

CASE STUDY

CONTRACT STANDARIZATION

The Challenge:

The *Ius Juris* Client is a Fortune 500 corporation in the food services industry. It procures a voluminous amount of good and services annually, with a large portfolio of contracts. The Client requested a standard form contract to be developed, with the following also applying:

- Extract and distil the terms of the standard contract from the various documents then being used;
- Update those with the more current corporate and legal policies then applying;
- Develop up to two fallback options for each clause in the standard contract;
- Ensure that the entire contracting process can be run in the electronic contract management system recently acquired by the Client; and
- Reduce the time required to finalize contracts on an ongoing basis.

The *Ius Juris* Solution:

Ius Juris had detailed meetings with the Client's in-house legal and procurement team members and gathered all relevant documentation to better understand the Client's requirements. The discussions helped identify many preferences, things to avoid, and, among other things, revealed those clauses that caused the most (and least) requests for modifications from the other side. This upfront effort helped identify the main elements required in the standard contract, and the preferred ingredients and style of most terms of that contract.

Ius Juris developed the standard contract by first extracting from the various contract documents all the terms to be in it. Each of the terms was carefully analyzed and the best form was chosen or drafted from the various versions. The second and third option terms were also extracted from this exercise, wherever

possible. Then, Ius Juris carried out a search of best practices in contracting and terms and inserted those as appropriate to improve the document. Next, the terms were closely reviewed in light of the corporate and legal policies applying, and further modifications to the terms were made where necessary.

The standard contract, including the fallback options, was then reviewed with the Client's legal and procurement teams. Feedback from this step helped further improve the document. Particular attention was given to risks and liabilities in the document, so as to understand their impact and so as to ensure that they were in line with the Client's internal policies.

The Outcome:

Ius Juris delivered the following benefits to the Client:

- An updated standard contract document with fallback provisions;
- Removed the multiple documents previously being used;
- Increased compliance of the required contractual terms;
- Improved legal protection on a consistent basis;
- Quicker turnaround times;
- Centralized administration by the service center leading to timely execution
- Significant cost savings and time savings for the in-house legal team on an ongoing basis; and
- Improved transparency and record-keeping on the Client's electronic contract management system.