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PRESENTATION

Louis Pavia - *JPMorgan - Analyst*

Hi everyone, I'm Louis Pavia, business information services research associate of JPMorgan. We're pleased to host Thomson Reuters in our last presentation of the morning. As of reminder following this session we will be hosting our lunch panel with New Mountain Capital and IRI Worldwide on building great information services businesses.

But first I'd like to welcome Susan Taylor Martin, President of Thomson Reuters' Legal division and Frank Golden, Senior Vice President of investor relations. Susan has been with Thomson Reuters and predecessors since 1993 and has held a number of management positions at the Company. Susan and Frank are going to start the session with some prepared remarks about Thomson Reuters and then we'll get into an interactive Q&A session from there.

Susan Taylor Martin - *Thomson Reuters Corporation - President, Legal*

So I'm going to shamelessly use a little bit of time here today to talk about a part of the business that you probably don't hear terribly much about which is the Legal side of the business. Then we will back take questions across kind of Legal and Finance & Risk and the rest of Thomson Reuters in a moment.

But I just want to talk a little bit, a few minutes just about Legal just to kind of update you on where we are and thank you very much for the opportunity coming to chat about it. So we like the business, we like the increasing growth profile on the revenue side and we're excited about the momentum that we've got underway.

For those of you that have followed our Legal business for a while remember that primarily historically we've been very much a legal research content provider to law libraries and law firms and particularly law librarians actually within both firms and within law schools. Today I'm going to talk a little bit about the change and the way in which we've evolved the business over the last few years and will continue to evolve the business to supplement the really market-leading positions that we have in terms of legal research and legal content with assets on the kind of software and the solutions side.

And those assets are serving not just law librarians and legal researchers but really shifting now to serve legal practitioners whether they are in law firms, whether they are in corporations or whether they are in government departments. And the fantastic thing about the way in which we've kind of opened the aperture and we're thinking about broadening our business is that it absolutely hones in on key changes that we are seeing in the marketplace. And I'm going to talk about that in a little bit more detail in a moment.

But to cut to the chase lawyers are having to be much more focused on working efficiently for a whole range of reasons. And that kind of focus on efficiency together with the increasing application of technology in the legal services world is really changing the market. And that market change is something that we really think we can capitalize on as a business.



So I'll talk a little bit about our business mix and how that's changing as we pivot to take advantage of those changes in the marketplace. And specifically I was going to spend a little bit more time talking about what we call our solutions business which is something that we haven't really delved into a great deal of detail historically. So I will give you a little bit of a flavor of what's happening there.

I think that we have this unique combination of assets that allows us to take advantage of the position that we find ourselves in the market, the changes that we're seeing and marketplace. And one of the things that kind of at the bottom of this slide highlights the acquisition that we made a couple of years ago, Practical Law, because it's actually quite a seminal acquisition with regard to this perspective.

It really has allowed us to shift our mindset to thinking about how we serve the practitioner and not the researcher to how do we help lawyers get legal work done effectively, how they produce work product. And Practical Law is absolutely critical in that perspective because that's exactly the perspective that Practical Law has, it's all of our know-how to help lawyers get work product done and out. And that's been a very, very fundamental shift that we're starting to move much more aggressively on.

So if I think about the changing market I thought it would be useful to talk about the three big shifts that we see in the marketplace in terms of economic pressure, regulatory change and technology evolution. But with regards to kind of the three big buckets of customers that we serve, the traditional side of our business has very much been on the law firm side but also increasingly corporations, so serving corporate legal departments and also increasingly serving government departments and particularly courts. And we're seeing the kind of those trends play out in different ways.

It's interesting because what I call the buy side of legal services world is the corporate counsel. And there is no question they are demanding more for less from their law firms. And that fundamental economic pressure means that law firms are having to push for greater efficiency.

58% of law firms said last year that they are using technology to replace human capital and human skills so we're really starting to see that come into force now. That percentage point was way, way lower than that even the last three years going.

So it's quite a seismic shift in terms of technology. There's also increasing pressure to perform more routine work, more commoditized work outside of the law firm.

So the other big shift that we're seeing is the growth in what we call alternative legal service providers. So these kind of nontraditional service providers we think are becoming a permanent fact of life. And again those recent Altman Weil survey of corporate counsels said 83% of corporate councils this year are saying this is going to be a permanent structural change in the way that we perform legal work. So those alternative service providers are here to stay.

And finally, sorry, moving on to the corporate side of things as we said they are demanding more for less partly because what's on their plate has grown exponentially. Because actually it's now not just legal, it really is much more about managing risk and it's about managing compliance.

So the interesting thing that we're seeing in the corporate side of the corporate counsel side is that's actually we're seeing real growth of lawyers. So in terms of demand actually there's kind of tremendous demand there. But again it's doing things quite differently, so that's where for example our Practical Law plays extremely well to helping people get work done, not just researching legal issues.

The number one concern at the corporate level is ask any general counsel it will be compliance and again a huge area of focus from that perspective. I think that's again somewhere that we're working very actively with our colleagues in our Finance & Risk business thinking about the regulatory and compliance opportunity there which we think is substantial.

Then finally on the government side this is where we are seeing this modernization particularly in the court systems. We made an acquisition a few years ago relatively small but important for us around courtroom management systems. There is no question technology needs to enable much better access to justice and we're definitely part of that kind of flow and part of that evolution.

So in general a good deal of change in the market. I think all of that playing to areas where we can really excel. We can start to join up some of the assets that we've acquired and that we've grown historically over time to really start to serve these kind of evolving market needs.

Just to transition quickly to our business and the way in which that mix is changing, on the left-hand side this was the picture of our business at the end of 2010 and on the right-hand side this is a nine month that we've just closed after Q3 of this year. And you can see this is kind of the traditional way that we've talked about our business externally.

In 2010, 21% to 30% of our revenue was in print which is the gray slug. 46% of the revenue was our US online legal information business. And then we had about a third of the revenue was what we call solutions and that's the area I will go into in more detail and explain what that is.

The combined, the traditional US legal information business kind of two-thirds of our total revenue, so just a third from our solutions world. And you can see the big contrast in terms of where we stand at the end of September this year.

The revenue from the print perspective is declining. That is in structural decline. We don't expect that to change anytime soon.

The online information, the US online information business is now our Westlaw business. And that is also where we look at our US Practical Law business. And I'll talk about that in a minute in a little bit more detail, 40% of our revenue.

Now that's 1% growth versus last year and we're very, we're really very important for us here is that the really improving trajectory. We've seen three quarters of continued of good momentum on that kind of core legal information business which is excellent and the combination of two factors, really good focus around the retention of the Westlaw business but importantly extremely strong growth on Practical Law. So we're seeing that kind of return to growth.

Then almost half of our revenue, \$3.5 billion worth of annual revenue is on the solutions at side of the business. And you can see that growth is kind of 6% versus prior year so far this year. So again some really strong growth on that side of the business.

Now I'm going to follow up on the solutions side and give you a bit more of a flavor of what that combines. But it's fundamentally strategically what I'm trying to focus on is very much the revenue growth side of things. As you know this is a highly profitable business and revenue growth I think has really been the challenge and what I'm fixated on.

What's important from my perspective is how can we take the real strength that we have in the franchise that we have in the online information business and start to really leverage that in the Solutions Businesses we have? And how do we start to integrate those solutions so that fundamentally we are helping lawyers be more effective and more efficient at what they do? And that means really delivering that content at the point of need in workflow. So that's very much the kind of perspective that we're taking strategically in terms of where we want to take the business.

Just to talk a little bit of about the revenue growth side and as I said I'm excited about the momentum that we're getting here. I know these aren't huge numbers in terms of percentage points but they are going the right direction. For 2013 you can see that our organic revenue went down 1%; actually, if we excluded that kind of structural decline that we're seeing in print it went up a percentage point.

Last year we saw organic revenue flip and go positive which was great a percentage point, 2% excluding US print. But the nine months so far this year we've seen our organic revenue go up 2%, 3% excluding US print and we stated publicly that we expect that to be the trajectory the picture for the rest of the year.

So it's moving in the right direction. And we're pleased with that kind of steady progress in the right way as I said.

Just moving on to the solutions side to give you a little bit more color on what that contains because there are a number of different pieces of it. I'm going to break out four, the four major chunks of what we call solutions. And the first one is what we call legal managed services.

So this is really a business that developed out of an acquisition we made back in 2010 of a company called Pangea3 and it's a legal process outsourcer. And this really plays to something that we talked about earlier in terms of trends in the marketplace because they are an alternative service provider. And we've seen tremendous growth from this kind of legal managed services offering because corporate counsel and now increasingly law firms want to find more efficient ways of doing quite routine large-scale work, particularly around the discovery but also around contract management.



So what's the routinized stuff that perhaps you don't need a law firm to do for you but you will want someone, obviously a law firm looking at or legal counsel managing that very closely clearly. So this is absolutely where our legal managed services play and strategically what we're trying to do there is supplement the strength that we have in terms of that LPO, that Pangea3 business with increasing investment on the technology side. So we see this is a very interesting combination of very, very highly skilled domain experts in terms of this routinized kind of legal work but supplemented with absolutely cutting-edge technology and that's something that you'll see come to the market next year.

We've seen tremendous growth on this. And just to give you an idea of scale so far this year I think we've reviewed close to 100 million documents within that kind of e-discovery piece of the business for our customers, so that expansion is really carrying on at a rapid pace. We don't see that changing anytime soon.

The next piece I want to pull out is something that we call our investigative services business. And it's largely under a product line that we call CLEAR. And it's used by law enforcement agencies, other government agencies, corporations to perform investigations, criminal investigations, asset recoveries, anything else that requires the use of public and people records, criminal records but also web searches and other proprietary sources that we pull into play.

And again as you can imagine investment in fraud prevention continues to rise. We've seen tremendous growth from this both from a law enforcement and a government perspective which was the traditional customer base for these investigative services but increasingly now from corporations and from financial corporates as well as nonfinancial corporates. So again tremendous growth in this kind of investigative space.

The next big piece I call it business development and the key asset that we have in this space is a business called FindLaw which is all about providing marketing solutions, business development solutions for small law firms. So again it gives you an idea of how our world has shifted from a kind of pure legal research world to much more kind of the world of where is value add and absolutely getting in business is a key requirement for a law firm in a way perhaps that it wasn't for 2008 where perhaps the money was just a general kind of growth in the market didn't mean this was such a focus, it's a massive focus now.

The FindLaw business we historically think is extremely strong growth from. It's a very fragmented market still, although we are the largest player in the marketing solutions for small law firms. And it comprises sort of a more traditional side of the businesses, websites, online advertising solutions, online legal directories and lawyer directories but also lead solutions and other marketing solutions for law firms. So again I think a very interesting space for us and one that we're going to continue to invest in.

And then the final piece that I want to pull out from this kind of solutions world is what we call legal enterprise solutions and comprises two businesses primarily, one historically known as Elite and the other is Serengeti. And if I take Elite first we sometimes describe this is almost kind of the SAP for law firms. These are the systems at the backend of law firms that help them run as a business.

So it's all about the financial systems and management, how are they operating as an organization. And again we've seen tremendous growth here as the kind of professionalization of that profession continues effectively.

And the CFO in particular and the management partner needs greater insight into how that firm is progressing and how it's where the revenue is coming from, which matters are most profitable, which partners are more most profitable. So a really interesting, continued investment kind of the back end of law firms as it were.

We have a very strong position with Elite both within the US and globally so we're the leader in kind of the Am Law 100 market here in the US and we're the leader from a global 100 in terms of law firms penetration. So extremely interesting business for us.

The other one that I mentioned is Serengeti, slightly different, also kind of a software as a service is business but this one focused at the corporate council end of the market. And it helps corporate counsel manage their law firm billings more effectively.

So again absolutely plays to what we're seeing in the marketplace with corporate counsel really wanting to manage those budgets very effectively often across multiple firms and often across firms and alternative service providers, this is the kind of software tool that allows each to do that. So



again we're seeing tremendous growth in this, not just from a US perspective but increasingly kind of international. So the internationalization of both Elite and Serengeti is something that we're very focused on over the kind of coming years.

Then my final slide is what I've tried to do here is summarize the strategy and almost where we've been and where we're going to, so this pictures the evolution. Where we've been historically is very much here on the left-hand side focused at that law firm and particularly that kind of librarian market.

The addressable market that we were serving was really this legal research budget. And to be frank our offerings were very jurisdictionally specific, so because it was content related it was related to kind of the US market, kind of the US jurisdiction or the UK jurisdiction, the Canadian jurisdiction.

We are leveraging the strength that we have on this left-hand side as it were which is extraordinary high-quality content. We are undoubtedly the premium provider there, very deep and long-held customer relationships. Excellent technology and not just within Thomson Reuters Legal but I would say this is something that applies across Thomson Reuters overall.

We want to leverage that full technology stack as it were, incredible domain expertise and real brand strength. So leveraging all of that where we're trying to get to is absolutely widens, as I said earlier opened the aperture, so let's widen the customer base that we think that we can go after.

So it's not just law firm world, it's also corporate legal departments, governments. And not just the librarians but really thinking about the practitioners, so the end-user and their workflow is extremely important for us.

We're also unlocking what we call kind of adjacent budgets. So it's not just the legal research budget anymore, it's really looking at what's the technology spend across the legal services world, what is marketing spend, what's the labor and third-party spend. So again much more opportunity than we think we've had historically.

And then finally because we're not just thinking about content which really is a jurisdictional play but now thinking software and services that is a much more global perspective in terms of our business than we had historically. So again I think really quite a shift and quite a significant transformation that we're trying to see. And as you can see from 2010 to 2015 we're well on the way there.

I think we've been able to return the business over the last couple of years to growth. I really like the momentum that we're seeing in the business. It isn't hyperkinetic growth out of all proportion.

I think it's slow and steady growth. But it's absolutely moving in the right way. And I think leveraging the content that we have, the customer relationships that we have, the brands that we have and the real domain expertise that we have I think absolutely sets us apart.

Because I think there is no one that has that kind of unique combination of assets that we have and certainly on that kind of global basis. So we really think we're in a good spot in terms of where we want to take the business going forward.

That's what I was going to say in terms of prepared remarks. If people have questions.

Louis Pavia - JPMorgan - Analyst

Thank you, Susan. So I will kick off the Q&A session here but please be thinking of your questions and raise your hand. Someone will be around with a microphone if you want to participate in the Q&A.

But first I just want to ask about some of the recent performance in the legal division. Organic revenue growth has decelerated from 3% to 1% over the last couple of quarters, at the same time margins expanded year over year. Are those indicative of trends or things that we should be concerned about or watching?



Susan Taylor Martin - Thomson Reuters Corporation - President, Legal

We don't run the business on kind of a quarter-to-quarter basis so we have some lumpiness in that. Year to date the growth has been 2% and we expect that to be what it will be for the full quarter, the full year. So I think that's kind of a good positive trajectory there.

In terms of margin expansion again it's a little bit lumpy but fundamentally we want to keep margins flattish to be frank. And that's because we want to be able to invest in the solution side of our business.

So we manage the traditional side of the business extremely tightly, understanding that we've got a premium position that we absolutely want to maintain and that requires a certain level of investment. But we are really very careful in terms of how we allocate capital expense talent in terms of driving growth on the solutions side.

Louis Pavia - JPMorgan - Analyst

Thank you. If there are no questions from the audience we can keep going.

So we've talked quite a bit about solutions and we've also heard a lot from Thomson Reuters about enhancements to the Eikon product on the F&R side. But what are some of the enhancements you've made to the WestlawNext product over the last few years?

Susan Taylor Martin - Thomson Reuters Corporation - President, Legal

Yes, a slew of improvements in terms of the content, in terms of the searchability, in terms of the linkage of the content. So we continue to invest in terms of making sure that is the premium product.

One of the major investments that we've made that I think I should talk about is a product that is in beta at the moment that we're launching at the beginning of next year called Practice Point. And I think this really speaks to the importance of the Practical Law acquisition that we made and the mindset shift that from the kind of research librarian workflow to really thinking about the practitioner and what they need to do to practice more effectively and more efficiently.

And Practice Point is effectively taking Westlaw and Practical Law but thinking of that purely from a transactional lawyer's perspective and work that they need to do. So if they need to complete a contract or they need to be investigating an employment issue for example it leads you step-by-step through that process.

And you can link through to kind of underlying supporting Westlaw content cases, statutes, regulations, whatever it might be. But it really is approaching it from a complete -- it's approaching it to kind of giving you the answer, not just saying the answer is somewhere out there in this vast array of data.

So I think that's a beautiful example of the kind of investment that we're making going forward and that's a very nice step forward into this world of workflow. So again not thinking just research workflow, but really thinking about how a lawyer does work, how can we start to think about the processes that one needs to undertake, how could some of that work for example be automated, how can we start to serve up content at the point of need in a workflow. So that is very much the direction that we're moving now.

Louis Pavia - JPMorgan - Analyst

And what are the opportunities for and synergies or ability to work together, across Thomson Reuters division taking your expertise in legal and tax and financial and other segments and either in developing platforms or delivering across different platforms?



Susan Taylor Martin - Thomson Reuters Corporation - President, Legal

Yes, there's definitely a lot of opportunity both in terms of going after using technology, to be frank across Thomson Reuters I think we have tremendous opportunity there and using content. A great example of that we're going to be starting to use our Tax & Accounting content in our Elite product for law firms. So again very useful content that we can start to serve up as part of that Elite law firm management platform as it were.

So I think that will be real value add. One of the areas that we're very interested in is the nonfinancial corporate risk and compliance opportunity. So that is a very interesting space that falls a little bit between the legal and the risk world and we're working very hand in glove with our F&R, our risk colleagues really thinking about what we can do there.

So we've got some very interesting plans around that space. But I think there's lots of opportunity for us to explore together.

Louis Pavia - JPMorgan - Analyst

Great, thank you. We have a question in the audience.

QUESTIONS AND ANSWERS

Unidentified Audience Member

Your business is starting to throw up a lot of cash. So could you quickly remind us all what your views on capital allocation and shareholder returns are?

Frank Golden - Thomson Reuters Corporation - SVP IR

Sure, I'll field that one. We wound up making a change to our operating capital strategy as many of you know in October 2013 and at that point Jim Smith, our CEO, had mentioned the fact that we were going to throttle back on acquisitions and that we were going to utilize our cash to buy back stock.

So since that time we have now bought back almost \$3.8 billion in stock. We're in our third tranche of that and we have bought back about 1.250 billion year to date.

I don't anticipate that we will be increasing our acquisition activity significantly. As Jim has said many times if there is a proper acquisition out there and it fits into some of the areas we've identified where we would like to expand our presence I think we have a solid starting space.

We will certainly take that under consideration. But at the moment I would expect that we continue to increase our dividend modestly. We increased it \$0.02 last year.

Our traditional approach when it comes to dividend increases is we like to allocate roughly 40% to 50% of free cash flow for dividends. Following the Reuters acquisition and the issuance of 400 million shares that increased significantly. So our payout ratio at the moment is somewhere between 57%, 58%.

We like to grow back down into that 40% to 50% range at which time I'm sure we would revisit the dividend increases. And I guess the last point in terms of that question in terms of capital structure is our net debt to equity target is 2.5 times and we're just slightly below that now. And I don't expect any changes to that.



Louis Pavia - JPMorgan - Analyst

Frank can I just ask you a couple of questions about the F&R division? Since it's Thomson's biggest division and we started to hear feedback that Eikon 4.0 is a greatly improved product. Could you talk about what some of its differentiated features are, what are its selling points and then any feedback you're hearing on those features or traction that you're getting with the customer?

Frank Golden - Thomson Reuters Corporation - SVP IR

Well, I think overall the reception of Eikon since we wound up launching it I guess about a little over two years ago has really been quite gratifying. The retention rates on the Eikon desktop products, and for those of you who may not be that familiar with the Company or the Financial & Risk business just for context Financial & Risk is \$6.5 billion. Of the \$6.5 billion, 40% is desktop.

I know we're sitting in with buy side people by and large so that's the world and that's how you wind up looking at the world is desktop but we have 60% of our revenue is away from desktop. Eikon has as I said was launched about 2.5 years ago. Terrific retention rates.

We have added things such as natural language search in the desktop which has been very, very well received. For those of you who have used the product you know the ease-of-use and the searching capabilities are absolutely second to none.

It is quite intuitive. It works and thinks the way that people work and think today. You don't need to learn any particular commands and so forth.

And interestingly what we found is that the demographics are working in our favor. What I mean by that is to the extent that you're 35 or below you like the product a lot. If you're 35 and above and you've learned on some competitor's machine then you will likely continue to utilize those machines.

But from that perspective we think there's real opportunity for us. And as far as Eikon itself is concerned we also have do have quite a pricing umbrella in comparison to at least one of our peers which has certainly worked to and will continue to work to our advantage.

Louis Pavia - JPMorgan - Analyst

And then on net sales, last year in the fourth quarter financial net sales were positive which was a really strong result. Is that an outlier? Is that something you're hoping to replicate this year or does it just create a very tough comp year over year?

Frank Golden - Thomson Reuters Corporation - SVP IR

As we talk about each quarter we really don't focus internally on net sales in any given quarter. We really focus on the trajectory and the trajectory has been quite good in terms of now being positive for six consecutive quarters. We expect that we'll see that positive growth turned into top-line revenue improvement next year.

As we said on our third-quarter call we're at a point now where we don't see any significant moves one way or the other in the fourth quarter in terms of banks coming in and reducing their contracts. What we were dealing with from 2008 or 2009 through 2014 or 2013 was really a situation where the banks were under such enormous cost pressures they needed to reset their cost base. And they did that in the fourth quarter each year to tee them up for the year to follow.

That's just not the world that we're living in. It's not to say that it's a terrific pricing environment by no means. But I think given the fact that our products have improved as much as they have as well as our reliability and relationships resulting from that we're in very constructive conversations with our customers and our clients now.



Those we said on the third-quarter call we're not calling what the fourth quarter may look like. It could be slightly positive, it could be slightly negative but for the overall year this year we will be positive.

Louis Pavia - *JPMorgan - Analyst*

Question in the audience.

Unidentified Audience Member

I have two questions and the first one is just about Eikon. And could you share some statistics, so for example retention rates, price increases you're getting on Eikon on the existing Eikon users year on year?

Just something because we've seen false starts before with the desktop product. And so just some, any metrics, hard metrics that can give us confidence that users like this and they are willing to pay for it.

Frank Golden - *Thomson Reuters Corporation - SVP IR*

I'd be more than happy to. We converted the legacy Reuters 3000 Xtra desktops to Eikon or migrated them over about two years ago. We migrated them over at the same price that they had been paying for 3000 Xtra, that was the price for Eikon.

At that time we migrated roughly 125,000 desktops. We have over 135,000 today and we are now beginning, and by the way I should mention on that 135,000, the retention rates are over 90%, so I think that speaks for itself in terms of the receptivity from our customers. Very, very pleased and encouraged with that.

We are as far as pricing is concerned I guess not surprisingly we are seeing better pricing traction on the Eikon desktop now that we're into our second year. As I said we had not raised year one but we see better pricing on that desktop in our second year. We typically wind up putting through a price increase on January 1 each year of anywhere between on a net price realization standpoint somewhere around 1.5% to 2%.

We've done that each and every year including those years 2008 through 2013 which were needless to say quite challenging. So my point is that on the Eikon desktop we're actually seeing pricing better than that.

We're now in the process of migrating our asset management customers. So those of you who use Thomson ONE, legacy Thomson ONE products such as First Call or Baseline or Street Events, those historically have generally been sold on an individual basis.

We are now in market migrating those point-to-point solutions into Eikon for asset management. And we have essentially three pricing tiers associated with that, a lower tier, a midtier and a higher tier.

And the retention rates on those legacy products are in the mid-80s. And there is no reason why we don't expect that the retention rates on those products will not be comparable to what we're seeing for the current Eikon desktop switch, as I mentioned is 90%-plus.

Unidentified Audience Member

And a second question, Symphony seems to be gaining traction. Would love to hear your thoughts on what you're seeing and how you think this is going to evolve?

Frank Golden - Thomson Reuters Corporation - SVP IR

It's a good question. Needless to say it's one that we get asked about all the time and for obvious reasons. We have been very clear for quite some time now that we believe in an open messaging world.

We don't see how a closed system necessarily makes any sense in this day and age just as your cell phone, you're a Verizon customer, you can call an AT&T customer and they have -- they are linked. We think the same it should be the case when it comes to the messaging side. We have conversations with everyone in the space in terms of open messaging and so forth and we will wait to see how it evolves.

Louis Pavia - JPMorgan - Analyst

So I'm going to offer a couple of bigger picture questions now. We've heard a lot about cognitive computing technology. How do both of you see cognitive computing technology impacting Thomson Reuters?

Susan Taylor Martin - Thomson Reuters Corporation - President, Legal

I think that's a very interesting space, there's no question about it, and I think this is an area where you'll hear more from us across the business. The thing that I think is most interesting from our perspective is how does that amplify the advice that a lawyer can give for example from the legal perspective. So it's not necessarily a replacement of the human individual, it's really amplifying the advisory aspects of the legal side.

So I think extremely interesting for us going forward. We have a number of you have seen just recently we opened up a relationship with the innovation corridor outside of Toronto in terms of Jim was cutting ribbons there. We've got relationships with a number of the important kind of research institutions globally and particularly interested from a legal side obviously is where there are research institutions that have both strength in technology and in the law school world.

So that kind of overlap, that legal tech world is extremely interesting to us. So I think it's going to be important over time. It's definitely an area of investment for us in terms of thinking about how we can apply that.

And all of that is around that from my perspective that sort of transformation we're trying to drive in terms of how do we help lawyers become more effective and more efficient. I think this is an area where it's not just the technology that's critical but I think that the piece that we bring that is very germane is domain expertise. So in fact to really make cognitive computing work it is the technology plus the expertise which really is the golden combination.

Louis Pavia - JPMorgan - Analyst

Great. And then are there any specific products or product areas that you'd like to highlight such as maybe the KYC product that are going to be growth drivers that we should keep an eye on?

Susan Taylor Martin - Thomson Reuters Corporation - President, Legal

I think from a legal perspective I'm very interested in the Practice Point product that comes out early next year. I think it's going to be important for us as we move that forward. I think it's an important step in terms of really switching our focus onto the practitioner and not the researcher from a legal perspective.

So I think that's going to be quite important in terms of how that does. It's also a product that I think is really going to appeal to the corporate council side of our market, so not so much the law firm where perhaps as I think it will absolutely have application there but really opens up the corporate council side of our market which is relatively small today. So I think that's very exciting in terms of opening that up.

The other area that I mentioned briefly earlier but I think it's going to be extremely interesting is in terms of alternative legal services provision, and this kind of harnessing of both services and domain expertise and skill and technology, there will be something from us coming out in that whole kind of e-discovery space early next year. And again very fragmented space, lots of challenge but I think one that really suits us, that combination of technology and domain expertise I think is one that's going to be extremely interesting.

Louis Pavia - *JPMorgan - Analyst*

Thank you so much. That I think brings us to the end of the session. So I want to thank Susan and Frank for presenting today and thank the audience for participating and we look forward to seeing all of you at the lunch.

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