

Automated Contract Selection Streamlines Global CLM Solution

Business Overview

Over the last 50 years ASM International NV (ASM) has been a leading supplier of semiconductor process equipment for wafer processing. ASM's broad portfolio of innovative technologies and products are being used right now by the most advanced semiconductor fabrication plants around the world, making integrated circuits or chips smaller, faster, and more powerful for everyone. With more than 2000 employees, ASM is continuing to deliver on innovative solutions in one of the most complex and disruptive technologies of all time.



Industry

- Semiconductor

Challenges

- Current systems (Memotech and SAP) unable to meet demands of a multinational, hi-tech company
- The volume of NDAs and the risk of signing the wrong agreement was impeding operations
- An organization made up of subsidiaries and entities required fine-grained access controls and permissions

Agiloft Benefits

- Streamlined operations, freed up resources, and removed the need for a full-time contract manager to manually oversee worldwide CLM
- Improved user experience with a real-time, step-by-step guide for users to ensure engagement and system literacy
- Eliminated errors by automating contract/agreement selection process with custom user questionnaires
- Increased security and oversight with layered network of permissions reflecting the unique global business structure

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– Todd Westersund, ASM Director and Senior Global Legal Counsel

Challenges

After half a century of operations, ASM has established a reputation as one of the biggest players in the semiconductor market. In order to maintain that reputation, it is paramount that they protect all aspects of their technology and their business across their 14 global locations. For years, the oversight of non-disclosure agreements (NDAs) and contracts fell to the legal team. Remarkably, the legal team employed just three attorneys to handle contracts worldwide.

The legal team initially enlisted the contract module of their IP database (Memotech) to help manage their agreements, but this quickly proved inadequate. A greater limitation was that Memotech only had admin licenses, of which ASM only had a few, which could not be given to end users because of security reasons. As a result the legal team was the contact point for thousands of contracts, NDAs, and their statuses.

"We're a very small legal department of a multinational company based out of the Netherlands, but we require an NDA signed by just about everyone who interacts with our business," ASM Director and Senior Global Legal Counsel Todd Westersund said. "It was overwhelming trying to keep track of everything. We would get hundreds of emails a day asking if we had an NDA in place with a particular person or company—it drove everyone crazy."

The Search

Once it became clear that Todd and his team required a robust solution with user access for all employees, they began looking into the top-ranked providers. Given the complexity of their business, the obvious choice was something that was already a part of their ERM (Enterprise Risk Management) system. They started with SAP Ariba, assuming it would offer everything they needed. However, after exploring the solution's functionality, they realized it would require extensive customization and layers of code to work to their specifications.

After this disappointment, Todd went back and started another RFQ. "It turns out that everyone sells a contract management solution now. We had to weed through all the options, knowing that we didn't just want a database—we needed custom templates, DocuSign integration, and something adaptable to our business units in every country. In the end we narrowed in on three vendors."

Ultimately, the decision came down to usability and flexibility. Todd and his team wanted the freedom to make changes directly to the system without needing to arrange for consulting hours just to update a template. And while they had established that SAP wasn't the right fit for them, they wanted a software that could integrate with it in the future without any disruption to the business. Lastly, they needed a system they could host on their internal servers rather than the cloud—requiring a provider who was willing to accept and deliver this arrangement.

"In the end, we determined that with Agiloft, we could use and adapt the system as we went along," Todd said, "without having to go through an extensive effort every time we wanted to make one little change."

The Project

One of the first priorities for the new Agiloft CLM solution was to streamline the NDA process for all ASM employees. First, all the documents needed to be centralized so there weren't different storehouses in each location. Second, end users needed to be able to get updates on where agreements were in the system to allow them to safeguard critical information. To accelerate this transition, Agiloft integrated with LDAP to ensure that every employee had access to the Agiloft solution and could view and manage the NDAs associated with their work. As soon as a new team member is added to the ASM employee roster, they become part of the Agiloft system and are empowered to play their part in supporting the business objectives and protecting ASM's IP assets.

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— Todd Westersund

With the help of Agiloft's custom templates, ASM was also able to develop unique functionality that directly complemented the way that they operate. By introducing a questionnaire prior to the input of a new entry, they were able to automate the process of determining which NDA was best suited for the user's purpose. Prior to the automated Agiloft questionnaire, employees selected a template off the company's intranet with no guarantee that it was the right contract for their situation.

"We work for big semiconductor companies who are very particular about the information that they share with us and same goes for us with our suppliers," Todd said. "We have standard NDAs, pre-signed

NDA, and restricted-use NDAs. With Agiloft, we were able to automate the process of determining which contract best serves the business. Automating the contract selection process has helped us avoid a lot of problems. We've all been surprised at how well it works."

ASM's customization of the Agiloft solution captured other unique aspects of their operations, including the incorporation of their master purchasing agreement (40 pages long with attachments) and multi-party agreements. When Todd and his team looked back in the database they realized that some of the agreements were between more than two entities—now, their system allows for the easy addition of a second supplier on a contract or signee on an NDA—saving valuable time on modifying templates.

Another uniquely customized time-saving element of ASM's Agiloft solution involves the user experience and real-time training. Given the physical and cultural distances across the organization, ASM wanted to design the system with step-by-step instructions to ensure accuracy throughout. They worked with Agiloft to develop a real-time, step-by-step guide that walks users through each action in the system. With ASM's customization, directions appear right in line as users are clicking through—different instructions appear across the screen based on different contract types. Given the infrequency with which many employees engage in contract management, users have benefited from these operational guardrails.



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Solution Benefits

Prior to the implementation of the Agiloft CLM software, ASM had limited oversight of what their internal entities and subsidiaries could or could not access. This is a significant risk for an organization of ASM's size and complexity. The Agiloft solution was able to develop fine-grained permissions associated with multiple internal entities and even contract types—molding itself to complement ASM's unique corporate structure. Beyond the improved security resulting from these layered controls, users benefit from a more customized experience, viewing only the documents and workflows that pertain to their area of the business.

"If it's not easy to use, people won't use it and that's usually what happens. But everyone here thinks our system is pretty cool," Todd said. "Now they're all asking me how to get more access—they're excited rather than frustrated. Especially around the approval and reminder processes, with all those records in the system, the end users are more informed and engaged. I've done a lot of training on Agiloft around the world and everyone responds well to the solution. Just today, we had a new person join from one of our major customers and she acknowledged her preference for our system."

Prior to the Agiloft solution, ASM required a full-time contract manager to oversee the contract lifecycle and ensure the right level of oversight for this critical operation. There was also limited awareness across the legal team for who was doing what and exactly how tasks and time were allocated. Now, with Agiloft, all of these elements are automated—streamlining operations, freeing up important resources, and no longer requiring a manager for the manual tasks.

“We got what we wanted and we’re continuing to add new functionality and think up new things,” Todd said. “Agiloft is a very customizable system that can work with how your company runs. If you have a bunch of subsidiaries around the world, like we do, you have to consider that added complexity. If you just want a database, anyone can do that. But if you want customized templates in a system that looks like it was designed specifically for your company, by your company, then that’s Agiloft.”

Let Us Show You

What Agiloft has done for ASM, it can do for you. Let us show you how. In a few hours, we can set up a custom proof of concept featuring your toughest business process. Give us a call to schedule a time.

About Agiloft, Inc.

As the global leader in contract and commerce lifecycle management (CCLM) software, Agiloft is trusted to provide significant savings in purchasing, enable more efficient legal operations, and accelerate sales cycles, all while drastically lowering compliance risk. Founded in 1991, Agiloft’s adaptable no-code platform ensures rapid deployment and a fully extensible system. Using contracts as the core system of commercial record, Agiloft’s CCLM software leverages AI to improve contract management for legal departments, procurement, and sales operations. Visit www.agiloft.com for more.