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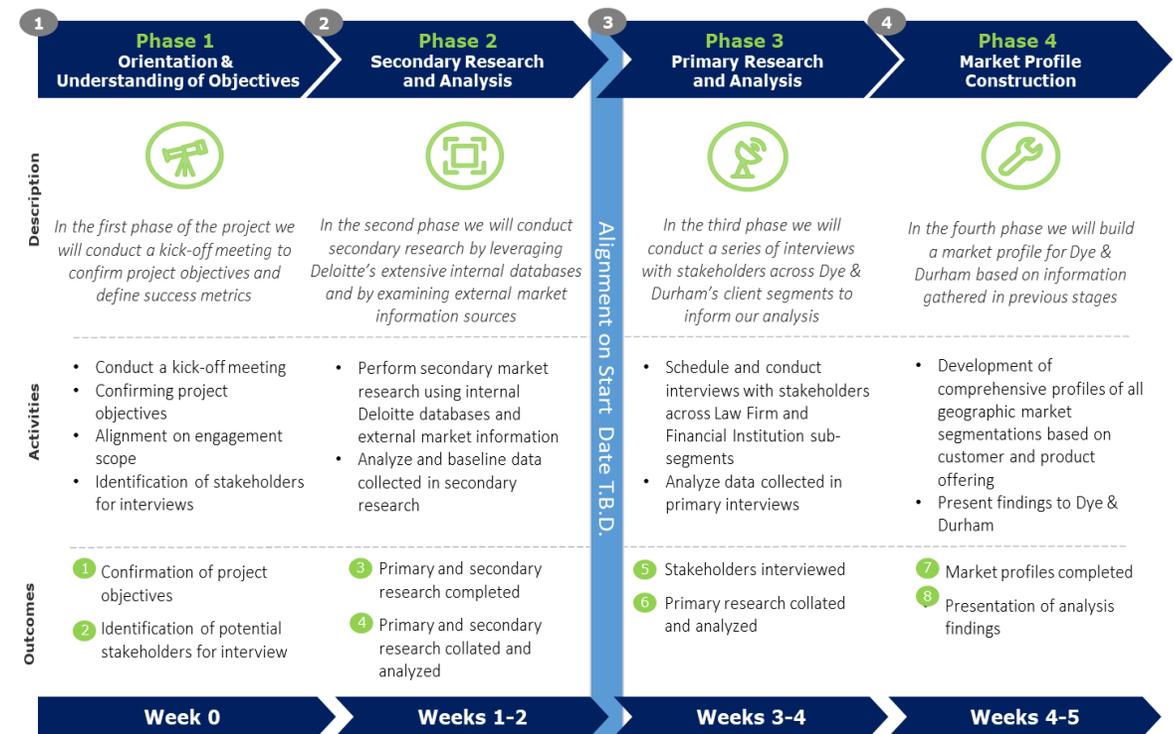
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# Project Background

Deloitte has been pleased to support Dye & Durham and their business objectives of performing a market sizing and competitive and regulatory landscape analysis to better understand what market opportunities exist that would allow Dye & Durham to effectively expand their current market position.

- The engagement will be completed in two segments, over four phases.
- The first segment covered two weeks, where Deloitte conducted research and developed this report on the T.A.M. (Total Addressable Market) available for Dye & Durham.
- Deloitte collected the data for this report via primary research with SME's from Deloitte's international financial advisory community, as well as interviews with D&D SME's from both Canada and The United Kingdom. Secondary research was collected via professional research data services, including Thomson Reuters and D&B Hoovers.
- The second segment of work consisted of primary research to develop the detailed segmentation analysis, which supports the T.A.M. analysis completed in phase 1.
- When completed, the proposed Market Sizing and Competitive Landscape Analysis should allow Dye & Durham to make and execute strategic market decisions based on the very best market intelligence available.

Figure 1.1 - The Four Phase Project Plan from Deloitte.



# Definitions and Approach

The approach is fact-based, collaborative and draws on the research, experience, and analysis from the extensive Deloitte global network. The approach incorporates insights from the Dye & Durham leadership and management team, as well as primary and secondary research.

**Total Addressable Market <sub>n</sub>**

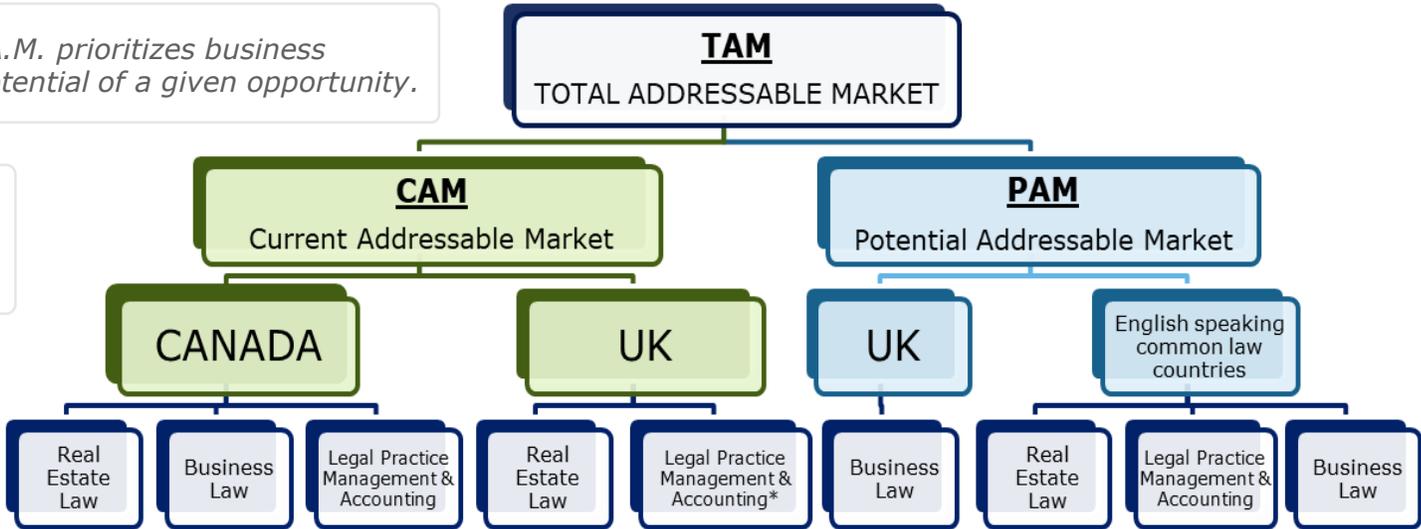
The revenue opportunity available for a product or service. T.A.M. prioritizes business opportunities by serving as a quick metric of the underlying potential of a given opportunity.

**Current Addressable Market <sub>n</sub>**

The opportunities within the T.A.M. that are currently being served by a specific product or service and help to understand the scale of opportunities available.

**Potential Addressable Market <sub>n</sub>**

Is a term that is used for the opportunities within the T.A.M. that are not currently being addressed by a specific product or service but are attractive markets or segments for future growth.



\*Note: Ireland included in the CAM for the UK LPMC

## Industry Segments

**Business Law <sub>n</sub>**

Transactions including mergers and acquisitions, secured financing, and incorporations that require a necessary level of due diligence to ensure they validity and reliability of information.

**Legal Practice Management and Accounting <sub>n</sub>**

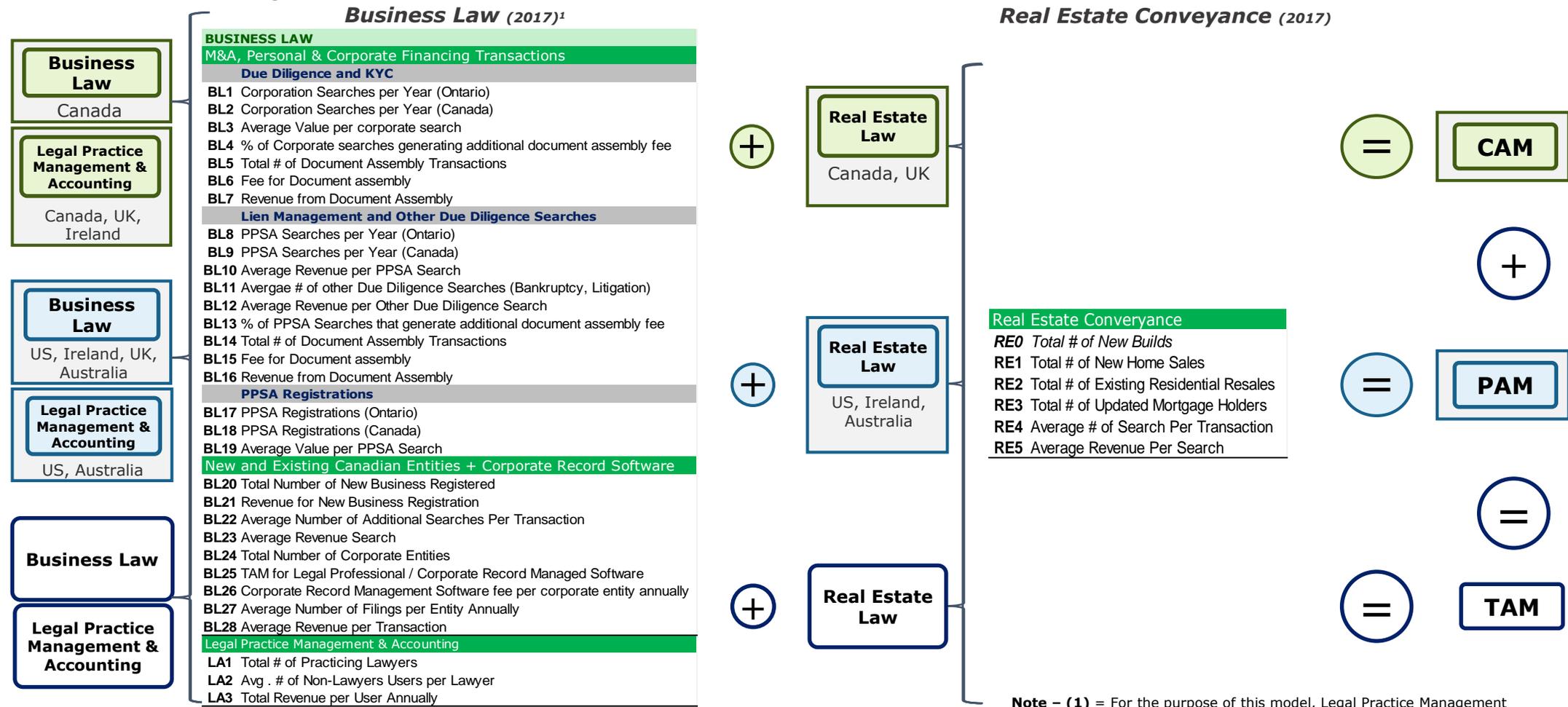
The total number of active lawyers in each specific market, along with a number of non-lawyer support staff that would also be utilizing the system the support lawyers with the required and supported tasks.

**Real Estate Conveyancing <sub>n</sub>**

The total number of residential new home sales, existing residential resales, and the total number of transactions that were completed to either refinance, renew, and update their mortgages at anytime during the year.

# Model and Calculations

To populate the model below, Deloitte conducted primary research with SME's from Deloitte's international financial advisory community, as well as interviews with D&D SME's from both Canada and The United Kingdom. Secondary research was collected via professional research data services, including Thomson Reuters and D&B Hoovers.



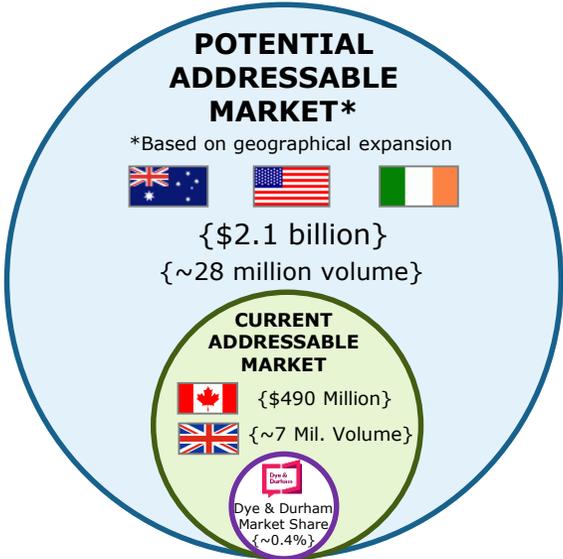
**Note - (1)** = For the purpose of this model, Legal Practice Management & Accounting is included in the Business Law industry segment.

# Results of the Market Assessment

Having conducting the market sizing exercise outlined in the previous slides – Deloitte determined the total addressable market by breaking down the Dye & Durham services into the two industry segments, as illustrated below, and adding their totals to align on the overall total addressable market for Dye & Durham, which is presented on the following slide.

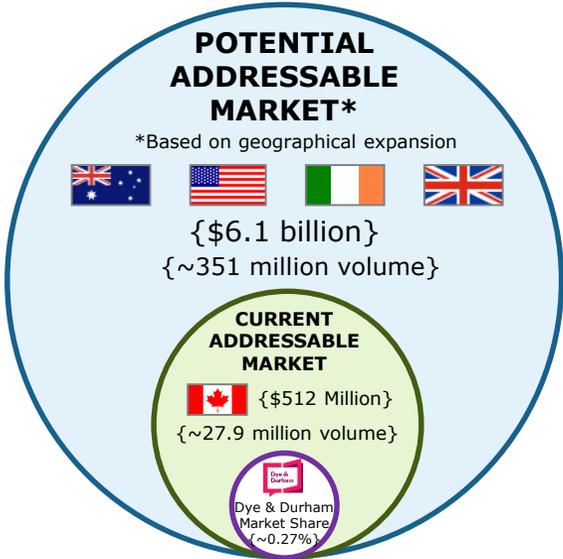
## Real Estate Conveyance (2017)<sup>1</sup>

The combined total addressable market for the Real Estate Conveyance segment is ~**\$2.6 billion** with over ~**35 million transactions** annually



## Business Law (2017)<sup>1,2</sup>

The combined total addressable market for the Business Law segment is ~**\$6.6 billion** with over ~**379 million transactions** annually



(1) - The (\$) amount refers to the total amount of potential revenue (all \$ calculated in CAD) and the (volume) amount refers to the total number of transactions that are performed in that market

(2) - Includes Legal Practice Management and Accounting industry segment

Sources: Deloitte analysis based on data from Thomson Reuters and D&B Hoovers

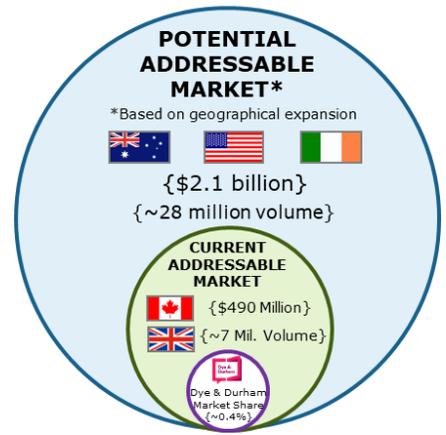
# Results of the Market Assessment

Having conducting the market sizing exercise outlined in the previous slides – Deloitte has determined that the total addressable market (**TAM**) is **~\$9.2 billion (CAD)**, which is comprised of the current addressable market (**CAM**) of **~\$1 billion (CAD)**, and the potential addressable market (**PAM**) of **~\$8.2 billion (CAD)**, as illustrated below:

**TOTAL ADDRESSABLE MARKET (2017)<sup>1</sup>**  
 The total addressable market for both targeted segments with geographical expansion is **~\$9.2 billion** with over **~414 million transactions** annually

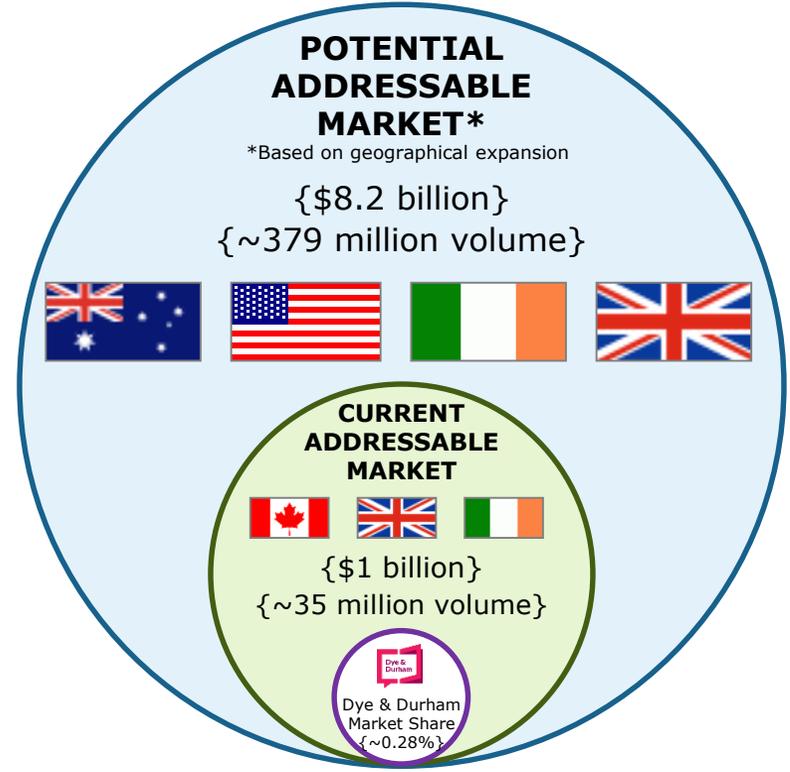
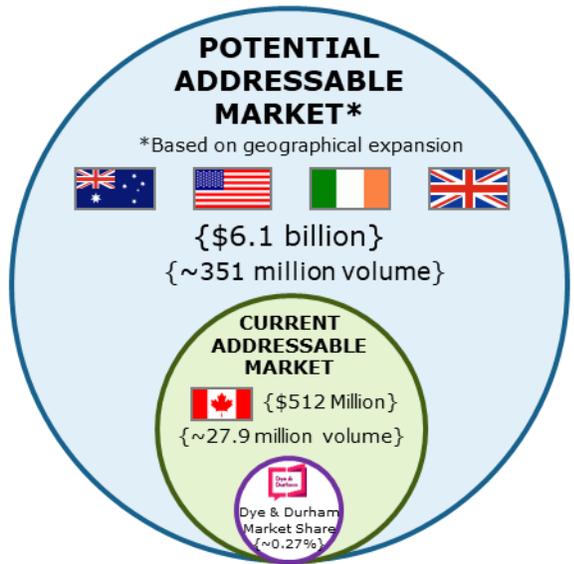
## Real Estate Conveyance (2017)<sup>1</sup>

The TAM is **~\$2.6 billion** with over **~35 million transactions** annually



## Business Law (2017)<sup>1,2</sup>

The TAM is **~\$6.6 billion** with over **~379 million transactions** annually



(1) - The (\$) amount refers to the total amount of potential revenue (all \$ calculated in CAD) and the (volume) amount refers to the total number of transactions that are performed in that market

(2) - Includes Legal Practice Management and Accounting industry segment

Sources: Deloitte analysis based on data from Thomson Reuters and D&B Hoovers

# Methodology & Assumptions

In the market assessment and in preparing our report, we have made numerous assumptions with respect to industry size and performance, general business, and economic conditions and other matters.

## **Methodology** ■■■

- The majority of the data leveraged for this market assessment was collected by Deloitte through global commercial databases that provide the data and analytics to populate the market assessment framework.
- The Deloitte team developed the high-level framework to assess the total available market, conducted secondary research, and synthesized the available data to quantitatively determine the magnitude of the opportunity across each segment.
- In making our subjective judgment of market assessment, we had to qualitatively establish relationships and trends between the data and make a number of assumptions based on third party research reviewed and our industry expertise.

## **Assumptions** ■■■

- Note that our analysis is inherently limited due to the breath and depth of the qualitative customer data collected during the first phase of this work. In making our subjective judgment of market size and assessment, we had to qualitatively establish relationships and trends between the data and make a number of assumptions based on the third party research reviewed and our industry expertise.
- Due to data availability, and time sensitivity, an extrapolation for components of the Business Law section was used based on the specific markets GDP vs. the Canadian market GDP. The GDP data used for each market can be found in the source data file of this market assessment.
- The Market Assessment must be considered as a whole and selecting portions of the analysis or the segments considered by it, without considering all factors and analysis together, could create a misleading view of the process underlying the Market Assessment. The preparation of an market assessment is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.
- Changes to these assumptions change the conclusion of the research and interpretation of the results.
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