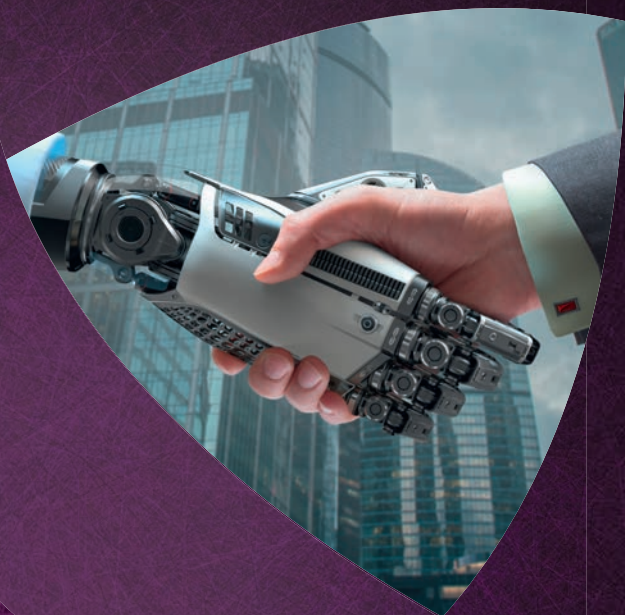


AI in Application:

An in-depth examination from
the legal profession



EDITED BY ALEX DAVIES

AI in Application:

An in-depth examination from
the legal profession



EDITED BY ALEX DAVIES

Head of events and books

Leah Darbyshire

Commissioning editor

Alex Davies

Editorial assistant

Francesca Ramadan

Published by

Globe Law and Business Ltd

3 Mylor Close

Horsell

Woking

Surrey GU21 4DD

United Kingdom

Tel: +44 20 3745 4770

www.globelawandbusiness.com

ISBN: 978-1-78358-320-1

EPUB ISBN: 978-1-78742-597-2

Adobe PDF ISBN: 978-1-78742-598-9

A catalogue record for this book is available from the British Library

© Originally published by Ark Group 2018

© 2021 Globe Law and Business Ltd except where otherwise indicated

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, except in accordance with the provisions of the Copyright, Designs and Patents Act 1988 or under terms of a licence issued by the Copyright Licensing Agency in respect of photocopying and/or reprographic reproduction. Application for permission for other use of copyright material, including permission to reproduce extracts in other published works, should be made in writing to the publishers. Full acknowledgement of author, publisher, and source must be given.

DISCLAIMER

This publication is intended as a general guide only. The information and opinions it contains are not intended to provide legal advice. The publishers bear no responsibility for any errors or omissions contained herein.

Contents

Foreword.....	vii
Executive summary.....	xi
About the authors.....	xv
Chapter 1: Teamwork, expertise, accuracy and collaboration – an award-winning AI combination	1
By <i>Kate Boyd, vice president of marketing, Kira Systems</i>	
Introduction.....	1
Allens’ real estate due diligence expertise.....	2
Innovation starts with teamwork	3
Automating expertise.....	3
Extracting the key information	4
Collaboration to provide increased transparency	4
Preparing your firm	5
Chapter 2: Preventative maintenance – how AI is helping reduce internal risk at Bates Wells Braithwaite	7
By <i>Peter Bennett, partnership executive officer, Bates Wells Braithwaite</i>	
Matter level risk assessment – an example of AI?.....	8
A “devastatingly effective” matter risk system – 12 years of evidence	9
The eureka moment	10
Creating the system	10
Expanding the scope.....	12
Lawyers will not sign an untrue document.....	13
Creating a good risk management culture	13
The second eureka moment.....	14
Impact on the firm.....	15

Lessons for all firms?	15
Risk, the barcode, and AI	16
Chapter 3: AI and Big Law – practical lessons to achieving AI success. ...	19
<i>By Milos Kresojevic, founder, AI.Legal Labs</i>	
Think big – act small	19
Adopt an “AI here and now” mantra	20
Senior management blessing is needed (but please, no stakeholder management)	20
Run it as a runaway start-up	21
Horizon scanning – excel at it!	21
Use cases are key artifacts	21
Collaborate (heavily) with AI vendors (use them to the maximum)	22
Prototype heavily and measure benefits scientifically	23
Be aware – you are disrupting your own organization	23
Are you succeeding yet?	24
Chapter 4: Easing the pain of regulatory compliance with machine learning.....	27
<i>By Sondra Rebenchuk, PR and communications lead, Kira Systems</i>	
Introduction.....	27
What is machine learning contract analysis?	27
Machine learning for compliance	28
Uncertain regulations require proactive advice	28
Expertise plus machine learning for comprehensive business advice	29
Looking inside to find the answers	30
Conclusion	31
Chapter 5: Get Legal – how automated legal documents will change the legal profession	33
<i>By Peter Bennett, partnership executive officer, Bates Wells Braithwaite</i>	
What is document automation?	33
The age of legal document automation	34
The economics of document automation	35
BWB’s experience of document automation as a fee earner productivity tool	35
Cost of commercial Q&A precedents?.....	36
Stage seven – cut out the lawyer, let the client answer the question	36

Get Legal – a social purpose for BWB	36
Issues	37
Data protection – a breakthrough	38
The future of law	38
The legal market place for document automation	39
Case maps	41
Impact on the current legal sector of legal document automation	41
 Chapter 6: Democratizing the law by utilizing AI to reduce costs	43
<i>By Andrew Arruda, CEO and co-founder, ROSS Intelligence</i>	
Van Horn Law Group	45
Conclusion	47
 Chapter 7: iManage RAVN and Keoghs – streamlining the process of handling insurance disputes.	49
<i>By Dene Rowe, partner and director of product development, Keoghs</i>	
iManage RAVN	50
iManage Extract	51
Better than a human.	52
The future	53
 Chapter 8: How technology and AI is changing the legal value chain	55
<i>By Karl Chapman, CEO, Riverview Law</i>	
Riverview Law’s AI journey	56
Lessons learnt – from house builders!	57
The picks and shovels of the digital, disruptive, and AI age (it is all about the data)	58
The need for legal operating platforms	60
 Chapter 9: The diverse world of legal AI use cases	63
<i>By Richard Tromans, innovation consultant, TromansConsulting and editor, ArtificialLawyer.com</i>	
Introduction	63
The diversity of legal AI applications.	63
Global diversity	64
The multiple branches of legal AI.	65
And there is more.	68

Chapter 10: Technology, convergence, and the transformation of legal services 71

By Robert Millard, director, Cambridge Strategy Group

 The roots of the current large law firm business model..... 72

 Convergence 75

 Finding the way forward 81

 In summary 84

Chapter 11: AI on the ground – the voice of the legal profession..... 85

By ARK Group

Foreword

Since my book *Robots in Law: How Artificial Intelligence is Transforming Legal Services*, was published at the end of 2016, legal artificial intelligence (AI) has hit the mainstream, in the media, at conferences and events, and in law firms themselves, where innovation, often using AI, is considered a market differentiator.

AI is establishing its position in lawtech, and *AI in Application* brings together practical examples of AI in legal services, highlighting the key offerings and the benefits that it is bringing law firms and corporate legal departments, who are important catalysts for the development and direction of legal technology.

An important development is that firms are fitting AI applications into their technology infrastructure, by combining them with existing resources and integrating them into processes to create portfolio products. In this book, Kate Boyd explains how Australian firm, Allens, created its Real Estate Due Diligence Application (REDDA) using Neota Logic's expert platform, Kira Systems' review and extraction, and HighQ's database functionality to create an end-to-end portfolio product.

Having invested in a machine learning contract analysis solution, it is worth exploring its potential. Sondra Rebenchuk of Kira Systems demonstrates how firms are using Kira for regulatory compliance. Kemp Little has developed a tool to help companies address the regulatory uncertainty around Brexit; Deloitte has created custom provision models for risk assessment to cover changes in financial regulation; and Freshfields Bruckhaus Deringer has trained the system to work in German to enable its healthcare clients comply with changes to German anti-bribery and corruption law. Rebenchuk demonstrates different ways of leveraging an AI technology beyond the defined problem that may have been the rationale for the initial investment, as these tools can be adapted to cover new regulatory challenges.

However, mid-market firms may not have the spare resources or manpower to purchase, customize, train and integrate multiple tools

and systems. One option is to design and build a bespoke, scalable solution to address a clearly defined pain point. Peter Bennett describes two of Bates Wells Braithwaite's in-house AI tools: a preventative system for managing the firm's risk, and a document production system that helps the firm deliver on its strategic commercial, regulatory, and social priorities. Although these systems took significant time and effort to develop, benefits have included higher productivity, lower PI premiums, and more effective risk management.

At another mid-market firm, Keoghs, Dene Rowe describes how combining commercial and bespoke solutions have reduced human involvement in high-volume, low-margin work. Keoghs uses iManage RAVN to streamline personal injury insurance disputes through seamless integration between the firm's systems and those of its insurance company clients, enabling straightforward claims to be settled directly. Integration between iManage Extract and the firm's own AI platform enables the firm to continue to create new products that boost its competitive advantage and innovative brand.

Andrew Arruda, CEO and co-founder of ROSS Intelligence, uses several US use cases to flag up the return on investment (ROI) in AI-powered legal research, which boosts profitability by reducing the time and cost of research, as well as democratizing legal services by supporting small firms, and firms that focus on underrepresented groups.

The business advantages of AI tools, in terms of speed, efficiency, and margins, are necessarily shifting the legal services business model, which includes the client side, and legal services procurement. In outlining the rationale and functionality of the Kim legal operations system, Karl Chapman, CEO of Riverview Law, rightly emphasizes the necessity to focus on data quality when working with AI tools, particularly those that involve decision-making. AI is thorough, consistent, and scalable, but its results will be compromised if relevant data or data sets are missing.

AI in Application also includes contributions from legal AI consultants. Richard Tromans, strategic consultant and founder of the Artificial Lawyer website, raises an important issue as he considers the diversity of legal AI, in terms of its functionality, which reflects the range and multiplicity of legal services. Tromans highlights the geographical spread of legal AI, which, unlike other legal technology, has grown into a global movement for change involving every facet of legal services delivery, bringing together legal services providers and start-ups, their clients, and specialist and mainstream vendors to form an international community.

While previous legal technology was often limited by jurisdictional factors, legal AI has become an important transformative element with regional centers of excellence feeding into a worldwide marketplace that is driving progress towards improving legal service delivery and access to justice. The AI tech hype has developed into an innovation movement with a social conscience. Obviously, there will be casualties, in terms of roles, firms, and legacy technology that will be superseded by intelligent automation, and there will be challenges in terms of technology and responsibility, but as this book demonstrates, legal AI has turned out to be way beyond hype – a genuine force for change across the legal services market.

Joanna Goodman, March 2018

