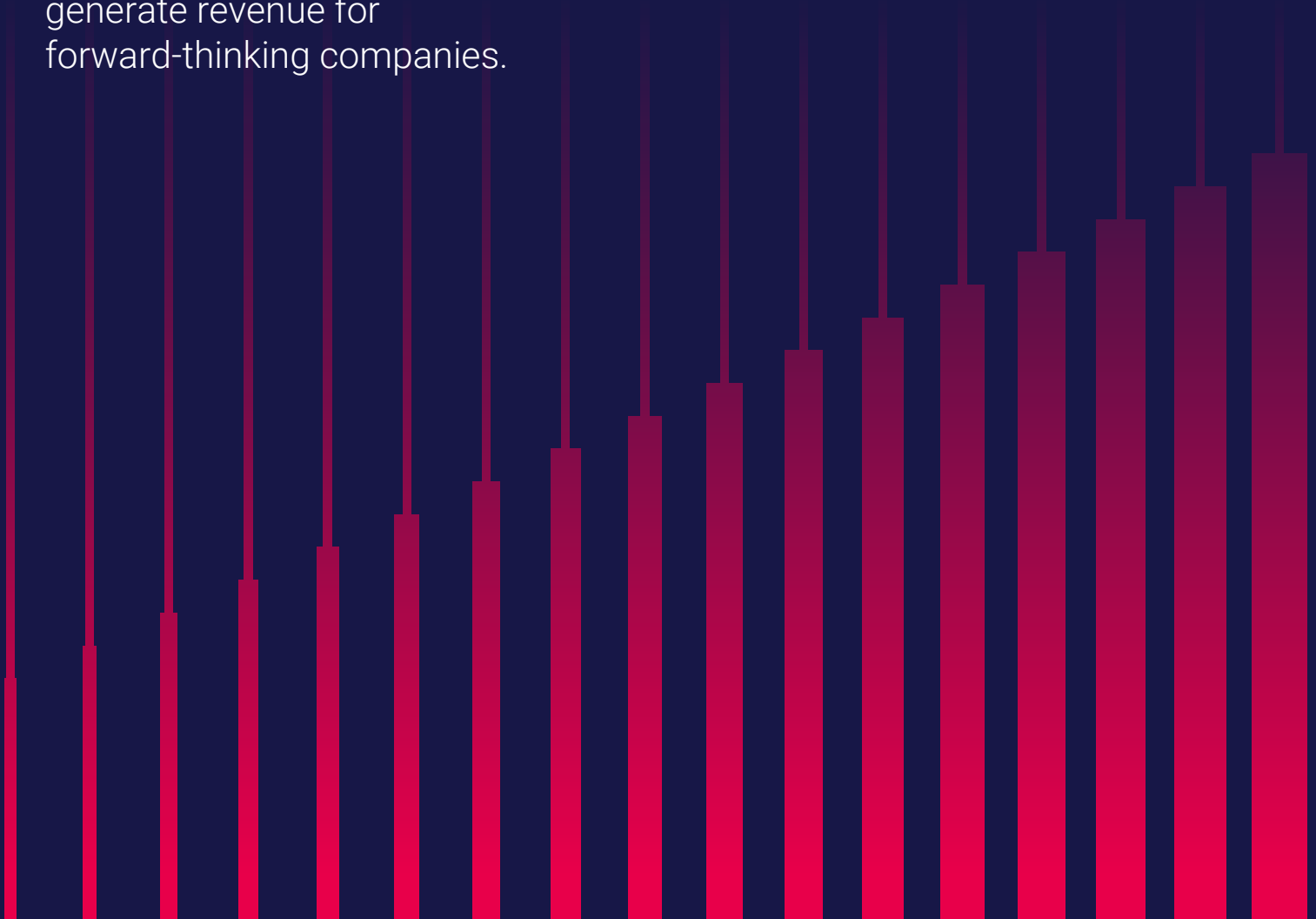




The Digital Law Department

Accelerate Revenue Gains

Digitally transformed law department
generate revenue for
forward-thinking companies.



As companies adjust and reorganize to operate in the post-COVID era, corporate leaders are turning to Digital Transformation to deliver top- and bottom-line results.

Corporate leaders are discovering entirely new ways of structuring law department workflows, processes, and talent through Digital Transformation that delivers not just inherent value to the organization, but increases revenue opportunities as well. What may surprise the C-suite are the expansive benefits to be had in a digitally optimized legal function.

Legal is at the center of virtually every commercial activity in the organization, and is not traditionally

directly responsible for revenue generation. What if Digital Transformation could equip legal with the tools, processes, and culture to accelerate time-to-revenue? What if that energy cascaded throughout the organization?

Enlightened leaders are realizing that the power of digital will reimagine what was once a cost center into a revenue generator. Digital Transformation enables the law department to increase speed-to-revenue by 35 percent in year one and deliver a 10 to 30 percent growth in revenue generation opportunities in year two.

**Optimized Law
Department Revenue:**

35%

increase in speed-to-revenue in year one

10-30%

revenue growth in year two

In this paper, we will look at two specific areas where Digital Transformation leads to direct revenue contribution of the law department.

AI Drives Revenue in Contracting

Commercial contracting is the lifeblood of many legal departments. Some Fortune 500 companies spend as much as 75 percent of legal department resources on contracting alone. But a contracting function that is not optimized effectively can waste valuable time and resources.

According to research by McKinsey and World Commerce & Contracting (formerly IACCM), companies lose anywhere from eight to 20 percent of their contract portfolio's value, depending on the industry and maturity of their processes. For the Fortune 1000, this equates to \$2.5T of value leakage per year due to poor contracting processes.

Forward-thinking law departments leverage AI and automated processes to comb through company contracts to identify areas that are not being properly

maintained, whether due to a lack of resource hours or other priorities requiring the company's attention. For example, an agreement could be seeing successful returns with nine out of 10 attributes executed properly, obscuring the fact that one clause is not being addressed and its revenue unrealized. AI can identify that single revenue item and prioritize the contracts based on top revenue characteristics. This alone can improve the contract performance by 10 percent.

These process adoptions also lead to a faster moving, agile legal department. By integrating advanced technology and data-driven workflows, companies can speed contract turnaround times, allowing them to collect revenue from their finalized contracts sooner. This increase in efficiency also decreases overall contract management costs.

Contracting by the Numbers:

\$2.5T

dollars left on the table, according to World Commerce & Contracting research

65%

of businesses have inadequate contracting technology

4%

percent have the right technology in place and are happy with that technology

35%

of the remaining 85% are unhappy with the technology they selected

Data Drives Contract Value

At its core, data is an efficient arbiter when it comes to making certain business decisions and—when applied with a legal lens—can provide new insights and speed processes leading to faster revenue gains. For example, a data-driven digital contracting framework alone can accelerate contract cycle times by 10 to 40 percent while reducing the cost of the contracting function by more than 30 percent. Departmental workload capacity increases 35 percent while freeing time and resources to redeploy and focus on higher value work.

These are all measurable business benefits that contribute to the bottom line.

In one client example this data-driven contracting framework reduced average contract negotiation time by 50 percent across their portfolio and generated total contract values in excess of \$1B in an 18-month period.

For more information about digital contracting, read our [Data-driven Commercial Contracting](#) white paper.

Untapped Revenue in Intellectual Property

Many enterprise companies make significant investments in patent development, but few apply Digital Transformation to generate revenue from their intellectual property (IP) portfolio. When patent holders adopt a rigorous system of continuous evaluation, management, and patent monetization they can double their return on IP investments, year-over-year.

Establishing a patent monetization strategy with digital at the core is key to unlocking untapped revenue potential, identifying new monetization opportunities such as licensure or litigation, and creating Evidence of Use charts indispensable to patent litigation. This

strategy focuses on the patents with high intrinsic value that are core to the business often derived from thousands of patents in the portfolio.

A monetization strategy requires determination of the quality of patents, ranked by multiple subjective and objective parameters such as: market and technical relevance, ease of enforcing IP protection, and application to future technologies. They then need to be converted to a common scale to determine high-, medium-, and low-value patents.

This approach to patent monetization must be vigorously maintained against changing business and market priorities and used to guide future patent investments. By adopting and exercising a patent monetization strategy, companies can double the profitability of their patent portfolios.

2X ROI

on the profitability of a company's patent portfolios by executing a patent monetization strategy

Case Study

\$100M+

revenue gains from licensing 3,000 patent portfolio

Digital Transformation requires companies to adopt a culture of innovation and consider new ways of approaching existing business issues. For example, one global manufacturing client broadened the scope of patent conflict to include tangential industries that could be using the company's machine IP for other than intended purposes. This led to discovery of patent usage that has realized millions in additional revenue for the client.

Conclusion

In the ongoing effort to improve the top and bottom line, CEOs are finding new pathways for revenue contribution in the digitally transformed law department. When becoming digital, legal directly contributes to the success of the company through digital contracting, IP monetization, and improving its overall ability to make data-driven decisions.

Corporate leaders that empower their general counsel and law department as a true partner in the business will realize revenue gains across the business.

For more information about Digital Transformation, read [The Digital Law Department: Fast Track to Profit](#) white paper.

A Fortune 50 technology company with a 3,000-patent portfolio wanted in-depth, actionable insights on licensing opportunities. UnitedLex used digitally optimized processes and methodologies to classify the portfolio and align it with the client's internal technology and product portfolio. Proprietary scoring algorithms and patent maps were used to identify high-value patents for licensing opportunities. The client was equipped to identify patents of interest quickly, evaluate new opportunities for the portfolio, and identify and close a strategic licensing deal, with revenue gains over \$100M.

For more information about patent monetization, read our [Intellectual Property Monetization in the Digital Age](#) white paper.



About UnitedLex

With more than 3,000 legal, engineering, and technology professionals globally, UnitedLex enables legal organizations to thrive in the Digital Age.