SLW INSTITUTE
Building Extraordinary IP Assets

Digital Transformation of the Legal Industry Webinar Series

What is Digital Transformation for Law Practices?

6-Episode Webinar Series

Episode 01 – What is Digital Transformation for Law Practices?
Thursday, February 11th, 2021at 12:00 PM CT

Episode 02 – SLW Digital Transformation Case Study: Overview of SLW systems, tools, data lake, processes, teams and personnel.
Thursday, March 11th, 2021 at 12:00 PM CT

Episode 03 – SLW Digital Transformation Case Study: Application Preparation – Disclosure intake and docketing, application drafting tools, production management
Thursday, April 13th, 2021 at 12:00 PM CT

Episode 04 – SLW Digital Transformation Case Study: Prosecution I – Receiving & Reporting PTO Correspondence – docketing, data/document storage, work packets, drafting and filing papers and responses; reporting to clients
Thursday, May 11th 2021 at 12:00 PM CT

Episode 05 – SLW Digital Transformation Case Study: Prosecution II – Claim tracking, reference analysis tools and reports, prosecution landscape tools and reports, examiner/prosecution analytics, IDS management
Thursday, June 8th, 2021 at 12:00 PM CT

Episode 06 – SLW Digital Transformation Case Study: Due Diligence, Freedom to Operate Studies, Landscape Studies, Portfolio Curation, Portfolio Analytics, Landscape Analytics, Examiner and Attorney Analytics
Thursday, July 13th, 2021 at 12:00 PM CT

Before We Get Started...

Recording

A link to the recording and slides will be emailed to all registrants.

Questions

Type in the question box and we will answer in real time or during the Q&A.

Social

Follow us on LinkedIn or go to SLW Institute on slwip.com to see upcoming and on demand webinars.

Today's Presenters...

Steve Lundberg
Principal & Chief Innovation Officer
Schwegman Lundberg & Woessner

Ann McCrackin
Black Hills IP President

Manjeet Rege, PhD.
Director of Center of Applied Artificial Intelligence, Professor, University of St. Thomas Graduate Programs in Software Engineering, Data Science

Thomas Marlow
President, Renewals
Former Chief Patent Counsel of Fairchild Semiconductor
Black Hills IP

Mary O'Malley
IP Operations Subject Matter Expert
Black Hills IP

Dan Yarmoluk
LiftScāl CMO
Adjunct Professor, University of St. Thomas
All Things Data Podcast
Host

Digital Transformation

- The McKinsey Global Institute predicts that in the next few decades, half of the work performed by humans today will be executed by AI. Organizations that have performed digital transformation are 23-times more likely to acquire customers, 6 percent more likely to retain customers, and 19times more likely to be profitable.

- Direct Digital Transformation Investment Spending to Approach $7.4 Trillion Between 2020 and 2023.

- A recent study by the Altimeter Group highlights the top-five benefits of digital transformation:

    - **lift in customer engagement** (75 percent)

    - **improved customer satisfaction** (63 percent)

    - **higher digital traffic** (53 percent)

    - **increased lead generation** (49 percent)

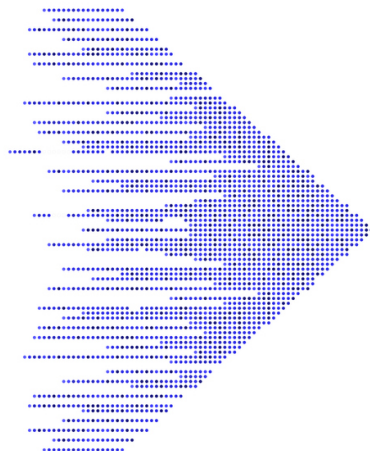   - **greater conversions** (46 percent).

What is Legal Digital Transformation?

- Digitizing every aspect of the legal experience:

  - Service delivery

  - Workflow

  - Processes

  - Team collaboration

  - Client engagement

- By 2030 we will see significant legal work being done by machines. As a result, legal services will be fundamentally different than today in terms of both job function and the way legal services are provided.

- However, the legal industry tends to lag in technology adoption as compared to general business.

State of Legal Digital Transformation

- The legal industry was marked by a time of automation from 1960 to today. While that continues, the pivot now will be from *automation* to *transformation* in the future.
- Gartner recently surveyed 340 corporate in-house legal departments, and 33% reported that the biggest concern for executive leaders is increasing the speed of legal work.
- Many organizations are just too cautious when investing in legal department automation. The time to recoup financial investment in automation is 2.4 years.
- About 62% of mid-large organizations - with over $500 million in annual revenue - continue to use manual methods for their contract management processes.
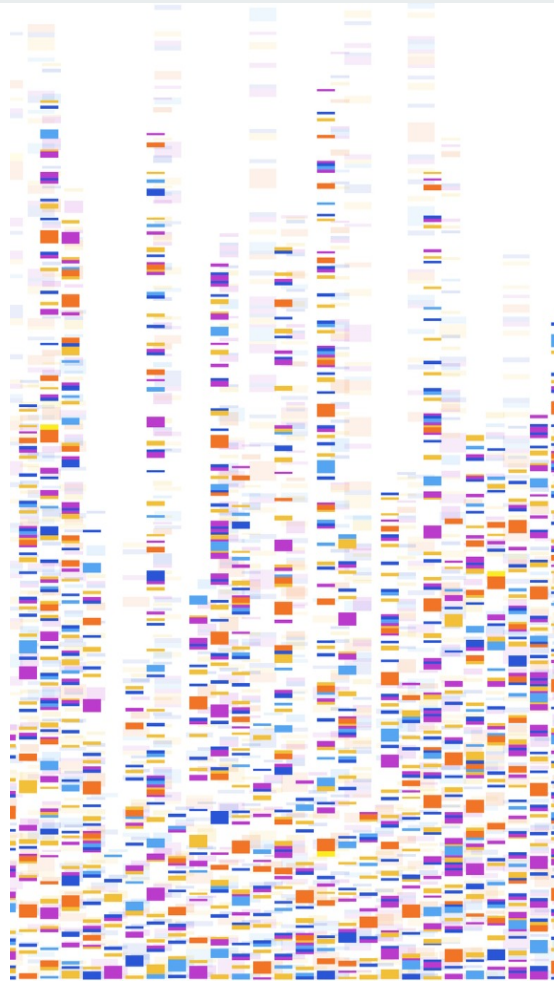
Tools for Legal Digital Transformation

Cloud-based ERP

- Centralizes key elements of a case in one system, including the initial client engagement, invoice and billing, time tracking, and talent management.

Machine Learning and Predictive Analytics

- Legal analytics help lawyers make decisions based on data to build legal strategies, such as "knowing the probability of a specific motion outcome, how seemingly unrelated cases connect or how much a settlement award could be".

Tools for Legal Digital Automation

- Robotic Process Automation

  - Streamline law operations by automating repetitive and time-consuming tasks such as drafting contracts and preparing documents

- Contract Lifecycle Management

  - CLM systems, allows lawyers to serve clients quicker by optimizing generation of new and management of existing contracts.

Tools for Legal Digital Automation

- Due Diligence using AI

    - AI-powered machine learning algorithms can read through a multitude of documents and extract vital information quickly without errors

- AI-enabled chatbots

    - Chatbots employ artificial intelligence to retrieve information from knowledge bases.

    - Customers can initiate an online chat with a virtual legal assistant to get quick help

Key Considerations for Legal Digital Transformation

Traditional metrics for measuring ROI may not be applicable

- ➢ What's the right measure for customer satisfaction or customer experience?

- ➢ How would these metrics lead to an expanded client base and lower client attrition?

Technology Augments, not Displaces, the Practicing Lawyer

- ➢ In most cases this technology only frees up time spent on some of the more labor-intensive and time-consuming tasks

Upskilling legal professionals to leverage digital tools as a competitive advantage

- ➢ Upskilling and reskilling in these new technologies is essential for law firms to thrive in an era of digital transformation
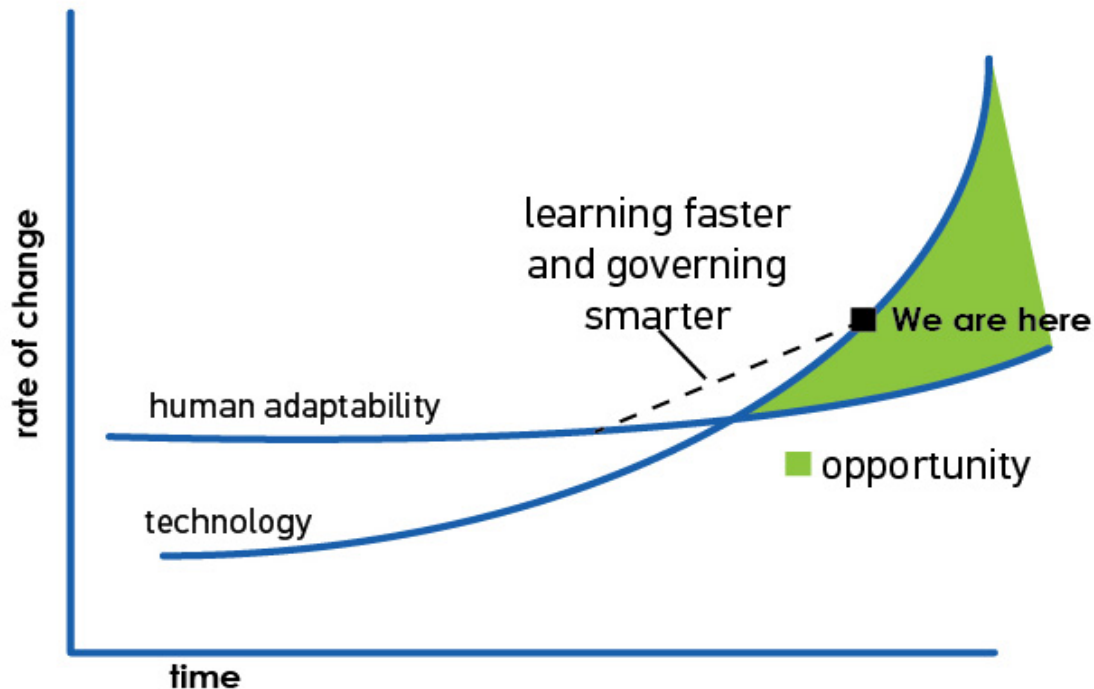
Generally, less than 1 in 3 organizations believe that change is constant...

INDUSTRY SECTORS	% SECTOR LEVERAGING THE IDEA	% OF THOSE CORPORATIONS LEVERAGING THE IDEA THAT ARE THRIVING WITH THEIR DIGITAL TRANSFORMATIONS
Banking Finance, Insurance	20%	50%
Consumer Products	18%	45%
Industrial Products	28%	50%
Energy and Resource	26%	90%
Healthcare/Pharma	50%	65%
Retail/Distribution	26%	45%
Construction	26%	86%
Transportation	25%	90%
Professional Services	32%	94%
Marketing Services	36%	42%
IT/Tech/Telco	34%	75%

THE IDEA THAT CHANGE IS NOW A CONSTANT IN A DIGITIALLY TRANSFORMING WORLD — G2K Executives and Leaders

https://49e0b292-a739-457e-b2bb-c616dde81627.filesusr.com/ugd/ab9ab2_863010f490ec46c394640d540c3613ab.pdf

Technology Adoption Drag...is opportunity

Optimize Your Operations

Enterprise Scenarios Mapped to Benefits

Scenario Chain

Business Drivers
[Business environment]

- Economic Slowdown in developed economies
- Increasing costs
- Customers demand differentiation
- Scarcity of skilled labor
- Growth in emerging markets
- Stricter Regulations

Investment Objectives
[Strategic Options]

- Resource Management
- Safety and Compliance
- Operational excellence
- Customer Satisfaction & Reliability
- Improved productivity
- Market relevant products
- Achieve Sustainable advantage and growth

Scenarios
[Tactical Business Changes]

- Engage Your Customers
- Empower Your Employees
- Optimize Your Operations
- Transform Your Products

Key Benefits

- Production loss avoidance
- Reduction of inventory cost
- Operations cost optimization
- Improve product longevity
- Increased revenue through relevant and differentiated products
- Expert advice to remote locations
- Proactive resource planning
- Avoid unexpected malfunction
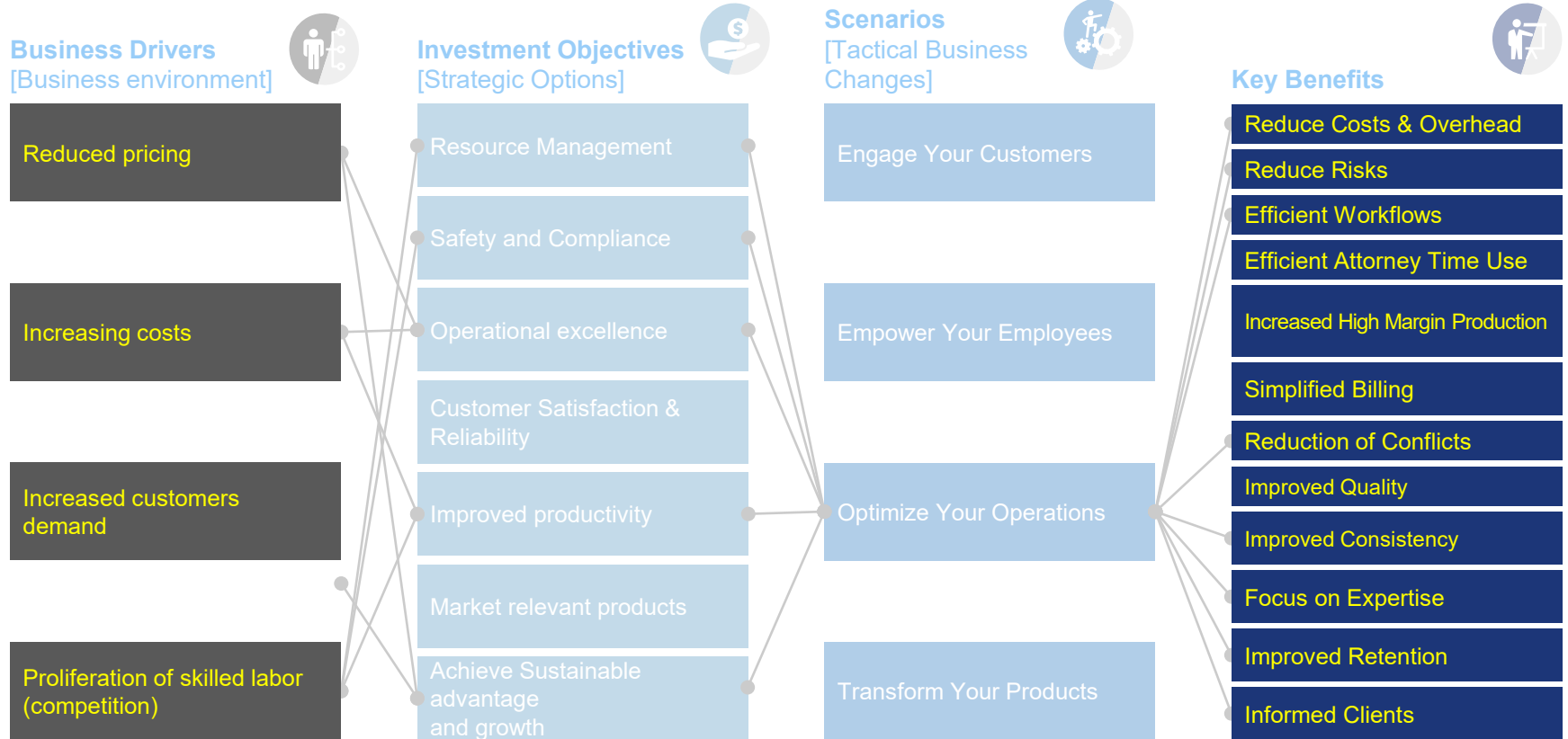- Supply chain optimization and cost reduction
- Better utilization of equipment and workforce
- Agile workforce with better mobility
- Real-time updates for equipment

Optimize Your Operations

Enterprise Scenarios Mapped to Benefits

IP-Legal Application

Business Drivers
[Business environment]

Investment Objectives
[Strategic Options]

Scenarios
[Tactical Business Changes]

Key Benefits

Reduced pricing

Increasing costs

Increased customers demand

Proliferation of skilled labor (competition)

Resource Management

Safety and Compliance

Operational excellence

Customer Satisfaction & Reliability

Improved productivity

Market relevant products

Achieve Sustainable advantage and growth

Engage Your Customers

Empower Your Employees

Optimize Your Operations

Transform Your Products

Reduce Costs & Overhead

Reduce Risks

Efficient Workflows

Efficient Attorney Time Use

Increased High Margin Production

Simplified Billing

Reduction of Conflicts

Improved Quality

Improved Consistency

Focus on Expertise

Improved Retention

Informed Clients

Opportunities for Practice Innovation & Transformation

Attorney Tasks
Paralegal Tasks
Administrative Tasks

Invention Disclosures	IDS Generation
Search	Data Entry
Drafting	Fee Payments
Filing	Formalities
Prosecution	Time Entry
Continuation Decisions	Invoices
Reporting & Communication	Analysis
Docketing	Strategy
	Budget

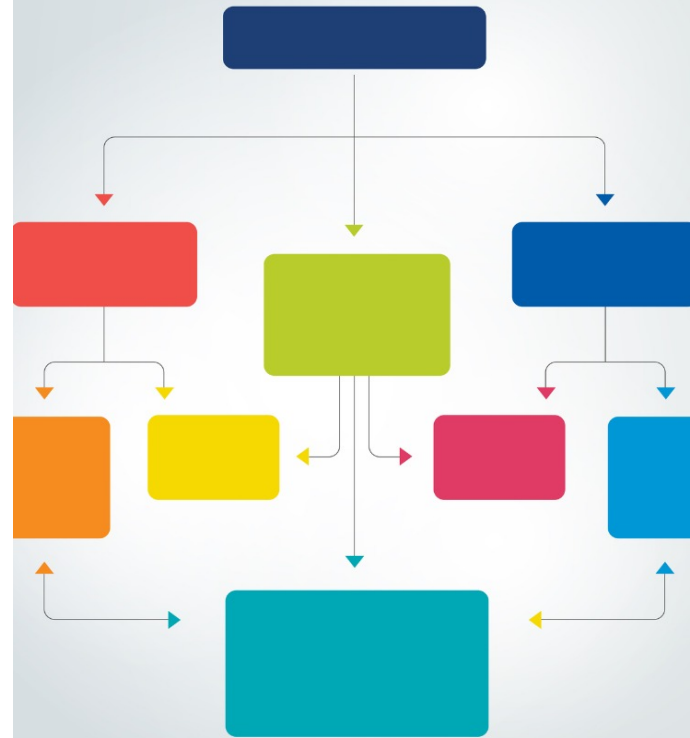Workflow | Tools | Outsourcing

From the Corporate Perspective

- Thinking about digital transformation can seem overwhelming

- Simplify it by thinking about where your team spends their time

- Look for ways to make work flows simpler and more effective

- Focus on ways to automate whenever possible

- The result will be more time for substantive work and cost savings

Getting Started

- Start by reviewing your workflows
    - Identify pain points
    - Look for ways to simplify or eliminate them
    - Are there areas you could automate or outsource?
    - Does your software support automation?
    - Does your software integrate with other software?
    - Get input from your team members
    - Get them invested in the process and the outcome!

Make a Plan

- Set-up a team meeting
- Have the team compare their pain points/wish lists
- Get input from everyone!
- Prioritize the list of areas for improvement
- Determine next steps
- Document them and make someone responsible for follow -ups
- Make sure everyone supports the time commitment involved
- Schedule a follow-up meeting that will include all decision makers

Investigate Everything

- ➤ Take a fresh look at best practices
  - • Talk with your peers in other legal departments. What are they doing?
- ➤ Schedule demos with potential new vendors
  - • Can you automate or outsource?
  - • Look at tools that will allow people to be more self-sufficient
- ➤ Meet with your internal business partners
- ➤ Meet with your IT support
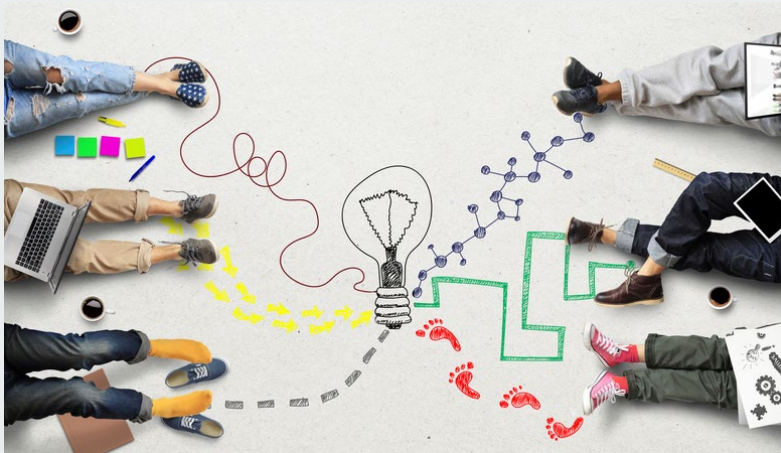- ➤ Can you build internal tools to centralize information from multiple sources?

The Follow-up Meeting

- Present your findings to the team
- Demonstrate how automation will benefit individuals, the team, the company
- Give examples of how automation can raise the team's profile
- What time commitments will there be initially? Over the long term?

Implementation

- Establish the team responsible for implementing your digital transformation

- Establish definitive project deadlines and budget

- Meet regularly to give progress reports

- Set up training

- Highlight successes!

Automation Challenge

Activity	Current Process	Future Process
Download USPTO Documents	Human	Automation
OCR PTO documents and email attachments	Human	Automation
Create PDF with email and attachments	Human	Automation
Rename PDFs with standardized naming convention	Human	Automation
Identify US and Foreign PTO communications	Human	Automation
Determine which docketing activity to use	Human	Automation
Enter activity, dates and bibliographic in database	Human	Automation
Upload documents	Human	Automation
Second eye review/quality control	Human	Automation
Create and send report out emails to internal staff and/or clients	Human	Automation
Create weekly and monthly reports of all documents and emails in the docketing queue with status notes	Human	Automation

Thank you for your interest.

Questions?

These materials are for general informational purposes only. They are not intended to be legal advice, and should not be taken as legal advice. They do not establish an attorney-client relationship.