



Tackling a new legal landscape with AI

LegalMation helps legal teams draft high-quality litigation work in minutes

Watson and Cloud Platform

5-minute read

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.

Early-phase response
documentation crafted in

< 2

minutes

An estimated

80%

in reduced costs

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

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

James Lee, Cofounder and Chief Executive Officer, LegalMation

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.

“We asked ourselves, what is the most tedious task faced by a young lawyer? 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.”

Thomas Suh, Cofounder and Chief Operating Officer, LegalMation

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 at least one full day of effort 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%. “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 the color-coded functionality and simple interface of Watson Knowledge Studio, 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.



LEGALMATION®

About LegalMation

Founded in 2016 and headquartered in the US in Irvine, California, [LegalMation](#) (external link) 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.

Solution components

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

| With Watson®

About With Watson®

The With Watson Program is a global customer success program providing exclusive brand, marketing and enablement resources to organizations that are embedding Watson technologies into their offerings.

© Copyright IBM Corporation 2021. IBM Corporation, IBM Watson, Orchard Road, Armonk, NY 10504

Produced in the United States of America, July 2021.

IBM, the IBM logo, ibm.com, IBM Cloud, IBM Watson, and With Watson are trademarks of International Business Machines Corp., registered in many jurisdictions worldwide. Other product and service names might be trademarks of IBM or other companies. A current list of IBM trademarks is available on the web at "Copyright and trademark information" at www.ibm.com/legal/copytrade.shtml.

This document is current as of the initial date of publication and may be changed by IBM at any time. Not all offerings are available in every country in which IBM operates.

The performance data and client examples cited are presented for illustrative purposes only. Actual performance results may vary depending on specific configurations and operating conditions. THE INFORMATION IN THIS DOCUMENT IS PROVIDED "AS IS" WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED, INCLUDING WITHOUT ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTY OR CONDITION OF NON-INFRINGEMENT. IBM products are warranted according to the terms and conditions of the agreements under which they are provided.