# Legal sector urged to embrace generative AI to avoid becoming the next Kodak



In a recent discussion highlighting the transformative impact of generative artificial intelligence (GenAI) on legal practice, John Tredennick, CEO of Merlin Search Technologies, impressed upon a senior law firm partner the inevitability and urgency of adopting this technology. The conversation, recounted in an article published by JD Supra, explores how GenAI platforms like Tredennick’s Alchemy are revolutionising litigation-related tasks, offering rapid analysis and document creation that traditionally demanded extensive human labour.

Tredennick demonstrated to his colleague, Jack, a senior partner at a national law firm, the capacity of the Alchemy platform to complete complex tasks such as generating timelines, conducting witness examinations, and processing thousands of pages of deposition transcripts and medical records in mere seconds or minutes—work that might otherwise take days or weeks. A particularly striking illustration was when Alchemy produced a 60-page closing argument for the BP trial within approximately one hour.

Reflecting on the encounter, Tredennick quoted Jack’s candid admission of concern among his partners about the impact of such technology on their business model, which traditionally depends heavily on billable hours. Jack expressed, “Many are already nervous about what new products like Alchemy will do to their business. You must know this will not be an easy sell.” Tredennick acknowledged these fears as legitimate given the entrenched structures in large law firms but emphasised the unavoidable progression: “This train is coming, whether we like it or not! Your only choice is to board one of the front cars, where the cushions are soft and the drinks are free. Otherwise, you may find yourself riding in the caboose, or even left on the tracks.”

Drawing parallels to past industrial upheavals, Tredennick urged the legal industry to learn from the contrasting fates of Kodak and Fujifilm in the photography sector. Kodak, once an industry titan and Fortune 500 company, failed to adapt to the digital photography revolution, clinging to its lucrative film business. This resistance led to a steep revenue decline and bankruptcy within seven years despite foreseeing the disruptive technology. In contrast, Fujifilm recognised the threat early, diversified into pharmaceuticals and cosmetics, transformed its film expertise into medical imaging, and embraced digital photography, resulting in sustained growth and a flourishing business today.

“Whatever you do, don’t be Kodak,” Tredennick advised.

The implications for legal firms are profound. The article notes that AI technologies are already reshaping legal workflows: document reviews once conducted by many associates are now completed by AI systems with higher speed and growing accuracy; deposition analyses are summarised within minutes; and contract drafting and reviews are accelerated through AI-assisted platforms. These advancements herald a shift away from time-based billing toward value-based pricing models that reward efficiency and outcomes rather than hours worked.

Tredennick encourages legal professionals to proactively master and integrate GenAI into their practice, develop specialised AI-powered legal services, and innovate operational workflows. “Firms that adapt will explore value-based pricing models that decouple revenue from time spent and transform their operations for dramatically greater efficiency,” he said.

The article concludes with a metaphor underscoring the urgency of embracing AI-driven change within the legal sector: “The train is indeed coming; arguably it’s already here. Some are onboard, others are clambering on. There may not be enough seats for everyone to ride.”

This commentary from the CEO of Merlin Search Technologies highlights both the challenges and opportunities confronting law firms as they navigate the rapidly evolving landscape shaped by generative AI technologies.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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