

Pioneers and Pathfinders: Hal Brooks

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Steve Poor 00:00

Hi. This is Steve Poor, and you're listening to Pioneers and Pathfinders.

Our guest this week on Pioneers and Pathfinders is Hal Brooks, the CEO of Haystack ID Group Holdings. Haystack is a specialized eDiscovery services firm which helps corporations and law firms find, understand, and learn from data, particularly when facing complex data intensive investigations and litigation. Hal is an eDiscovery and litigation technology professional. He's got more than 25 years of experience in the field. He's participated in the acquisition and growth of several industry-leading companies, and has helped businesses address challenges in the areas of litigation, strategy, automated discovery processes, and cybersecurity. This year, Hal was given a Lifetime Achievement Award at the Legal Week Leaders in Tech Law Awards.

In our conversation, Hal talked about the advice he received at the beginning of his career, the evolution of the eDiscovery industry, Haystack's commitment to being a voice of reason, and the need for continuous education as technology evolves, it was a pleasure to talk to a real pioneer in the field. I hope you enjoy listening in. Thanks for making the time.

I am joined today by Hal Brooks, who's the CEO of Haystack ID Group Holdings. Hal, thanks so much for making the time. I know how busy you are, and I appreciate it.

Hal Brooks 01:29

Well, thanks, Stephen. I really appreciate the invitation.

Steve Poor 01:32

Well, first, let me congratulate you on getting the Lifetime Achievement Award from Legal Week. That's very cool.

Hal Brooks 01:38

Thank you very much. Yes, it was surprising, but much appreciated.

Steve Poor 01:42

Your career is a fascinating one. You've spent 25 years in one way or another in eDiscovery, litigation support, technology. I don't want to talk about some of the milestones and that that path you took, but let me start with a simple question, how does a theology and humanities major move into litigation support and E discovery.

Hal Brooks 02:02

I tell you what I it was certainly a deviation from what I was going to end up doing with my career, but it was one where, you know, I look back on my schooling and my time at Wofford College and studying theology, humanities and philosophy, And really how well it prepared me for really dealing with people, dealing with change, a life itself, you know, is very philosophical. They have a deep spiritual connection, you know, in my way, shape or form, I guess you would say, with, you know, my beliefs and so, you know, it was just something where an opportunity presented itself for me to go in a different direction, I chose to do that. And it began sort of a love affair with business, you know, learning how to move away from managing people and learning how to lead people over the course of time. I thought there was a big difference in that, and so I explored every way I could to learn. I was a big reader, and absorbed a lot of knowledge from people far greater than I when it comes to leading and managing people. So it was an interesting deviation, but I'm glad it happened.

Steve Poor 03:07

I think the industry is glad it happened. You talk about talking to people who are great leaders. Anybody stand out in your mind, who particularly influenced you?

Hal Brooks 03:15

You know, there was, there were so many I had in my early career, actually people, the gentleman who hired me that got me on my path into business, I should say, Well, it's certainly a big influence. And then several of the managers and leaders that I came across throughout the year were hugely influential to me. And of course, you know my partner in the first venture, Mark Han, who really was one of the founders, if you will, of the litigation support and what has now become to E discovery, business as we know it, as far as AOSPs and service providers, he was certainly a huge influence on me, and taught me a lot about the business as well. So very glad I've had every one of them, you know, touch my life and make it better.

Steve Poor 03:55

It's amazing the impact other people can have on us in our career, isn't it, people who are good teachers and mentors and leaders, they leave quite a legacy behind

Hal Brooks 04:03

They do.

Steve Poor 04:04

Now, as I said, you've had over 25 years of experience. You've played significant roles in companies like legal, copies, international, on site, Haystack Id sort of walk us through some of the milestones of your career. What stands out to you as you look back over the 25 years?

Hal Brooks 04:21

You know? It's interesting when we look at when I started in this space, in the late '80s and so forth, it really what's interesting is we think about all this change, the dynamics of change constantly happening. Technology constantly presenting opportunities for us to do things differently. And yet, it's really interesting. How what we do, when we did it with paper, whether it was copying or scanning and so forth. And then the early evolution of E discovery, where we would get a 10 gigabyte, 15 gigabyte

job, and we thought that was huge, in 2001 and it would take, you know, a room full of computers and P. In order to accommodate that process, or that matter. And you look at it and you say, Wow, the workflows themselves haven't really changed. There's still a production cycle that goes on. You're taking in for those documents in boxes and so forth. You're disassembling those and you're putting them through a process of copying them multiple times, and then you're reassembling them, and you're doing other things, like dates, labeling and so forth and so on, and then you're sending out the copies to whatever appropriate attorneys are going to be reviewing the documents. And really, when you just fast forward to what we do today, it just hasn't changed. It's just the media that we use has changed. It's become more complex, a lot of different sources. But you know, when I look at what I think the opportunities really are as we get all of this new technology that is besieging the industry right now, is this really, I think, a jumping off point for us. We've had technology before, and I just don't think the industry has adopted it fast enough. It certainly is an industry that, you know, we all know, uses caution and uses it well and for a good purpose. What we do is we participate in these matters which are bet the business type of matters, and so things can't go wrong, and we take a lot of pride in that as an industry and as a company. But yeah, I think that what I see is we've now reached what I think is really an inflection point in our space, and that is the opportunity to truly take technology, use it in an ethically sound and defensible manner and hopefully make the industry better. Because we've got to do something. The amount of data sources that are proliferating out there, the complexity of that data, it can't be handled and met in the same deadlines and timeframes that we used to be able to do things, you know, before things exploded. So we've got to do something as an industry, and we need to come together and figure out all the ways that we need to worry about regulation, defensibility and certainly pricing and cost to make it efficient and effective.

Steve Poor 06:58

What do you see being the biggest hurdles for doing that in the in the profession? The people, I presume?

Hal Brooks 07:04

You know, what's the, you know, the one constant that we have to say is that, you know, the people that we work with, day in and day out, everybody has some level of self interest and how the process gets done. And, you know, I think that we are in a situation where our industry is led by outside counsel in the direction that they give their clients, and I think that we have to have more of a push outside counsel to look at this technology and to be more compliant with What their clients needs are when it comes to how they're going to get these matters done in a proper length of time. And I just feel like, you know, if there's anything that has been constant over the years, it has been one of these things where we have sort of battled with outside counsel about the adoption of technologies and what it means for the billable hour. And perhaps one day, you know, we will find a way, a different way, to pay for discovery, to pay for how we pay our attorneys when it comes to these, these very large debt of business type of matters. But you know, it is what it is we deal with, what we have to deal with each and every day, today. And you know, I can only control what we can control here, as you know, a provider in these very complex matters. So...

Steve Poor 08:26

Yeah, the pricing is a challenge, isn't it? If only pricing were logical, it'd be better off. But there's so many factors that go into it. It's incredibly complicated.

Hal Brooks 08:35

It is and it gets more complicated every day. The software vendors have a say in the narrative. The outside counsels have a say in the narrative. The clients themselves have a say in the narrative. If they happen to have an MSA with that provider, and the providers are trying to basically take all those pieces and all those different aspects it has to play with and present something that gives the client what in one of my very early visits with a major partner of a law firm out in San Francisco, once told me, he asked me to simply quit the question. He says, young man, do you understand what my role is, what my job is as an attorney? And I just said, Oh, I don't know. Maybe to win. And he said, he says, Listen, we'll give you some advice. He says, what we do as an attorney and what you do as a vendor we hire to help us is our job is to give our clients the opportunity at a fair and reasonable outcome. It's that simple. In some cases, you're going to investigate more. In some cases, you're going to mitigate. In some cases, you're going to litigate. But the reality is, we need to be able to take all this data that we can get and give the client the opportunity to make a data driven business decision about what's going to be in their best interest and counsel them about that, and that's what I've carried forward with me, is we need to just take all of everything that's coming at us in this space each and every day. We need to make sure that we make sense out of it, that we be the voice of reason about technology, process, what have you, and allow. Allow customers and their outside counsel to make the best decision for them on that particular matter at that particular time.

Steve Poor 10:06

At the time you started, around the turn of the century ... Trust me, I was there.

Hal Brooks 10:15

Many of us were there.

Steve Poor 10:17

There was a dynamic in the industry about everything was in boxes. I can remember as a young associate being sent to warehouses to look through dusty rooms and boxes and and there was a there was an argument against e discovery, that it's a fad. It's gonna it's gonna wear out, it's never gonna go anywhere. Did you foresee the growth of the industry and the significance that technology plays in the discovery process at the beginning, or did that sort of reveal itself over time?

Hal Brooks 10:45

You know, again, it to me, it seemed like a perfectly natural next course of business for data. Everything was becoming digitized in one way, shape or form. We moved from strictly copying to taking scanners and digitizing data and coding it. So why not cut out the middleman and just use the data and gather it from where that point or that device existed? You know, I think that we're all as an industry. I know certainly Haystacks mission and our future path is to go and try to get as close to the point of where data is created now. And one thing that's always been constant about the legal profession is this a very reactive profession. Something has to somebody has to kick over the first domino, or tip over the first domino, if you will, in order to get a matter started. And you know what we're going to do is figure

out a way to be more proactive. And in order to do that, it means to go and you've heard a lot of talk about legal data intelligence. Well, we're of a mindset that we need to really look at corporate data intelligence that, you know, get as close to the point of data creation as possible. Help people understand what that data means to the organization, prioritize it, classify it, figure out ways to not keep data who owns it, who should own it, who shouldn't own it, and find a way to mitigate that data at a point in time where it doesn't become something of a hindrance to that corporation or that client.

Steve Poor 12:12

Give you an example of what you mean by that, Hal.

Hal Brooks 12:15

Think of the data lifecycle management business. DLM, that's really where I think most companies are going to be moving towards, and again, it's more of a proactive approach to that data. We're not going to be creating data for the client, but what we're going to be helping to do is manage that data. Why is that data important to the organization? Is it really important to that organization? Should this person have it? Should that person not have it? This is really where I think, when you think about what we've got, we're when you really hear about it every day on TV or what have you. But we just got tons and tons of data being accumulated in the store, created, accumulated in the store, and a lot of times we really don't understand why we're storing it and keeping it around, and until we get to the point where, and I do believe this is where all this new technology can help us, where we can utilize things like AI to help classify data, categorize data, at a very earlier point, rather than at the point of where it's already in the EDRM. We want to be left of the EDRM closer to the point of that data creation in helping the client understand and mitigate those risks for keeping data too long or in the wrong place. And now, of course, by doing so, what we're doing is exposing ourselves post pandemic. We all know there's cause and effect in this world, and what we saw post pandemic was, or during the pandemic was, people working from home. That's why we shifted our business in a lot of ways and created this entire cyber discovery practice. We knew that there was going to be breaches. We knew there was going to be the opportunity for nefarious actors to get a hold of that data, and so that has actually been the fastest growing area of our business over the last few years, as our entire cyber practice. How do you take this data, once again, proactively, there's been a breach? What do we need to do with it? How do we need to make sure that people are notified that their data has been, you know, compromised, and I think that if we can fast forward this a few years and use this technology, we can get ahead of that and start to mitigate those risks at the point of data being created, rather than waiting for it to be accumulated and then exposed down the road by some nefarious actor.

Steve Poor 14:20

That sounds like a great, a great plan. Certainly, I would think clients in your businesses you work with are receptive to that message.

Hal Brooks 14:28

Yeah, I think most of them are. Again, we focus on the enterprise and the level clients, the larger people who are heavily regulated, who are heavily involved in litigation, and certainly the people who are involved in, obviously in the day. So all of them, you know, look at their information as being part of their IP, and we just want to help them find ways to be more proactive in protecting that.

Steve Poor 14:49

So, the business moves very quickly. There's new businesses popping up every day on generative AI and and going out of business and merging and new. Technology. How do you keep up with it as you look at long term for Haystack? How do you keep your pulse on the development of the technologies? I mean, I'm sure it's a team effort over there, but...

Hal Brooks 15:11

Very much so. I mean, you know, it's, you know, the best way to keep your pulse on what goes on in our space is to do what you and I and a lot of other people do is we go to a lot of events and we sit with the people who are the decision makers and influencers in our space, certainly, both from a technology standpoint as well as from our clients and prospects that we want to do business with. We listen and we know what's important to them, and then we spend time, and we have an entire organization within our company, which is an innovation lab, which brings in products, everything that's new, we take a look at it, and we POC it as much as possible, and we see if it's something that we can offer to our client base. We want to know what we need to learn about a product in order to be able to deliver you know what the value proposition to our client is, anything that we look at in our organization, I have sort of a rule about, and that is, it needs to be defensible, and it needs to generate a value proposition back to our clients. In other words, if it's not one or two of those things or both, which it really needs to be, then we're not something that we can offer out to our client base. So we try to understand it as best we can, and then we try to present to our clients as an option. You know, once we figure out that it's something that can make a valuable difference in their way they do business today. And far as far as discovery is concerned.

Steve Poor 16:32

How do you see as you're rolling out these technologies, as you look towards getting closer to the data source, how do you see the role of the legal professional changing in this discovery process?

Hal Brooks 16:42

I tell you, it is, as you probably have learned, is something where you just literally have to keep up, you know, it's, I think, the education side of it, the openness and the willingness to, you know, kind of, you know, not be stuck in, you know, a process. You know, this is the way we've done it. This is the way we've done it. This is the way we've always done it, and we're just going to continue to do it that way. I think you have to have this openness and this mindset of looking at technology differently than we have in the past, is not something that we fear, because it's going to decrease the amount of revenue that we do on a matter, or amount of billable hours that we get to build on a matter, if you're an outside counsel, what have you, it's all about. We're creating so much more work with all of these things that are so unknown. And even AI itself is experiencing, you know, tremendous amounts of litigation, and we're never going to want for work for matters, you know, in this country, you know, it's one where I think that if we don't open up our minds, don't stay educated, as you said, Don't keep your finger on the pulse of what's important to your client. Then I think, you know, you know those are people are doomed to fail in some way, shape, or form.

Steve Poor 17:57

No, I think that's right. You know, there's a I'm sure you participated in sort of the debate that goes on about as these new technologies creep into the practice, how do we train and develop newer lawyers into the profession where we've clung to these ways of apprenticeship? Go look at the box of documents. Go look at the due diligence. Do your own research. How do you manage those conversations when you get into them with clients, I presume you do. How do you talk about that?

Hal Brooks 18:24

Good thing is, we have a great team of experts, you know, who have joined our organization over the years and who have been great thought leaders in the space. And what we've got is we've got the ability to go out and counsel people based on our experiences, what we've learned, and I think that's part of our job. This is part of our job, is to sit down with our client base and help educate them where they need education about what it is you need to hire. You look at the staffing that we're doing today, it is evolved and changed dramatically over what we used to use as people who execute on these projects years ago, the evolution, if you just look at the importance of a project manager in eDiscovery, has really evolved to where the expertise, the level of technical expertise and understanding about technologies and all the software platforms that we use, not to mention all of the scripts and the development of customized products and one offs we build for clients. It takes somebody who is much different today to be involved in discovery on both ends, but at the client level, at the law firm level, and at the provider level. And I think that people know that and are seeing that now, and you're seeing the emergence of a lot of other I mean, there's just so many good channels and methodologies to get educated in this space now, and even the law schools themselves. We sent all of our project managers through the Vanderbilt School of Law for prompt engineering.

Steve Poor 19:53

They run a great program down there, don't they?

Hal Brooks 19:55

They do run a really good program. And you know, one of the things that people have to do is understand. That if we're going to keep pace with the industry, keep pace with technology, you have to keep pace with your education. And that's something that, in my mind, just never has stopped in this space, and never will.

Steve Poor 20:12

You mentioned sending folks down to Vanderbilt. Do you spend much time working with law schools in terms of training law students on your tools, or where the technology is going, or do you get down to that level of involvement?

Hal Brooks 20:25

Yeah, absolutely. We've got number of our staff. I'll use an example of a gentleman by the name of Ashish Prasad, who I'm sure you might be familiar with. But Ashish has been instrumental as a lawyer who came out of Mayer Brown and joined, you know, this industry, this side of this space, many, many years ago. But one thing that he has really done is given back to, you know, the educational element of his alma mater, Northwestern and you know, he continues to run and teach these newer law students coming into that arena, what it is that we're doing today, what they need to focus on in order to better

understand and hopefully become better attorneys, to differentiate themselves from everybody else that's sitting in the classroom, if you will. Because it's a competitive space. We all know that, and there's only going to be so many attorneys available for so many roles, available for so many attorneys that graduate each and every year, and having that knowledge, and especially embracing this technology, and having that knowledge taught by people who have real world experience, such as Ashish, I think is critical.

Steve Poor 21:31

Yeah, I do too. I think it creates a generation of lawyers who have an expectation as to the impact of technology, and who can bring that expectation to firms or to institutions that may be more resistant to change. And I think that'll think that'll pick up the pace of change in the industry dramatically. No doubt, no doubt. So I think most folks who are listening probably know Haystack but for those who may not, tell us about the suite of services Haystack offers.

Hal Brooks 21:59

Well, we're primarily, like we said, we sit in the middle of what people would know today is legal, data, intelligence. You know, it is all about being able to from a discovery standpoint, we provide forensics all the way through, manage, review, production. But as I said, we've also created an advisory practice within our company that is the fastest growing area of our business, and that is focusing on the proactive steps left of EDRM, such as cyber privacy, info governance, data governance, and that is really where we're seeing a tremendous amount of growth as people post pandemic are actually willing to spend and invest money on mitigating risk. And so we're happy that that is happening, and we see that as being a transformational element that a lot of companies are probably directing some time and attention to their their ALSPs today.

Steve Poor 22:51

The cybersecurity is a really interesting area, isn't it? I mean, it's sort of a cat and mouse game, right? You're trying to stay ahead of the bad guys, and it's going to be a fascinating technological challenge.

Hal Brooks 23:03

It is. You know, when we first got into it in 2020 when one of my sales people, Michael Sarlo, and I, were having a chat over lunch during the pandemic, we just said, Look, you know, people are sitting at home or sitting in unsecured environments. They have companies just haven't had a chance to cross the t's and dot the i's when it comes to security at the time, this is what's going to happen. So we took a risk. We started the practice, and, you know, back then, it was all done manually. There wasn't a lot of automation. Any of it all matter. Most matters were very large at the time and but things have changed and evolved. The actors go after just about each and every company they can find, and certainly focus on companies, especially law firms, that basically handle sensitive data. We all know about how many law firms have been breached over the last few years, and what used to be something where we get one or two matters a quarter. Now we're getting two three matters a day. Oh, my God, this is happening. It is when you sit back and you, you're in my position, you're seeing all the inflow of matters coming through our order intake system, or our sows are coming in every day for execution. And you just look at them, and you just like, you're like, fearful about how many companies and types of

companies that are being breached out there. And now must have to sort of figure out what they need to do post that breach in order to remediate the possibility of whatever is going to happen to that data.

Steve Poor 24:29

No, absolutely. So you've been doing this for a long time, and you really push the industry forward. What motivates you to keep pushing forward? What motivates you about continuing to move Haystack, or some of the companies your directors of into the future. What gets you up in the morning?

Hal Brooks 24:45

Well, honestly, this is all I do. I'm not a director of anything else. Haystack is an opportunity. When I got started with Haystack and doing this back in 2015 2016 I wanted to be able to do so. Be very different. I wanted to actually build the first virtual company in our space. I wanted to be able to take all those years of experience with so many great people that I'd worked with in the past, and no matter where they lived, to be able to hire the very best talent. So we set out to create the first virtual company in our space. Created new technologies to where we could review documents with attorneys remotely, rather than having them all aggregated in a centralized room in a certain market, DC, New York, Atlanta, wherever. And we created the first virtual review product called review right and lo and behold. We didn't know that something like the pandemic would come along, but when it did, when everybody else was hitting the pause button, we were able to continue to operate. And people were calling us saying, Hey, we know we talked to you guys about, you know, doing remote review once before. We didn't really like the concept of it at the time, but you know now we need to use it. And so you guys are the only ones open. Can you help us out? And so it really worked in our favor to have such a tragic thing. If you could say that something good comes out of anything like that, but it did for Haystack, and we were able to capitalize on it and continue to build the brand. And for me, it's about taking the trust that our clients put in us each and every day, not just our external clients, but the internal clients, the people that have worked with us over the years, people that work I've worked with, I've got some people that are working at Haystack that I worked with 30 years ago, and take their trust very seriously, very passionate about the space. And I just want Haystack to be remembered as something that made a difference in the space, not just me, in any way, shape or form, but everybody here. This is a collective effort to make a difference and but do it in a way like I said before, that we come across as a voice of reason, not something where we're just pitching the hype. We're going to actually make sure that this is in the best interest of our client for that particular matter at that particular time. So that's why we don't sort of go all in in one direction on anything, make sure that we're going to be people that give great counsel, so that that client does have the opportunity at a fair and reasonable outcome.

Steve Poor 27:14

That's wonderful. I know we're running out of time. So last, last question, you must have people come to you or thinking about entering the profession, either through technology, through law students. What kind of advice do you give them, particularly with so much technology emerging in such bewildering fashion?

Hal Brooks 27:32

I tend to not give advice about people wanting to become attorneys, so I will pass on that one. But what I do, you know, tell people, and even when we're doing hiring today, you know what we do is it's seven

days a week, 24 hours a day. We're the Waffle House of our industry. We never close. The practice of law really never ceases to rest. We work all night, we work on weekends, we work on holidays. It's not for everybody, so it takes somebody who is really understanding that they need to have a servant's heart to be in here, to be able to serve, you know, very demanding masters, in terms of attorneys, outside counsels and our clients, these are bet the business matters with millions or billions of dollars at stake, reputational risks at stake. So it's not something that can be taken lightly. It is extremely pressure driven, but it's one that the right people with the right personality find to be very rewarding and an opportunity to make a great living, continue to learn, expand the horizons, and that's why, you know, we as a company have to continue to open opportunities for our clients and for our internal clients, so that they can have great career development opportunities and great income development opportunities, because that's what people do. They work to make a living. And so we hope to be able to keep people working with Haystack and working with our client base for a very, very long time. And we hope we're very successful and perceived to be successful by our clients, both internal and external.

Steve Poor 29:01

Well, Hal, you've certainly made a huge difference in the profession and in this particular industry. Thank you for that, and thank you for all the work. You'll continue to drive going forward.

Hal Brooks 29:11

Same said of you, Stephen, you know, without people like you influencing what we do each and every day, you know, we wouldn't have the proper direction. So thank you.

Steve Poor 29:19

Well, thank you. I've enjoyed the conversation,

Hal Brooks 29:21

Take care.

Steve Poor 29:23

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