

Seal Version 5: Putting Power Into the Hands of Users

Introduction

Seal Software's Version 5 has one major design objective, putting the power of Seal in the hands of business users, particularly in the areas of usability and system optimization. To increase usability and value, Seal has created a Microsoft Word® "add in" so that users can interface with contracts, updating, revising and repapering them in the interface they know best – MS Word. For optimization and tuning, the new User Driven Machine Learning (UDML) capability takes sophisticated ML technology, previously only used by Seal resources to optimize the system for very complex data extractions, and put it in the hands of business users so they can be more productive and efficient.

The benefits of both of these new features is that the business users, who have a better understanding of the needs and objectives of their functions are doing more with Seal, and only bringing in more expensive resources when needed for exceptions or final approvals. This means lower costs, faster cycle times, increased efficiency and rapid time to value.

Contract Authoring and Reviews

Business units continuously need Legal Ops for help in authoring contracts, for information about their contracts, and for repapering and novation work. Legal teams must find and review contracts, then work with the business units to understand and implement specific changes. This is typically a back and forth process, often in conjunction with negotiations with third parties.

When volume goes up, Legal teams get bogged down in these activities, and the work can become very reactive and slow. Even the best trained and most efficient Legal teams can be the bottleneck to getting business done on time.

Lawyers are expensive resources, and there is often no easy way to incorporate new terms or clauses into contracts as each requires comprehensive review and approval. If pressed for time, non-standard language can slip through via the Line of Business, and high risk contracts can be processed out to counterparties and into execution.

Seal's Version 5 does what very few technology solutions are doing – investing in additional capabilities to put more technology in **the hands of business users.**

The result will be shared workloads, faster engagement, reduced cycle times, and decreased costs for Seal's customers.

The Challenge With Third Party Contracts

Compounding this is the challenge with third-party contracts. They are non-standard to the organization, and are written with the counterparty's objectives in mind. They drive heavy review, negotiation, and approval cycles, as the language is new, and must be scrutinized carefully for risk and to ensure they correctly reflect negotiated terms.

Third party contracts can be up to 50% or more of an organization's contracts, and often come in as non-editable PDF formats. This makes it much harder to markup and negotiate terms, and often involves IT in a document conversion process, causing further delay.

“Third party contracts can often be upwards of 50% of contracts being processed through an organization”

Andrew Bartels
Forrester Analyst

Seal's Analyze This Now

Seal reads and understands contracts, extracts data, presents information to reviewers, and highlights risk areas such as non-standard language. The result is greater insight into risk and exposure, more informed business decisions, and the knowledge to increase business performance across many business functions.

Business users need the benefits of Seal. They manage their functions, drive negotiations, and are measured on the outcomes of their business. Now, they typically turn to Legal Ops for the contracts needed to achieve these goals.

Seal's Analyze This Now (ATN) exposes the power of Seal to business users in the tool they already use - MS Word. This empowers business users, to take an active role in contract review, revision, and repapering, resulting in improved efficiency, reduced training requirements, and lower costs to the company.

ATN pulls contracts directly from business systems such as Salesforce® or other repositories into MS Word. In this process, it can find duplicates and near duplicates, taking away this guesswork from users. With ATN, users find the contracts they need – much faster with less searching.

ATN then identifies specific terms, provisions and clauses in Word documents. The left side of the ATN interface shows the contract itself, and indicates to the users via color coding the nature of the language. Non-standard clauses are highlighted in red and standard and approved language is highlighted in green. Yellow shading shows clauses that have been identified for their meaning. The right side of the UI displays the clause category and related score based on policy match.

The screenshot shows a Microsoft Word document titled 'Vocera MPA.docx'. The document content is highlighted in green, indicating it has been analyzed by Seal. The Seal Word Add-In sidebar is visible on the right, showing a search for 'MyContr*' and a list of contracts. Below the list is a version history table.

Contract ID	Updated By	Date
802b04296	User A	2015-11-13 1...
c740d1ab35	User B	2015-10-23 1...
f796a7782a	User A	2015-10-13 1...
fdbe60ea05	User A	2015-10-02 1...

Seal's Analyze This Now in MS Word

When a document is processed by ATN in MS Word, and if all clauses or provisions come back as green, meaning they use standard or approved language, then the user can issue the contract. If items come back flagged as red or yellow, they need to understand the discrepancy and/or notify Legal Ops for full review. The system can be set up to include policies that create the boundaries to guide deeper reviews.

As users review contracts in MS Word, there are status indicators which show which contracts have been analyzed in Seal, and ones still being processed. Users never have to leave their MS Word interface to check the status of documents.

Seal's ATN also includes an API set, so other software providers or even organizations can embed ATN functionality into their applications. This can be done for Contract Lifecycle Management, Customer Resource Management, and other systems.

The second release of ATN will provide a clause library option, so when users find a non-standard clause, they can modify the contract themselves with preferred language clauses and fallback clauses without having to engage legal resources.

When to Use Analyze This Now?

Review and revision of contracts is common in the following situations:

- **M&A:** Organizations often absorb numerous contracts via an M&A event. Seal allows business users to review their relevant contracts, identify ones that have high risk or poor wording and terms, and then work on changes in these contracts directly from Microsoft Word.
- **Regulatory:** When there are new regulations, organizations can discover relevant contracts and revise those agreements, ensuring the changes are efficient, controlled and accurate.
- **During any type of Governance Risk and Compliance (GRC) or risk assessment initiatives,** to spread the work, and improve efficiency.
- **At any time where business users need to review or revise their contracts.**

Benefits of Analyze This Now

- **Time to Value:** Allows business and legal users to take advantage of the capabilities of Seal from the familiar Word interface. This speeds time to value for the system, reduces training time and costs, and increases user productivity.
- **Real Time Analysis:** Let's users analyze their changes to existing contracts in real-time, ensuring transparency, accuracy, safety and security in managing and analyzing existing contracts. Ensures nothing falls through the cracks.
- **Efficiency and Security:** Automates many steps in the repapering of existing contracts, absorbing contracts coming in from M&A, and reviewing contracts for regulatory changes, ensuring they are done efficiently, securely, and with minimum disruption to the business.
- **Saves Money:** Allows business users to play a larger role in finding and making changes to contract clauses, leaving Legal resources to perform higher value functions.

Seal's User-Defined Machine Learning (UDML)

With Machine Learning technology, the system gets stronger as it learns about the organization. It needs to be taught if it is successful in providing correct information or is incorrect, and learns from that feedback. Over time, the system learns the specific language and terminology for a organization, getting faster and more accurate.

It has traditionally been Seal's developers, data scientists, or Seal's Legal Team that have created the models for complex data searches within contracts and trained the system. Complex searches are the exception data extractions where Seal's "one example" model is not appropriate. Many times, specific contract data needs to be understood and extracted across multiple clauses, paragraphs, or even pages, and these more challenging extractions require high degrees of training. Seal has not previously exposed the sophistication of the ML system to end users as it required a very high degree of system knowledge and specialized training. UDML revolutionizes Seal's approach to complex searches

Training and Tuning for Business Users

With the UDML capability in Version 5, Seal is taking much of the logic behind ML and putting it behind a business-user friendly interface. With this new UI and framework, business users determine the examples for a particular complex extraction, and the system then selects the best combinations of models and algorithms in Seal's deep learning structure, to create the optimal approach. UDML can help a customer with little knowledge of the methods or techniques to effectively teach the ML engine how to understand their specific languages and objectives, from an easy to use interface.

UDML means that, for the first time, business users can perform data extractions that are complex, where the boundaries of the data are not simple or straightforward. It provides the mechanism for positive, as well as negative learning examples, and allows for the combining of models into "super models" or ensembles.

Also new with UDML is the ability for users to create and share their custom models without sharing proprietary information. Organizations can rapidly enhance the learning of the system exponentially, in a secure environment, leveraging system training across business functions or groups. These sharing capabilities are achieved by exposing our existing *extraction pack* technology to end-users through UDML, with the following results:

- Achieves very high accuracy for very divergent, hidden, and complex data.
- Facilitates the system's ability to continually learn and evolve.
- Allows the sharing of models, but not data, across groups to leverage system training.
- Improves the speed and accuracy of the system over time.
- Speeds the time-to-value for the Seal platform

The UDML is also important as it delivers on Seal's vision to create what it calls the "Four Pillars of Extraction." This power and flexibility is unique in the market, and includes four distinct approaches to extraction depending on needs. They include:

- Using search, where no examples are needed.
- Applying Natural Language Processing (NLP) and sentence based search, where one example is used, and formatting and NLP variables are accounted for.
- Using Latent Semantic Indexing (LSI) with NLP, which applies a single ML algorithm with one example, and paragraphs, sentences and variables are accounted for.
- UDML, where users can apply 100 examples, with deep models, and selection of best combination of models in an ensemble optimizes performance.

Summary

Seal's Version 5 does what very few technology solutions are doing – putting additional capabilities and technology in the hands of business users.

Seal's development teams have spent significant man hours ensuring the capabilities of ATN and UDML are intuitive and straightforward, to increase the capabilities of the systems while reducing training requirements. The result is lower costs, improved efficiency and happy and productive end users.

Contact Seal

Corporate HQ

201 Mission Street, Suite 2250
San Francisco
CA 94105. USA.
T: + 1 650 938-SEAL (7325)

European HQ

1-2 Hatfields
Waterloo London
SE1 9PG United Kingdom
T: +44 203 735 9898