

CLIENT CONCERNS REGARDING BLOCKCHAIN AND DATA SECURITY DRIVING INCREASE IN DEMAND FOR LEGAL ADVICE

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Law firms have key role to play in protecting clients from the risks associated with data management – implementing data protection measures is vital

Demand for technology-related legal advice is increasing as clients from a wide range of sectors are forced to come to terms with matters such as the potential impact of Blockchain, as well as the risks of potential security breaches, says Anna Viladàs Jené, partner at Roca Junyent.

Awareness of the potential of new technologies is increasing with clients requesting advice on issues ranging from the legal implications of Blockchain to data protection, according to Viladàs Jené. "Demand for TMT advice is growing across many sectors, and we act for a diverse client base which extends beyond the traditional, technology-based start-ups," she says. "We've seen a lot of demand in sectors as diverse as transport healthcare and the arts."

Viladàs Jené believes that the use of Blockchain technology will become more widespread in the management of intellectual property rights. "Blockchain could be a very useful tool in this context, as it improves traceability and could therefore provide the means to certify the provenance of a work of art," she says. "It will also have a big impact on the management of copyright issues," Viladàs Jené adds.

Blockchain has also had a notable impact on the banking and finance industry, says Roca Junyent partner Xavier Foz Giralt. "We're starting to see the practical implications of Blockchain, particularly in the banking and finance industry, where it is aiding the development of fintech and new models of financing," he says.

Meanwhile, according to Roca Junyent lawyer Teresa Pereyra Caramé, another factor contributing to the increase in demand for technology-related advice is a growing awareness of the importance of Big Data. "We're seeing a diverse range of client profiles, all of which are interested in making the most of the vast amounts of information that they handle," says Pereyra Caramé.

As companies begin to better understand the potential of the information that they manage, they have also become more concerned about the implications of any potential security breach. The entry into force of the General Data Protection Regulation in May this year has of course contributed to this, says Viladàs Jené. "Clients are concerned, and the GDPR has meant that many companies are paying more attention to data protection – a matter that had perhaps not been at the top of their list of priorities," she explains.

Serious impact

Law firms have a key role to play in protecting clients from the risks associated with data management, says Pereyra Caramé. "Implementing the right data protection measures is vital for any business," she adds. "Data breaches can have a very serious impact, including damage to corporate reputation." Pereyra Caramé believes that taking a long-term, business-wide approach to data protection is the best strategy. "Clients need to understand that data protection is not a one-off issue," she argues. "It's an ongoing process, which requires continuous attention and improvement," Pereyra Caramé remarks. As the entry into force of the GDPR happened very

recently, there are still doubts about the approach that the regulator will take with regards to enforcement. "We haven't handled any inspections yet, but we expect these to begin in the coming months," says Pereyra Caramé. "We'll then begin to see how the authorities interpret the legislation."

Another issue that is causing uncertainty in the legal sector is the potential impact of artificial intelligence (AI) on law firms' business. This is an issue that has been at the centre of much of the debate about technology in recent months. "All firms are talking about AI, but we don't quite yet know all the ways in which it can be applied to the practice of the law," remarks Viladàs Jené. She believes that AI will become a tool which will be of great help to lawyers, and does not see such technology as a threat. "Artificial Intelligence is a tool, we'll work alongside it, it's not going to put us out of work," she claims. "Artificial Intelligence will not be a substitute for the creativity which a lawyer can bring, or for the relationship of trust that we build with clients," Viladàs Jené says.