

Practice Innovation: AI @ GD

Artificial intelligence is experiencing a digital Cambrian explosion, so it comes as no surprise that our clients are growing more curious about how we can help them navigate a world in which increasingly powerful AI becomes ubiquitous. As the preeminent international law firm with an exclusive focus on the innovation economy, we are excited to share insights into how we are thinking about and working with AI.

Gunderson Dettmer has always been at the forefront of the AI space—and we are committed to remaining there. We are using AI solutions to deliver better, more efficient legal services to our clients. Our attorneys strategically advise clients on the evolving regulatory landscape and the key legal considerations for building products and service offerings that incorporate AI to promote safe and compliant use.

We have also built proprietary AI tools that combine in-house know-how and processes with cutting-edge technology—like our newly launched **ChatGD** app (more on that below)—to help our technologists and attorneys develop a better understanding of the latest developments in AI and how best to safely leverage them.

"As a firm, we continue to make significant investments in AI to ensure we have the talent, technology and training to provide our clients with the world-class advice and service that they expect from us."

- David Young, Managing Partner



Working with AI @ GD

We don't just work with innovators; we are committed to being innovators ourselves. Our legal engineers have built a variety of homegrown legaltech tools in-house. We also invest heavily in external legaltech solutions to help us deliver exceptional legal services and advice to our clients. We strategically partner with both established legaltech players and early-stage startup companies (some of whom are also our clients). This has long been our approach to using Al in our business and legal practice and has helped us stay ahead of the Al curve.

Like many law firms, we have been using machine learning software to facilitate more streamlined due diligence reviews for years.

Unlike other firms however, we started using next gen AI tools before they became popular. For a full year before the initial release of ChatGPT, we were already securely harnessing the power of Large Language Models (LLMs) to extract and structure data from transaction documents using the <u>nlmatics</u> platform. LLMs have been a part of our production tech stack for some time, and our data team has also deployed parts of the underlying technology (such as vector matching) to supercharge the firm's data operations.

Like many firms, we are also carefully vetting a variety of new third-party tools in the generative AI space as the market has entered a phase of rapid development. Many of our existing software partners, such as <u>Draftwise</u> and <u>Josef</u>, have incorporated generative AI into tools that our attorneys are already using in their daily workflows.



Unlike other firms, we are not just buying third-party tech—we are building generative AI tools ourselves. Our legal engineering department has developed and recently launched ChatGD, a homegrown application that lets our attorneys query and manipulate documents using a secure, enterprise instance of OpenAI's models through <u>Microsoft Azure</u>. ChatGD allows our attorneys to leverage the underlying models and the power of ChatGPT to accelerate and enhance work for our subject-matter experts. It also gives attorneys the ability to provide legal agreements or other relevant source material as context for queries using <u>retrieval-augmented generation</u> (<u>RAG</u>).

Our legal engineering and data teams have years of experience experimenting with different approaches to Natural Language Processing for legal applications. We built ChatGD using the same cutting-edge tech stack that many of our clients are using in their products (as outlined in this post on <u>Emerging Architectures for LLM Applications</u> by a16z). Our engineering team has also contributed to major open-source AI building blocks like <u>LlamaIndex</u>, and regularly uses and contributes to the open-source projects that are quickly becoming foundational to the future practice of law.

As early adopters and legal industry leaders in this space, we have developed internal Al use guidelines and training so that our attorneys can benefit from the assistance of generative Al technology with appropriate guardrails in place to ensure protection of our clients' confidential information, as well as the accuracy and quality of our work product.



<u>Guiding GD Clients through an Evolving AI Landscape</u>

Beyond the in-house expertise we have developed in building and using the latest Al tools, the attorneys in our <u>Strategic Transactions & Licensing</u> and <u>Data Privacy</u> groups are on the vanguard of developments in the field, advising our clients on how they can <u>safely leverage Al</u> tools in their business. Our <u>Employment Law Group</u> is also providing timely counsel on emerging issues posed by Al in the workplace, including interpreting the EEOC's new Al guidance, optimizing HR tasks through generative Al, and complying with new laws regulating employer use of Al.

Our clients rely on us to stay abreast of the evolving issues. We have hosted numerous Al-focused webinars for clients and other industry stakeholders (available <u>here</u>). As thought leaders in the space, our attorneys have published articles on generative AI in a variety of publications, including <u>Bloomberg Law</u>, <u>CLS Blue Sky</u> <u>Blog</u> and <u>SSRN</u>. Our Strategic Transactions & Licensing attorneys have been quoted on the subject in several major publications, including <u>The Washington Post</u>, <u>VentureBeat</u> and <u>Digiday</u>. In addition, Season 5 of our popular <u>FutureWork Playbook</u> podcast is focusing exclusively on generative AI in the tech ecosystem.

Looking to the Future

We at GD are very excited by the promise of the latest developments in Al—both as it enhances our clients' abilities to build innovative products and services and as it offers us new opportunities as service providers to the innovators in this industry to serve our clients better.

"We are on a journey together with our clients to learn as much as we can—both about the legal issues raised by AI and the technology itself—so that we can help build a future where AI fundamentally changes the way people work and interact with technology for the better."

- Joe Green, Chief Innovation Officer