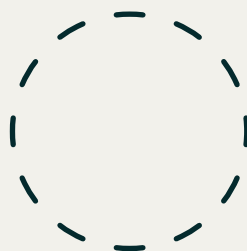
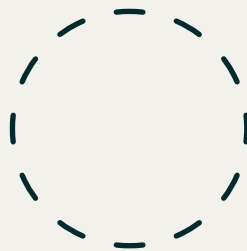


2023 IN REVIEW

The 3 Statistics That Explain 2023 and the 4 That Will Shape 2024





Introduction

Can you understand 365 days in just three numbers? For this year's iteration of Everlaw's annual year-in-review report, we think you can.

The statistics that represent the evolution of litigation and investigations over the past year (there will, in fact, be more than three) should ring true to most legal professionals today. They identify challenges that have remained constant over years, but continue to intensify.

In the 2023 iteration of our annual year in review, we delve into the heart of these trends, with statistics taken directly from the Everlaw platform. In an era marked by unprecedented digital expansion, we look at the increased work facing legal teams today and the pivotal role advanced technology plays in making that work manageable. The numbers below highlight not only key trends, but also the opportunities they present to innovative legal professionals today.

This year's review tells the story of a profession in the midst of a technological evolution, as the amount of litigation data explodes and new tools are increasingly leveraged to help bridge the gap between the work facing legal professionals today and the resources available to get through it all.

For the year ahead, four additional statistics reveal an even greater change on the horizon: the rise of generative AI, which promises to be the transformative technology for 2024 and beyond.

3 Statistics That Explain 2023

58%: Big Data in a Bigger World

Data growth remains one of the biggest challenges facing ediscovery professionals today. With daily interactions occurring online, every text, email, and video call can serve as potential evidence. As the types of potentially discoverable data grows, so too does the sheer amount of it.

As discovery data expands in diversity and volume, finding what matters remains the essential work of discovery and litigation – the effective, efficient discovery of facts to ensure just outcomes.

How is this growth reflected in the daily work of legal professionals? With a 58% increase* in the number of documents hosted by Everlaw year over year, it's clear that document volumes are growing at significant levels.

This is further highlighted by a 66% rise in the number of gigabytes uploaded, demonstrating that not only are firms dealing with more documents, but with more complex and expansive data as well.

With a 58% increase in the number of documents hosted by Everlaw year over year, it's clear that document volumes are growing at significant levels.

Even the biggest matters grew bigger in 2023, with a 17% year-over-year increase, measured in GBs, in the largest single matter hosted on Everlaw.

**EVERLAW USERS
AUTOMATICALLY
TRANSCRIBED 96,619
HOURS OF A/V DATA
IN 2023. THAT'S THE
EQUIVALENT OF:**

50,852 viewings of *Barbie*

2,367 readings of both
2023 Pulitzer Prize Winners,
Demon Copperhead and
Trust

1,039 years of Supreme Court
oral arguments

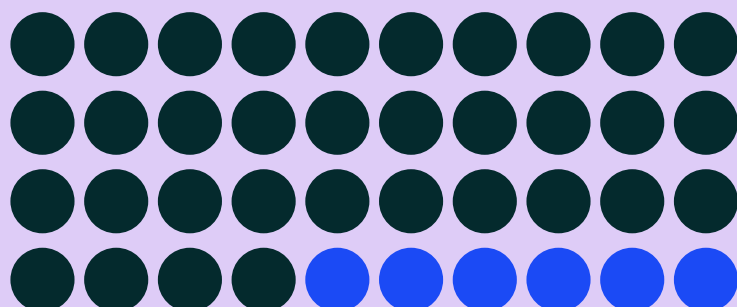
* Throughout this report, percentage increases indicate year-over-year change unless otherwise noted.

58%

Increase in the number
of documents hosted
by Everlaw

66%

Increase in the total number
of GBs uploaded to Everlaw
in 2023



17%

Increase in the size of the
largest project in Everlaw
in 2023

12: As Data Grows, Resources Aren't Keeping Pace

While the amount of data facing legal professionals grows, one number has remained the same: 12. That's the average number of users across all Everlaw databases. It's a number that has stayed consistent since it was first measured in 2020, even as the largest projects see several hundred simultaneous users and the number of overall users has grown rapidly.

Indeed, in 2023, the number of legal professionals using Everlaw increased 31%, but the average user per database remained the same.

17%. That's the year-over-year increase in the number of documents per user in Everlaw, an increase that follows atop the already large 9.4% increase users saw in 2022.

Those teams of 12 are then tasked, year in and year out, with finding key insights in ever-growing document loads.

Which leads us to a second significant number: 17%. That's the year-over-year increase in the number of documents per user in Everlaw, an increase that follows atop the already large 9.4% increase users saw in 2022.

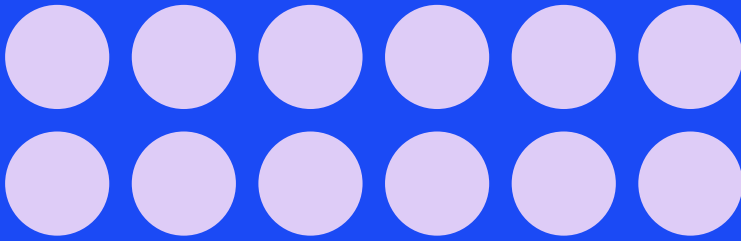
Clearly, that gap between the massive amount of information legal professionals need to handle and the flat (human) resources with which to handle it remains one of the biggest discovery challenges today.

CHANGE IN AVERAGE NUMBER OF DOCUMENTS PER USER OVER TIME

2023: 17%

2022: 9.4%

2021: -4.7%

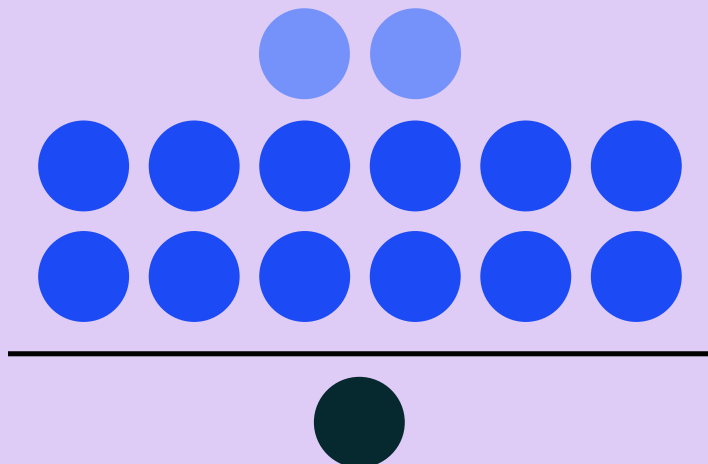
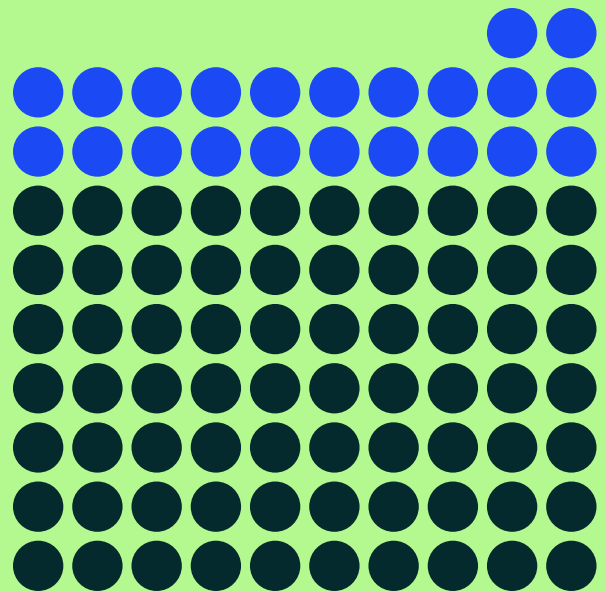


12

Average number of
users per Everlaw
database

31%

Increase in the number of
Everlaw users year over year



17%

Increase in the number of
docs per user in Everlaw

271%: Turning to Technology to Bridge the Gap

As 2023 saw legal professionals dealing with mounting data loads, it also saw significant adoption of advanced technology to help bring them under control – and to keep critical information from being overlooked.

A whopping 271% increase in ECA projects year over year stands as a symbol of this change. ECA, or early case assessment, projects allow legal teams early insights into their data, so that they can assess the viability of a case, understand risk exposure, and quantify potential costs at the onset of a matter.

Everlaw users removed more than three-quarters of the documents in ECA projects before active review in 2023.

This is the second year in a row in which the amount of ECA projects has increased by more than 200%.

With ECA, legal professionals can quickly narrow the scope of review, with user-friendly search tools and search term reports, allowing dramatic reductions in the number of documents requiring active review.

How dramatic of a reduction? 76%

Everlaw users removed more than three-quarters of the documents in ECA projects before active review in 2023.

ECA'S IMPACT

In a hypothetical ECA project involving 1 million documents, the typical Everlaw ECA user would see 763,002 documents culled before active review, saving 12,716.7 cumulative hours of review time, compared to eyes-on active review of each document, at a review speed of one document per minute. That's the hourly equivalent of nearly 318 weeks, or more than six years.

763,002 documents culled

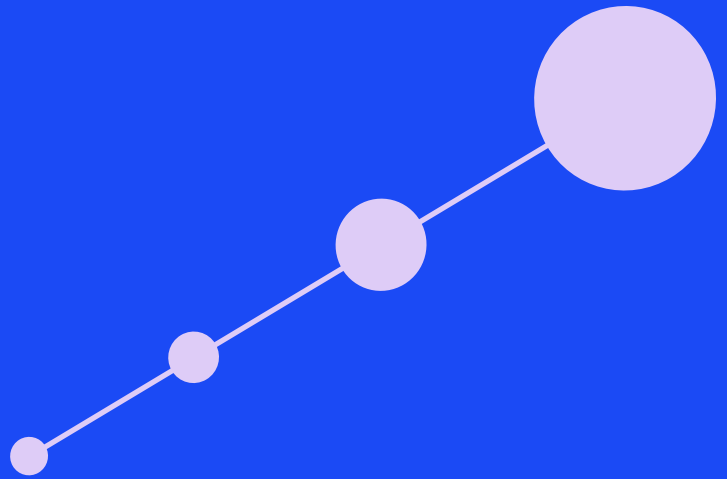
12,716.7 cumulative review hours saved

317.9 weeks

6.1 years

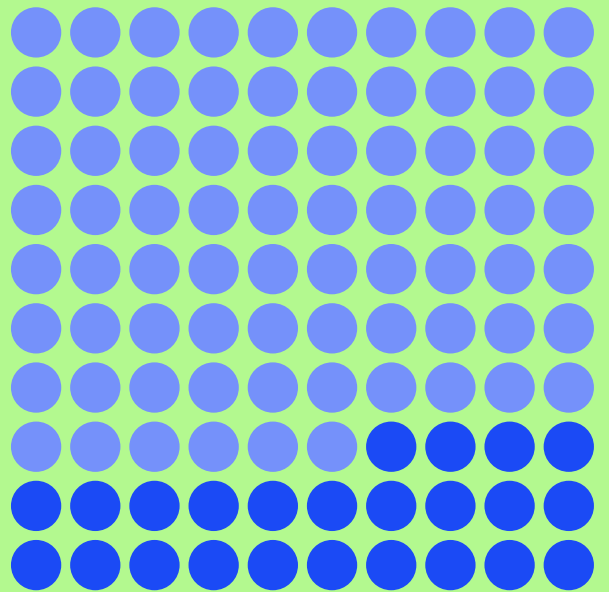
271%

Increase in ECA projects
year over year



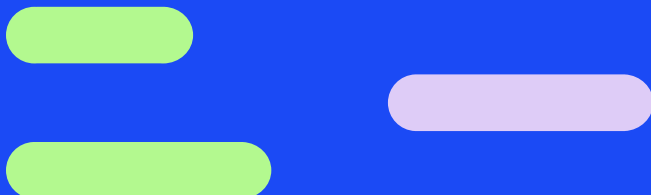
76%

Average percentage of
documents in ECA projects
culled before active review



10%

Increase in in-platform
messages year over year



20%

Increase in Storybuilder
Drafts created year over year



For teams facing growing workloads, ECA allows teams facing growing workloads to get through far more, far more quickly, with massive time and cost savings, and without having to compromise the quality or defensibility of their review.

Not only were 76% of documents in ECA projects culled before active review, but that number represents 17% of all documents hosted on Everlaw for the year – nearly one out of every five.

Legal professionals were also working more collaboratively throughout the year. Everlaw saw a 10% increase in in-platform messages sent year over year and a 20% increase in Storybuilder Drafts created. Storybuilder's Draft tool gives teams a collaborative space to create written work product that references documents within Everlaw.

17% of all documents hosted on Everlaw were culled out in ECA – nearly one out of every five.

Drafts are often leveraged to create collaborative outlines of case strategy, deposition templates, statements of fact, and more, allowing teams to actively capture and build upon insights throughout the document review process.

Tools that automate standard workflows also saw increased adoption in 2023.

The number of productions using automated pre-production quality assurance rose 25% year over year, for example. Automated QA allows teams to quickly identify potential issues with protocol settings and the documents to be produced.

FIVE MOST COMMON DOCUMENT TYPES IN 2023

1. Email - 48.1%
2. PDF - 11.7%
3. Calendar - 8.2%
4. Text - 6.6%
5. Image - 5.6%

4 Statistics That Will Shape 2024

On January 1, 2023, a legal professional looking to modernize their practice through technology would have had a fairly well-established set of tools to start with. The use of technology assisted review, for example, had been declared black-letter law for nearly a decade and was steadily increasing in adoption. Machine learning tools were becoming more powerful, accessible, and user-friendly. Tools like Everlaw Clustering, released the year prior, were allowing attorneys to visualize the core concepts in their documents at a glance, scaling from 25 million-document analysis down to individual files. And the cloud, once an item of controversy, was now firmly established, having hit early majority adoption in 2022 and with 96% of the profession viewing cloud-based discovery as currently or soon to be the norm.

The challenges of data growth were significant, but the profession was increasingly rising to meet them.

Except for one wild card: generative AI. With the launch of ChatGPT in November of 2022, the legal profession (and the world as a whole) was exposed to artificial intelligence technology that was truly groundbreaking.

The result of decades of development, ChatGPT and other large language models showed themselves to be competent in some of the core skills needed for the kind of knowledge work that is central to legal practice. They were incredibly creative, knowledgeable, fluent in both language and in logical reasoning – though prone to “hallucinations.”

Hundreds of law firms quickly convened task forces to understand the new technology, its implications, and how best to apply it. It was a reaction that truly underscored the potential impact of GenAI – a mobilization in response to technology that was truly unprecedented in the history of the legal profession.

With good cause.

As GenAI emerges as a serious legal technology, 2024 will present opportunities to get ahead of change like never before, as the following numbers make clear.

GenAI is here to stay.
Understand this transformative technology with Everlaw Founder and CEO AJ Shankar.



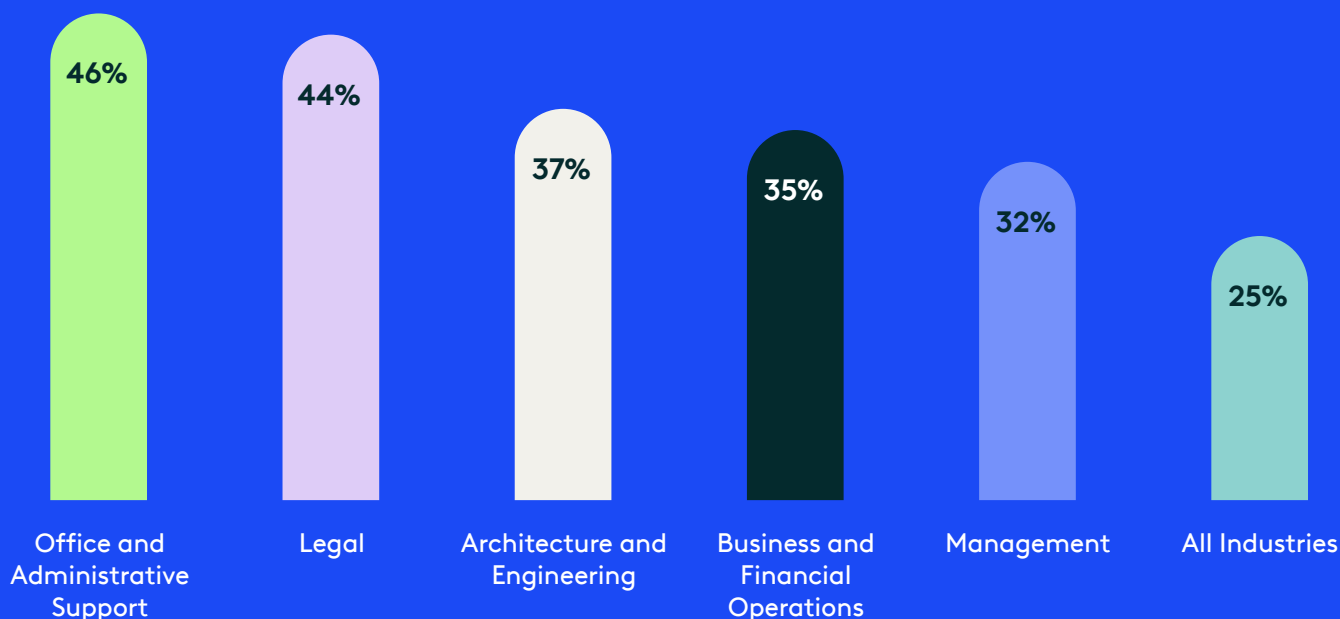
44%: AI Promises Significant Impacts on the Legal Profession

Simply put, generative AI's impact on the legal profession could be spectacular.

According to research by Goldman Sachs, 44% of legal work faces potential automation by AI. Only pure administrative work had a higher potential impact.

While many GenAI applications remained nascent in the past year, 2024 will likely see purpose-built, responsibly implemented generative AI tools become far more available, and the first impacts of Goldman's 44% automation prediction will begin to play out.

Share of Work Tasks Facing Automation by AI



50%: Seeing Promise in the Transformation

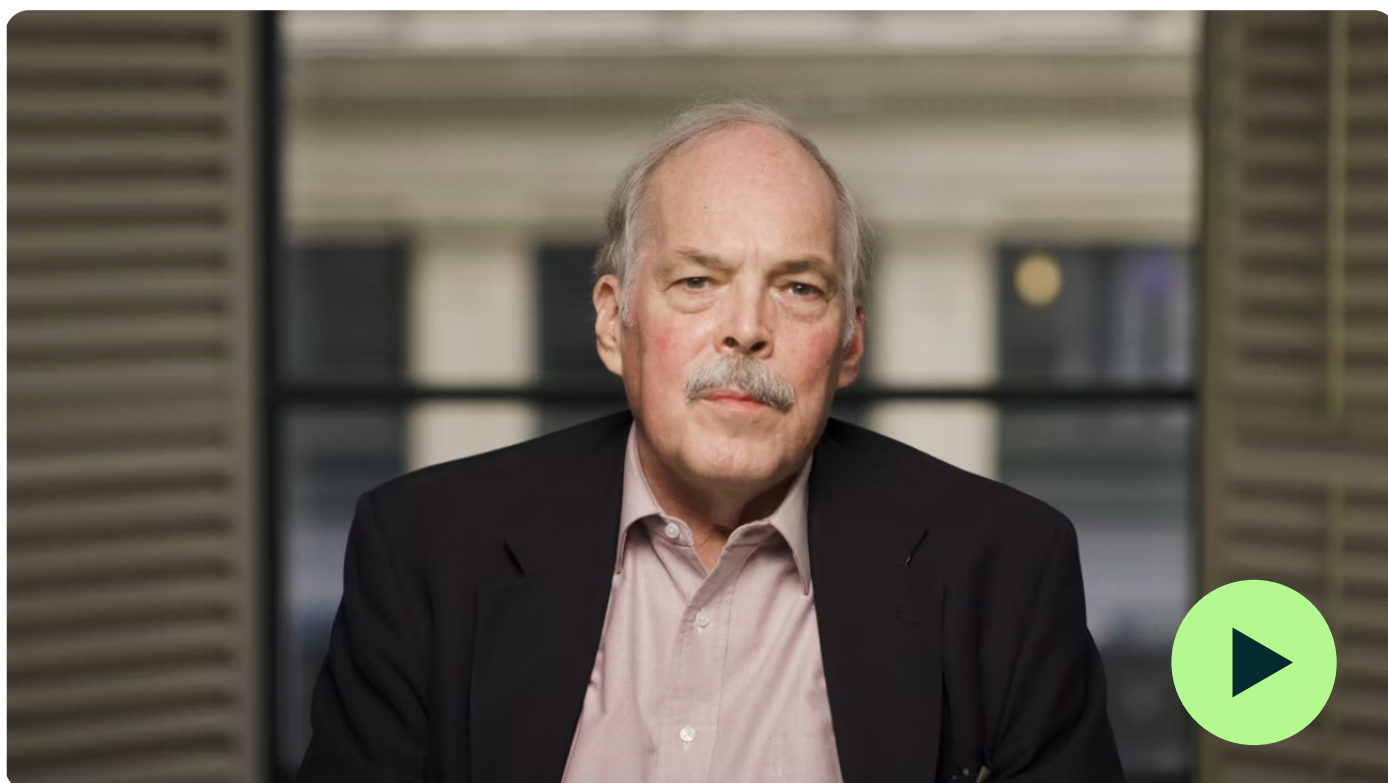
The potential for disruption to traditional legal work that GenAI offers does not need to mean a loss of business, however, but an opportunity to shift resources to the highest-impact work.

In the realm of ediscovery, that could mean slashing the time needed to analyze documents by up to 50%. That’s the [prediction of Gordon J. Calhoun](#), Partner and Chair of the Electronic Discovery, Information Management & Compliance Practice at Lewis Brisbois.

“All of the things that take large amounts of time to prepare have now been truncated, which has the huge advantage of allowing lawyers to do what lawyers should do,” Calhoun says. To get to a dispositive motion and critical deposition or a desirable outcome, on a fixed timeline and fixed budget, suddenly seems much easier, Calhoun explains. With generative AI, he predicts, the overall time and cost of document analysis will be slashed dramatically – “by 30 to 50 percent.”

In his role at a major Am Law 100 firm, Calhoun has spent over three decades anticipating how technology can assist attorneys in doing more, more accurately and more quickly. A close partner in the [Everlaw^{AI} Assistant beta program](#), which brings powerful, thoughtful generative AI to the Everlaw platform through review and drafting assistance, Calhoun could not be more bullish on the impacts GenAI will have.

“The boon,” Calhoun explains, “is that the more mundane, more time-consuming, and often frustrating aspects of document analysis are now going to be the realm of generative AI. This frees up attorneys to do what we’ve always aspired to do, which is to do good by serving clients.”



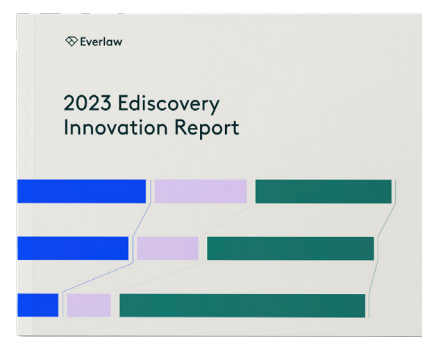
72%: Despite Uncertainty, Legal Professionals Are Embracing AI – or Getting Left Behind

Is the profession prepared for this transformation? No, according to the vast majority of legal professionals. In a survey of nearly 300 attorneys, paralegals, and legal technologists – conducted by Everlaw, the International Legal Technologists Association, and the Association of Certified E-Discovery Specialists – 72% of respondents said that the profession is not ready for the impacts of generative AI.

However, a sizable number are already looking to adopt generative AI tools nonetheless. In the same survey, 40% of respondents said they were already using GenAI tools in their legal work (12%) or planning to use them (28%).

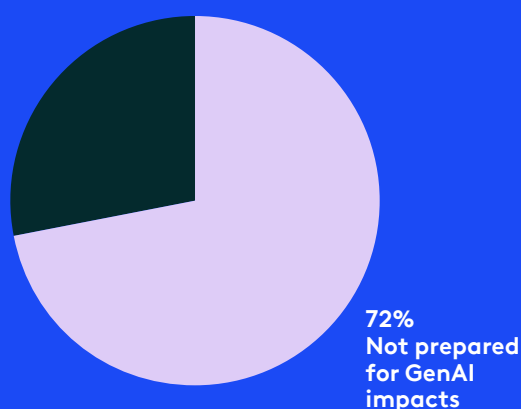
The 72 / 40 split shows an industry recognizing that it needs to get in front of AI – or risk getting left behind.

[Read the 2023 Ediscovery Innovation Report here.](#)



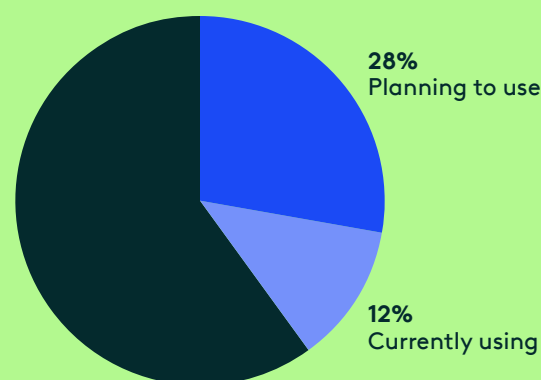
72%

Legal professionals who say the industry is not ready for the impacts of generative AI



40%

Legal professionals who are currently using or planning to use generative AI



25%: Corporate Clients Look to Cut Law Firms Used

The emergence of GenAI comes against the backdrop of increased demands for efficiency and transparency from clients. In a survey of nearly 400 CLOs, GCs, and legal operations professionals by the Association of Corporate Counsel and Everlaw, 25% of in-house legal professionals said that they were anticipating decreasing the number of law firms they worked with in the year ahead.

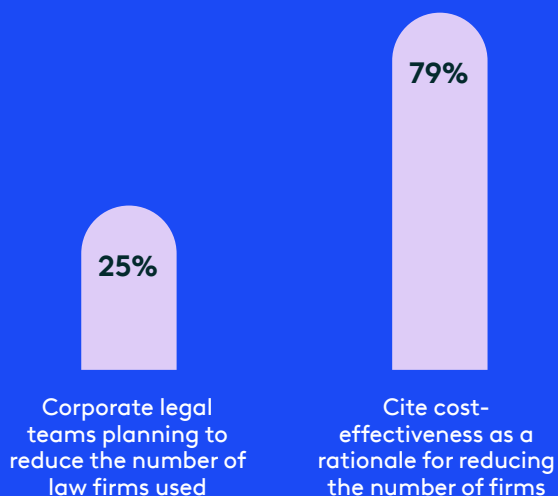
The number one rationale for reducing firms was cost-effectiveness, cited by 79% of respondents looking to cut firms. Efficiency and timeliness followed relatively far behind, cited by 40%.

And while corporate clients rated their law firms highly on both communication and collaboration, they were far less satisfied with transparency and cost predictability. Indeed, over half of all in-house professionals said they were neutral or dissatisfied with their law firms when it came to transparency into process, transparency into cost, and cost predictability.

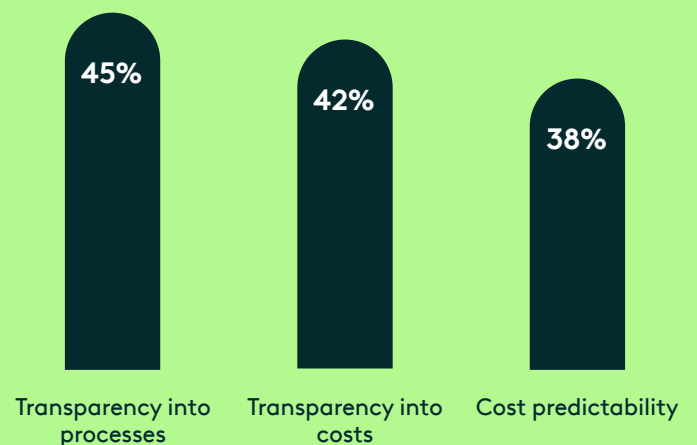
Two-thirds said that they were reducing costs by bringing more work in-house, while a third were actively leveraging AI as a cost-control measure.

For in-house professionals, both areas are significant opportunities for advancement in 2024. But the same is true for firms and service providers. As buyers of legal services get more demanding, both in terms of efficiency and predictability, the year ahead will provide significant opportunities for law firms that are at the forefront of technological transformation to stand out – and to win.

In-House Teams Look to Cut Outside Firms



Law Firms Score Low on Transparency, Cost



Percentage of respondents who say they are somewhat or extremely satisfied with law firm performance in key areas.

Conclusion

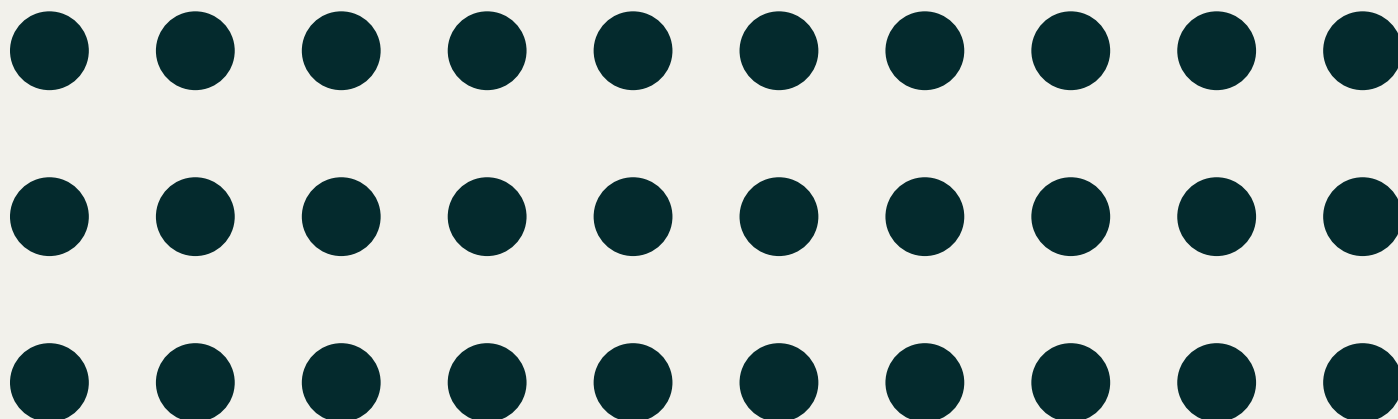
In 2023, Everlaw users proved themselves to be capable, resourceful, and increasingly tech-forward when navigating the dual challenges of increased data and steady resources.

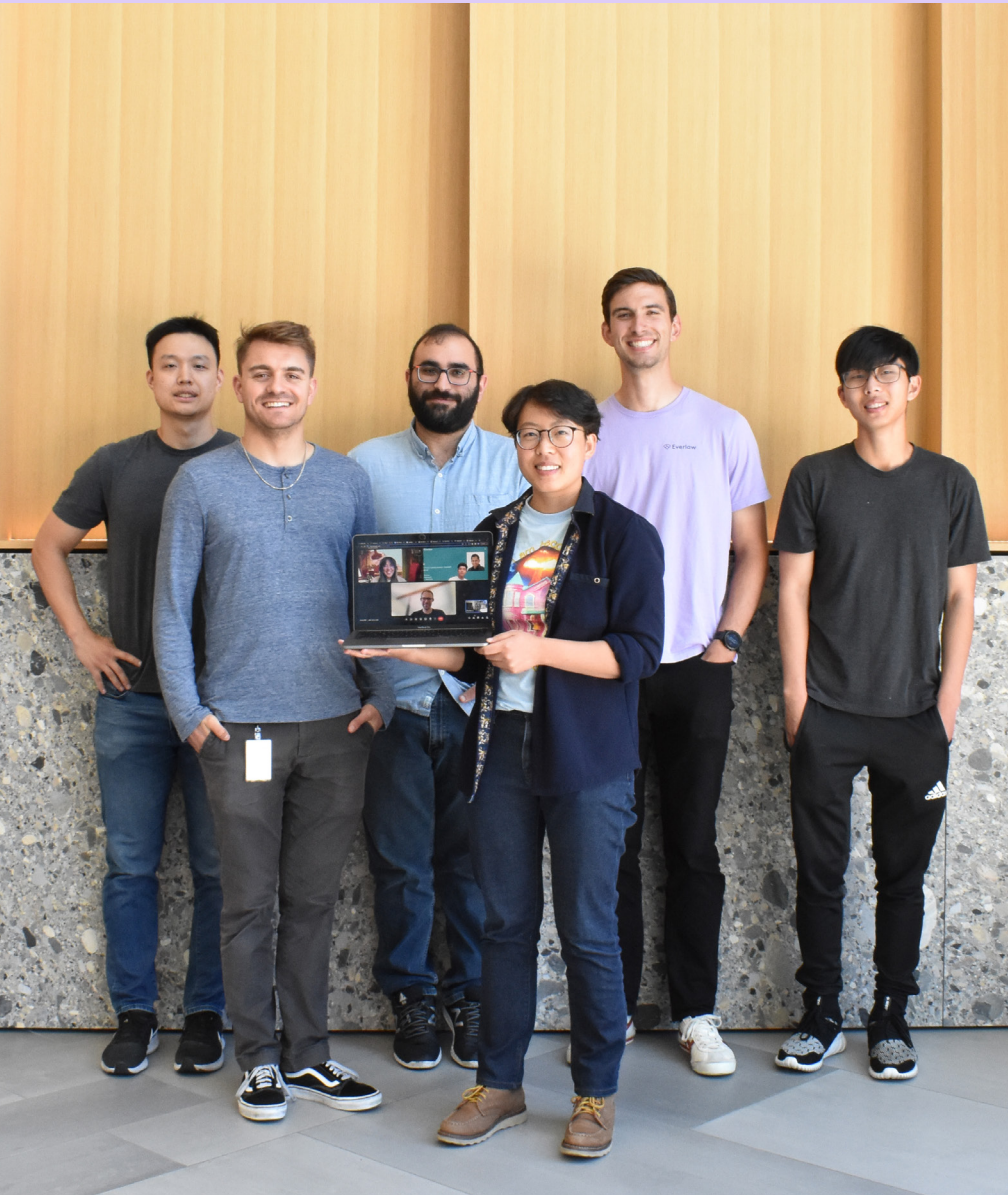
As the litigation and investigations process grows exponentially more complex, legal professionals are embracing innovative tools that increase productivity, scale expertise, and enhance performance, so they can turn the burden of information into an asset.

Doing so requires overcoming a host of challenges: exploding amounts of data, constrictive budgets, remote collaboration, shifting teams, and tight deadlines. But doing so successfully can be truly transformative, as teams move past legacy approaches to discovery and toward richer outcomes and possibilities.

This is a transformation that will only accelerate in the years ahead, as even more powerful technologies begin to impact legal work – principal among them, generative AI.

Everlaw is an ediscovery experience created for this complex journey: powerful technology built to manage massive amounts of disparate information combined with proactive partnership that keeps teams one step ahead. In 2024 and beyond, we hope you will join us for the changes to come.





Meet the Team Bringing Generative AI to Legal

If AI promises to transform the world of legal work,
these are the humans who make it possible.

[Learn More](#)

ABOUT EVERLAW

Everlaw helps legal teams navigate the increasingly complex ediscovery landscape to chart a straighter path to the truth. Trusted by Fortune 100 corporate counsel, 93 of the Am Law 200, and all 50 state attorneys general, Everlaw's combination of intuitive experience, advanced technology, and partnership with customers empowers organizations to tackle the most pressing technological challenges—and transform their approach to discovery and litigation in the process. Founded in 2010 and based in Oakland, California, Everlaw is funded by top-tier investors, including Andreessen Horowitz, CapitalG, HIG Growth Partners, K9 Ventures, Menlo Ventures, and TPG Growth.

Contact us

US Headquarters

2101 Webster St.
Suite 1500
Oakland, CA 94612
1 844 Everlaw

London Office

32-38 Scrutton Street
London, EC2A 4RQ
0800 068 9249

everlaw.com