centralize reply email box for confirmations; Process well communicated; all holds on intranet.	Systematically send notices and reminders, require a track confirmations; ability to manage exceptions; employees can look up their holds at any time. Communications tailored to recipient role (IT, RIM, employee).	Publish to system, propagate hold, automate hold enforcement. IT staff have continuous visibility to current discovery duties, holds during routine data management activities; automatically flag records in appropriate systems.
D Interview Custodians	Ad-hoc manual interviews and follow up.	Questionnaire mailed to custodians, responses compiled manually for collection and counsel follow up.	Online/auto interviews with system follow-up, view individual and aggregated responses; auto non-response escalations, alerts for specific answers; export for O/C.	Individual responses propagated to collections, custodian-specific collections instructions, interview results shared with outside counsel to interview by exception.
E Collection Workflow	Detailed and duplicate spreadsheets of custodians and information between IT and legal; multiple copies of the collected data.	Centralized, version controlled spreadsheets of custodians and information; evidence server without inventory.	IT can efficiently collect by custodian and content, avoid recollecting; auto logging of files collected; source, chain of custody, IT self-service look up.	From their browsers, Attorney's collect directly from custodians or any system.
F Review Volume	Image drives or over-collect from custodians, over scope custodians; high quantity of data for review	Image drives or over-collect from custodians, over scope custodians; high quantity of data for review.	Quantity of data reviewed from tightly scoped custodians; leveraging prior scoping histories; accurate enterprise map.	Quantity of data reviewed from tightly scoped custodians; leveraging prior scoping histories; accurate enterprise map, detailed instructions to IT.
G Cost Control	Image drives or over-collect from custodians, over scope custodians; high quantity of data for review.	Estimate costs on the "big matters" in spreadsheets or by outside counsel.	Discovery cost forecasts are automatically generated as soon as the hold is scoped; costs are calculated continuously for matters.	Consistently make cost shifting arguments to limit scope of collection and review; earliest/optimized matter resolution; manage cost at portfolio level.
H Monitoring, Compliance	Each attorney tracks their own matters, status.	Formal, but manual reporting of open holds; no summary reporting on interviews, collections, responses.	Automated reminders and escalations, online audit trail; management reporting on discovery status, visibility within legal dept across custodians, collected inventory and matters.	Appropriate visibility across IT, legal and business; self-service dashboards for legal obligations, risks, risk and cost reduction opportunities.



LEVEL 1 LEGAL AND IT COSTS				
Process	Data Management	Outside Legal	Internal Productivity	Total
Hold	\$0	\$1,405,000	\$1,140,480	\$2,545,480
Collect	\$0	\$64,000	\$56,004	\$120,004
Review	\$2,072,000	\$67,200,000	\$0	\$69,272,000
Discover Report	\$0	\$448,000	\$4,603,200	\$5,051,200
Other Outside Legal	\$0	\$42,000,000	\$0	\$42,000,000
Retention Program	\$0	\$0	\$200,000	\$200,000
Store/Manage Data	\$160,000,000	\$0	\$140,000,000	\$300,000,000
Info Policy Audit	\$0	\$0	\$0	\$0
Total	\$162,072,000	\$111,120,000	\$145,999,744	\$419,191,744

LEVEL 4 LEGAL AND IT COSTS				
Process	Data Management	Outside Legal	Internal Productivity	Total
Hold	\$0	\$752,000	\$1,027,392	\$1,779,392
Collect	\$0	\$63,892	\$54,989	\$118,881
Review	\$414,400	\$40,320,000	\$0	\$40,734,400
Discover Report	\$0	\$448,000	\$4,257,120	\$4,705,120
Other Outside Legal	\$0	\$0	\$0	\$0
Retention Program	\$0	\$0	\$190,000	\$190,000
Store/Manage Data	\$80,000,000	\$0	\$70,000,000	\$150,000,000
Info Policy Audit	\$0	\$0	-\$40,000	-\$40,000
Total	\$80,414,400	\$41,593,892	\$75,489,501	\$197,497,793

13 Key Processes Maturity Model and Self Assessment

Risks in these Processes Current and Future State

Legal & IT Costs of Process Current and Future State

We Can Assist You with an Assessment

EXECUTIVE
ENGAGEMENT

1

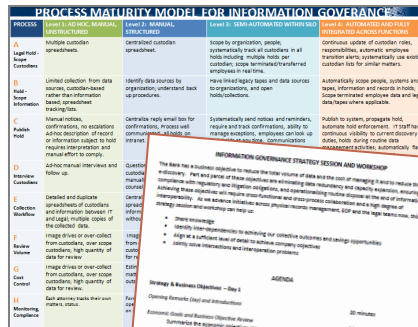


Calibrate value

2

Fact finding on current processes

Cross-stakeholder workshop



INFORMATION GOVERNANCE STRATEGY DESIGN AND IMPLEMENTATION

The team has a shared objective to reduce the time volume of data and the cost of managing it to reduce the cost of compliance with regulatory and litigation obligations, and a supporting multiple element of the cost of information life cycle management. In an overall information strategy program/roadmap and a high degree of energy, mission and ownership to help us:

- Share knowledge
- Identify new opportunities to enhance our collective business and strategic opportunities
- Align in a sufficient level of detail to achieve primary objectives
- Using cross-organizational and cross-departmental resources

Strategy & Business Objectives - Day 1

Clarify the overall goal and introduction

Day 1

Assess the current state of information governance

Identify the key elements of the current state of information governance: functional, people, processes, and technology. Functional elements summarize their specific collection and storage of information. People point to the external legal and regulatory requirements that drive the information governance strategy. Processes describe the current state of information governance. Technology elements describe the current state of information governance.

Day 2

Identify the key elements of the current state of information governance: functional, people, processes, and technology. Functional elements summarize their specific collection and storage of information. People point to the external legal and regulatory requirements that drive the information governance strategy. Processes describe the current state of information governance. Technology elements describe the current state of information governance.

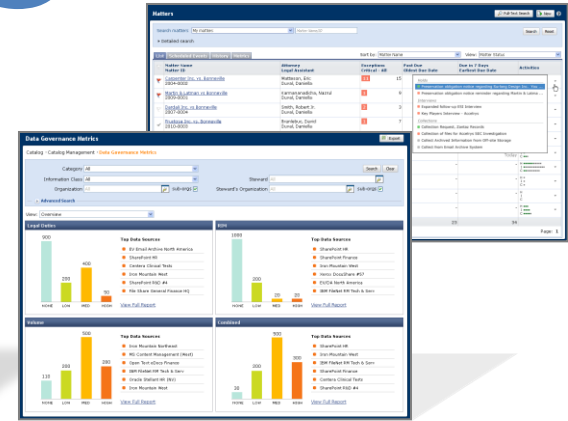
Day 3

Identify the key elements of the current state of information governance: functional, people, processes, and technology. Functional elements summarize their specific collection and storage of information. People point to the external legal and regulatory requirements that drive the information governance strategy. Processes describe the current state of information governance. Technology elements describe the current state of information governance.

3



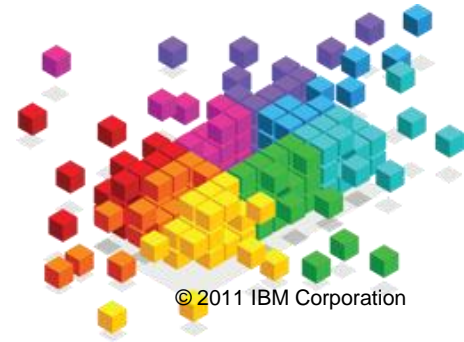
Executive report on ROI, Roadmap for action



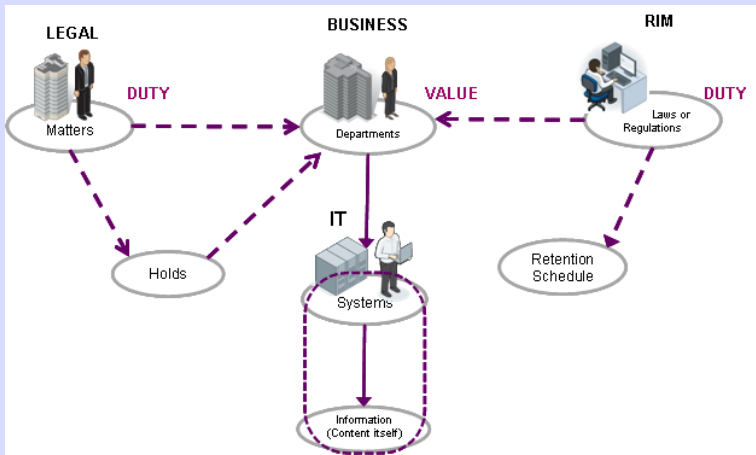
Demonstrate value to each stakeholder community

Topics

1. The CIO's pain points
2. Addressing the problem
3. Developing the business case for change
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5. Resources to learn more

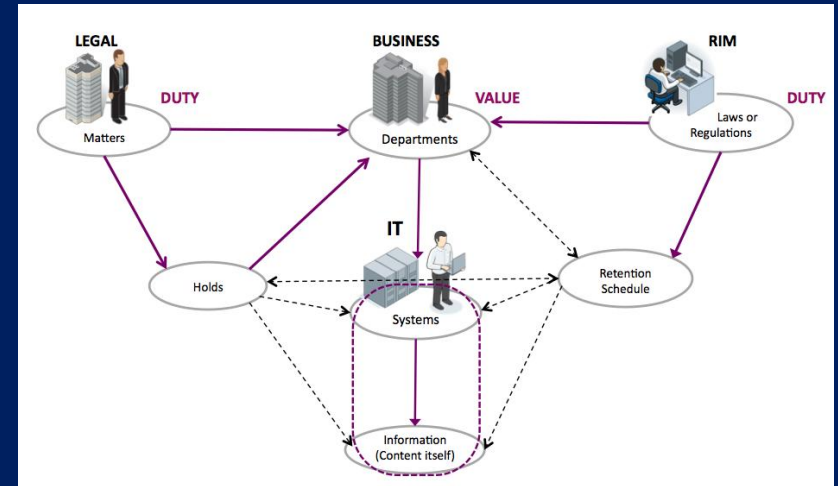


IBM Has a Differentiated Enterprise Solution



Other vendors:

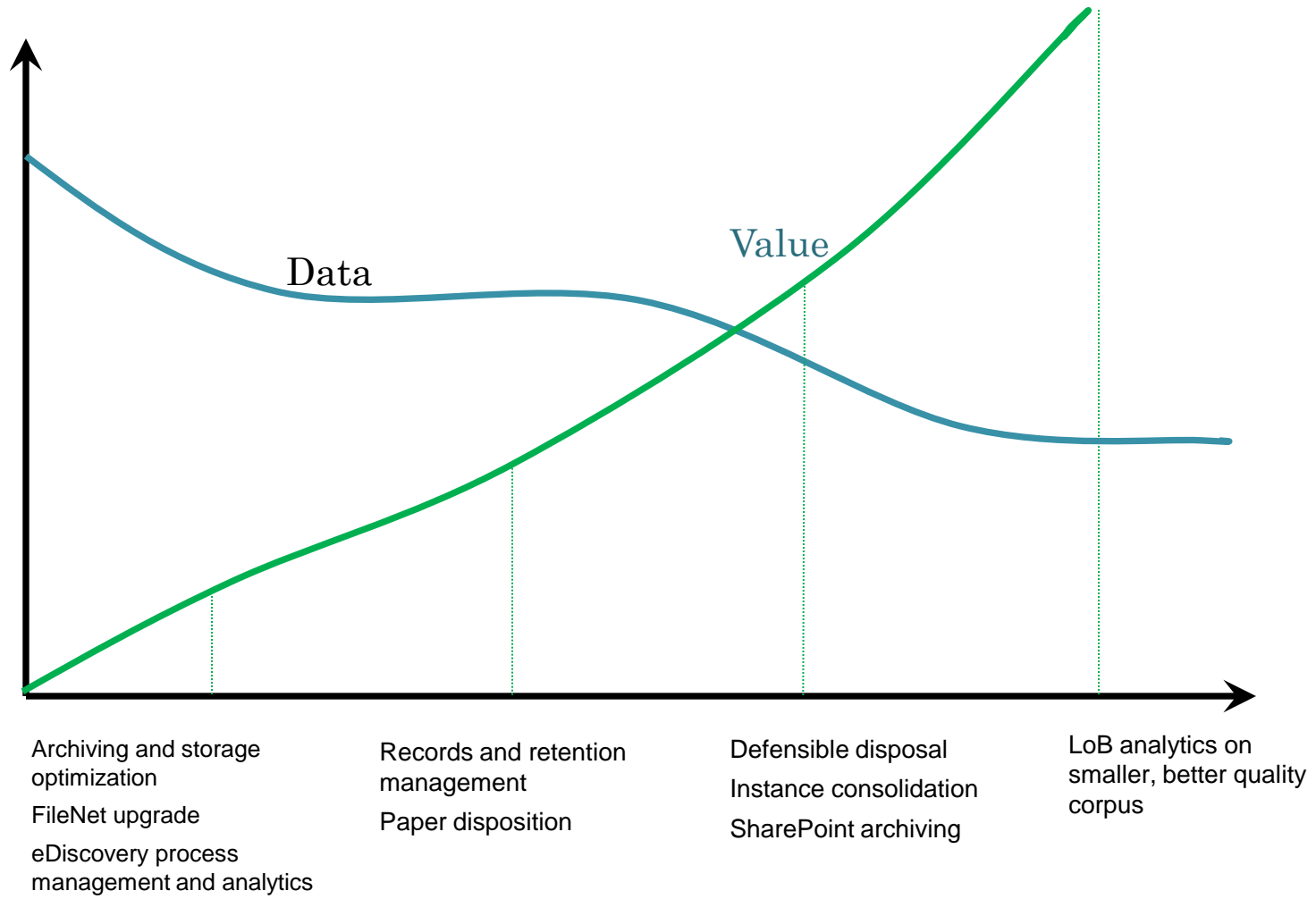
- Stretch the small budget rather than changing the huge growth curve
- Make routine disposal impossible or unreliable
- Create permanent disconnected silos between IT, legal, records and business – which leads to endless data build up
- Some ediscovery solutions actually *increase* data volume and undermine IT
- Benefit from the “storage addiction”



Only IBM:

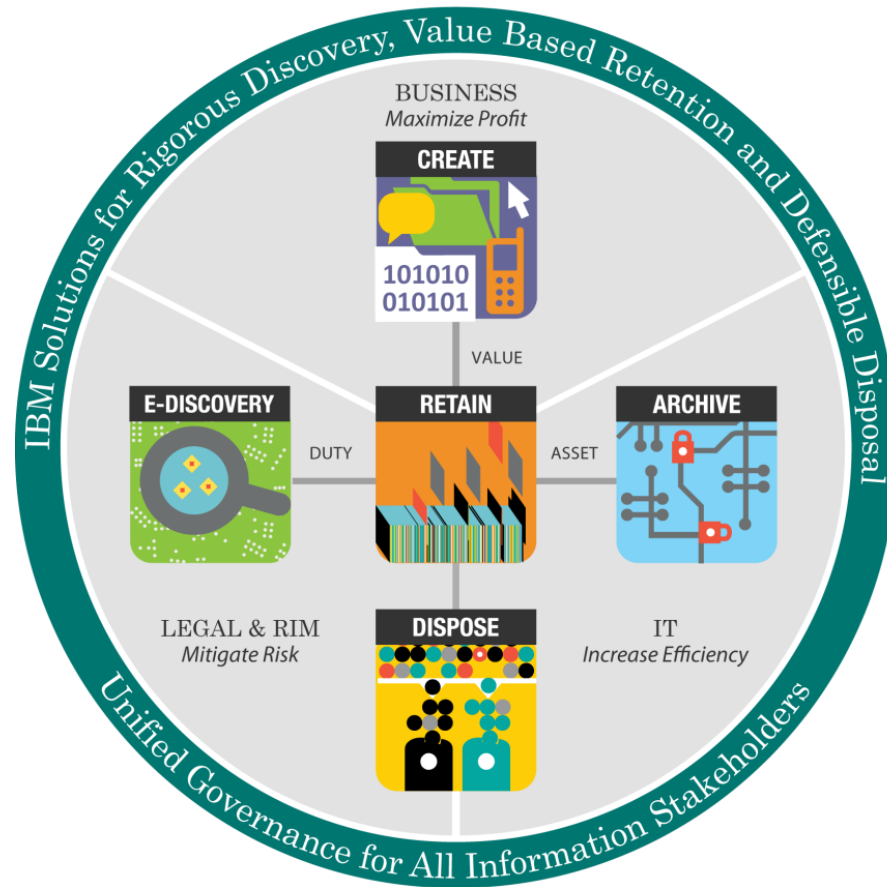
- Systematically links business value and legal duties to information assets
- Enables legacy data clean up and application retirement with data disposal
- More efficiently manage less information with Smart Archive
- More efficiently manage legal obligations for information with eDiscovery and Retention and Records Management

Building on Your ECM Investments



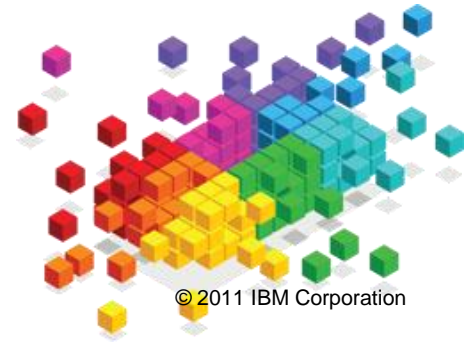
ILG Solutions Close Gaps Between Legal, IT and Records Stakeholders to Systematically Lower Cost and Risk

Only IBM links stakeholders and their processes to connect legal duties and business value to information assets.



Topics

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CGOC Program

CGOC is a corporate practitioners forum focused on the intersection of legal holds, discovery, retention and information management started in 2004.

- ✓ Exclusive, invitation only
- ✓ Highly relevant business content
- ✓ Not a trade show or vendor event
- ✓ Customers lead discussions

CGOC
Compliance, Governance & Oversight Council

2011 PROGRAM OVERVIEW

Events

Building Better Bridges — Achieving Enterprise Excellence in Discovery, Retention and Disposition
Guest experts from ExxonMobil, Wells Fargo, Bank of America, Novartis, Travelers, Amgen, Pillsbury Winthrop, Husch Blackwell LLP, and Seyfarth Shaw, plus The Honorable Andrew J. Peck and The Honorable Richard A. Kramer.
20th Annual CGOC Summit, San Francisco, June 27-29-20

Right Steps, Wrong Outcome — What Harkabi Teaches Us
Review of this important case and lessons on institutionalizing process memory to avoid excess cost and risk with guest experts David Stanton from Pillsbury, Tom Lahiff former CGOC Chair, and Deidre Pisknad, CGOC founder.
Webinar— April 5

Discovery and Disposition — From Strategy to Execution
Case study and guidance on how to extend a rigorous discovery program to information governance and defensible disposition. Guest expert Eckhard Herych, Global Head of Information Governance, Novartis.
Webinar— April 5

Working Group Presentation on Information Retention Management
The 10 Retention Elements Needed for Routine, Defensible Disposition — work product from the CGOC RIM working group. Co-chairs Lorrie Luellig, counsel, Ryley Carlock & Appleswhite, Harry Pugh, former Managing Director, Operations & Technology Policy Coordinator, Citigroup
Webinar— April 19

Rigorous Discovery, Value-Based Retention and Defensible Disposal
With guest experts from Novartis, Swiss Re, Gartner and hosted by Swiss Re at their Center for Global Dialogue.
May 3-4, hosted by Swiss Re

Prevailing Practices — Peer Benchmarking & Common Breakdowns
With expert discussion leaders from Exelon, JPMorgan Chase, ExxonMobil and other corporations. Long lunch meetings hosted at Seyfarth Shaw offices.
San Francisco, June 2 | Chicago, June 7 | Dallas, June 9

Social and Mobile Media Mock Discovery Hearing
Exploration of the tricky issues corporate and individual litigants face in preserving and producing social and mobile data, including a discussion of the SCA and other constraints. US Magistrate Judge Peck presiding, hosted at JPMorgan Chase. Morning session and lunch. With guest experts from JPMc, U.S. Magistrate Judiciary and hosted by JPMc, this is a 1/2 day executive meeting.
New York, June 15

Defensible Disposal Workshop
With guest experts from Novartis and others sharing their best practices on addressing eDiscovery and Disposition
September 12-23 Basel, Switzerland

What Legal, RIM and IT Leaders Can and Should Do To Reduce Risk and Cost
Expert discussion led by Susan Rider, Assistant General Counsel at Exelon, on why these stakeholders must engage and what areas their practices need to change.
Chicago, October 5-6

With support and expertise from:

PFS **IBM** **Huron** **HUSCHBLACKWELL** **SEYFARTH SHAW** **LEGG** **RYLEY CARLOCK** **pillsbury**

For more information or to register go to www.cgoc.com

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2011 PROGRAM OVERVIEW

Working Groups

Prevailing Practices for Preservation and eDiscovery
Co-chairs Robert Levy, Counsel, ExxonMobil and Tom Lahiff, attorney

Records Information Management
Co-chairs Lorrie Luellig, counsel Ryley Carlock & Appleswhite and Harry Pugh, former Managing Director, Operations & Technology Policy Coordinator, Citigroup

Social and Mobile Media
Chair: David Stanton, Partner, Pillsbury Winthrop Shaw Pittman LLP

Information Governance
Co-chairs Eckhard Herych, Global Head Information Governance Management, Novartis and Bill Chulak, IT Director, Amgen

CGOC Membership
CGOC is an exclusive community of corporate practitioners with more than 800 members today from the disciplines of legal, records, and IT.

Legal 50%
IT 25%
RIM 25%
by Dept.

“CGOC has done significant work in advancing legal holds and retention practices of corporations.”
— Vivian Tero, IDC

The CGOC meetings “... exceeded my expectations... information and knowledge rich...”
— Cathy Perry, Schering-Plough

Publications

Information Governance Benchmark Report in Global 1000 Companies

Benchmark Survey on Prevailing Practices for Legal Holds in Global 1000 Companies 2nd edition
Fall 2011

Social & Mobile Media: Discovery Practices & Considerations

Subscribe to our monthly newsletter to get the latest news and updates

CGOC [Compliance, Governance and Oversight Council] brings legal, IT, records and information management professionals together to discuss current and best practices in discovery, information governance, privacy and data management. For more information or to register go to www.cgoc.com

Learn More About Executive Challenges & How You Can Be Part of the Solution



4:30 PM – 5:20 PM Tuesday

Addressing The CIO's Cost Challenges



10:15 AM – 11:05 AM Wednesday

Addressing General Counsel's Risk Challenges



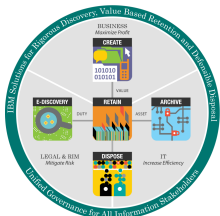
11:15 AM – 12:05 PM Wednesday

How RIM Helps -- Aligning Retention Policy with Information Pace



1:05 PM – 1:55 PM Wednesday

A Smarter Approach to Archiving Can Reduce IT Cost and Legal Risk



2:05 PM – 2:55 PM Wednesday

Building on ECM Investments – Value & Product Roadmap

