

# Expediting M&A Due Diligence

*Troutman Pepper is a national law firm with more than 1,200 attorneys strategically located in 23 US cities. The Global Top 100 firm's litigation, transactional, and regulatory practices advise a diverse client base, from start-ups to multinational enterprises.*

Troutman Pepper was retained by a healthcare staffing company to advise on an internal reorganisation. The client, which operated across multiple states and comprised of a dozen entities, wanted to merge parts of the business.

A three-person team was instructed to review a vast dataset of over 12,000 documents. Troutman Pepper needed to ascertain whether there were any contractual obligations that would be contravened by the reorganisation and, if so, assess how non-compliance could be avoided or mitigated. The team were experts in corporate governance but could not meet the client deadline and budget without reverting to document sampling practices, running the risk of missing something important. The team therefore opted to deploy Luminance's world-leading AI technology to provide unparalleled insight into the entirety of the dataset.

Unlike older, more basic technologies which require weeks of rules-programming and machine training by a team of consultants before they can even be used, Luminance's powerful machine learning approach and cloud deployment ensured that Troutman Pepper was up and running on the Luminance platform within a matter of hours, ideal for the time-sensitive nature of the review.

**"If Luminance wasn't available, we probably would have agreed with the client not to do the review at all – it would have been cost-prohibitive."**



**Jeremy Levy,**  
Partner, Corporate and Securities

## KEY RESULTS:

**90% REDUCTION IN CLIENT COSTS**

**WITHOUT TECHNOLOGY:  
REVIEW TIME = 2 MONTHS**

**WITH LUMINANCE:  
REVIEW TIME = 2 WEEKS**

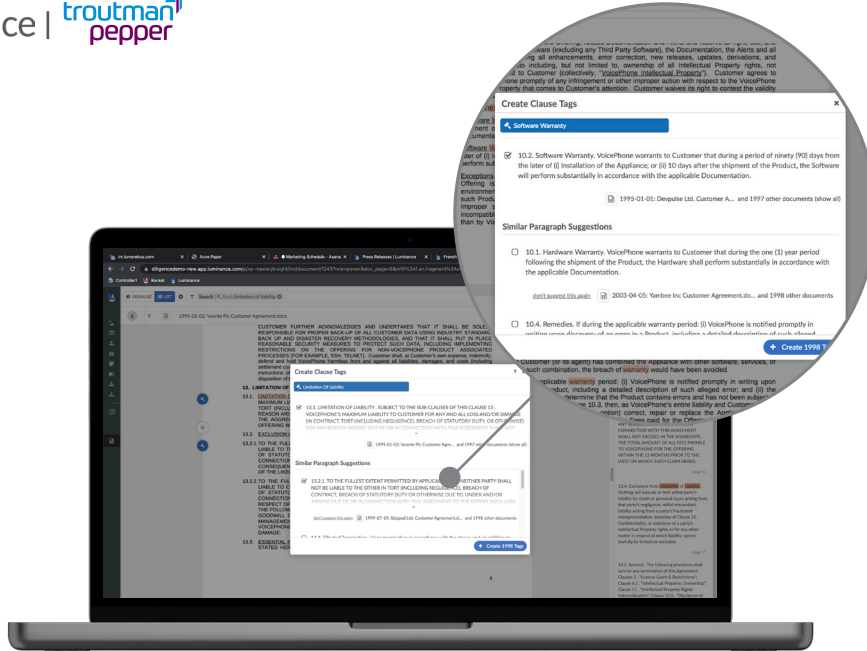
**TOTAL INSIGHT INTO 12,000 DOCUMENTS**



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

Further, Luminance's synchronisation with a range of VDRs, including HighQ, allowed Troutman Pepper to automatically upload all 12,000 documents on day one of the review, creating an intelligent data room that automatically updated as more client documents came in.

Using a pioneering blend of supervised and unsupervised machine learning, Luminance immediately read and understood the dataset, automatically labelling key information such as Change of Control and Notice provisions, as well as important documents relating to licensing, consent, and governing law.



Tag new clauses with one click

This was all displayed across a series of interactive visualisations, allowing the team to understand the breadth of the review at a glance and rapidly zero-in on key information.

Using Luminance's powerful AI-assisted search tools, the team was able to quickly identify that 2,000 out of the 12,000 documents were pertinent to the due diligence review. As the lawyers continued to interact with the platform (tagging new clauses, for example), Luminance's supervised machine learning allowed the team to delve deeper into the contracts. For instance, by surfacing just one example of a specific Notice provision, Luminance was able to flag all other examples and variations of the clause. The time and resources required to review this dataset manually would have been impractical for the Troutman Pepper team and too expensive for their client.

**“When people hear efficiency, in some ways at law firms they hear lost revenue because it’s fewer hours worked, but ultimately this is a story of increased revenue through efficiency.”**

Without Luminance's next-generation AI, Troutman Pepper would not only have lost out on a project and taken a hit to profitability, but the client would also have run the risk of contractual non-compliance by not carrying out the review.

Troutman Pepper estimated that they were able to work three times faster in Luminance compared to manual approaches, decreasing their review time from over 400 hours (2 months) to just 135 hours (2 weeks) – a great result for their client who was also able to slash costs by 90%.

**“It’s really good for business – there are hours of diligence that we’re missing out on if we’re being inefficient. Our clients also benefit because it reduces risk for them. It helps them leverage our insights better.”**