



CASE STUDY

# Hachette UK enables employees with machine learning-driven contract searches

An empowering culture change improves efficiencies and expands knowledge

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Hachette UK is the second largest book publishing company in the UK, producing 5,000 new books annually. With some of its companies dating to the 1850s, Hachette UK followed an esteemed tradition, but realized it needed to modernize some of its practices. As its group of publishers grew, different divisions imported storage software for author contracts, technical and service agreements, licenses and other legal documents. They independently experimented with digitization (including scanning contracts and saving them to shared drives). Ultimately, Hachette UK assembled an array of solutions to scan paper records, search copyrights and licenses, and save legal and vendor agreements.

### Business situation

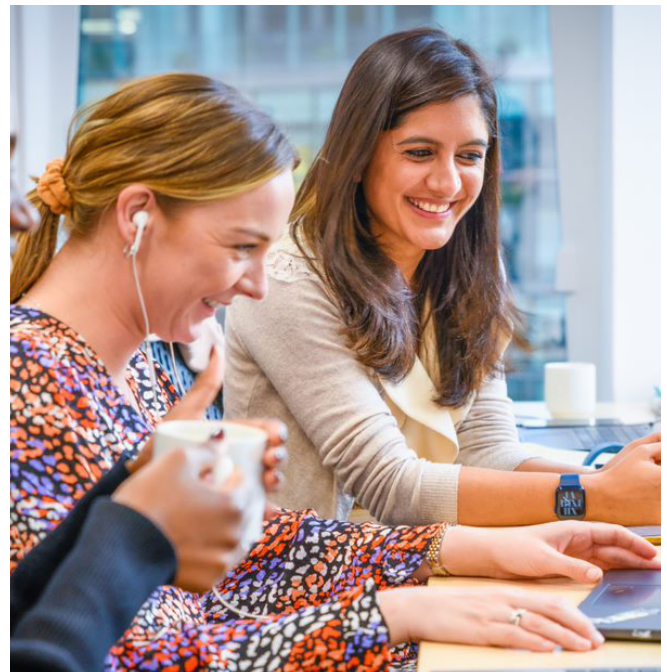
#### Existing software was limiting

The term of a typical business contract expires after a handful of years. The legal term of copyright in the UK, however, lasts the life of the author plus 70 years. This is the standard term of license for many of Hachette UK's contracts with its authors. Hachette UK needs to retain records for a long time and needs continuous access to them.

Hachette UK was still manually tagging documents, many of them only physical copies stored in boxes. Some of the software solutions used in single divisions of the company worked better than others at making paperwork available electronically, but they didn't speak to the bibliographic system, which handles Hachette UK's catalog but has limited facility for storage of documentation.

Hachette UK looked at Microsoft technologies that could:

- Reduce expensive, time-consuming and error-prone manual efforts
- Accelerate digitalization of paper records
- Free up staff for value-add work
- Offer a consistent and accessible user interface for all employees (compliant with Web Content Accessibility Guidelines)
- Make it easy for every employee to explore documents within a database for the entire organization



### Solution

#### Rapid development of an AI based product enabled natural language search of documents

Familiar with Avanade from engagements developing intelligent automation solutions, Hachette UK turned to us to validate automated identification and cataloging of key entities. "Having worked with the team from Avanade to create an intelligent automation solution for our distribution business, they were a natural choice to aid in our proof of concept

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and subsequent development project," says Chris Howell, chief information officer at Hachette UK.

We understood the complexity of its environment and created a scalable architecture that ingests, prepares and transforms large volumes of data from a variety of sources. By reviewing hundreds of contracts, the data science team developed machine learning models that identify patterns across contracts from different divisions or with different formats.

Our London [Digital Innovation Studios](#) team looked at the solutions Hachette UK used and listened to employees before developing a web app through a design thinking approach. It enables contextual search and visualization in [Microsoft Azure](#) cloud through a clean and simple experience, with menus and options specific to permissioned roles. Users can search for extracted information against key entities and identify related documents.

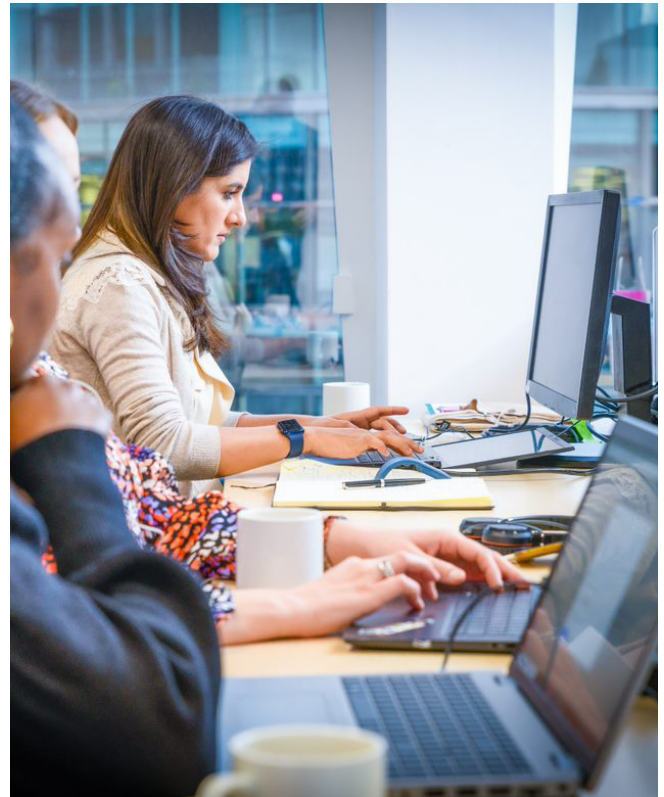
Custom machine learning algorithms to accurately identify, extract and catalog pertinent contract details helped:

- Automate the extraction of all information from scanned paper contracts
- Improve the organization of, access to and search within digitized documents
- Modernize knowledge acquisition among employees
- Increase transparency for Hachette UK business units so they can identify and search legal data and access reporting on their own

## Results

**Investment in AI development has forged a new path for Hachette UK**

In earlier attempts to modernize document storage and reference, Hachette UK funded projects in bursts, spending £10,000 to £20,000 for each. Now that Hachette UK has brought all its information together in one solution, employees feel an ownership that encourages them to act decisively and immediately, within roles managed in the bespoke solution.



"I was really impressed with how quickly they got to know the terms of contracts and expressions used in our industry. There was so much demonstration throughout, and that we were able to test so frequently was great." Hachette UK has identified additional automation opportunities."

- Alex Hardy, Former General Counsel at Hachette UK

Training began with the Contracts & Business Affairs department, with Editorial Operations next and Royalties and other groups to come. Hachette UK prioritized rollout according to how frequently distinct groups will use the information management system.

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Metrohm ensures delivery quality and lifetime excellence with business process automation

In the earliest stages of use, Hachette UK counted success in:

- Immediate, self-service location of information vs. a typical 24-hour turnaround by the Contracts & Business Affairs team
- 90% accuracy in data extraction and key entity identification in sampled documents
- Planned license fee elimination for multiple out-of-date solutions
- Direct connectivity and daily updates from the company's bibliographic database
- Reclaimed employee hours formerly spent searching for and labeling data
- A single source of reliable data, including original contract terms and new rights

"Lawyers and contracts professionals are generally risk-averse by nature. We like to have all the information in front of us from the start, so Agile delivery can be very daunting. But work with the Avanade team was great," says Alex Hardy.

"The Avanade team did an exceptional job of engaging with Alex and her team," Howell adds. "Finding technology partners who can collaborate so effectively in such a technical area is hard, and I would not hesitate to recommend the team we had."

## About Hachette UK

The mission at Hachette UK is to make it easy for everyone, everywhere to unlock new worlds of ideas, learning, entertainment and opportunity. It is the UK's second largest publishing group, with 10 autonomous publishing divisions and over 50 imprints with a rich and diverse history. It is also the market leader in e-books and publishes a range of bestsellers in audio format, the fastest growing part of its business. Hachette UK publishes thousands of new books across the group every year and its authors include Brit Bennett, Candice Carty-Williams, Martina Cole, Michael Connelly, John Grisham, Stephen King, Stieg Larsson, Nelson Mandela, Stephenie Meyer, Maggie O'Farrell, Delia Owens, Ian Rankin, J.K. Rowling, Colson Whitehead and Malala Yousafzai. Its award-winning adult publishing divisions are Orion, which won Publisher of the Year at the 2021 British Book Awards, Little, Brown, John Murray Press, Hodder & Stoughton, Headline, Quercus, Bookouture and Octopus. Hachette Children's Group publishes a diverse range of books for children of all ages and Hodder Education is a market leader in resources for both primary and secondary schools. Hachette UK has offices around the UK, including headquarters in London, the Hely Hutchinson Centre (HHC) for distribution in Didcot and five new national offices in Edinburgh, Manchester, Newcastle, Sheffield and Bristol, as well as offices in several other regions that form part of the Hachette UK territory, including Australia, India, Ireland, Hong Kong, Singapore, Jamaica and New Zealand.

## About Avanade

Avanade is the leading provider of innovative digital and cloud services, business solutions and design-led experiences on the Microsoft ecosystem, and the power behind the Accenture Microsoft Business Group. Learn more at: [www.avanade.com](http://www.avanade.com)

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