



# GREEN IS THE NEW BLACK

LAW FIRMS AND COURTS ARE EMBRACING ENVIRONMENTAL SUSTAINABILITY AND REDUCING THEIR PAPER CONSUMPTION – BUT THERE'S STILL PLENTY OF ROOM FOR IMPROVEMENT.

**REPORT: GINA DOMBOSCH.**

The average person in an Australian law firm uses approximately 125 kg or 25,000 sheets of paper per year. Using a conservative estimate of 100,000 persons employed in the legal industry, that means that annual paper usage amounts to 12,462 tonnes or 25 billion sheets of paper per year. This equates to 601 times the height of the Empire State Building, 873 times the Statue of Liberty, 1,988 times the Sydney Harbour Bridge and the weight of 9,586 Ford Focus cars. (Cue: Gasp!)

The life cycle of a ton of paper from production to landfill or recycling generates about nine tons of carbon dioxide equivalent greenhouse gas emissions as well as other air and water pollution. Therefore, most would agree that paper leaves a large ecological footprint. The legal industry is tackling this problem and, some would argue, is leading the way amongst professional services by establishing a new standard of sustainable practice.

But it is hard to ignore the paper intensive nature of the legal industry. In a study conducted by Colmar Burton on behalf of Fuji Xerox Australia across more than 100 law firms with 300 or less employees, 80 percent of firms print some or all documents which they receive electronically and 79 percent use mainly hard copies when exchanging documents. The most common reasons given were force of habit (43 percent), legal requirements (42 percent) and easier access (31 percent).

Fuji Xerox Australia has seen paper usage in the legal industry remain reasonably steady over the past three to five years. "There has been no significant drop in print volumes, and adoption of document digitisation in the legal market is slow," says Vicki Flower, Customer & Market Insights Manager at Fuji Xerox Australia. "This can largely be attributed to current legislation and fear of legal action which means that everything is still kept in hard copy."

Precedent has been a fundamental driver of the legal industry for over a century, however, there are positive signs that the industry is embracing the concept of sustainability and willing to make changes for the better.

#### THE AUSTRALIAN LEGAL SECTOR ALLIANCE

The Australian Legal Sector Alliance (AusLSA) is a not for profit enterprise consisting of law firms who share a mission to work collaboratively to promote sustainable practices across the legal sector. AusLSA was established by eight foundation members – Clayton Utz, DLA Piper Australia, Henry Davis York, Jackson McDonald, Maddocks, McCullough Robertson, Norton Rose Fulbright Australia and Swaab Attorneys. It has grown since

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**Emily Wilson, Manager, AusLSA**



inception and has now attracted 45 members including all of the largest 10 Australian firms, 80 percent of the top 20 and 70 percent of the top 50 firms.

Emily Wilson, manager of AusLSA, explains that a core principle of AusLSA is a commitment to sharing and collaborating. "We encourage members to provide case-studies on their sustainability initiatives and we have established forums and events where members can present or discuss their programs or share the successes and challenges," she says.

AusLSA has been analysing law firm paper usage since 2010 and publishing its findings annually. The analysis reveals some good news and some continuing challenges. Paper use continues to decrease. The first report in 2010 revealed each person in a law firm uses approximately 140kg per person per year but the 2012-2013 data indicates an 11 percent decrease to 125kg.

One firm which has reformed its paper usage is Jackson McDonald, which has seen paper consumption decrease by 30kg a person per year with initiatives such as a firm-wide eFiling policy. "By our calculations we estimate each staff member is using 12 less reams of paper per year and collectively as a firm we are saving 2,700 reams of paper per year," says Jackson McDonald CEO Malcolm Shelton-Agar.

Interestingly, AusLSA surveys have found that paper consumption per head does

not appear to be impacted by the size of the firm or the number of its geographic locations. However, it appears that the particular types of matters on hand do impact on paper consumption – no great surprise for the litigators!

#### THE DRIVING FORCES BEHIND SUSTAINABILITY

The motivating factors behind sustainable practices are not limited to a simple desire to "do the right thing". More compellingly, the market expects firms to have environmentally sustainable practices.

"Gradually social expectations are changing; people are becoming more mindful of the impacts of their decisions. For law firms, this presents as increasing expectations from clients and potential clients, staff and prospective staff to be more sustainable," says Wilson. "Clients, particularly from government and financial sectors, are introducing more rigorous procurement processes that require law firms to detail their sustainability initiatives. The weight allocated to sustainability within these processes is also increasing: there is the real prospect of missing opportunities solely because a firm's sustainability program is lacking." Sustainable practices are therefore an important criterion for consideration. "I think instead that there is

now a disadvantage where a firm's green commitment is sub-par," Wilson says.

But is going paperless a great cost saver for firms? U.S. financial services company Citigroup determined that if each of its employees used double-sided copying to conserve just one sheet of paper each week, the company would save \$700,000 each year. In another example, DLA Piper Australia saved \$70,000 a year in paper costs when they defaulted to double-sided printing. "There are also other benefits for health and the environment such as reducing use of printer ink and [less need to] move boxes of paper," says Wilson. "And most significantly there are opportunities for efficiency gains with electronic documents such as automated filing, automated billing, document searching and document mobility."

Some studies suggest there are significant costs surrounding the millions of documents stored in filing cabinets which require employees to maintain. One study in the U.S. found that more than 70 percent of businesses would fail within three weeks if they suffered a catastrophic loss of paper records due to fire or flood.

#### THREE STEPS TOWARDS RESPONSIBLE PAPER CONSUMPTION: USE LESS, USE DIFFERENT AND DISPOSE BETTER

Experts recommend three broad ways that law firms can improve the way they consume paper. The first is to review the firm's use of paper and how printers and copiers are used within the organisation. What, if any, existing protocols are in place for printing and copying? Do certain people have their own printer? Does everyone need a code or key to print or copy which can be reviewed quarterly or annually?

"Even though volumes have remained the same, due to tougher economic conditions and increased competition legal firms in general have been focusing more on sustainability measures and adopting technology solutions to reduce print wastage," says Fuji Xerox Australia's Vicki Flower. "This includes cutting back »



## CASE STUDY

FEDERAL COURT OF AUSTRALIA



The Federal Court of Australia has introduced several initiatives to improve its practices in relation to paper consumption. Several of the Court's registries trialed the use of recycled paper, but the results were less than satisfactory.

"Problems became evident with a number of the Court's printing devices," a court spokesperson told *ALB*. "We understand our experience mirrors a number of other Government departments and due to these difficulties the Court has largely reverted to using 'carbon neutral' paper."

While the Federal Court does not keep statistics regarding paper consumption, it has introduced measures to reduce consumption both by the Court and the Court's users:

- The default setting on the majority of the Court's printers is double sided. Staff are encouraged to minimise printing where possible.
- Judges and senior court staff have been

provided with iPads and are encouraged to use them to read meeting or other papers.

- Following amendments to the Federal Court Rules, all documents prepared for filing in the Federal Court have been able to be printed on both sides of the paper if the party or lawyer preparing that document wishes to do so. Previously all documents had to be printed on one face of the paper only.
- In October 2000 the Federal Court was the first Australian national court to introduce electronic filing. It allowed for the lodgement of applications and supporting documentation and the credit card payment of filing fees. In 2010 the eLodgment system was significantly enhanced and integrated with the Court's case management system.

The Federal Court also provides an eLodgment service for general federal law matters filed in the Federal Circuit Court of Australia. In the last financial year the number of active users of eLodgment increased by 82 percent to almost 5,500 and over 57,000 documents were electronically lodged. This equates to approximately 41 percent of all documents filed during the year in both the Federal Court and the Federal Circuit Court general federal law matters. At present these documents are printed and placed on the Court File, however with the introduction of the Electronic Court File in 2014 the paper court file will be progressively phased out.

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Kelvin O'Connor, COO, Henry Davis York



« on waste through cost control and cost management solutions such as 'Follow you Printing' which is enabled through a 'swipe and release' process." McCullough Robertson has implemented some of these measures with success. "When we replaced our copy and print fleet in 2010 we implemented a 'follow me/secure' print management system which eliminated waste paper left at printers. This, coupled with setting double-sided printing as default on all printers resulted in a marked decrease in the amount of paper we use," says David Goener, COO, McCullough Robertson. Henry Davis York reported that over the last five years they have reduced their paper consumption by 16 percent despite revenue increasing by 34 percent. AusLSA estimates that between 80-90 percent of firms have printers set to double sided printing as a default.

More fundamentally, is printing even necessary? Many document management companies now routinely offer scanning and electronic storage as part of their offering. "Firms spend significant costs every month on document storing and archiving," says Flower. Many firms have replaced thick legal binders filled with paper onto CD. Documents can also be made available via internet or extranet and many firms even now send their holiday cards electronically to save paper. Emails are another area ripe for reform. "We have used electronic document management systems for many years and currently use Interwoven's FileSite product. The email management functionality has allowed the

firm to remove the need to print and file emails," says Goener.

The second step recommended by experts is to institute protocols involving the purchase of copier, printer, letterhead and bond paper, as well as business and manila envelopes. According to AusLSA's 2012 study, 55 percent of all paper content used by firms is from recycled material.

Some examples of policies which firms have implemented in this area include stipulating that 100 percent of copier/printer paper be at least 30 percent post-consumer recycled content. One expert said that, ideally, paper should be 100 percent recycled content (certified), carbon neutral and Australia made. Paper conforming to this specification has recently begun to be produced by Reflex.

Henry Davis York has implemented policies regarding the use of recycled paper throughout the firm. "The decision to use recycled paper was not a difficult one: recycled stock is often more expensive than other papers, but this has been easily offset by reduced use," says Kelvin O'Connor, Co-Chair, AusLSA and COO, Henry Davis York. "In fact, the biggest challenge was finding a recycled paper that matched our letterhead stock, so instead we decided to use recycled paper for our letterhead. The issue of what is the most environmentally friendly paper is complex and we are constantly looking to make the best decision. AusLSA has been an excellent vehicle for providing and sharing information on paper," he says.

The third step recommend by experts is, unsurprisingly, to recycle. Recycling efforts can even extend to the shredding of confidential documents rather than incineration. Goener advises that the shredding company used by McCullough Robertson recycles and was a consideration when choosing this supplier. "We use a paper shredding company (ShredX) that provides reports on the volumes of paper we send for shredding which includes estimations of the environmental gains from recycling our paper. Most firms also have established policies of [placing] recycling bins throughout the office and that personnel have ready access to them. We have also considered the waste facilities we provide in our offices in order to maximise recycling and minimising volumes to landfill," Goener explains. "For each lawyer we provide an under desk box to collect the waste paper and [we have] a number of larger collections bins spread around our premises." 