

SKILLS 2024

Analysis of AI Responses

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Introduction

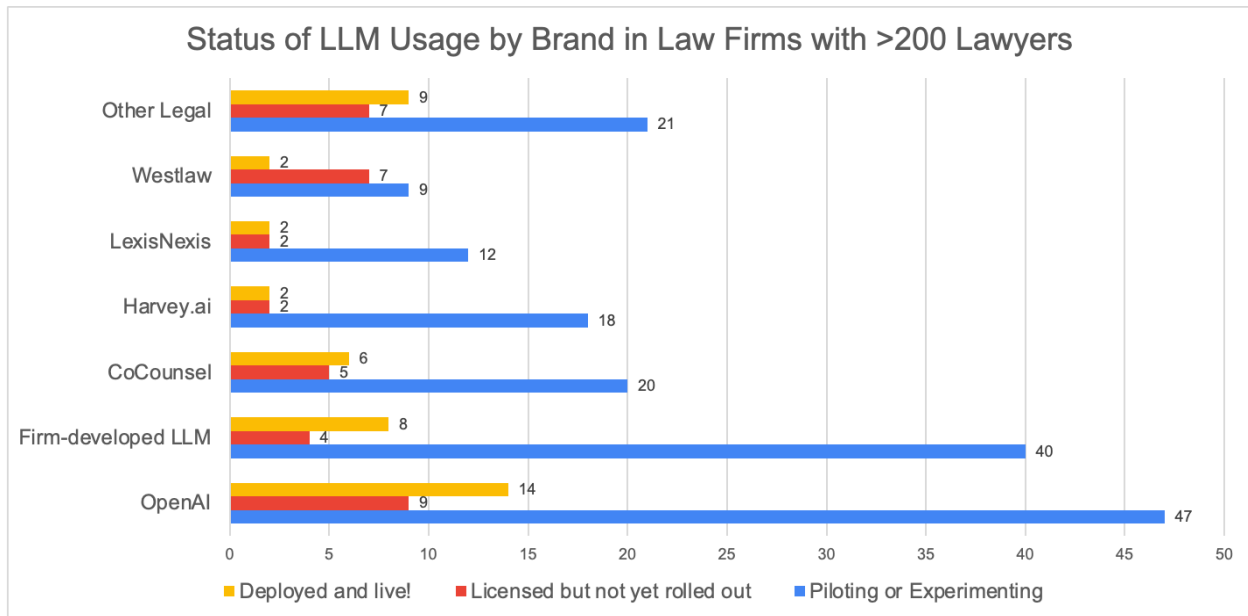
We conducted a survey of large law firm KM and innovation professionals in September 2023. Over 500 people replied, of which almost 350 individuals responded across many large law firms. Where more than one individual from a firm responded, we selected one person to include in the analysis here, yielding 142 law-firm respondents for this analysis.

This report analyzes responses to Generative AI questions in our survey. We also continued our survey that asks the same group what they worked on in 2023, what they plan to work on in 2024, and what they want to discuss at SKILLS.law. The analysis of those results is [here](#).

LLM Testing, Licensing, and Deployment

State of Use by Brand in Law Firms with >200 Lawyers

We asked “Has your firm licensed a large language model?” The chart below shows a very substantial number of firms piloting or evaluating, as well as significant deployment, given how new large language models (LLMs) are. Some of the authors of this report were in the legal market for the advent of PCs, networks, the internet, email, social media, and cloud computing. None of those technologies appear to have gained as rapid interest, evaluation, and deployment at their outset as LLMs have.

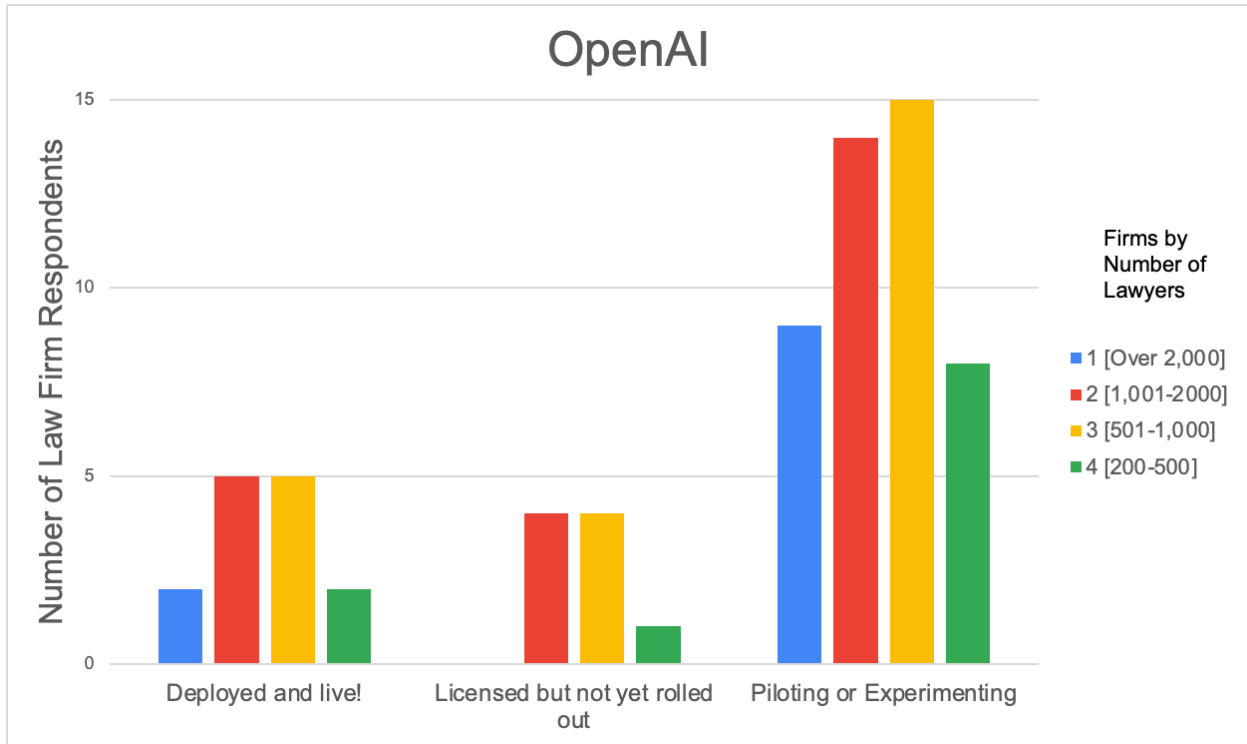


Use of Selected Products, by Firm Size

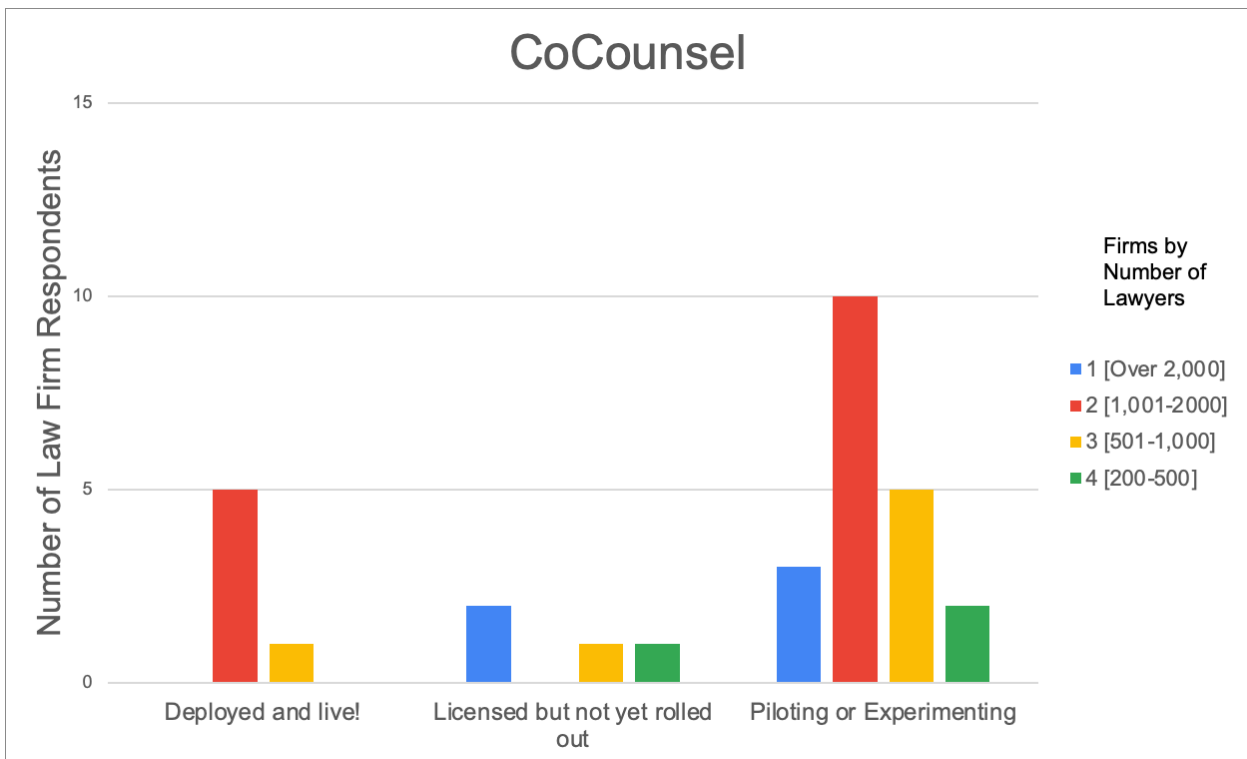
To answer “Has your firm licensed a large language model?”, we provided seven choices and allowed multiselection. We include here data for the options of OpenAI, CoCounsel, and Firm-Developed LLM as the three selections that had the highest total of “Deployed and licensed” plus “Licensed but not yet rolled out”.

It is not surprising to see OpenAI and CoCounsel as two of the top vote-getters given the publicity both have received. The choice of Firm-Developed LLM, which scored highly as well, was slightly ambiguous.. Building a LLM from scratch is a massive and costly undertaking and we doubt any firm has done that. We think respondents mean they “put a skin” on an existing LLM such as OpenAI.

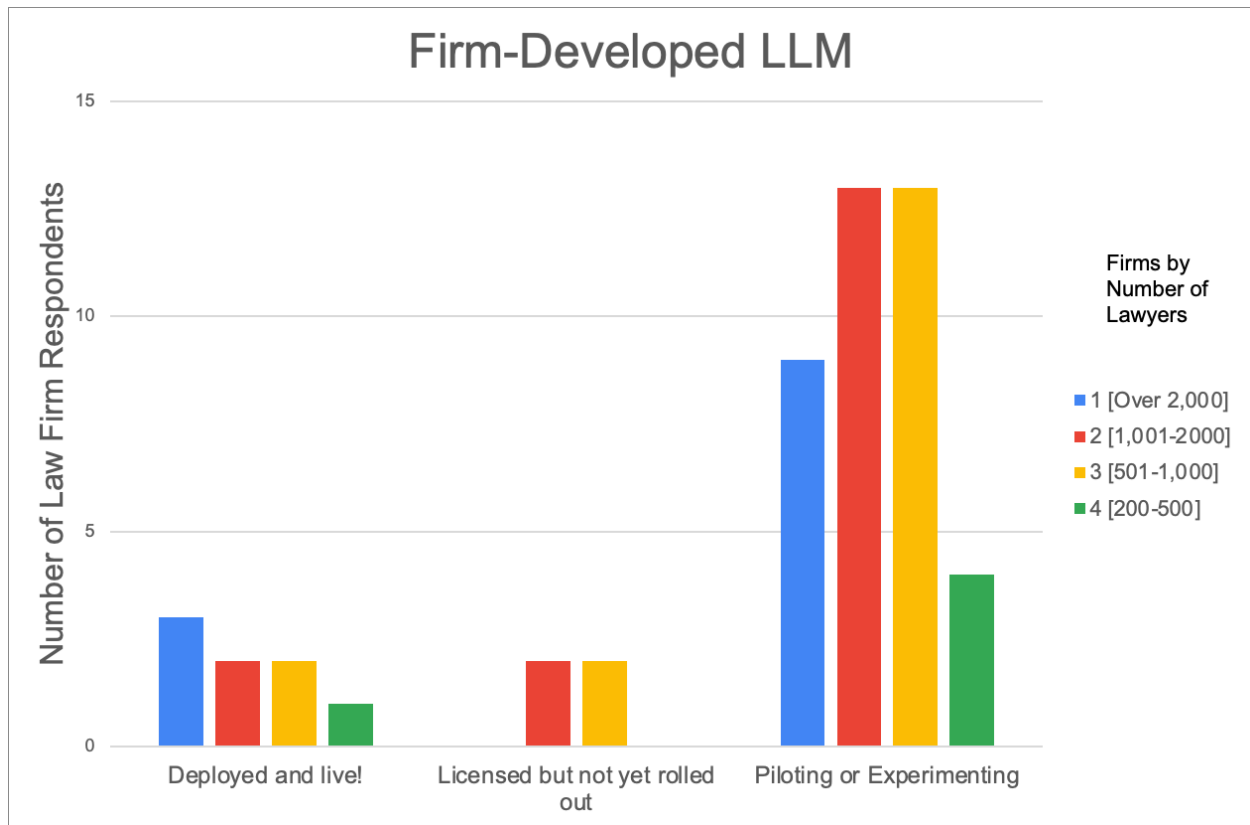
OpenAI



CoCounsel



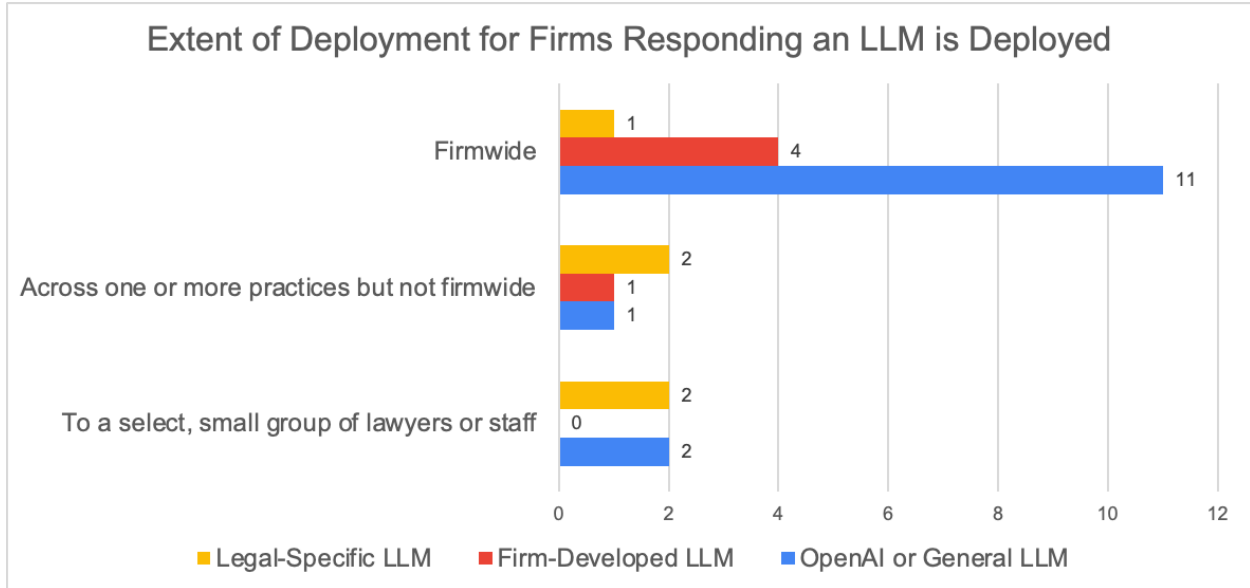
Firm Developed LLM



Scope of LLM Deployment

We asked “How broadly used is the licensed product?” and offered six options for each of three LLM product types. For this analysis, we only included firms that responded “Deployed and live!” in the prior question. To keep the chart here readable, we only report the three choices reflecting the widest deployments.

In preparing this report, we noted some internally inconsistent responses. For example, at least a couple of respondents chose “Considering” for an LLM but reported some level of deployment (which would require, at minimum, answering “Piloting or Experimenting”).

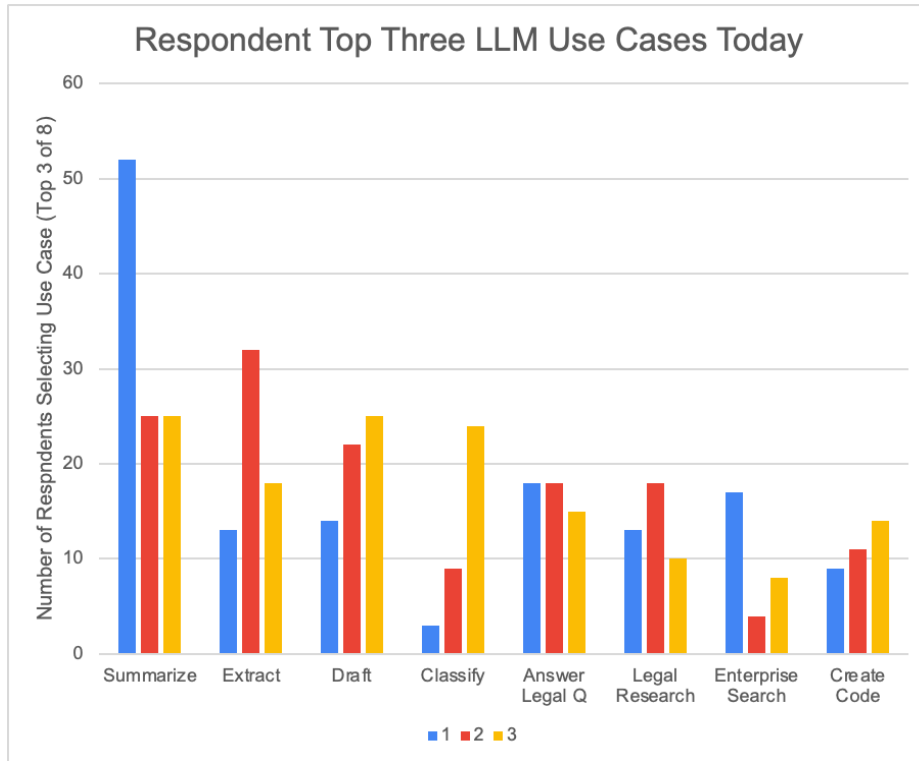


Top Use Cases

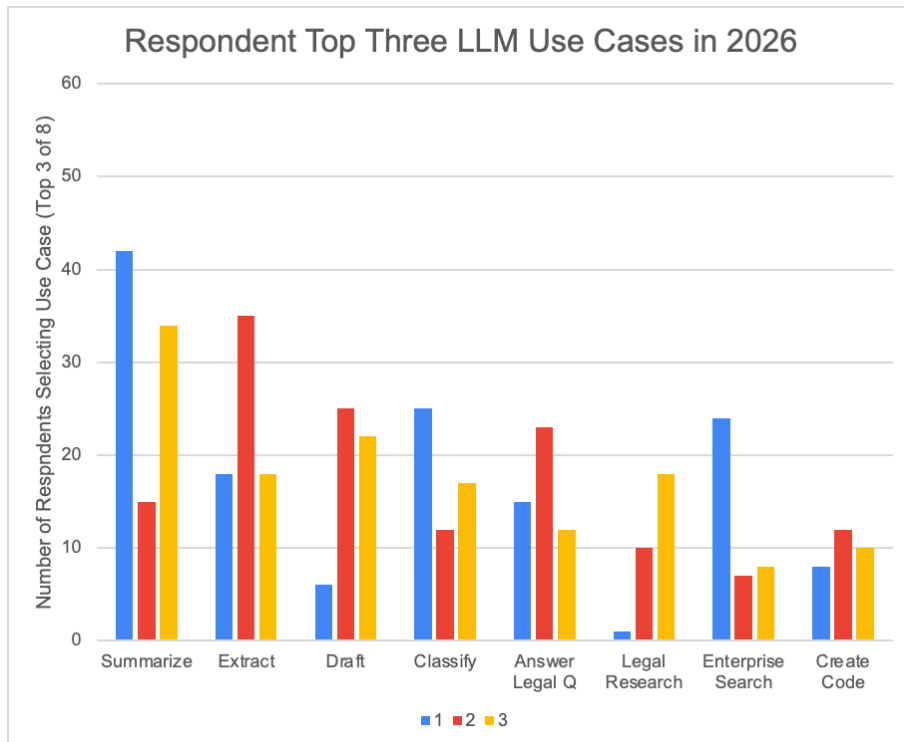
We asked respondents to rank the value of eight use cases. To simplify presentation, we show the results of respondents' top three choices. We note that in many sectors outside of the legal market, software coding is already an established use case. We think coding ranks low in this survey because few of our respondents are coders, or managers of coders.

[Intentionally blank so that two related charts appear on one page below.]

Today

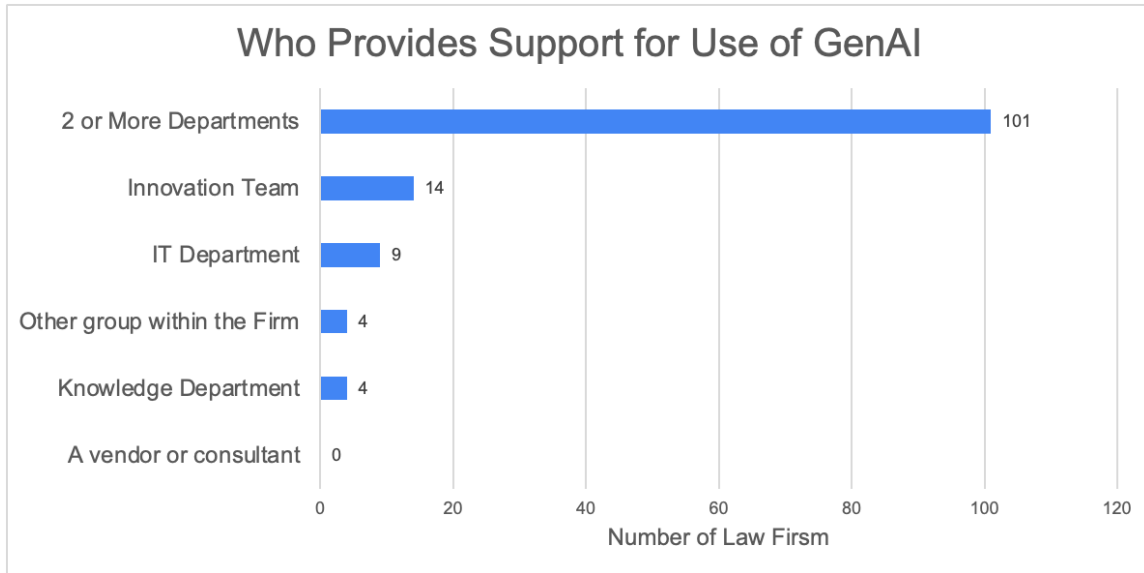


2026



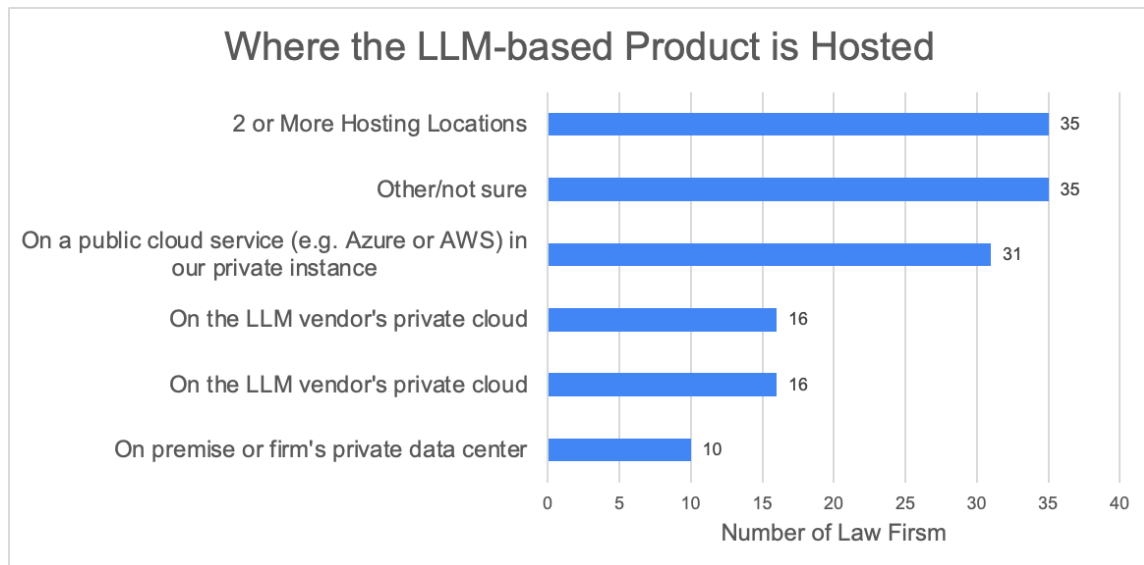
Who Supports GenAI Use

We asked who supports GenAI use. This was a multi-select question. As the chart below indicates, the overwhelming number of respondents chose two or more departments. The only conclusion we can draw, and it is consistent with our own experiences, is that GenAI is a team sport.



Where the LLM is Hosted

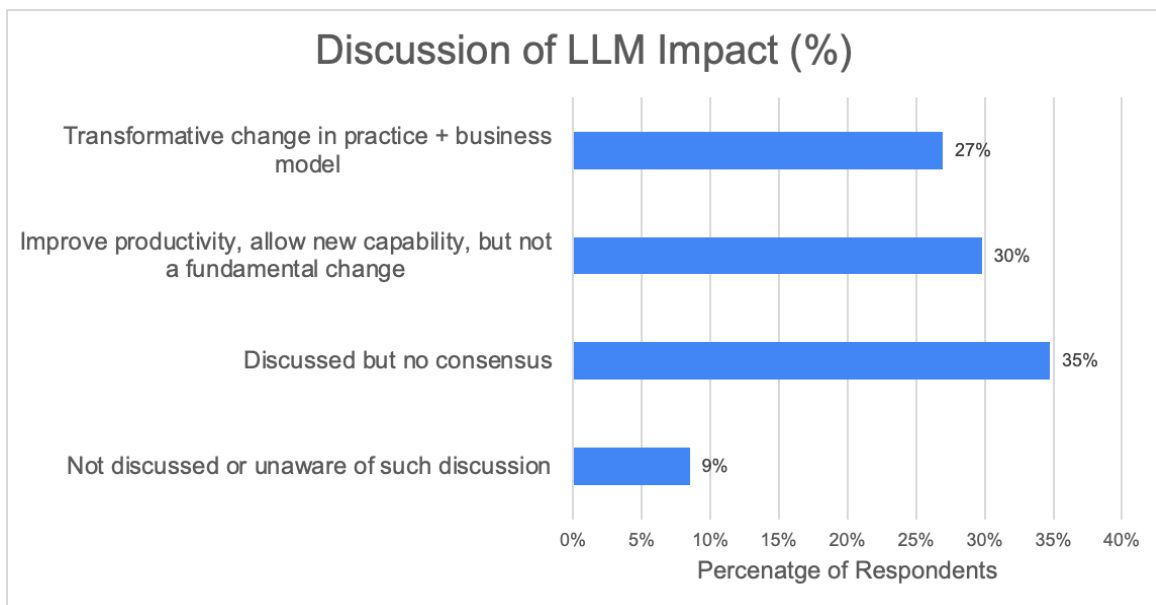
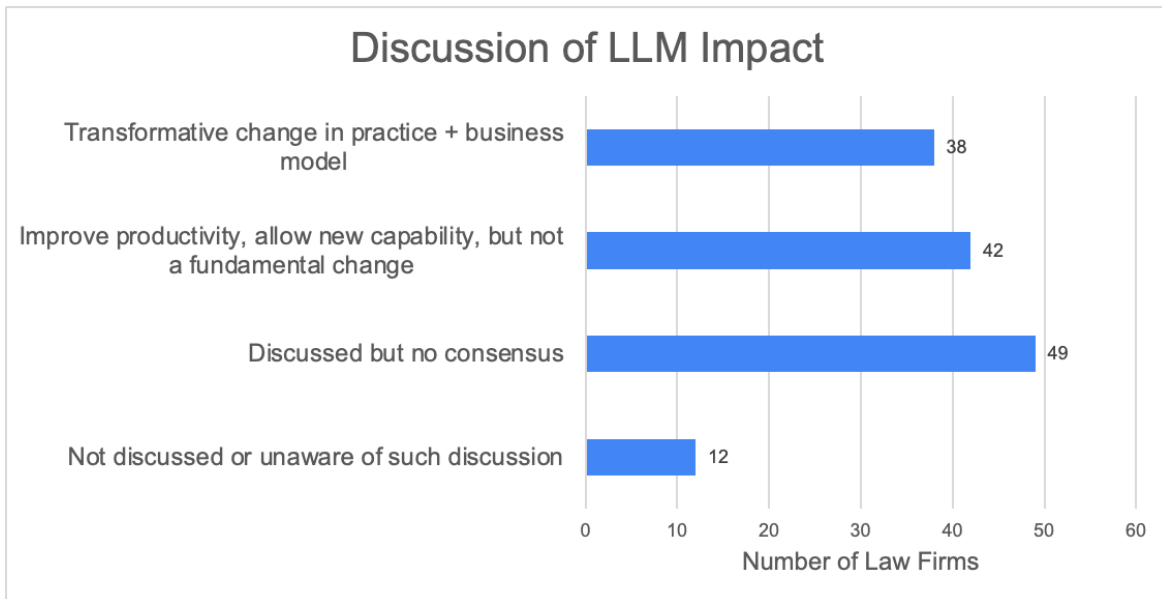
This was a single select question. We were not sure what answers to expect. Our only surprise is that 10 firms indicate they are running it on their own equipment. Given the size and computational intensiveness of LLM, we did not expect to see so many choose this option.



Firm Discussions of the Impact of LLMs

We asked “Has your firm discussed the business impact of LLM-based products on the firm's business and operating model?” Given the mainstream media discussion of (including substantial hype about) GenAI, we assumed that firms would discuss the business and practice impact of this remarkable new technology. For this question, we include a chart with the number of respondents and percentage of respondents.

Excluding respondents that did not address this question, the votes split fairly closely for the options of transformative, important but not transformative, and no consensus. Our view is that we will not know the actual answer for several years.



Conclusions

LLMs hit the market with a force no one expected. Perhaps that is appropriate for tools whose capabilities surprised even their creators. We think few in our group could have anticipated the impact on the legal market of the release of ChatGPT on 30 November 2022.

Within their first year, LLMs have taken large law firms by storm. Despite the excitement, we are not hearing about established use cases. Promising experiments and examples, yes, but not “this always works” use cases, though many report that summarization and drafting simple, non-legal substantive documents are usually good ones. We hope and expect that in the next year, large firms will have discovered the generally reliable and economically beneficial use cases. And that many lawyers will use AI where appropriate.

The year was dominated by general-purpose LLMs and numerous legal tech vendors announcing LLM features, with some releasing those features. On the timing of releases, for example, Lexis, TR, and VLex released LLM features after this survey closed. So our respondents' answers may differ with these and likely numerous other legal tech products with LLM features built-in.

And we need to be prepared for surprises. Big Tech, including OpenAI, are working on new developments and potentially far more capable models. For example, OpenAI announced in November “GPTs” - the capability for even relatively small businesses to launch a customized LLM. Will that product or its legal market equivalent change our use by next year? We live in exciting times for legal tech.

Appendix: More About the Survey

In selecting one respondent per law firm, our choices favored senior titles over junior ones. In addition, we chose titles suggesting work in innovation and technology over pure KM where titles appeared equally senior.

For a dozen-plus firms, we reviewed responses from multiple individuals at those firms. As we expected, junior individuals answered differently than leaders. We were surprised, however, to see several instances where heads of KM and heads of innovation answered differently, at least for some questions.

Given these issues, it may be that aggregate responses do not always accurately reflect the actual reality in some respects. Moreover, our conversations with law firms suggest the LLM market landscape - as well as firm experience with LLMs - is evolving quickly. Consequently, we suggest you treat our analysis here primarily as a recent snapshot of the evolving market.