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Duff & Phelps choose DFIN's eBrevia for contract analysis software

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The Firm

Founded in 1932, Duff & Phelps is the world's premier provider of governance, risk, and transparency solutions. Headquartered in New York City, the firm has nearly 4,000 professionals located throughout 25 countries.

Challenge

As an information management and data governance consultant, Duff & Phelps advises clients on best practices, analytics, services and technology to mitigate the risks that data presents while enhancing its value. As part of that offering, Duff & Phelps advises clients on their contract management systems and contract data integrations after an event, whether that event is an acquisition or divestiture. In both arenas, the

ability to review, analyze and align large volumes of contract data is paramount to success. Identifying, tracking and disseminating contract data is a core part of the integration work.

Post-merger or pre-divestiture contract migration specifically necessitates reviewing all of the target's contracts for key contractual obligations and other data points. These key contracts typically range in the tens of thousands and can number in the hundreds of thousands.

Duff & Phelps was looking for a language-based analytics solution that could provide support to analysts when performing contract review. The existing manual review process was not providing the efficiency and efficacy the firm desired.

Solution

- An AI-powered contract analytics platform, eBrevia has considerably reduced manual document review time while simultaneously improving accuracy.

- eBrevia worked closely with Duff & Phelps personnel to provide a tailored product that fit the firm's specific needs, while also providing the necessary support for a more effective and efficient review process.

- Duff & Phelps has processed approximately 250,000 contracts in eBrevia.

Discovering eBrevia

When searching and evaluating potential vendors in 2016, Derek Mihm, a Vice President with the Global Data Governance division at Duff & Phelps, says that he and his colleagues sat through a number of demos of competitor products. Having learned a considerable amount from these demos and the firm's experience with its previous vendor, Tyler Marion, Managing Director of the group, felt that it was important to be part of the conversation regarding the software's development when it came to choosing a vendor. He said that they were focused on meeting client-specific needs, which their previous software was not able to deliver.

Members of the Duff & Phelps team travelled to New York to meet with Ned Gannon, eBrevia's President, and Jacob Mundt, eBrevia's Chief Technology Officer. Ultimately, Duff & Phelps signed an enterprise license with eBrevia. As Tyler highlighted, the team wanted to find a vendor willing to treat them as "more of an input" and eBrevia fit the bill.

Background

The team at Duff & Phelps chose to work with eBrevia based on a number of factors. For Derek, versatility was the biggest selling point. For instance, eBrevia makes it simple for clients to change their minds about which clauses they would like to see extracted from their documents without incurring additional fees. If a client uploads a file and is interested in seeing one set of legal concepts pulled out of that document, then eBrevia's system can extract and display that information quickly and accurately. If the client later wishes to see an entirely different set of terms extracted from the same document, they can easily change those guidelines and the system will automatically pull the updated information as well. Beyond versatility, Derek also listed vendor honesty and cost effectiveness as other key considerations.

It was a **near-instantaneous transition** – eBrevia's implementation process was straightforward and did not require significant training

Duff & Phelps began using eBrevia in the fall of 2017 and noted that it was a near instantaneous transition. eBrevia's implementation process was straightforward and did not require a significant amount of training to get employees accustomed to utilizing the product. Additionally, Derek spoke about how Duff & Phelps' requests for product enhancements have been reflected in eBrevia's development over the years. According to Derek, many of the features the firm had requested early in the relationship were integrated into the eBrevia tool. Later on, other features, such as additional workflow filtering, were requested and incorporated into the platform as well, providing a tailored solution that improved Duff & Phelps' searching capabilities.

Improving Post-Merger Contract Migration

For Duff & Phelps, it was important to find a solution that helped clients with their post-merger or pre-divestiture contract migration needs. In fact, according to Tyler, 90 percent of the group's clients have such a need.

By working with eBrevia, the firm has been able to handle post-merger and pre-divestiture contract migration projects much more effectively. In general, Duff & Phelps engages with clients well before they have the necessary contract

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data in hand. Once a client is preparing to close a transaction, the firm has already been notified that it will be engaged to review a high volume of contracts. At this point in the process, the team at Duff & Phelps is likely aware of which system those contracts will be migrated to and can anticipate the data models that will be most relevant as they perform the contract review.

Ultimately, once the deal has closed and the contracts are located from the target systems, the client will typically collect the contracts and pass them on to Duff & Phelps via secure file transfer. From there, the firm can begin the process of sorting and reviewing the documents to the client's specifications.

Improving Work Processes

Once documents are passed to the firm, Derek says that they like to give every file an "easy-to-use identifier" as a prefix to the file name. This is done for two primary reasons. First, eBrevia will alphanumerically auto-sort anything that is loaded into a folder. Any pre-existing metadata can be built into the identifier and be used to sort the target data set into an order that is easier to process. Once the machine learning-aided extractions are completed upon document ingestion, eBrevia's tagging, sorting, and filtering functionality allows the review team to quickly and easily move documents into more targeted subfolders.

Additionally, Derek explained that beginning with a unique alphanumeric identifier will allow the acquiring entity to more easily load the information relevant to the review into their own Contract Management System upon project completion.

This allows Duff & Phelps to then walk the client through the data model using eBrevia-analyzed documents. Each reviewed document is subject to quality control to ensure that clients are provided information with the utmost accuracy.

Improving Accuracy

In addition to finding a platform that reduced the amount of time between receiving documents and completing projects, Duff & Phelps had another key goal: increasing accuracy. Derek says that this goal has been achieved with eBrevia. He explains that the level of accuracy promised to clients has gone up by several percentage points since adopting the eBrevia tool. Tyler echoed Derek's sentiments, asserting that there is no tool on the market that can process "thousands of documents [and] come back with one hundred percent accuracy, all clean, neat, and packaged." For Duff & Phelps, it was important to find the right balance between effectiveness and cost. According to Tyler, based on the firm's ROI, that goal has been exceeded.

Main Benefits for Post-Merger Contract Migration

- A System to Fit Their Needs:
  Duff & Phelps sought a vendor receptive to their input and capable of tailoring their system to incorporate features that help clients with post-merger contract migration—which is a need for around 90 percent of their clients.

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- A More Effective Model:
  Duff & Phelps has improved its abilities when it comes to handling post-merger contract migration projects. By being aware of the needs of the client and the system where contracts will be migrated to, the firm is able to anticipate the most relevant data models when performing contract review.

- Making Things Run More Smoothly:
  When using the system, Duff & Phelps utilizes an alphanumeric labeling system, as eBrevia allows them to automatically sort new entries into specific folders. Additional information can also be added to allow for counterparty sorting.

- An Accurate System:
  Using eBrevia in tandem with its subject matter experts, Duff & Phelps has been able to increase the accuracy of its review.

DUFF & PHELPS   **eBREVIA**
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For more information on eBrevia's Post-Merger Contract Migration solution,

please visit: **dfinsolutions.com/products/ebrevia**