



HL INFLUENCERS: DIGITAL TRANSFORMATION

TRANSCRIPT

LUCY TYRRELL
WORDSMITH AI

Leo von Gerlach	Hello everybody and welcome to another edition of <i>The Influencers</i> , our podcast conversation on digital transformation and law. I'm Leo von Gerlach and with me today is Lucy Tyrrell. Lucy is General Counsel of the legal technology firm Wordsmith AI. WordsmithAI provides, among many other technology solutions, AI powered, secure workspaces for legal teams. That's obviously extremely exciting. Lucy, great to have you.
Lucy Tyrrell	Thanks, Leo, it's great to be here.
Leo von Gerlach	Lucy, you assume the role of general counsel for Wordsmith AI some time ago. What have been your key priorities since stepping into this role?
Lucy Tyrrell	<p>Yeah, it's funny, sometimes I think that's right for an AI business. I think in an ordinary business, I would say I haven't been in the role too long, but from our point of view, I've been here for a while. And so, for the key priorities, when I first stepped into the role, I broke those down into three areas. One was to prioritise the risks to enable us to scale. I [then] partnered closely with the business to understand the technology and the areas of business, and then thirdly, to build the scalable framework to allow us to be an AI native company going forward.</p> <p>So the first thing was looking at risk and triaging and I was the first legal hire at Wordsmith, so some GC's will empathise with me on that. But just looking at critical areas, so getting familiar with the capital, IP ownership, where data is going, the customer contracts, data licensing, privacy policies, etcetera, identifying any risks and things that needed to be dealt with immediately. But they're nice to have some things that I'd like to do in the future, but particularly enabling our team to scale and it would be hypocritical with need not to set up our company in an AI way. So that means that we have to implement workflows so that contract reviews don't always come to me so that we've got policies in place that can just be queried within the tool and generally the usual scaling features so making sure that we have a plan, what we're going to do and how we're going to grow with the business. So those are my main priorities, but lots of them are still ongoing.</p>

Leo von Gerlach	<p>Wow, I would love to speak with you further about scaling an AI native company, but just for the benefit of our listeners, mainly of them from legal departments, let's perhaps shift the focus a little bit on the product and service side. The solution Wordsmith AI offers, and I understand among them, is a very comprehensive platform tailored for legal in-house teams. Can you tell us something about what that product is, what it offers, and what makes it stand out?</p>
Lucy Tyrrell	<p>As you said, we were built for and primarily for in-house lawyers, although we would do work with law firms as well. And but we look very closely at the pain points for in-house lawyers and then we've gone deep into solving those problems. So firstly we look at contract volume, and we look at bottlenecks, so we're conscious that in-house teams are flooded with contracts, vendor contracts, NDA, DPA, SAS agreements and more complex bespoke agreements. So we've tried to look at those and build Wordsmith's first paths so that allows legal teams to kind of automate that initial contract review, using either our own playbooks because we're conscious that not everybody has loads of different playbooks for each type of agreement, but also allows the team to actually customise their playbook and that's mapped to their risk profile. So you can review those directly in Wordsmith. Also they integrate with Word, but the business can input contracts via e-mail and also through Slack. So we really try to enable Legal to be someone that supercharges the business, and ensure that the team is able to access Wordsmith, and also self-serve so they can send in their own contract, for example, and that will come back fully marked up to the business, who don't need a licence if they want to be able to do that. But Legal controls the process because they'll set the playbooks, they have a dashboard, so they can see everything. So Legal very much in the driving seat, that's to take away the churn of the contract.</p> <p>The second area or another pain point would be capacity constraints. More and more people coming under pressure to do more with less. We're often hear that phrase in in-house teams, and that's regular questions and things that you've answered before, documents you've signed processes, for example, or even just latest changes in law that might impact product development, for example. And so we have built the product so that it sits as an interface between legal and the business and that allows the business to almost self-serve on certain things so the legal team can connect knowledge bases and ring fence those. I'm thinking things like delegation of authority or signed transaction documents, you could put them in a specific area and then the business can self-serve and they can go and ask questions of those knowledge bases and then get responses back and again, that can either go directly to the business if it's a straightforward question, what's our company number for example, or if it's a bit more complicated, it can go via the legal team. So we'll set up workspaces so that it query the documents the lawyer can get the citation to go straight to the source because we know that that's fundamental to be able to verify the response and then they can either improve, assign or approve the answer that then goes back to the business. So Legal being in the driving seat, and</p>

	<p>we find that that's helpful for knowledge management, institutional memory and consistency across the legal team to ensure that responses have been vetted, the team are getting quick responses, it means that the business can get responses in you know matter of seconds or minutes, hours, if you want to check it first. So those are the key components, we also have a suite of productivity tools, just for everyday work, reviewing emails, summarizing documents, redacting documents, doing translations, docking comparisons, things that we're probably already familiar with doing, but just with AI overlaid on top of that.</p>
Leo von Gerlach	<p>So in the field of document and contract management, I understand ,as you say, integration and interoperability is a very relevant aspect, as is user friendliness and in that context for the in-house lawyers. Is there a function to communicate with the platform? Is there a chat function? Or how do you secure that there is a high fluidity of knowledge exchange?</p>
Lucy Tyrrell	<p>We try to embed ourselves where the business is working and so there's a platform, it's a chat functionality which you can interact with. That chat function sits alongside our contract reviews, for example, if you wanted to ask a specific question about the clause, you can drill in deeper. But that platform can be connected to e-mail, the business don't have to have access to the platform where you might be in a meeting, you want to forward in an NDA that's just come in so that by the time you get back to your desk, the contract review has already been done. We connect to slack to those that are using that and that enables channels to be created and words that sits in that slack channel and can respond to those questions. We can also connect to Notion, Google Drive, etcetera, but the main forms of communication, our e-mail platform, chat and Slack.</p>
Leo von Gerlach	<p>You spoke a lot about integration into other systems already. Would you say this is one of the strong points of Wordsmiths, AI solutions, or more generally, what are the competitive edges that make words with AI product stand out?</p>
Lucy Tyrrell	<p>Absolutely, you touched on the integration aspect of it, so connecting where the business is and enabling the business to directly self-serve on e-mail, Slack, we connect to Google Drive, SharePoint, Notion. You can set up on Wordsmith quite quickly, sort of seamless integration, and we hope that it's easy to use and intuitive and we'll work really hard to make sure that this is almost a consumer product and people will be used to apps that they use in their day-to-day life, and we want Wordsmith to be just like that. We focus on in-house teams and we're are very much a legal tool. I think, you know, lawyers are rightfully playing around with lots of different tools at the moment, but the legal-specific tools really elevate the tools themselves and allow lawyers to use legal specific training and tools that are built specifically for lawyers. Our CEO is a lawyer and then became a CTO and CPO and actually the business is littered with lawyers. Which is, I think a good thing definitely for me, but it means that the product is legal first and so everything we do is 'Okay well, how would lawyer do this?'. For example, some of the</p>

	engineers wanted to put a shortcut into one of the product development features and we said that's not going to work for us because they just about got Ctrl S probably or Ctrl C, Ctrl V, but that's about it and so we designed the product in that way. We ensure that the intelligence going into it is legal first so that it's accessible and useful as a tool for lawyers. So it's a legal built tool and we integrate into the business.
Leo von Gerlach	So it's legal first and it's AI native and now just advertising it to different legal teams. Do you see any relevant differentiation between types of legal teams, for example, coming from different industries coming from technology industries, perhaps even AI industry, coming from traditional industries or being smaller or being bigger, are there any dividing lines between legal teams that make a difference for the application of your products?
Lucy Tyrrell	No. In short, we work with sole legal counsels, we work with fractional GC's, but we also work with enterprise for 2100 companies. And the key difference is that you can get going quite quickly on Wordsmith, and you can use that as a sole individual contributor, or you can use it in a team where you can share chats with each other, you can work on playbooks together. It's designed so that it's very privacy focused and so all the information is available for you, but if you choose to share it with team members, you can do. As regards sectors, we work with a range of sectors and obviously all legal teams have common things that they're dealing with and grappling with general contracts, queries and legal issues keeping up to date with the law. But, as you say, there's different challenges for different teams and so we're working with some large companies that have very complicated framework agreements with amendments, variations they have back-to-back indemnities, collateral agreements and we've been able to develop solutions with them to ensure that the AI can, for example, deal with the large context windows, they can deal with multi document reviews and the tools that someone might just want to use out-of-the-box which are you know quick NDA reviews can be applied for more complicated agreement which does additional engineering and legal input, but we've got a legal engineering team here at Wordsmith that help customers along that journey.
Leo von Gerlach	Obviously a lot of thinking goes into what in-house lawyers needs and what they want, certainly as of today, but then, I assume you also need to reflect on what they may need and want tomorrow and the day after tomorrow. How do you see the role of the in-house of in-house teams of in-house departments evolving overtime and what that actually means for a service provider like Wordsmith AI.
Lucy Tyrrell	Yeah and that's the exciting challenge, is this space is moving so quickly. So it's looking at what lawyers do now , it's challenging how they might do that and is that the right way of doing it? I think if I explain to our engineers how lawyers mark up a document taking in comments from different members of a firm, for example, you know, got IP specialist comments,

	<p>you've got data protection comments and you actually just look at the comments and work out which ones should take priority. They find that bizarre, having worked in sort of where you're working live in a document. So we're constantly thinking about how we can make things better for the legal teams. I think fundamentally the role is the same and I've got self-interest in ensuring that AI doesn't remove the need for lawyers and I think that our objective remains the same in an in-house lawyer to advise the business, mitigate legal risks and help the businesses grow. I think the AI being in our lives means that we can focus more on the strategic matters, the times where we just don't have the bandwidth to take the time to focus on is really important matters to enable the business to grow means that we have a bit more space to do that. The processes and legal ops will become more important for the role because I think that if you take some time to put the processes in place then you'll reap the benefits going forward and again, you're removing the churn work and not just from your own workload, but your team's workload as well. It means that your team not doing the same things each day and ultimately it just becomes more enjoyable for them because they're doing more interesting work and they have a bit more time. I also think they're contracting tools mean that there's a lot more consistency across the teams and a lot of companies, especially if they've got large volume of contracts there, of huge value, they'll often not look at immaterial contracts and take a view on small contracts. So I think AI being in the legal team means that actually you can reduce some of that risk. So I think it takes away some of the noise, some of the terms, some of the capacity bandwidth issues allows the lawyers and the team to focus on what's really important and actually I think allows us to focus on the human aspect a bit more. So it means you don't have to be sat with the head in contracts for as long, but you can actually think about the points, the negotiation tactics and speaking to your business partners to ensure that you're really aligned with their goals.</p>
Leo von Gerlach	<p>That makes total sense to me, so I understand you in a sense that while there may be no dramatic shift in the type of the work, there is an enormous speed up and efficiency gain of how work is actually done, and there may be some extra time to doing more fun stuff. Leading perhaps to the question of how that looks at the more junior end of the spectrum because well, much of that work that is now made speedier has traditionally been done by more junior people. How would you see the outlook of people just now coming into the legal profession? What advice would you give somebody who tries to find their way in this really new environment?</p>
Lucy Tyrrell	<p>This is something I feel really passionately about. I was fortunate to have had brilliant training from a lot of the partners I was working from and when I was at law firm and then after that in-house worked with some fantastic lawyers. I think the responsibility is on the senior lawyers to take the time to explain legal concepts to junior members, but also for the junior lawyers out there it's really to embrace the change, to ensure that you use the technology to become a better lawyer. So I think if I break this down, I always when I'm talking to junior lawyers about, you know, their role and</p>

	<p>what it looks like today, I think master the basics first. So first and foremost, AI amplifies your legal skills, but you're a lawyer, we have regulatory obligations to the SLA here in the UK, so it's making sure that you've got that solid legal reasoning you have the attention to detail and you're able to apply the professional judgment and then you can overlay AI on top of that.</p> <p>I think being curious about technology will be a real asset to you, you don't need to pick up a coder, although I did dabble in this last summer, did a coding course, but I actually think understanding how the AI tools will make you more effective as a collaborator and user. And actually I think they can use it as a superpower because if you're ahead of time with AI, you can really feed into the teams development and people who don't have experience with AI and you can really add value in in those circumstances and bring a different perspective to some of those conversations.</p> <p>So stay curious about technology, always make sure you're verifying everything, everybody knows that the famous cases of the hallucinations in the courtroom, making sure that if you're using the legal tools, for example, you're able to go to the citations. But in the same way that I would always advise a junior lawyer who's looking at LexisNexis or practical law, If they've got a practice note, which might be brilliant, you still need to go to the underlying source. So always make sure that you continue to do that and the good news is that AI helps you to get there faster, so that should be good, gone are the days are going down to the library, hopefully.</p> <p>And then I think finally, just focusing on what makes you human, there are definite limitations to AI and I think if you're able to use the AI, use your legal judgment and then just making sure you're having conversations with people, understanding the business and applying that human element. I think you've been a really great shape to take your career forward.</p>
Leo von Gerlach	<p>Wow, that sounds almost like a formula like lead first supercharged with AI and keep the ME space so that everybody really recognize your human input With that, Lucy, that was terrific.</p> <p>Thank you so much for joining and thank you everybody for joining. I hope you will tune in again for the next edition. Take care and goodbye.</p>