Luminance

AI-Augmented Contract Review

Avianca

Avianca is Colombia's flagbearer airline, servicing an extensive list of destinations both within Latin America and worldwide.

The in-house legal team at Colombia's flagbearer airline, Avianca, use Luminance to manage and understand nearly 10,000 contracts within the organisation. Prior to adopting Luminance's AI, Avianca stored their contracts across multiple repositories, such as emails and online document management systems, resulting in the time-consuming process of location and retrieval when trying to draft contracts or refer to executed agreements. This issue was compounded by the fact that the contracts ranged from Supplier Agreements to customer contracts, often negotiated with differing terms. These inefficiencies began to impact other parts of the organisation, particularly when key legal issues necessitated a rapid response.

Last year, Avianca was tasked with conducting a COVID-19-related review of 1,000 documents. The lawyers needed to identify several key commercial clauses within the large document set, including Termination, Assignment, Confidentiality and Indemnification provisions. The matter was further complicated by the fact that each member of the 20-person team was required to work from home under local COVID-19 guidance. The team therefore sought a solution that would allow them to access their documents remotely, whilst still working collaboratively.

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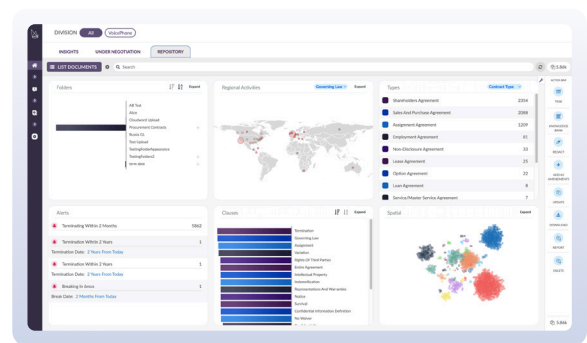>
> **Daniel Felipe Morales Martinez,**
> Former Contract Manager

KEY RESULTS:

90% **Time-Savings**
On document review

↓$ **Cost Reduction**
In outside counsel spend

Seamless Review
Across multi-lingual dataset

Understand the entire dataset at a glance with Luminance's AI-powered data visualisation

Avianca chose to utilise Luminance's next-generation AI to expedite the review. Luminance's secure cloud deployment allowed the team to rapidly upload their documents onto the platform, meaning the lawyers were up and running and ready to start their review within one day. Furthermore, Luminance's intuitive interface meant that the entire team was ready to work on the platform following a simple 30-minute orientation, despite most of them having no prior experience with the technology.

Due to Luminance's unique combination of supervised and unsupervised machine learning, Avianca's legal team was provided with comprehensive insight into the entire dataset from the outset, with Luminance's AI identifying and surfacing the commercial clauses essential to the review immediately.
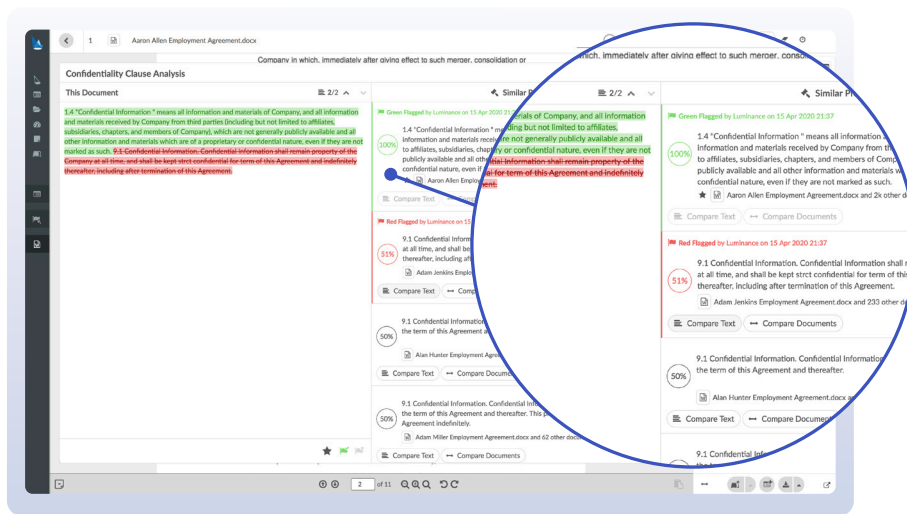
Red- and green-lining shows compliance and deviations from the 'model' clause

The team was particularly impressed by Luminance's language- and jurisdiction-agnostic capabilities, allowing them to work seamlessly across English, Spanish and Portuguese documents. For instance, after the team tagged just one example of a 'Proveedor' (provider) party in Spanish, Luminance's supervised machine learning instantly exposed five similar examples across the dataset.

Avianca estimated that a full manual review of the documents would have taken an entire month for the team to complete. Using Luminance, the team conducted the review in just three hours, achieving time-savings of a staggering 90%. Luminance allowed Avianca to overcome the challenges posed by the pandemic and government-enforced restrictions.

By applying supervised and unsupervised machine learning to the document set, Luminance could automatically identify key information, including clauses, document types, governing laws, and anomalies (e.g., clauses with minor deviations in wording) across documents spanning eight different languages, including Spanish, Portuguese and German. Luminance also helped Avianca's in-house counsel to understand how their contracts aligned with the company's preferred terms.

The team simply uploaded their 'model' versions of a document or clause and Luminance used these to compare other documents against, with red- and green-lining showing exactly how compliant or deviant they were from Avianca's standards. Prior to using Luminance, Avianca's legal team spent days trying to locate contracts stored across multiple locations.

Today, Luminance enables Avianca to access information regarding clauses, document types and anomalies at the click of a button. As a result, Avianca's in-house legal team can focus their time on more value-added work, such as evaluating the terms and scope of a certain contract and how that could be used to drive negotiations.

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