



The General Counsel's Guide to AI

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This quick guide spells out what you need to know about AI from a practical level.

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Introduction

General counsel are grappling with the promise of artificial intelligence (AI) for their legal, security, and compliance challenges. And as with every technological evolution, the GC will have two roles. First, you will need to understand how your business is using AI so that you can advise your business partners and offer critical, realistic, and pragmatic advice to your board on this new technology. Second, you will be expected to integrate the productivity-enhancing technology into your own operations as a demonstration of your leadership and focus on innovation for the business.

But keeping up-to-date in this quickly changing field is a challenge in itself. [According to a Thomson Reuters report](#), “corporate counsel believe they are tech savvy but acknowledge that their comfort level and confidence with technology have limitations, specifically around artificial intelligence.”

Striking the balance between validating where AI can bring value and identifying where the promise diverges from reality can be daunting. Integrating AI across litigation, privacy, and compliance is core to Relativity’s business, so we’ve put together this quick guide focused on what you need to know about AI from a practical level.

AI Can Make a Difference in Your Organization

What is AI good for?

Today, AI is all about **processing data more quickly and effectively than humans**. AI systems are great at quickly poring through vast data sets, discovering patterns, identifying anomalies, and presenting these insights to take action or further refine the results for clarity. In this way, AI takes raw input that would otherwise be too overwhelming for human operators, begins to digest it, and then hands it off to reviewers, analysts, and attorneys to perform their role more effectively and with greater focus. AI can be of value, if applied appropriately, when your organization is faced with sifting through large, diverse data sets in order to meet litigation, privacy, or compliance challenges.

Is using AI a big technological lift?

Generally speaking, no. While the technology may be more sophisticated under the covers than existing software tools such as email, Excel, and Word, adopting AI-based tools in your organization should not be categorically different or require new expertise and extensive training. The Text IQ product set, for example, is intended to free up legal teams from performing rote, routine, and repetitive tasks so that they can perform more strategic work. This means delivering a tool that is accessible, intuitive, and relevant to the legal activity at hand.

“AI is probably the most efficient tool to help organizations turn massive amounts of ‘senseless data’ into more ‘senseful data’. And if it’s true that ‘senseful data’ are the new gold of the digital era, then the value of AI should not even be a question. The legal function often has a need to make sense out of big data in a short period of time. e-Discovery is a good example but it’s not the only one.”

STEFAN JOHN

General Counsel & Chief Compliance Officer and Senior VP
BASF Corporation

“When a company gets a large lawsuit, the first thing that happens for the general counsel is a call from the CEO asking: What’s this all about? What am I going to do? If you, as the GC, have the ability to quickly identify key information in that lawsuit and are able to report back promptly to the CEO who, in turn, can communicate to the board, you have significantly helped the company move toward a decision based on the potential risks and the best next steps. AI makes this all possible.”

DAN COOPERMAN

Former General Counsel

Apple & Oracle

AI in Action

General counsel are already using AI in five areas.

Contract Review

General counsel are automating contract review with AI, allowing their in-house attorneys to quickly sift through standard contracts like NDAs, supply agreements, SaaS licenses, and purchase agreements. Because AI is designed to recognize patterns, it can also be used to identify what are outliers, [automatically](#) spotting and flagging any anomalies that may be buried in the contract language. By focusing your attorneys on language that diverges from language that is generally used, they can spend their time on provisions that require closer review.

Essentially, AI contract review technology helps organizations to more quickly and cost effectively answer the question, “Is it appropriate for my organization to enter into this agreement?”

Litigation

AI algorithms excel at pattern recognition at scale, making the technology effective for scouring through large volumes of documents. Predictive coding constituted the first attempt at putting AI

technology to work for document review. However, because predictive coding relies on several time-consuming steps to train the model and requires ongoing tweaking by both e-discovery specialists and attorneys before it can deliver results, the technology has not lived up to initial hopes. In contrast, newer technologies like Text IQ for Personal Information utilize unsupervised models, which radically reduces the amount of upfront effort before it can deliver accurate results.

By reducing the amount of time, training, and expertise required to accurately automate document review, modern AI cuts into the [enormous costs of litigation](#). The utility of AI for document review in the context of litigation can apply to a few key use cases.

a. **Responsiveness and Relevancy Review**

AI searches through millions of documents, flagging responsive or relevant documents much more precisely than human reviewers, cutting down the number of documents requiring human review by as much as 50 percent.

b. **Privilege Review**

Because of the gravity of privilege review, using AI over human review may seem risky. What if a document is missed by a process that in the case

of predictive coding may only reach 80 percent? If, however, the AI technology is designed for the specific rigors of privilege review, the tool can offer advantages over human reviewers who can miss context over a long email thread or across thousands of documents. By incorporating not only semantic analysis into the modeling, but also context on the relationships and roles of the individuals communicating, Text IQ can flag more potentially privileged documents and communications, as well as identify relevant lawyers, than human reviewers. This allows skilled attorneys to focus on making the tough privilege calls on a smaller, highly accurate subset of documents.

c. Auto-Redactions

Typically the process of redacting documents and files for personally identifiable information (PII) can be laborious and time-consuming – and can still result in errors. In contrast to approaches using search terms that are prone to false positives – and often false negatives as well – Text IQ’s model incorporates standard search terms, but supplements them with semantic analysis and natural language processing to integrate context on how the data element appears in a document. With prepackaged modules for identifying PII across unstructured data formats, reviewers can review rather than compile PII reports and automatically apply redactions to the data element in whole or in part.

A side-by-side comparison of traditional and AI-driven PII identification in document review:

	TRADITIONAL	TEXT IQ
# DOCUMENTS	50,000	50,000
TURNAROUND TIME	10 weeks	1 week
ACCURACY	70%	95%
COST	\$100,000	\$25,000

d. Privilege Logs

During the privilege review, the software automatically generates full privilege logs for reference and to simplify organization.

“Text IQ creates an opportunity to know what’s really going on in your organization at every level, in an efficient, non-disruptive way, and ultimately helps companies manage their risks to ensure they are operating honestly and lawfully, with integrity.”

TIM MAYOPOULOS
 President of Blend and former
 CEO of Fannie Mae

Data Privacy Compliance

Data privacy obligations have become more complex for any company that collects, processes, or stores consumer data. Your company's responsibility to comply with the EU GDPR, the CCPA (and its successor the California Privacy Rights Act), and other state laws means you can't be passive or reactive; you need to be prepared for the compliance challenges that large data sets – particularly unstructured data in documents and files – present.

Many of your obligations will turn on locating not only personally identifying information (PII) but also personal information (PI), which is more broadly defined under data privacy mandates such as the EU [GDPR](#) and the [CCPA](#) to include data elements that can be linked, associated, or related to individuals. AI can prove key to meeting these challenges efficiently.

This broader definition of what data is in scope can be hard to identify, particularly in texts, emails, or other unstructured data sets. Existing tools are designed to find only PII, and have no ability to infer any one data element is related to an individual.

AI like Text IQ's social linguistic hypergraph drills down into semantics to more accurately identify PII, PHI (personal health information) that's otherwise too easily missed, as well as link data elements to individuals based on both context and classification.

AI can be particularly useful for:

a. **Data Subject Access Request (DSAR) fulfillment**

Data access rights are integral to data privacy mandates across the globe. Most enterprises take a manual approach to compiling DSAR reports. Clearly, this approach is not scalable and cannot consistently identify how data is connected to individuals across enterprise data sources to compile a comprehensive report. By combining more accurate identification of PII (like Social Security numbers and other unique identifiers), the ability to link data elements to individuals for establishing what is PI and performing automated semantic analysis for accurately classifying sensitive data, AI can be critical to automating fulfillment of DSARs and other data rights at scale.

b. **Data Breach Response**

Once a breach has been identified, the remainder of the data breach response plan rests on how quickly and accurately the breached data can be analyzed. Generally, this process is time-consuming and involves extensive human review. Leveraging AI to perform the data breach assessment can help teams gain a critical commodity: time. AI-driven approaches can improve accuracy for PII like Social Security numbers as well as identify sensitive data such as political opinions, genetic data by incorporating semantic analysis, human signals, and context. Putting AI to work can empower the response team to quickly and accurately identify which records have been compromised and what types of sensitive data were impacted for each individual, enabling a smooth, efficient, and accurate response plan.

– **Document-Centric Reports**

The first step in any data breach assessment is determining whether the compromised data set contains data that is covered by data breach regulations, which increasingly extend beyond PII to include PI, combinations of data, and sensitive data categories. Rather than have reviewers pore over documents and files to assess whether keywords and search terms are accurate, AI technologies can utilize detectors that incorporate natural language processing to much more quickly compile a list of which documents contain data relevant under statutes. This provides a more comprehensive picture of the breach's impact and helps guide the next steps in the process.

– **Assess Notification Triggers**

With growing complexity in the data breach regulatory landscape, teams struggle with determining whether notifications are required based on the impacted individual's residence. By using AI to link an individual and their associated data elements, the technology can assign residency to the individual. With clarity into the specific individuals, their attributes, and their residency through a consolidated report,

teams can significantly automate the process of assessing notification triggers.

– **Entity Normalization**

Along with compiling reports on whose data is impacted, most response teams struggle with determining whether the data set contains duplicate “personas” for notification profiles. Sending multiple notices to a single individual not only creates additional, unnecessary overhead, it can also mean that companies overstate the extent of the breach. Resolving whether entity profiles are related, and whether they can be consolidated into a single profile, is enormously complex for humans to perform. Since AI can determine how data elements are linked to an entity, the technology can more quickly determine where overlaps exist, and calculate the likelihood that multiple personas in the data set are in fact a single individual.

Intellectual Property (IP)

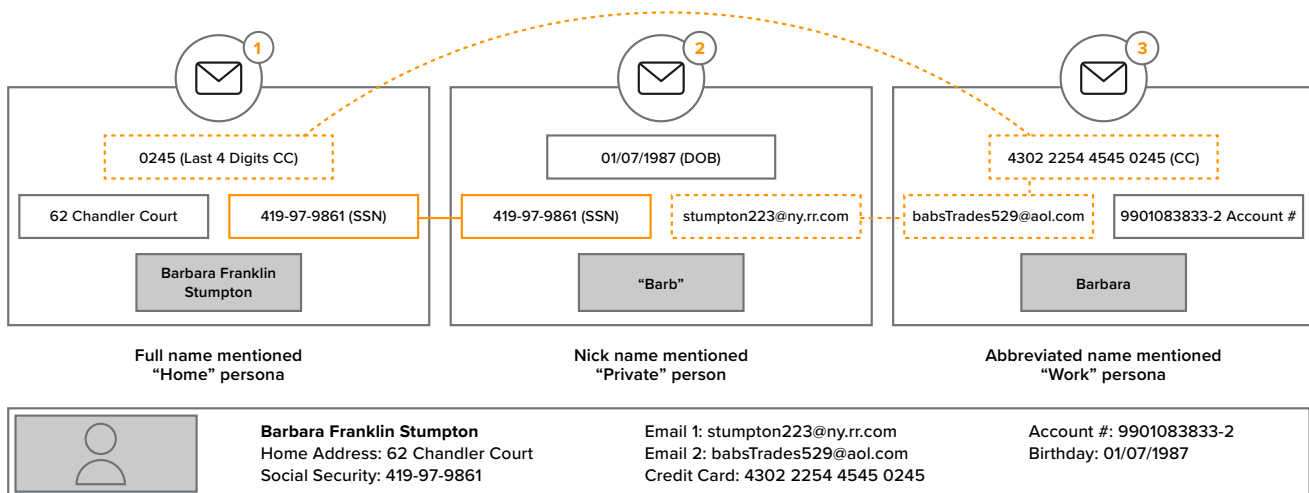
AI is making valuable contributions in simplifying and accelerating a business’s ability to protect its IP. Machine-learning models can give businesses IP insights that serve as a valuable first step in deciding whether to engage a patent lawyer, particularly for tech startups that need to parse the fine distinctions between a technical innovation and a business innovation.

From researching which patents already exist in [a prior art search](#) to the process of applying for patents, trademarks, and copyrights, AI reduces the time spent searching, filling out paperwork, and other tedium.

Internal Investigations

AI can help GC to identify problematic misconduct before it turns into a major compliance issue. GC know that misbehavior frequently is tough to spot.

Generally, the sheer volume of communications can present a challenge for monitoring compliance. Even more so in the cases where the issue is not as much negligence as it is when bad actors attempt



Entity Normalization

to disguise their misbehavior, such as by using codewords to talk about regulatory avoidance, insider trading, or bribery schemes. Since AI can incorporate both semantic analysis and the human or organizational context of the exchange, this technology helps GC to spot wrongdoing as quickly as possible and to take swift action.

This use case is another application of anomaly detection, or in more prosaic terms: identifying the needle in the haystack. Since AI is so good at detecting patterns, it can tell when something seems off or looks fishy.

By understanding the context and social network within an organization, AI platforms can understand the intent behind correspondence and identify risk.

“The Text IQ product set is a recognized leader in artificial intelligence with its innovative approach to creating a layer of structured data on top of risky, unstructured data, such as emails and chat messages, where privileged and sensitive personal information can easily get missed.”

GREG PALM

Legal Industry Veteran
Former General Counsel
Goldman Sachs

Conclusion

Data volumes are growing exponentially and much of the world’s data today is in an unstructured format. Identifying sensitive information buried in these unstructured data pools, which is like looking for a needle in the haystack, is one of the biggest challenges facing companies today.

AI is often thought of as technology in search of a problem rather than a valuable source of new value. In contrast, Text IQ is operational and consequential. It continues to be used by some of the world’s largest organizations for a range of purposes: from identifying and redacting personal information hidden in data pools, and automating the privilege review process to accelerating data breach response. Text IQ’s unparalleled ability to find, categorize, manage, and take control of information buried in unstructured data when responding to problems and crises on a real-time basis is ultimately what makes it a necessary technology for any general counsel who wants to take on the inevitable data challenges of today.

Learn more by contacting Relativity today:

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