

The transatlantic tech tie-up rethinking business as usual



Alex Taylor

How an innovative partnership between TLT and US technology group LegalSifter is aiming to slash lawyers' administration burden



As the age-old saying goes: “Time is money.” Or, in other words, if it takes too long to do something, chances are you will be losing money in the process. The contrary position is also generally true; carrying out a task in as truncated a timeframe as possible should free up time to take on more work and so make more money. The challenge then becomes how best to redeploy those saved hours in a way that is intellectually stimulating for lawyers, while also lucrative for the firm.

This was the problem TLT identified two years ago. It turned to a US-based tech vendor for answers in the form of a partnership. The result is TLT LegalSifter, the UK firm’s redesign of a product born in the US. “TLT is a firm with a long-term commitment to working with clients on their contract work,” says

TLT partner and head of digital James Touzel. “A problem we face is that at one end we have very large transactions, ranging to day-to-day, business-as-usual (BAU) work at the other. The latter is, by definition, lower-risk and higher-volume.”

That type of wording is regularly code for unprofitable and routine, work that few people go into law to do. Solving that problem became Touzel’s mission. This case study examines how TLT set about using new technology via a collaboration with a US-based vendor to provide a solution to that problem.

Best of both worlds

Andrew Carnegie may have built Philadelphia on steel but today it is increasingly attracting attention from Silicon Valley’s titans as a lower-cost base for research and tech endeavours. Google, Uber



“

Ramping up our innovation
will ensure we continue to
have a sustainable
proposition for clients”

James Touzel, TLT

”

and Facebook have all set up centres in the ‘Rust Belt’ city. It is also home to TLT’s US software partner, LegalSifter.

In the US, the number of law firms with which LegalSifter partners is in double figures (11). TLT, however, has the exclusive partnership rights in the UK thanks to its investment in the business in 2017. It is a deal that has made the firm a minority stakeholder (it declined to reveal the size of the investment) and led to the conception of TLT LegalSifter, the UK and Ireland-branded product it helped develop.

When Touzel was looking for a tool that could solve his woes, the answer was not as routine as turning to one of the growing number of AI software providers such as Kira, Ravn or Luminance. What he wanted was a piece of kit that could handle the document review but also advise clients, such as in-house legal teams, procurement professionals and commercial managers, on their specific legal needs.

TLT LegalSifter’s language has to be technical to achieve its primary function, while also being accessible to those familiar with commercial contracts.

“The wording is designed to be understood by people who aren’t lawyers but we’d expect that it would be those with experience of commercial contracts who are using it most,” admits Touzel. “It allows you to get written legal advice on BAU contracts without speaking to a lawyer. However, if you do want to speak to a lawyer, we’ve bundled it in with a legal helpdesk. If you need to, you can then speak to a fully briefed lawyer who can personally advise you.”

Speed and clarity are the two main drivers of TLT LegalSifter. The product’s tagline which promises “contract review in a minute or two” leaves you in little doubt about what you should get. TLT assures clients that, following trials carried out in recent months, their work can be done up to 30 per cent faster.

An end to admin?

By cutting out the aspects of work that are easier to commoditise, TLT LegalSifter is doing away with a tranche of repetitive tasks that lawyers do not study to do. Rarely does anyone strive to attend an elite law school with the hope of reviewing large numbers of documents in order to identify key clauses and report back with appropriate legal advice. Law is about advising your client to the best of your ability and that is what this piece of kit has been designed to help lawyers do.

“Most software on the market presently reviews large amounts of data, then triages that down,” says Touzel. “Then the lawyer has to perform the last step, which is to review and advise. The products we tested would tell you whether a commercial contract was high, medium or low-risk. I wanted to go that last mile, which was to advise on those contracts.”

TLT LegalSifter is expected to be able to provide advice on lower-level matters, the BAU work. The aim is to be able to isolate an easily identifiable clause and provide TLT-branded advice without the need for the firm’s lawyers to get involved.

It is worth stressing that this does not render lawyers from one of the UK’s premier regional firms obsolete; far from it. Those lawyers will now be freed up to advise clients on more strategic matters. At least, that is the plan.

“We’re selling it to in-house legal teams, but our clients could equally be other law firms,” confirms Touzel. “The client will log on to the application, which is cloud-hosted, and will be able ▶

“

The reaction from clients has been incredibly positive. In every demo, the client sees the potential of the solution and is keen to develop it further”

Susan Honeyands, TLT

to choose what type of document they're looking for. Once selected, the program's code will then search for the best type of decision. It will then identify whether the clauses exist or not and serve up advice by TLT lawyers on what those issues are.”

Touzel is adamant that the cost to clients looking to sign up to TLT LegalSifter will be in the “thousands, rather than tens of thousands”.

The product is not live yet, but Touzel insists that since the partnership was announced in December 2017, there has been huge appetite to get it off the ground. It has also had an interesting impact on TLT as a business.

“Because we're reselling it, when a client signs up they're licensing to TLT and that's made us a software vendor,” says Touzel. “It's an extra part of the business, meaning it has different terms and conditions than for legal services. The types of clients we're talking to where we see particular interest are within financial services, telecoms and higher education, because we have a high concentration of clients in those categories with a higher concentration of commercial contracts.”

This is enticing some of the firm's key clients, including Lucozade Ribena Suntory – for which TLT won its first panel spot this year – Santander and especially BT, which is known to handle vast swathes of contracts during its transactions.

“While they might have large teams and a good relationship with external lawyers, all these organisations are under pressure to be more cost-effective and efficient,” adds Touzel.

Meeting of minds

TLT's team behind this push is not huge, but it brings together a range of expertise from across the firm's UK network. Touzel is based in Bristol, the company's traditional heartland, as are technology/IP partner Dan Read and business development manager Clara Snow.

This trio is working with Manchester-based leisure and entertainment partner Susan Honeyands and London-based tech/IP partner Daniel Lloyd to ensure the product is ready when it officially goes to market.

These five are the key players but they are supported by more than 10 others across a variety of roles, including legal project managers, IT professionals and legal directors. Lloyd's knowledge of in-house lawyers' needs, having previously worked as head of

Key learnings

- Start with the client need, then seek out the solution (not the other way around).
- Do not assume what this client need is. Ask them and co-create solutions where possible to ensure there is a clear market at launch.
- Do not settle for what is already on the market. If you cannot find what you want, keep looking and find a partner who can help you build it and who shares your vision.
- Law firms are natural value-added resellers of lawtech. Lawtech providers should be hitching themselves up to law firms, and law firms should have the confidence to become resellers of technology.

consumer law at BT, will prove invaluable in offering a more complete view of what clients really want.

Interestingly, the firm has made a habit of hiring out from the telecoms business, with Lloyd's former BT colleague and director of regulatory affairs Stuart Murray joining as a partner in the digital team over the summer.

Honeyands helped launch the product and is currently working on the main rollout to TLT's core clients.

“I was involved in the development of the solution and the rollout to our clients, including helping to identify client needs for a solution of this type,” says Honeyands. “The reaction from clients has been incredibly positive. In every demo, the client sees the potential of the solution and is keen to develop it further for their specific needs.”

TLT's aim is to bring its branded product to the wider UK market, while sharing information and best practice with 13 ‘combined intelligence partners’ in the US.

The business is one of a network of 14 firms internationally that are developing this technology. TLT's differentiator is that its product is the only one branded by a single firm. The majority of the other 13 intelligence partners are based in the US, with Puerto Rican firm Estrella and Australian firm Ascenta, which offers the service in its home country as well as New Zealand, being the two other outliers along with TLT.

To achieve this level of exclusivity, Touzel struck a deal with LegalSifter CEO Kevin Miller last November. The deal took a week to negotiate and in that time, Touzel says, the pair became far better acquainted with each other's respective business models, resulting in a greater bond of trust being formed than had existed before.

“We stitched the deal together largely in that week and invested just before Christmas,” says Touzel. “We saw potential for the product, although the one thing that sold us was Kevin's approach. We saw others and they were fine, but they didn't demonstrate the enthusiasm that he did. Kevin's been over three or four times since then. It was a minority stake that we invested and has meant that we're now a key partner with LegalSifter.”

Miller is TLT's key strategic partner at the business, whereas LegalSifter vice-president of growth and partnerships Eben Adams handles TLT's day-to-day relationship with the company. Miller and Touzel now regularly speak at the same conferences as

#SiftBeforeYouSign



1. Review other party's paper



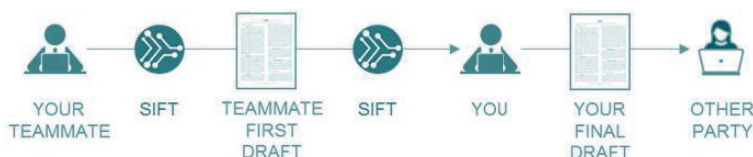
2. Double-check your first draft



3. Review your draft, marked up by the other party



4. Double-check your teammate's draft



www.TLTsolicitors.com/about-us/tlt-legalsifter

a tech double-act that lays out the benefits of LegalSifter and its TLT-branded incarnation.

Embracing the future

TLT is aiming to launch the LegalSifter technology this year. It believes it will be the first time a UK-headquartered law firm has gone to market with anything like this product. But while it might indeed be a 'first', it is also a continuation of an innovation drive that has been ongoing at TLT since at least 2015 and which clearly continues to this day.

On 24 October this year, TLT announced a ring-fenced £500,000 innovation fund aimed at ramping up its tech agenda. The announcement also saw Touzel taking on a new role as head of the FutureLaw initiative, which the firm has established as an innovation group to house its push further into legal technology and process.

According to Honeyands, adopting TLT LegalSifter was an important milestone towards the firm crystallising its approach to technology.

"It is always exciting to see something genuinely innovative that feels different but at the same time is the right thing for us to be doing," Honeyands says of her experience.

"This is something that we'll be doing a lot more of in the future. It's been a catalyst for wider innovation across the firm as part of our FutureLaw initiative."

Touzel takes that one step further, challenging his partners to provide a genuinely innovative approach to law.

"Tech and new market entrants are clearly disrupting the sector," says Touzel. "We're thinking differently about how to

solve the challenges our clients face as an intrinsic part of what we do every day. Ramping up our innovation programme will ensure that we continue to have a sustainable and valuable proposition for our clients in the future."

It will be difficult for TLT to prove conclusively that new work has been won or better-quality work is being done by its lawyers as a direct consequence of TLT LegalSifter, but the aim is clearly there. More than anything, TLT has now created a platform for its lawyers to take the firm on to greater things, providing higher-level strategic advice.

Touzel and the TLT LegalSifter team are now hoping that the tech will make a name for the firm as a trailblazer.

"You've got to be prepared to take risks," argues Touzel. "If everything you do in innovation succeeds, you're not being innovative enough. If you're prepared to try things out quickly and move on, you're much more likely to succeed."

LegalSifter: Key facts

TLT's partner in the endeavour and software originator, LegalSifter, is based in Philadelphia. The 20-strong leadership team is fronted by CEO and Ohio state-licensed lawyer Kevin Miller who joined the business in 2015 from fellow Pennsylvania-based software business Industrial Scientific Corporation, where he spent nine years as chief operating officer. Supporting him are co-founder/chief science officer Lars Mahler, chairman Sean Ammirati and seven vice-presidents, each tasked with various aspects of business development.