



Business challenge

To develop and launch a cognitive platform designed to automate routine aspects of litigation practice, LegalMation needed to team with a well-established IT leader offering advanced AI.

Transformation

With intuitive IBM® Watson® offerings, LegalMation developed a first-of-its-kind AI platform to automate routine litigation tasks. Supported by the IBM Watson ecosystem, the company quickly launched its solution for drafting early phase response documents, helping legal teams save time, drive down costs and shift strategic focus.



James Lee
Cofounder and
Chief Executive Officer
LegalMation

Results

Two minutes or less

for drafts that previously required hours of labor

80 percent cost savings

and more accurate, higher-quality response documents

Rapid time to market

with support from the IBM Watson ecosystem

LegalMation

Helping legal teams draft high-quality litigation work in minutes and drive down costs by 80 percent

Founded in 2016 and headquartered in Irvine, California, LegalMation is harnessing AI to change the way legal professionals provide value to their customers. The company brings together award-winning lawyers and technologists to create solutions that automate and accelerate routine tasks, allowing law firms and corporate legal departments to redirect resources to more critical activities. LegalMation's cornerstone cognitive platform drafts high-quality litigation work in minutes, delivering unparalleled time and cost savings.

“Watson is the clear leader in AI for businesses.”

— James Lee, Cofounder and Chief Executive Officer, LegalMation

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Tackling a new legal landscape with AI

Over the past decade, markets and economies around the world have been recovering from the 2008 financial crisis, now widely considered the worst global recession since World War II. The aftereffects of the meltdown were particularly acute for the legal industry. After enjoying a long period of unprecedented prosperity and growth, law firms faced a stark new economic era.

Under enormous pressure to drive down costs, legal clients began imposing stricter budgets and demanding greater efficiency from their outside counsel. Corporations that previously relied on a single firm to handle all aspects of a legal matter began breaking projects into components, engaging other legal services providers or in-house resources to handle various tasks more cost-effectively.

In this new legal landscape, competitive differentiation became critical for survival, but more difficult than before. Despite decreasing demand and revenue, law firms still needed to distinguish themselves through high-value, high-quality service delivery.

As founders and managing partners of a small but highly successful law firm, James Lee and Thomas Suh understood the challenge.

“We focused on innovative solutions for our clients out of necessity,” says Suh. “When you have fewer resources, you have to be more efficient and effective in how you handle your cases.”

Despite the legal industry’s historically slower-than-average adoption of technology, Lee and Suh recognized the power and importance of IT early on. “Technology is the great equalizer,” says Lee. “It’s a force multiplier in a way people in our profession don’t fully realize yet.”

With AI becoming increasingly prevalent in the wider marketplace, the partners saw its potential to automate and accelerate the more routine, repetitive aspects of legal practice. Forming a small team to investigate AI solutions, Lee and Suh launched LegalMation. To bring its ideas to fruition, the new company needed to team with a well-established IT leader offering advanced—but easy-to-use—AI technology.

Creating drafts in minutes, not hours

Reaching out to IBM, LegalMation received access to an IBM Watson Discovery sandbox environment to begin exploring the services. “Watson is the clear leader in AI for businesses,” says Lee. “Not only does it offer the natural language capabilities we need, but from a marketing perspective, the Watson

brand automatically reduces a lot of the skepticism people in the legal profession may initially have about AI solutions.”

Backed by market-leading AI functionality and a trusted advisor, LegalMation’s founders identified a critical pain point to address with the technology: the hours spent drafting responses during the early stages of litigation.

“We asked ourselves, what is the most tedious task faced by a young lawyer?” says Suh. “It’s basically the first phase, when you receive a complaint and have to draft a first bundle of work, which can take 6–10 hours.”

By creating an AI solution designed to analyze complaints and create early-phase response drafts, LegalMation saw enormous potential to help legal organizations not only save time and drive down costs, but shift limited resources to focus on higher-value tasks, such as litigation strategy. To develop the first-of-its-kind offering, the business first needed to train Watson in the unique language of civil litigation.

LegalMation assembled a team of subject matter experts (SMEs) to use IBM Watson Knowledge Studio and IBM Watson Natural Language Understanding running on IBM Cloud™ infrastructure to create a domain-specific model focused on legal terminology and concepts. The team uploaded thousands of

lawsuit complaints and responses, specifying entities and relationships to analyze, understand and draw upon in formulating new early-phase documentation. Refining the results over time, LegalMation developed a highly effective, intelligent model to combine with its own proprietary software.

In just six months, LegalMation created a proof of concept to test internally and with several potential clients. After another nine months of testing and refinement, the company launched its offering into production for an official public release.

Transforming the legal business model

With the LegalMation platform, legal practitioners can use simple drag-and-drop functionality to draft early phase response documentation in just two minutes or less—an incredible acceleration of the standard process, which typically requires one full day of effort or more from an associate.

Shifting the workload to the LegalMation application also drives down the costs for creating this documentation significantly; estimates calculate that users are reducing costs by approximately 80 percent. “The accuracy and consistency of the drafts tend to be better with our system as well,” notes Suh.

Automating one of litigation's more tedious, time-consuming aspects has enormous transformational potential for law firms and in-house legal teams. By freeing time and resources for higher-tier services, law practices deliver demonstrably greater value to their clients, improving their competitive standing in the marketplace.

And in an era in which employing the best and the brightest legal talent is more critical than ever before, firms benefit greatly from reducing the load of repetitive tasks and empowering associates to focus on more strategic activities. "When management implements tools like these, associates won't want to go to another firm that requires them to focus largely on doing repetitive work," says Suh. "What we're offering really goes deeper into transforming the business model for law firms."

LegalMation credits the Watson brand for contributing to the widespread embrace of its game-changing AI platform. "Name recognition really goes a long way, particularly in an industry that isn't highly technical," says Lee.

"But lawyers certainly know about Watson and that really reduces the acceptance barrier you might see with AI."

Providing intuitive, easy-to-use tools, the Watson Discovery offerings helped the business rapidly and seamlessly bring its solution to market. Without coding or specialized data science skills, LegalMation's SMEs performed highly technical tasks. Guided by Knowledge Studio's color-coded functionality and simple interface, the team quickly and easily developed its innovative platform.

The IBM Watson ecosystem and membership in the With Watson™ client success program also proved instrumental for the growing company, offering resources for specialized support and key marketing opportunities. "The with Watson partnership is very valuable for LegalMation and we see great potential in continuing to grow together," says Lee.

Solution components

- IBM® Cloud™
- IBM Watson® Knowledge Studio
- IBM Watson Natural Language Understanding
- With Watson™

Take the next step

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Increase productivity with Watson.

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