

artificial intelligence

in law

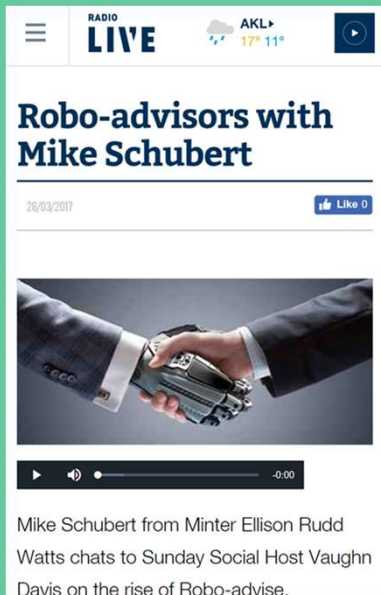
nick whitehouse

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a bit about our story


MinterEllisonRuddWatts partners in \$2m jv with goat ventures to form AI biz McCarthyFinch



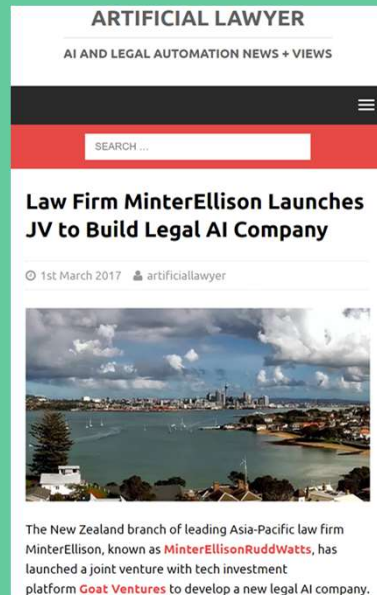
RADIO LIVE AKL+ 17° 11°

Robo-advisors with Mike Schubert

28/03/2017 Like 0



Mike Schubert from Minter Ellison Rudd Watts chats to Sunday Social Host Vaughn Davis on the rise of Robo-advise.




ARTIFICIAL LAWYER
AI AND LEGAL AUTOMATION NEWS + VIEWS

SEARCH ...

Law Firm MinterEllison Launches JV to Build Legal AI Company

1st March 2017 artificiallawyer



The New Zealand branch of leading Asia-Pacific law firm MinterEllison, known as **MinterEllisonRuddWatts**, has launched a joint venture with tech investment platform **Goat Ventures** to develop a new legal AI company.



BUSINESS

Robot lawyers? Firm invests \$2m in AI

28 Feb, 2017 2:37pm 2 minutes to read

Law firm MinterEllisonRuddWatts has invested \$2 million in a joint venture exploring the potential use of artificial intelligence for legal services. Photo / supplied

NZ Herald

Law firm MinterEllisonRuddWatts has invested \$2 million in a joint venture exploring the potential use of artificial intelligence for legal



NEW ZEALAND INNOVATION AWARDS 2017

Finalists 2017

Drum roll, please... Meet the 2017 finalists for the NZ Innovation Awards - congratulations!

And the finalists are...

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why we invested

the future isn't clear

commoditisation and the decline in the demand for the billable hour

Chart 6 – Collection Realization against Standard Rates

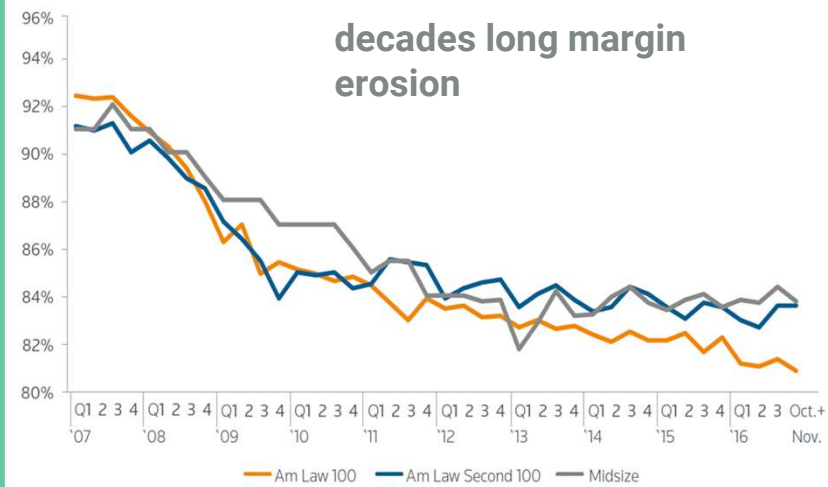
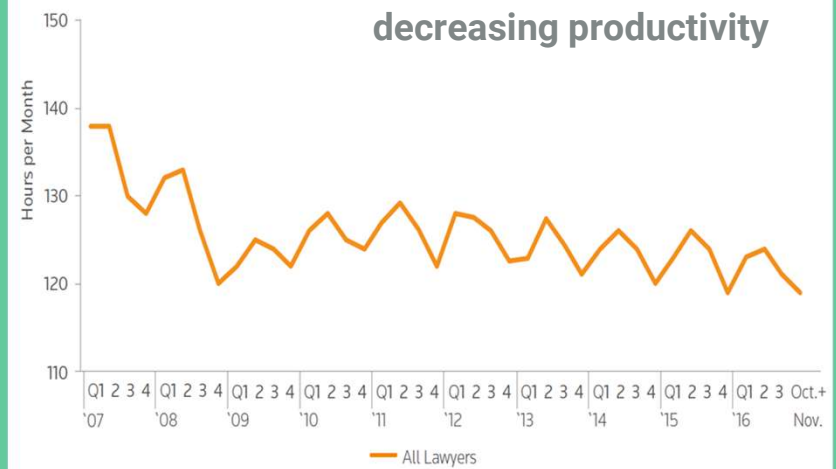


Chart 3 – Billable Hours Worked per Lawyer

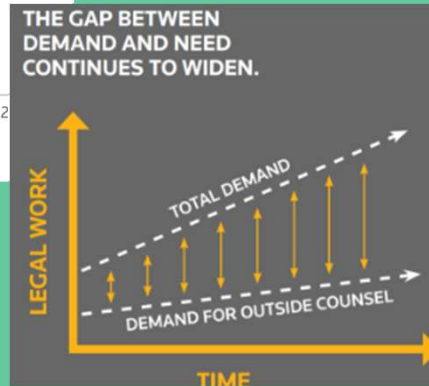
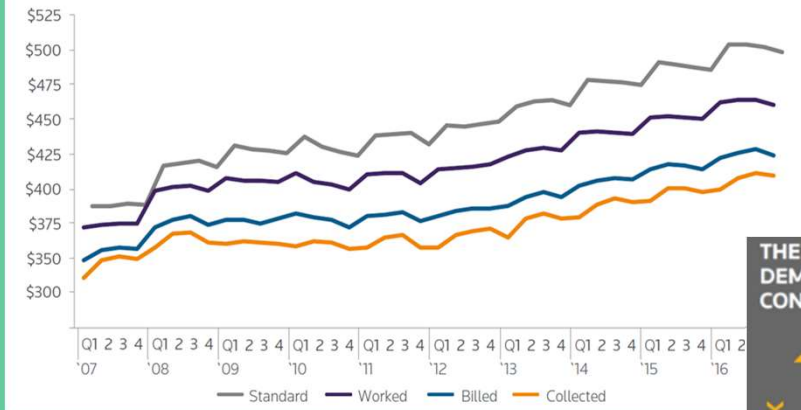


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why we invested

the future isn't clear

Chart 5 - Rate Progression



increasing rates is the only thing propping up profitability

so what happens when:

1. GCs have tools to do work themselves?
2. more & more work shifts in-house or to LPOs?
3. you no longer bill by the hour?

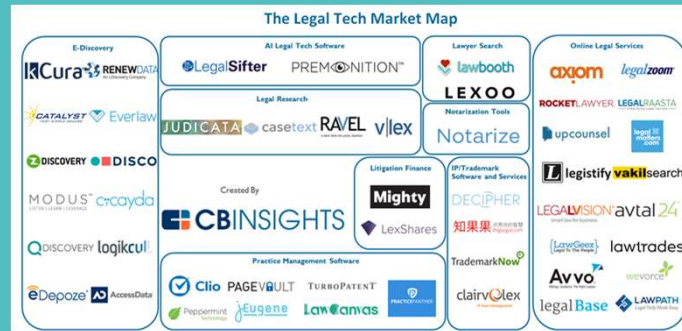
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why legaltech matters

scalable growth



over a billion invested in legaltech over the last 5 years.



players entering the market all the time

Legaltech and LPO are growing at 30% yoy

a changing paradigm

new competitors



law firm

who does the work



swings back & forth
over time



in-house



LPO /
LegalTech

we tried some innovative stuff

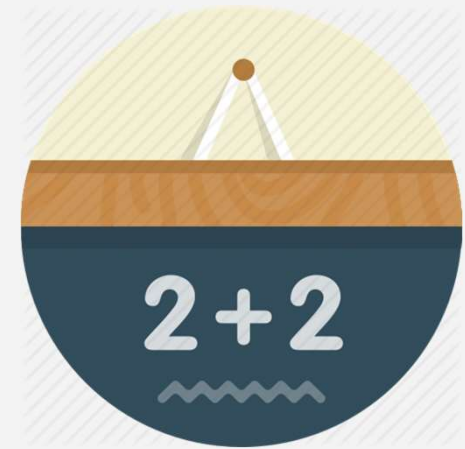
it really didn't work, but we were learning



we pursued some novel ideas & started doing things differently



independent market feedback was bordering vindictive



we built on the feedback & iterated our approach

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innovation mission

I travelled to israel to do business in nz



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innovation mission

our chair went to china



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Hello McCarthyFinch

artificial intelligence for law

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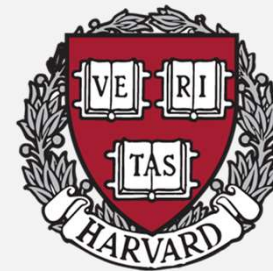


assembled real talent

world leading phds and domain expertise



MinterEllison
RuddWatts



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we spent a lot of time talking to people

there was a lot of room for improvement



2,500 people surveyed



hundreds of hours of face to face interviews



hundreds of business workshops



working with lawyers to address issues

we started running research experiments and achieved novel results

Machine
reviewing
documents

Use case:
First pass document
review, due
diligence, discovery.

Legal issue
identification,
referencing
and search

Use case:
Triage, automated
legal research,
compliance

Fuzzy
dictionary

Use case:
In-line referencing
contract and
legislative terms

Automated
document
generation

Use case:
Auto clause banks,
assisted document
drafting

then we ran case studies

and started providing value

\$91

43

mins

144
questions

JUNE

\$38

23

mins

214
questions

JULY

58% reduction in cost

44% reduction in effort

Ability to make lower skilled legal resource more valuable

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now we're working on matters and launching new services

McCarthyFinch

Personal Employment Consumer Property Immigration Business

Quality legal advice for <New Zealanders>
Get the help you need, right now, at a price you can afford.

ask a FREE question

create a document + review a document + hire a lawyer +

Essential know how at no cost: let's go

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02. the issues in question are... 03. upload your contract... 04. confirm restraint of trade details... 05. confirm redundancy details... 06. questions... 07. what the law says...

Here's what the law says about Restraint of Trade.

499 cases similar to yours that went to court

398 judged unenforceable

78%
Confident Restraint of Trade can not be enforced.

If taken to court	
time estimate between*	cost estimate between*
4 & 20 weeks	\$0,000.00 & \$0,000.00

*If you have a complex case time & cost estimates may range higher than suggested.

Generally speaking, a restraint of trade is unenforceable by your employer if it is considered



what we learnt applying ai to law

how to make the most of the opportunity

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about learning

not all AI is the same



supervised

task/person driven
classification
regression

(input/output relationships
and estimation)

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unsupervised

data driven
clustering
neural networks
deep learning

(underlying structure, ability to
see things beyond human
capacity)



reinforcement

environment driven
policy learning

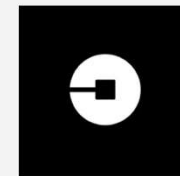
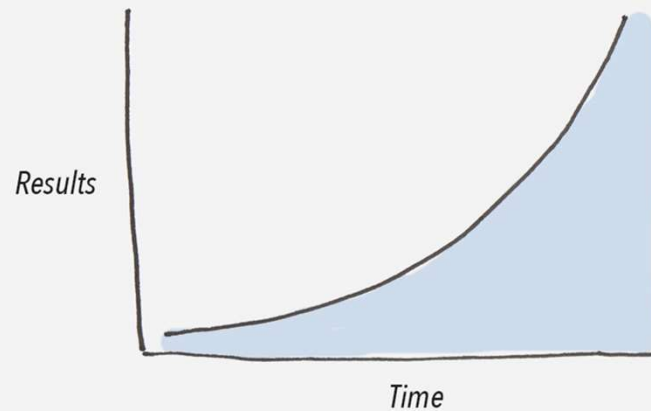
(creating rewards and
punishers to shape learning)

cloud has changed everything

pace of tech improvement is exponential & cost effective

EXPONENTIAL GROWTH

Improvements come slowly in the beginning, but your gains increase rapidly over time.



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oven mitts & hype curves

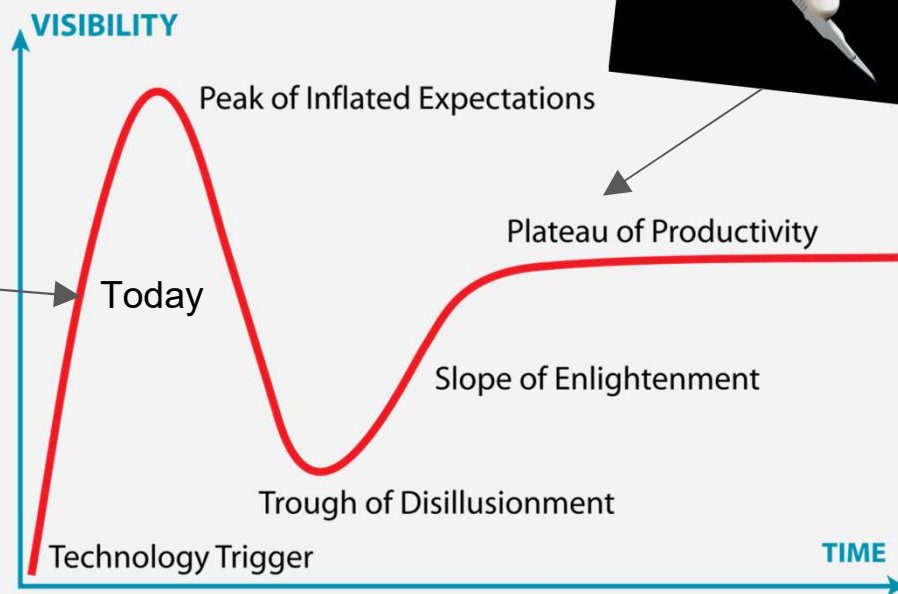
where AI is realistically in the legal industry

can do niche tasks comparably to humans

a high training threshold exists

often oversold & overhyped

media view based on science fiction



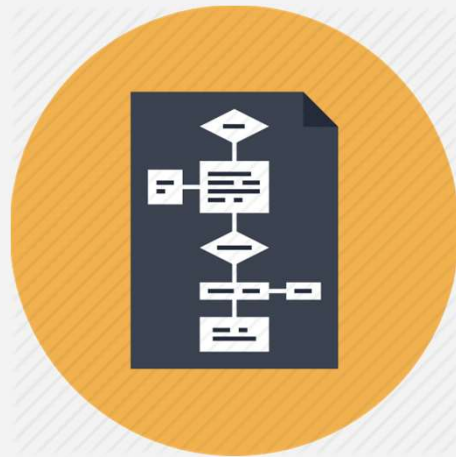
data, standardisation, culture

will have a bigger impact in the short term than an implemented AI

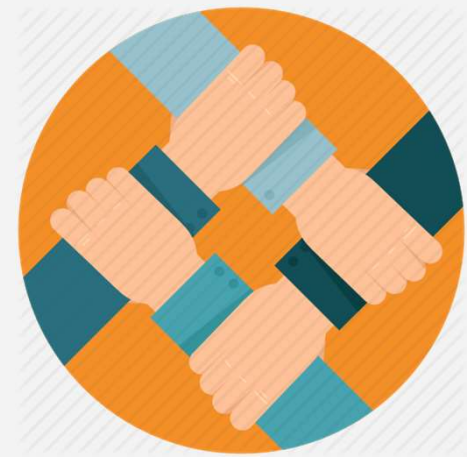


understand the value
of your data, collect,
organise, use

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simplify the journey
from instruction to bill



make it natural to do
things differently

start small in one area of pain

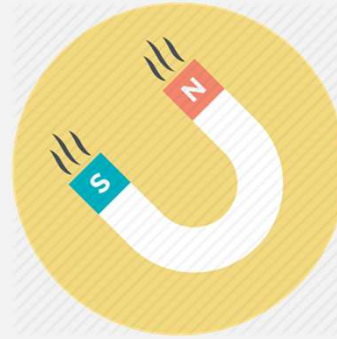
think horizontally, not vertically



identify areas of pain



plan, build or buy
simple solutions



success attracts new
ideas



which converts
people

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talk to your clients

take your best clients on the journey with you



talk to your clients



create a cohort



share risks & reward

its about business strategy

technology allows you to execute strategy, but it isn't the strategy



tech



strategy



questions?

in

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 McCarthyFinch™