

**Company Size**

10,000+ Employees

Industry

Technology



NetApp transforms legal and business operations with AI

Empowering the legal department of the future

There's been a big shift in corporate legal departments—from reactive cost centers to strategic business partners that drive efficiency and add to the company's bottom line. Legal ops pioneer Connie Brenton has been at the forefront of that transformation, both as VP, Law, Technology and Operations at NetApp and the founder of CLOC.

Brenton, under the leadership of the Chief Strategy and Legal Officer, Matthew Fawcett, helped create a culture of innovation at NetApp, pushing the legal department to embrace new technology and challenge existing processes. "NetApp has a competitive advantage because of its legal department and building digital transformation into the DNA of our legal processes and technologies has been central to our success," she said.

Digital transformation isn't just about technology and process improvement, Brenton explained. It's a mindset and an ever-present objective—one that NetApp began a decade ago and accelerated with the help of legal tech gurus at Evisort, KP Labs, AdobeSign and other innovative industry leaders.

Fortunately, when you have a digital transformation mindset, it can be a lot easier to tackle challenges that

arise from unforeseen radical changes in the business world or world events. The pandemic in 2020 was such an event; it brought rapid, significant business challenges and demands to businesses large and small. "COVID-19 forced us to move into hyperdrive. It forced us into fundamental changes in how we work in a lot of areas. And it forced us to leverage our digital transformation—and push it forward—in ways we had not contemplated." Had we not already had a bedrock of transformation in place, what we did to respond to the challenges presented would not have been possible.

The COVID catalyst

Before the pandemic, NetApp, like many companies, struggled to get insights from its contracts quickly and efficiently. When projects arose, out of necessity they were outsourced to legal service providers, using manual solutions and processes which inhibited the team's ability to explore contract data as business needs demanded. We might start with a particular objective in mind, but along the path to defining a solution, new information inevitably would divert the initial desired outcome in a new, more complex direction and we would be required to tweak our processes continually to achieve the desired outcome. Any time new information came to light during an extensive review, we were back to square one. "If all we do is keep others in the industry from having to go through that painful process, it's worth it," said Brenton.

COVID-19 presented NetApp Legal with a unique need to successfully leverage an AI-powered contract management solution (like Evisort) to address supply-chain disruptions that occurred in an instant. When COVID-19 hit, NetApp was challenged with hardware and other supply bottlenecks; as a result, we needed to understand which customers would accept partial shipments and what recourse we had with key suppliers across most of our product and service lines across the globe; this was not an issue we had envisioned needing to address at the time the contracts were signed – especially on a moment's notice—prior to Covid. From a contract management perspective, our agreements had not been tagged for, “partial delivery” key terms, and we had tens of thousands of contracts to review in order to address a whole host of new contingencies. Failure could result in litigation, customer dissatisfaction, and worst of all, impacts to revenue.

At the same time that we needed to understand key elements of our customer agreements, we had to do a deep dive on an immense number of supplier contracts. “Prior to the pandemic, nobody ever dreamed we, as an industry, would be reviewing force majeure clauses en masse for nearly all of our supplier agreements with the need for near real-time results,” she said. “Moreover, supply-chain issues could also be mitigated or exacerbated by other provisions in supplier and customer agreements.”

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Senior Director of Legal Operations
NetApp

Turning legal into a revenue generator

Using AI-driven text mining from Evisort to perform a “Google-like” search across all contracts, NetApp was able to quickly locate specific provisions that enabled the company to invoice for partial shipments while maintaining customer satisfaction. Evisort's platform allowed NetApp's legal team to train its AI tool within a week, to run a search on partial shipments: across our entire contract repository—cutting 24,000 contracts down to 600, with 90 different variations of partial shipment provisions in a matter of days.

“During the partial shipments search, we thought we were looking for specific sets of terms—but we found that some customers articulated this issue in a different way than we expected,” said Brenton. “AI enabled us to zero in on relevant language and key provisions buried in unexpected places in dense legal agreements.”

By coupling expiration dates with partial-shipment language, the cross-functional team was also able to filter for contracts coming up for renewal within 90 days—and prioritize agreements with less favorable terms for renegotiation.

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VP Law, Technology and Operations
NetApp

Igniting a mindset shift

With any kind of technology, change management is the most difficult component. It requires a digital and innovative mindset, Brenton explained. “One of the advantages of Evisort's technology is that it's so intuitive, the mindset shift happens painlessly and exponentially faster.” Having the ability to query any conceivable provision—without needing to marshal funds or manpower—is accelerating change management. “Once you taste this AI contract search capability, you become addicted—and you start to identify use cases all over the place.”

Why now?

When it comes to digital transformation, legal is probably the last frontier—but AI will become a foundational tool for the majority of Fortune 500 legal departments, Brenton predicts. “You can't be a best-in-class legal department without introducing and becoming comfortable with AI technology.” You need to start and build a foundation now so you are ready for the next critical business challenge, just around the corner. “It isn't a question of getting ‘from here to there’ right this minute,” she explained. “The question is: What unexpected challenges are you going to have in the next eighteen months to two years ... and are you prepared for them? That's the digital transformation question you need to be asking yourself.”

Why Evisort?

Transformation is more than platforms, AI, and data. For Brenton, the human element is a critical component of the legal ops matrix. “People first,” she said. “Evisort has an incredibly exceptional executive team—crazy innovative and willing to bend the product to the market.”

