

Client-Dedicated Contracts Management & Review Solutions

Challenge

A Fortune 100 services and manufacturing company generates thousands of contracts from its various business units on an annual basis. The paper, which ranges in value from thousands to millions of dollars, is primarily customer-business contracts, leases, vendor agreements and a host of other documents that require the legal department's review. The sheer volume makes reviewing all of the contracts impossible, and sending the contracts to outside counsel is not financially practical.

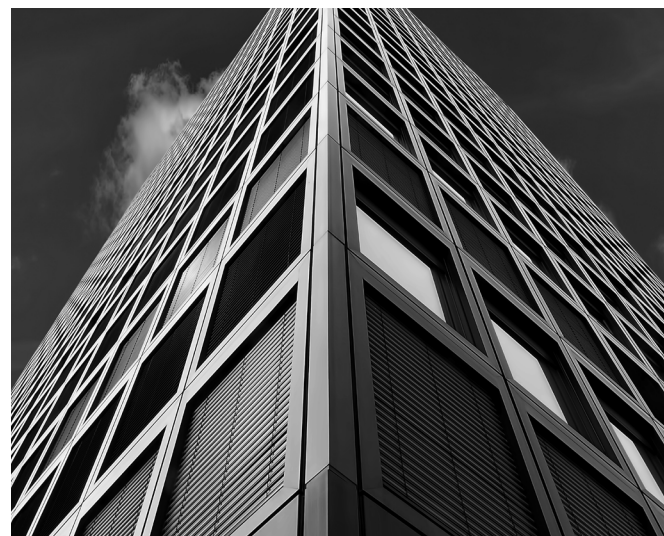
Highlights

The Legility contracts team continues its role with the client today. Results include dramatic **improvements in efficiency**, cost, upkeep and tracking, including a **50% reduction in costs**, saving more than \$300,000 the first six months.

“ Because of the **effectiveness of the Legility model**, fewer of the client's attorneys are involved in the process.

Solution

In initial discussions, it was clear there was an opportunity to build a new contracts intake process that would minimally impact the client's employee involvement while allowing attorneys to review all of the company's important agreements in an efficient, value-driven manner. Several key needs were quickly identified: Process integration, Quality control and consistency, Improved metrics tracking, Workload on internal resources, and Cost and risk considerations.



Solution

1. **Process integration.** From the intake process to categorization of a contract's value to the review of the contracts and the tracking and reporting of the results, the process needed simplification.
2. **Quality control and consistency.** The client had several in-house attorneys and business people as well as multiple law firms in different regions of the country touching its contracts. This led to a variety of inconsistencies, as well as costs and volume that were difficult to forecast.
3. **Improved metrics tracking.** While some information was being logged, this was an area in which Legility could truly focus and provide immediate ROI to the company.
4. **Workload on internal resources.** The GC wanted his internal lawyers to become true business advisors to the company, but large-volume routine work such as this was a drain on their time.
5. **Cost and risk considerations.** The company needed to manage costs related to its contracts and make better risk-management decisions.

To address these issues, Legility developed a solution that met the client's specific needs and goals, and included a flexible model that was tested in one business unit before rolling out on an enterprise level. Legility presented multiple divisions and are in discussions to expand to more of the client's business verticals. The process, launch and execution included:

- Identification of a Legility team that included a veteran project manager and experienced contracts review attorneys;
- Meeting, consulting and working collaboratively with key players in the company's business units as each had different needs;
- Developing the information technology structure necessary to automate the contract intake process, leading to better contract management and metrics tracking;
- Designing detailed workflows, fine-tuning existing contracts playbooks and laying out deliverables;
- A combination of onsite and web-based training on the new protocols for Legility contracts attorneys and the client's business units.

Legility Team

The Legility Project Manager ("PM") assigned to the client was a former general counsel of publicly traded companies who had extensive experience with contracts and corporate matters. The PM worked closely with the client to identify the types of attorneys needed and the expectations on the work product, and launched the pilot project with one geographic region of one business unit and a team of three experienced contracts review attorneys. Additional Legility attorneys were added to support seven geographic regions and three additional business units as they were added, and additional training was performed.

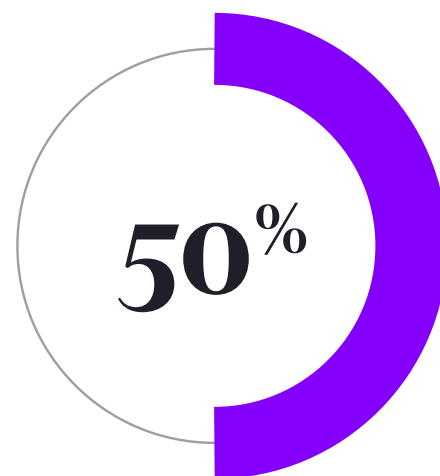
Results

Within six months of engagement, Legility fully deployed a new contracts intake and review process, which was handled by more than 20 Legility contracts attorneys and coordinated and monitored by the Legility PM and intake managers. The Legility attorneys anticipated reviewing approximately 15 to 20 contracts per month based on historical volume.

Within eight weeks, the client decided to expand the pilot project to two additional geographic regions, and the number of contracts increased to approximately 30 to 40 contracts per month. Within four months of the pilot project's commencement, the client had added a total of seven geographic regions and three additional business units.

The Legility contracts team continues its role with the client today. Results include dramatic improvements in efficiency, cost, upkeep and tracking, including:

- A 50% reduction in costs, saving more than \$300,000 the first six months;
- A managed process leading to a reduction in the time it takes to review a contract;



The Legility contracts team created a 50% reduction in costs, saving more than \$300,000 the first six months

“**The Legility contracts team continues its role with the client today. Results include dramatic improvements in efficiency, cost, upkeep and tracking.**

Even with a wide variety of paper – some contracts are simple, some have multiple documents or dozens of pages as part of them – Legility and the client determined it took an attorney less than 6.5 hours, on average, to review a contract;

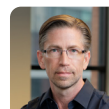
This number is broken out by the type of contract and provides cost consistency and better data in determining the ultimate value of any given contract, group of contracts, region of the country and/or the

Results

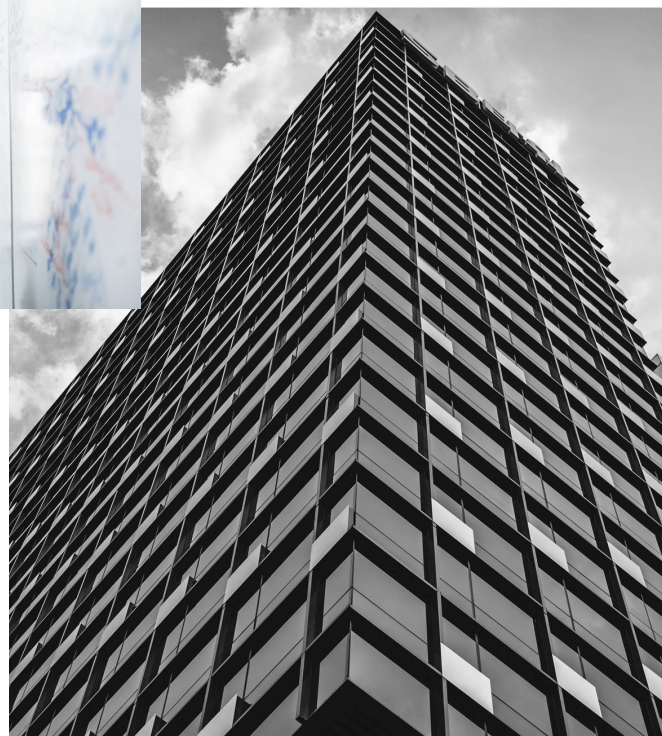
employees/ facilities that are generating the most paper. The team's efficiency and results are tracked on every contract;

- Dramatically improved work-product consistency. A centralized team of Legility attorneys reviews the company's contracts using the same workflows and training. There are no longer multiple law firms with different processes/knowledge levels touching contracts;
- Monthly metrics and progress reports that have identified important data regarding key business measurables, recurring risk-management issues, productivity and efficiency;
- Because of the effectiveness of the Legility model, fewer of the client's attorneys are involved in the process. Those who are involved work directly with the Legility team and disseminate information in real time;
- In-house attorneys focus on high-value work and offer more service to business units;
- Timely delivery. Legility's team has not missed a deadline, which was previously an issue for the client.

It all starts with our people: talented attorneys dedicated to their client, working in a positive and collaborative environment and directed by seasoned leaders.



Barry Dark
Chief Executive Officer



Let's change the business of legal together.

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