

## CONTRACT NEGOTIATION



The in-house legal team at world-leading biotechnology company, IDEXX Laboratories ('IDEXX'), adopted Luminance in early 2022 to supercharge the firm's contract negotiation processes and enhance insight into executed contracts. With operations in over 70 locations around the world, IDEXX's 40-person in-house legal team sought a technology that would help them to both negotiate and analyse high volumes of contracts across the company's global supply chain more efficiently.

IDEXX chose to adopt Luminance's next generation AI technology which can read and understand documents. From this understanding, Luminance has the unique ability to both automatically review incoming contracts pre-execution and analyse the key features of executed contracts. As Luminance is entirely plug-and-play, upon document upload, IDEXX was instantly provided with unparalleled insight into the company's entire contractual landscape.

### **Automatic Review of Incoming Contracts**

A stand-out feature of Luminance for IDEXX was its ability to automatically take a first pass review of any incoming contract. Via a traffic-light colour coding system, Luminance's AI will automatically indicate which clauses within a contract are acceptable (green), in need of review (amber) or non-compliant (red) according to IDEXX's organisational standards. Where terms do not meet internal standards, Luminance provides IDEXX's team with alternative acceptable wording suggestions from internal precedent banks, all from within Microsoft Word. With just one

click, the team can then insert previously approved wording into new contracts under negotiation. This revolutionary capability has allowed IDEXX's legal team to automate the low value yet high-volume task of reviewing incoming contracts, namely Non-Disclosure Agreements, converting time savings into a clear commercial benefit for the company. Furthermore, against a backdrop of continuous regulatory change, Luminance's ability to suggest compliant wording has empowered IDEXX's legal team, allowing them to draw confidently from a central knowledge bank without having to refer to siloed contracts or colleagues for advice during negotiations. With Luminance learning on-the-fly, even when internal standards change, the team can more easily maintain compliance with company standards.

Moreover, Luminance has automated a key component of IDEXX's negotiation processes by automatically identifying critical pieces of metadata, such as the counterparty name, contract type and Expiry/Renewal date from contracts under negotiation – a task that the team used to perform manually.

### **KEY RESULTS:**

- Accelerated contract negotiation
- Entire contract database reviewed in 20 minutes compared to weeks via traditional review manual methods and contract lifecycle management tools

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### Post-Execution Analysis

In addition to enhancing the pre-execution phase of the contract lifecycle, IDEXX is also using Luminance's AI to analyse the key features of executed contracts and achieve unparalleled insight into the company's contractual landscape. Luminance's AI automatically highlights key information such as clauses, dates, parties, languages, document types and governing laws within documentation of any size or language. This analysis is instantly displayed across a series of interactive 3D widgets, allowing IDEXX's team to rapidly understand multiple aspects of their documents and quickly focus their review on specific areas of interest with just a click of a button. For instance, IDEXX used Luminance to analyse its entire contract database following the sudden introduction of sanctions in March 2022. The team needed to analyse contracts across their entire supply chain to identify any ties to recently sanctioned organisations. This regulatory compliance review needed to be performed as quickly as possible due to the scale and sensitivity of the issue. With Luminance's AI providing a holistic overview of the organisation's business activities, identifying all geographies present within contracts and any language referencing Russian places or legal structures, IDEXX completed the review in just twenty minutes.

"This type of review would have taken us weeks to complete using a traditional CLM or manual review methods. We would have also had a low degree of confidence that every piece of essential information had been captured, since these traditional approaches can be quite unreliable. With Luminance's AI, I have a very high degree of confidence that we identified absolutely everything of relevance among our contracts."

**MATTHEW FORSYTH, VP AND  
DEPUTY GENERAL COUNSEL**

### Informing Business Decisions

As in-house legal teams see their role expand and evolve into business enablers and risk managers, they are increasingly expected to be both preventative and pragmatic thanks to their knowledge of their organisation's contractual obligations. Next-generation technology like Luminance is an essential component of their day-to-day workflow. With Luminance automating low-level tasks such as contract review, IDEXX's legal team can spend more time thinking critically about risk and strategic negotiation and engaging in other higher-value work.

"We have contracts around the globe handled by different members of our legal team and giving them the ability to understand and identify any issues within incoming contracts in real-time – within 30 seconds – is key. With Luminance, we are putting data in the hands of the attorneys who need to make decisions quickly, informed of previous decision-making elsewhere in the business."

**MATTHEW FORSYTH, VP AND  
DEPUTY GENERAL COUNSEL**

### A Tool for Global Organisations

As a language-and-jurisdiction-agnostic tool, Luminance's AI is capable of working seamlessly across multilingual document sets. With IDEXX's legal team based across the United States, Europe and Asia, the company is capitalising on Luminance's rapid cloud-based deployment and in-built collaboration tools to ensure the easy allocation of tasks and tracking of work progression across locations.