



AI 2035: The Legal Profession and the Judiciary in the Age of Artificial Intelligence

Negotiation Support Tools: How AI Is Changing Deal Dynamics

This session explores how AI-powered negotiation support tools are reshaping deal-making dynamics, from strategy development to real-time drafting and analysis. Attendees will gain insight into how these technologies are influencing transactional practice and how legal teams can effectively integrate them into negotiations while maintaining control of the process.



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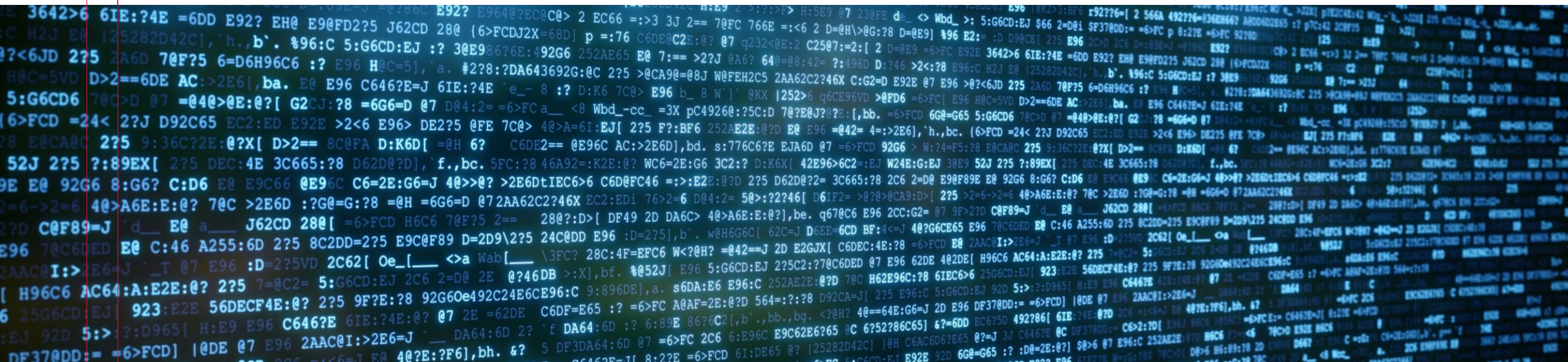
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Negotiation Support Tools

How AI Is Changing Deal Dynamics



Agenda

- Introduction
- Traditional Deal Model
- AI and Negotiation Dynamics
- Strategic Layers
- Practical Implications
- Takeaways & AI Toolkit



Poll: What's Your AI Experience ?

Are you currently using AI in your everyday practice?

1. Yes, everyday.

2. Yes, more days than not.

3. A little, I am starting to dabble in AI

4. No, but I would like to start.

5. No.



Poll: Where Is AI Already Showing Up in Your Deals?

Where is AI already showing up in your deals?

1. Diligence

2. Drafting / redlines

3. Issue lists

4. Playbooks

5. Negotiation prep

6. Not yet used



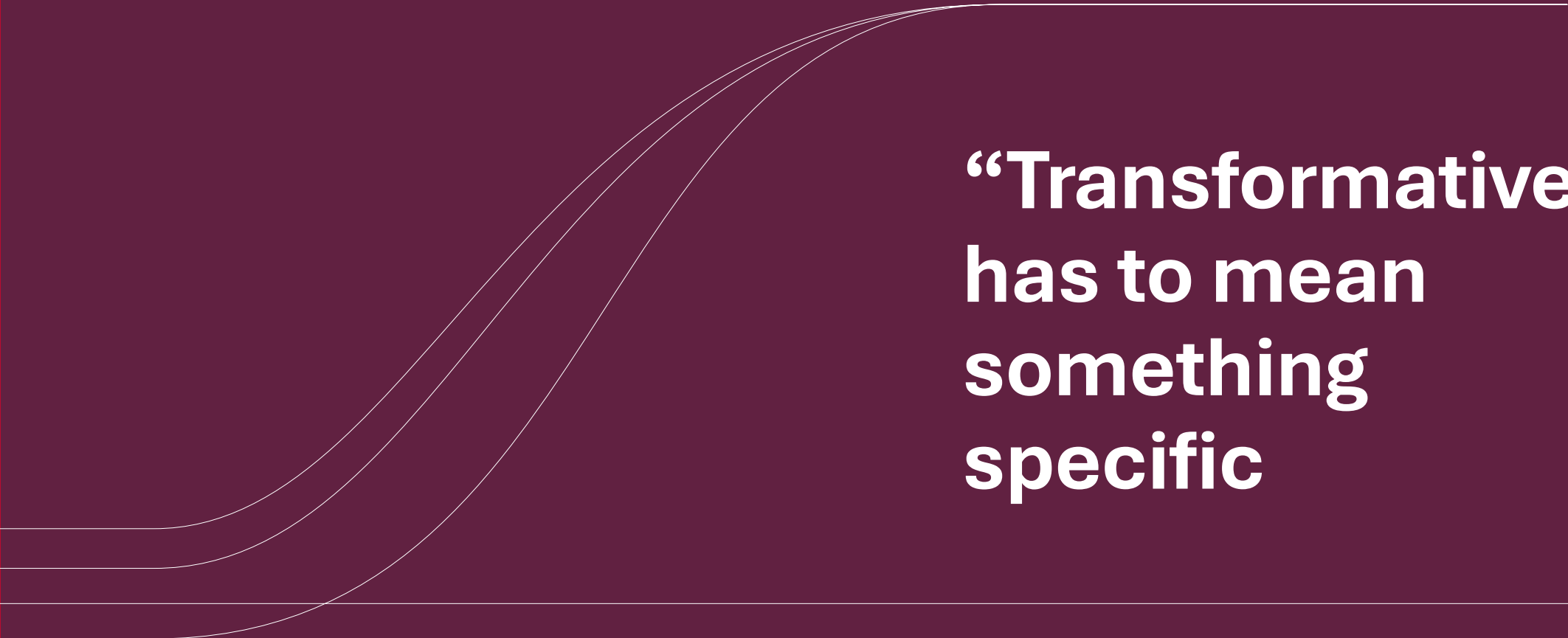


AI May Be the Next “Internet” for Deal Practice

Comparable in scope, potentially faster in adoption.

- AI may be the next major transformative shift in deal practice, comparable to the internet and email but unfolding on a much faster timeline.
- In negotiations, deal dynamics are the variables that shape behavior and outcomes: information, timing, issue framing, pressure, sequencing, and decision-making.
- AI will affect each of those variables differently across the deal process.
- The key question is not simply whether AI makes lawyers faster, but how it changes who has leverage, when, and why.
- But “transformative” only matters if we translate it into deal-dynamics terms.





**“Transformative”
has to mean
something
specific**

Deals Are Driven by Leverage, Not Abstract Correctness

In negotiated transactions, outcomes don't always turn on who is “right” in the abstract.

They are driven by:

- Who identifies the issue first.
- Who frames the issue first.
- Who forces decisions under pressure.
- Who preserves trust while applying pressure.

AI is transforming each of these factors.





AI Is Changing Who Has Leverage, Not Just Who Works Faster

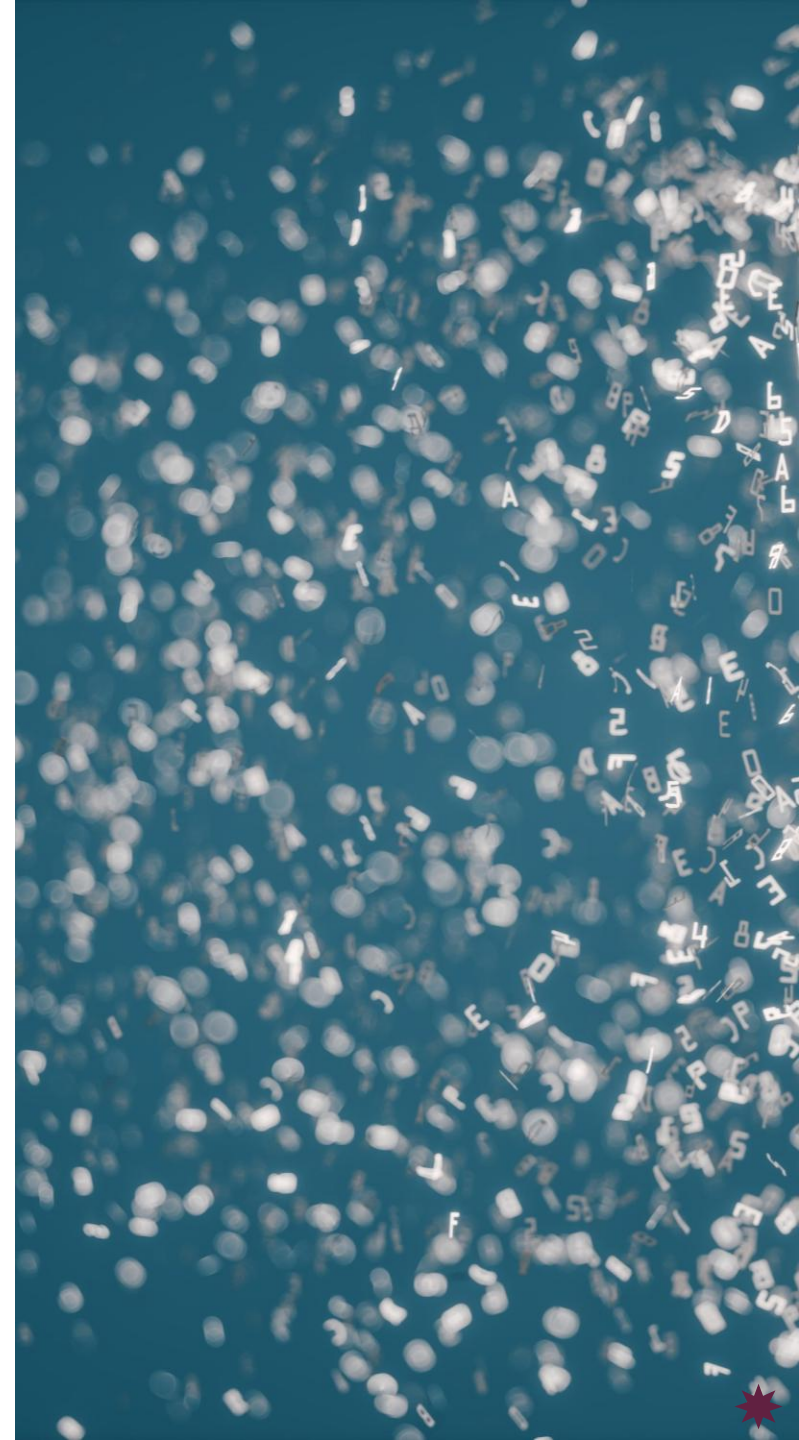


AI Is Changing Who Has Leverage, Not Just Who Works Faster

- Speed matters when it changes timing and pressure.
- Information matters when it changes who can frame the issue.
- Options matter when they create credible moves.
- Judgment still determines what is usable.

Leverage Lens

- What changes?
- Why does it matter in negotiation?
- How does it affect leverage?



***AI Is Not Just Changing Outcomes,
It is Changing the Inputs that Determine Them***

*Artificial intelligence is often described as improving speed and efficiency. While that is directionally correct, it understates the more **fundamental shift**.*



The “Traditional” Deal Model

A familiar deal model is the baseline for understanding what AI changes and the shift happening in our field.

Traditional Transaction Lifecycle

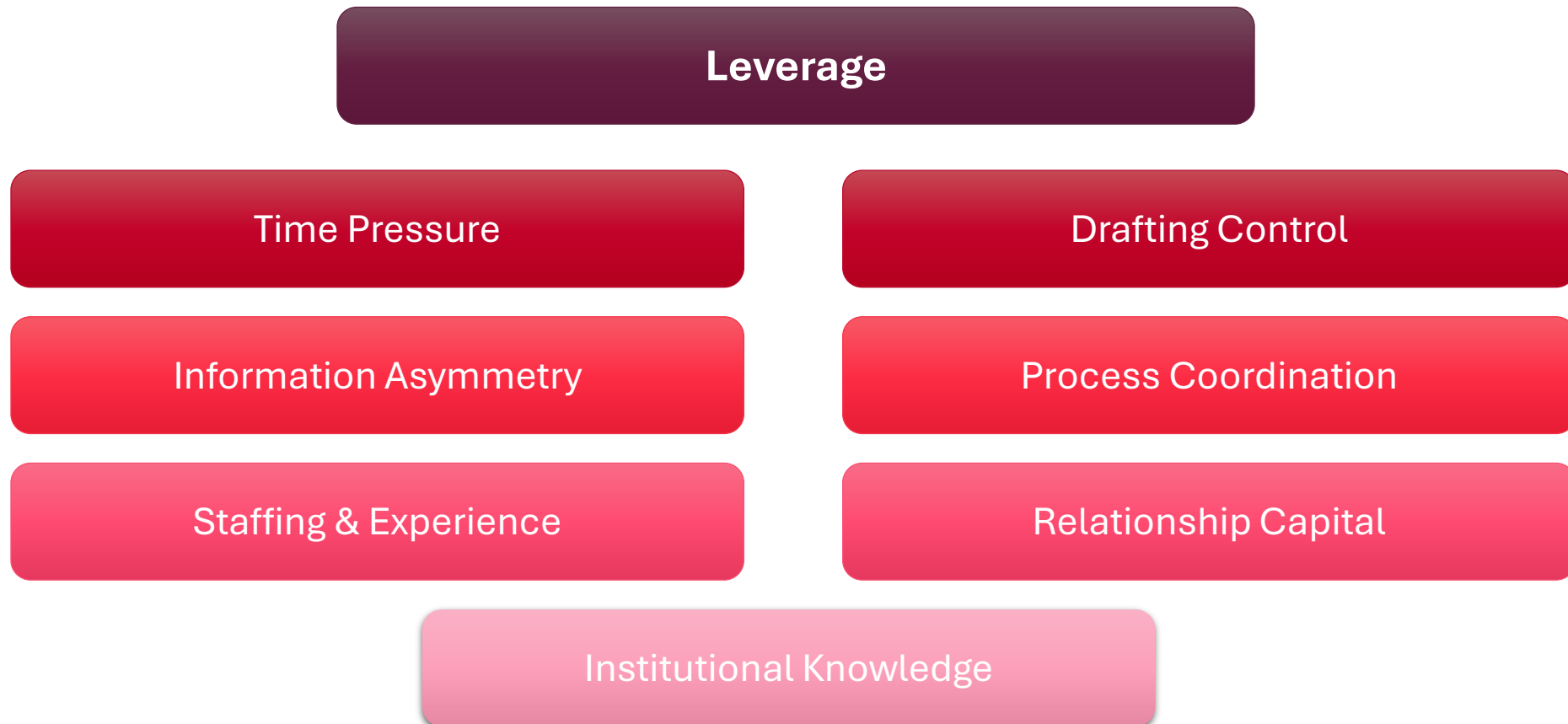
At every step of the deal lifecycle, AI has the potential to change inputs, behavior, and leverage.



AI is not a separate phase. It can alter the inputs within every phase.

Traditional Sources Of Negotiation Leverage

AI acts on traditional leverage sources rather than inventing wholly new ones.



Information Asymmetry

Who knows more, earlier?

Historically, the advantage went to the team that could find, organize, and act on information first.

- Staffing depth mattered.
- Diligence discipline mattered.
- Institutional knowledge mattered.



Time Pressure: How the Clock Controls the Deal

Traditional Pressure Points

- Bid deadlines
- Signing targets
- Financing windows
- Client urgency
- Counterparty bandwidth



Drafting Control And Process Coordination

Why first frame matters

- First drafts anchor positions
- Redlining creates optics of aggressive (or not) posturing
- Issue sequencing shapes negotiation
- Process control influences pace
- Agenda control affects pressure



Traditional Deal Processes Create Predictable Leverage Points: Why First Frame Matters

Leverage Often Comes from Sequencing, Not Just Substance

- Preparation and diligence create information advantages.
- Who moves first can shape the negotiation path.
- Who frames first can shape the issue.
- Process control influences pace and creates timing advantages.
- Who escalates first can shape the pressure.
- Who filters first can preserve credibility

The Traditional Model Rewards Staffing, Precedent, Process, and Experience

- Large teams can divide issue spotting and drafting.
- Precedent and institutional memory improve preparation.
- Process discipline accelerates response.
- Experience helps distinguish material issues from noise.



Poll: Which Traditional Source of Leverage Is Most Exposed to AI?

Where do you think AI most changes deal dynamic and negotiation leverage?

1. Information Access

2. Speed

3. Staffing capacity

4. Drafting control

5. Preparation

6. Relationship capital



Where AI Enters The Deal

*The tool is less important
than the negotiation input it
changes.*



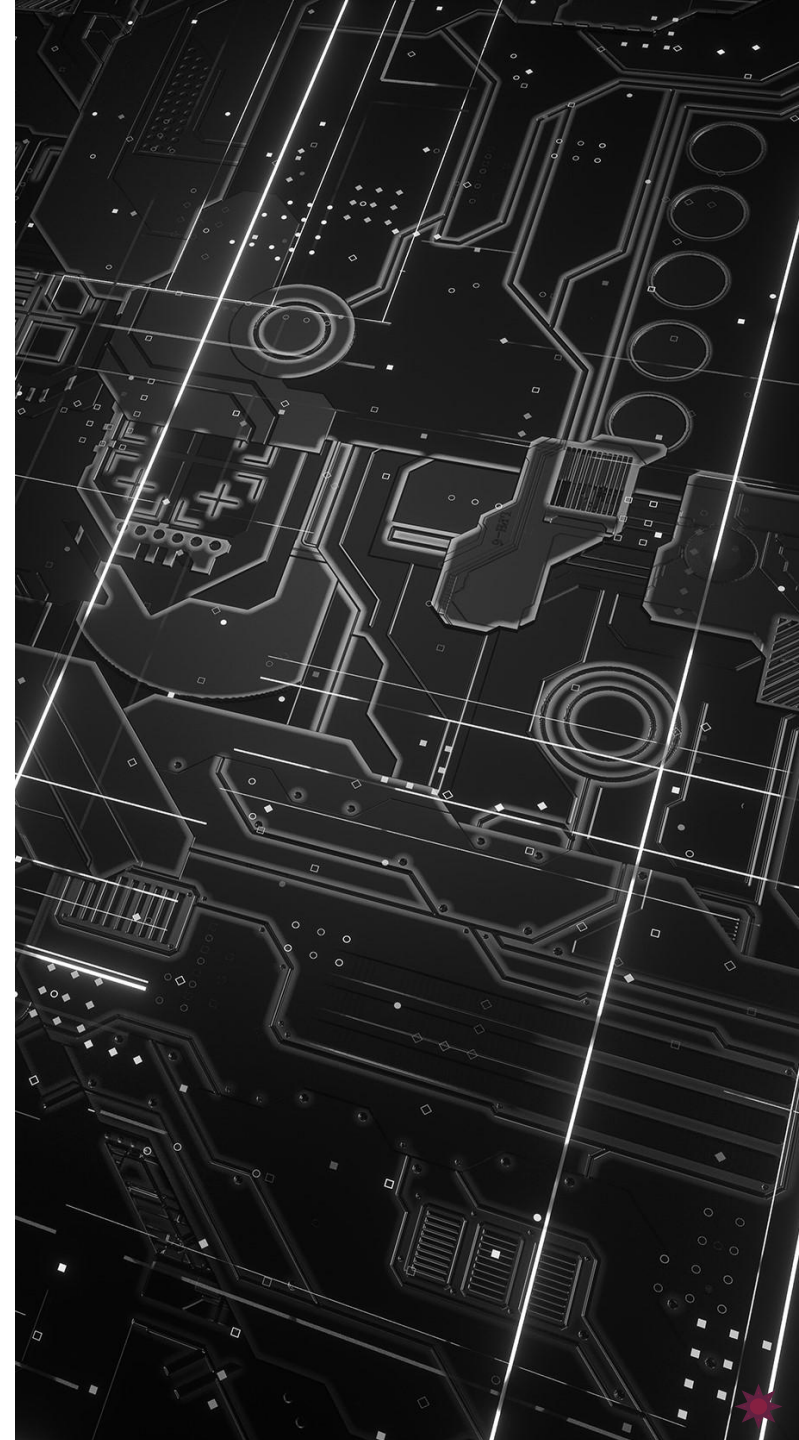
***AI is Altering the Underlying Inputs
that Shape Negotiation Dynamics
Specifically, How Information is Generated,
Processed, and Acted Upon***

*In turn, these changes influence how leverage is created,
exercised, and ultimately how outcomes are determined*



AI Changes Inputs Before It Changes Outcomes

- Inputs include information, speed, analysis, options, and escalation timing.
- Changed inputs alter behavior.
- Changed behavior can shift leverage.
- Leverage may influence outcomes, depending on context.



The Core Mechanism

Inputs → Behavior → Leverage → Outcomes



AI does not directly dictate outcomes - It changes the inputs that shape negotiated behavior.

The outcome claim is indirect and context-dependent.

Two Inputs AI Changes The Most Information & Behavior

Information

Volume, access, synthesis, and issue visibility.

Behavior

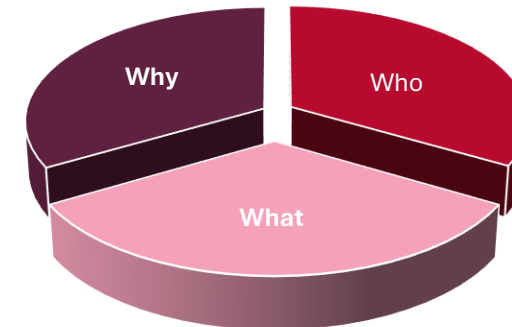
Preparation, escalation, option generation, and timing

- The negotiation impact appears when those two inputs interact.
- The question is always: *what behavior changes?*



AI is Ripe to Attack Traditional Sources of Deal Dynamics & Negotiation Leverage

- Information asymmetry
- Time pressure and sequencing
- Drafting and process control
- Experience, staffing, and institutional knowledge
- Playbook discipline and relationship capital



AI Capability Becomes Negotiation Leverage *Only Through Use*

- Tool access is not the same as speed and is not the same as leverage.
- Execution determines whether capability affects behavior.
- Disciplined use can create timing, framing, and option advantages.
- An unfiltered output can weaken a position.



Poll: Where Does Leverage First Appear in a Deal?

Where does leverage first appear: before LOI, during diligence, in the first draft, on negotiation calls, or at escalation?

1. Preparation before formal negotiation.

2. Issue visibility during diligence.

3. Drafting Control.

4. Escalation and client alignment.



Poll: Which Deal team members benefit most from AI in the Near Term?

- 1. Associates – Junior
- 2. Associates – Midlevel/Senior
- 3. Partners – Junior
- 4. Partners - Senior
- 5. All equally
- 6. Too early to tell





How AI is changing the traditional deal model & dynamics



Deal Dynamics Means the Movement of Information, Pressure, and Decisions

In negotiations, deal dynamics are the variables that shape behavior and outcomes: information, timing, issue framing, pressure, sequencing, and decision-making.

Speed of Issue Detection and Information flow

What is known, when, and by whom.

Escalation Pressure

Sequencing, timing, and counterparty reaction.

Preparation Asymmetry

How unevenly parties enter negotiation

Decisions

Escalation, client alignment, and approval.

Fallback Generation

How options and concessions are structured

Relationships

Trust, tone, and credibility.



AI Affects Six Deal Variables



Each deal button changes negotiation behavior and leverage in a different way.

Faster Issue Detection Changes Who Controls the Negotiation Tempo

- AI can surface issues earlier.
- Earlier issue lists can drive earlier counterparty response.
- Speed becomes leverage when it creates usable pressure.
- Speed without triage can produce noise.



AI Can Create a No-Huddle Offense in Diligence

1

Buyer reviews diligence overnight.

2

Buyer identifies consent issues and termination rights.

3

Buyer drafts the purchase agreement around those issues.

4

Seller is still organizing its response.

Speed changes who controls the first frame.

- Rapid issue spotting changes pacing.
- The other side may be forced to react before fully organized.
- Escalation can occur earlier.
- Tempo can become a structural advantage.

Diligence Is the Cleanest Example of AI Changing Deal Tempo

- Large document sets create preparation asymmetry.
- AI can accelerate issue spotting and summary.
- Consents and notice provisions become visible earlier.
- Earlier visibility can change purchase agreement strategy.



Hypothetical: The 800-Contract Diligence Tempo Shift

**Buyer reviews 800 contracts and quickly flags consents, notices, and issue clusters.
Who has leverage, and when?**

- AI identifies consents, notices, and diligence issues.
- Findings are organized into purchase agreement positions.
- Seller counsel must respond under compressed timing.
- Leverage depends on filtering and materiality.



Speed Can Matter If It Produces Usable Pressure

- Faster spotting can support earlier pressure.
- Earlier pressure can change concession timing.
- But shallow analysis can backfire.
- Materiality determines whether speed becomes leverage.

Why judgment still matters?

- Access ≠ advantage
- Deployment quality matters
- Playbooks and process determine value



Preparation Asymmetry Is One of AI's Most Important Leverage Effects

- Preparation used to depend heavily on staffing and precedent.
- AI can accelerate aggregation and synthesis.
- Smaller teams may simulate some larger-team capabilities.
- Uneven execution can widen existing gaps.



Large Firm vs. Solo Practitioner Shows Both Leveling and Amplification

1

Large firm has staffing, precedent, process, institutional knowledge.

2

Solo practitioner has less capacity and less historical data.

3

AI can narrow the gap if deployed well.

4

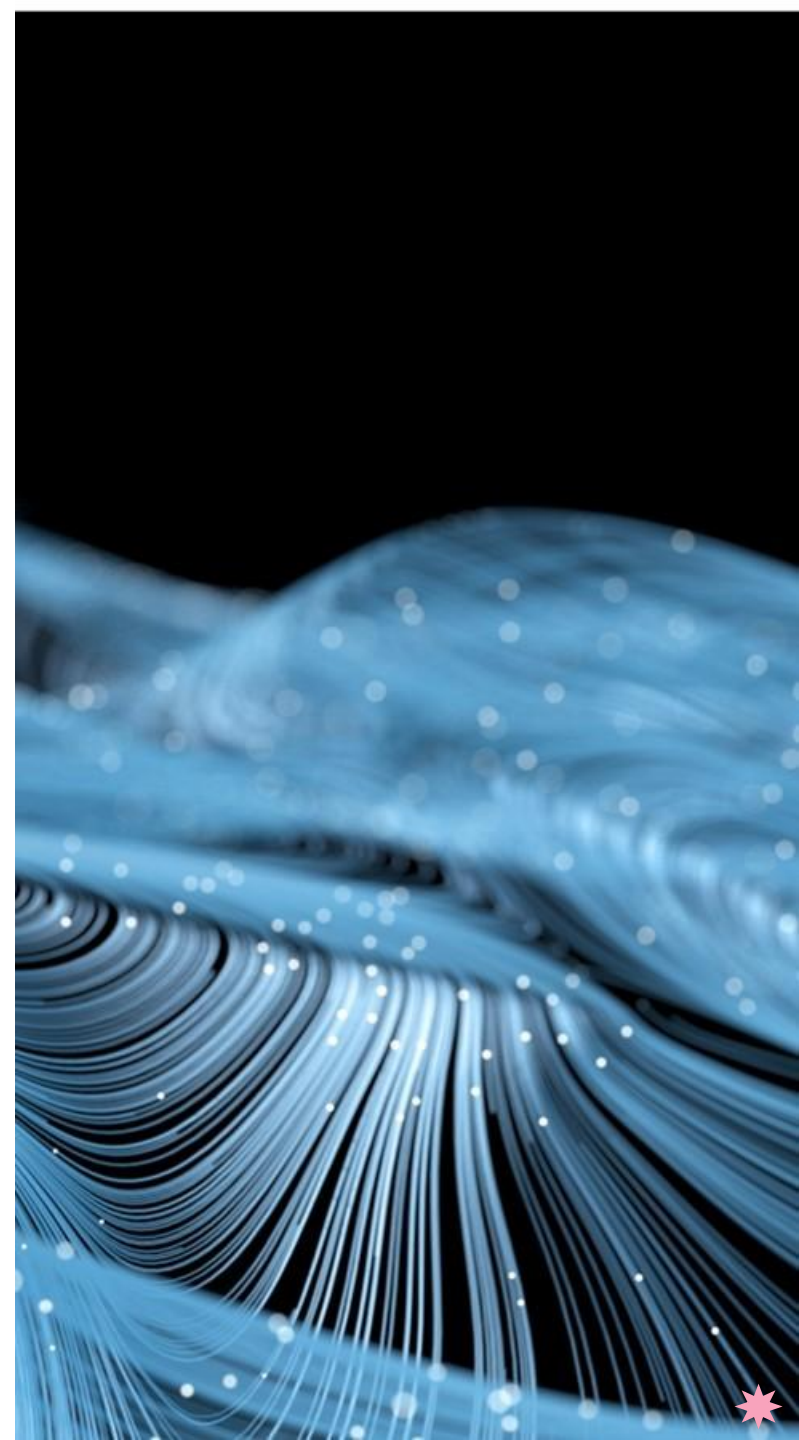
AI can widen the gap if the larger team deploys it better.

The key variable is effective deployment, not access to AI.



AI Can Level the Playing Field— or Widen the Gap

- Equal adoption may reduce process asymmetry.
- Uneven adoption may amplify asymmetry.
- Playbooks and verification determine practical advantage.
- Strategy still determines what to do with the information.



Poll: Where do you think the effect of AI is most pronounced today?

Poll: Where do you think the effect of AI will be most pronounced in three to five years?

Option Generation Changes the Range of Credible Moves

- AI can generate alternatives earlier.
- It can structure fallback positions and rationale.
- It can compare options against a playbook.
- Options become leverage only if credible and strategically coherent.



Playbooks Are Negotiation Memory, Not Just Clause Libraries

The playbook gives AI the deal team's judgment frame before it generates options.

- It captures how the team thinks about recurring issues: risk posture, business objectives, non-negotiables, and acceptable tradeoffs.
- It converts institutional knowledge into reusable decision criteria, so option generation is not ad hoc.
- It helps AI generate deal-specific alternatives instead of just generic “better clause” language.

Unframed AI output
more language, more options,
more noise



Playbook-framed option set
choices tied to strategy, authority,
and leverage

What changes?

Institutional judgment becomes available earlier in the option process.

Why it matters

The team can generate choices without starting from a blank page.

Leverage effect

Consistency and speed without ad hoc concessions.



A Playbook-Driven Prompt Can Produce a Negotiation Menu

Do not ask AI for “the right answer.” Ask for a structured set of choices inside the approved negotiation frame.

1	Context: Deal type, counterparty posture, client objective, relevant clause.
2	Playbook Rule: Preferred result, risk tolerance, authority limits, known constraints.
3	Output Request: Three options with tradeoffs, not one final answer.
4	Required Rationale: Why each option matters and what leverage it creates or costs.
5	Escalation Flags: Open facts, assumptions, source checks, client/partner decisions.

What changes?

AI is directed by strategy rather than allowed to freelance.

Why it matters

The lawyer gets choices with tradeoffs, not just drafting output.

Leverage effect

Better client alignment before a position is put on the table.

Output standard: options + tradeoffs + source checks + escalation questions.



Use Playbooks to Rank Options Before They Become Positions

The goal is not to create more positions. The goal is to decide which options are worth negotiating.

Option screen	Question to ask	AI can help with	Decision owner
Strategic fit	Does this advance the deal objective?	Compare to playbook posture	Lawyer
Business impact	Is the tradeoff worth making?	Summarize consequences	Client
Counterparty sensitivity	Will this create useful pressure or friction?	Draft tone/alternatives	Partner
Verification status	Is the position source-supported?	Trace to document/text	Deal team
Escalation need	Does this require authority?	Flag open decisions	Partner / Client

What changes?

Options are filtered before they become external positions.

Why it matters

The team protects credibility and counterparty bandwidth.

Leverage effect

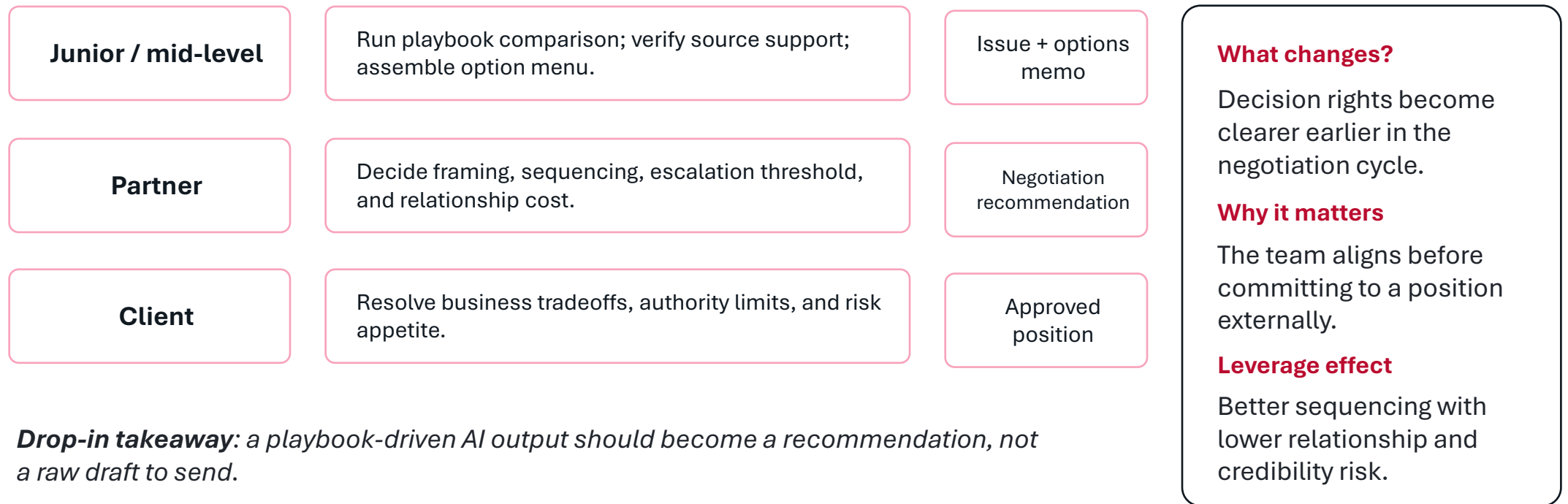
Better sequencing with lower relationship and credibility risk.

Practical use: Classify each AI-generated option as: negotiate now, hold as fallback, client call, discard as noise.



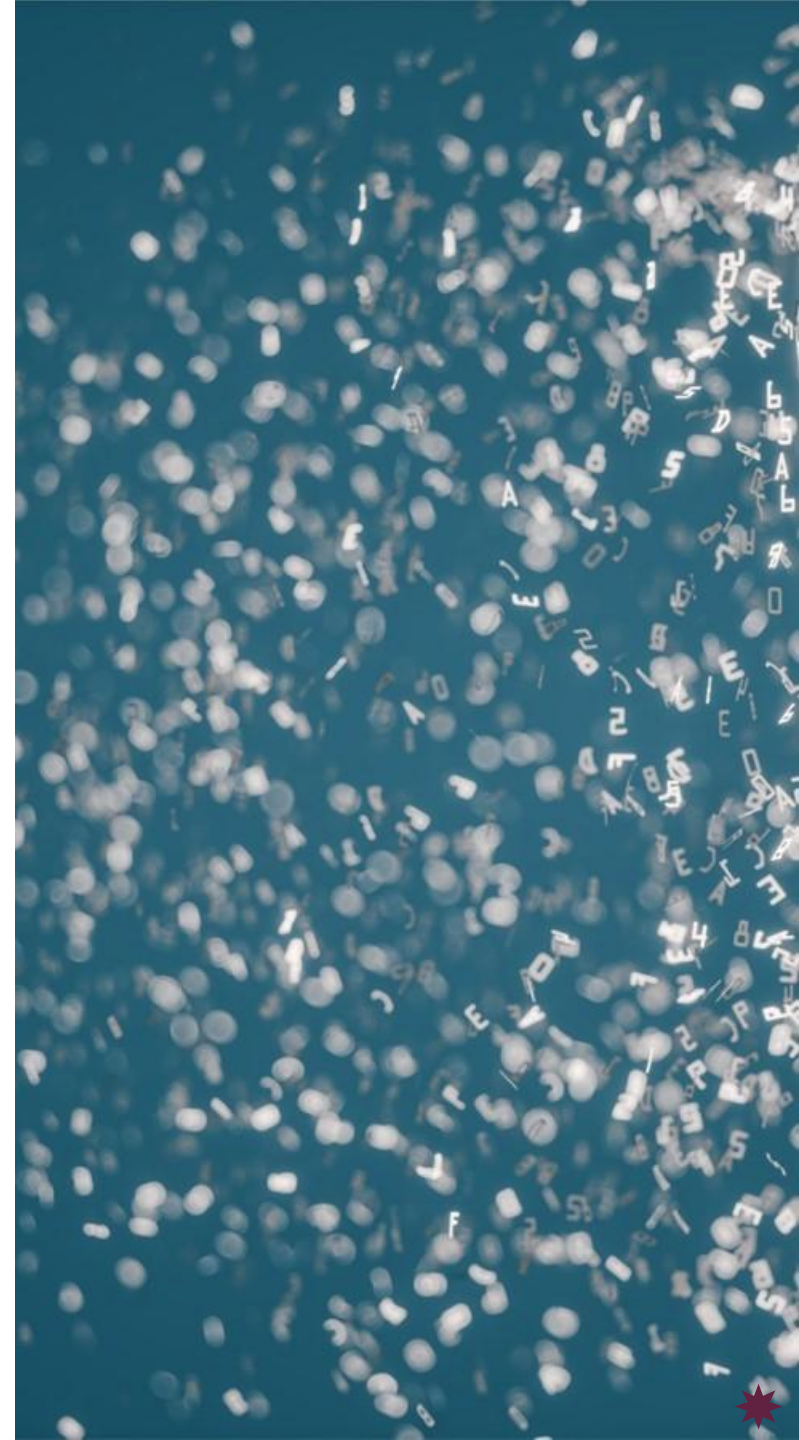
Playbooks Make Option Generation a Team Workflow

AI can tee up the menu, but the deal team still owns framing, verification, escalation, and final judgment.



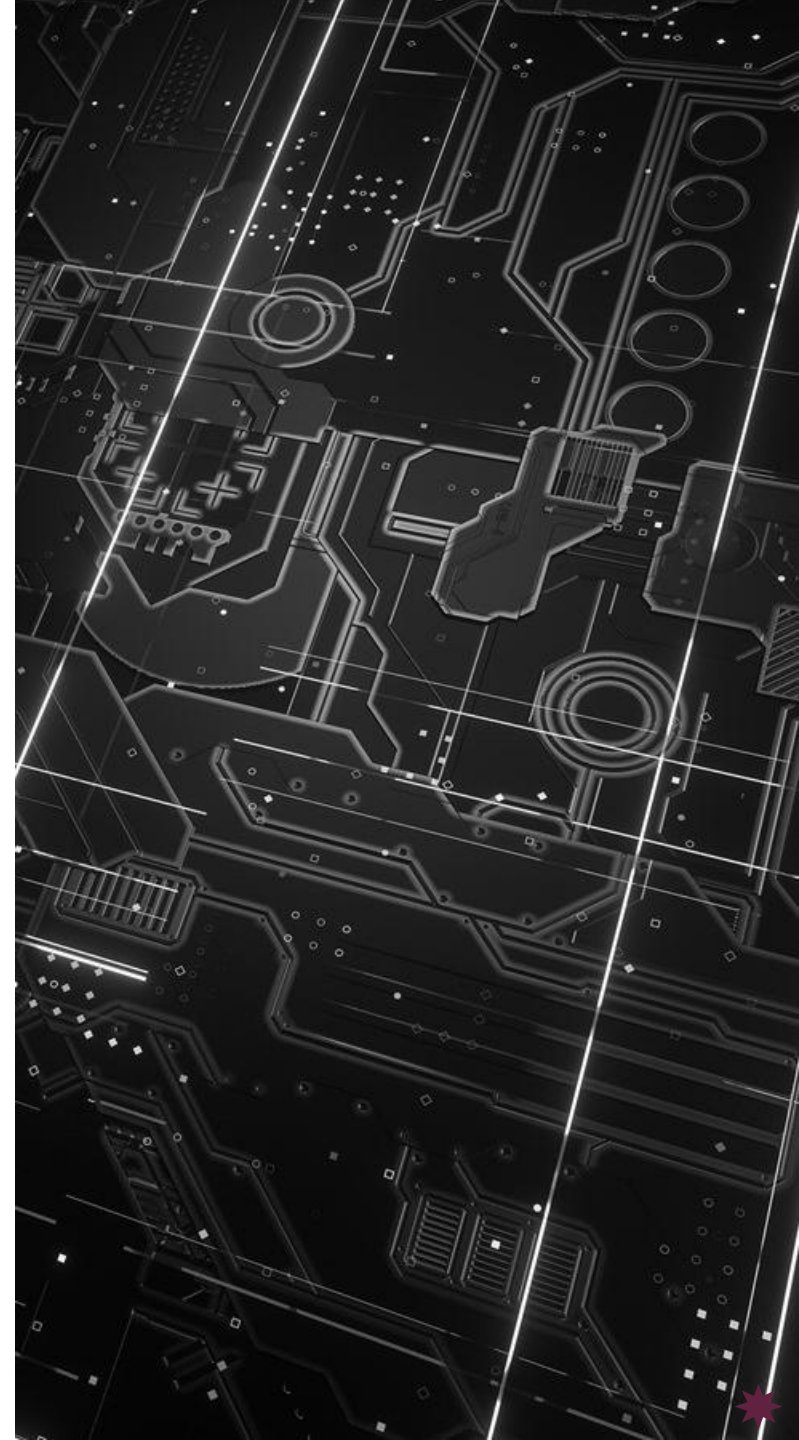
AI-Assisted Purchase Agreement Review Can Change Negotiation Volleys

- Compare draft language against the playbook.
- Identify deviations and issue clusters.
- Generate fallback language for review.
- Verify before using in negotiation.



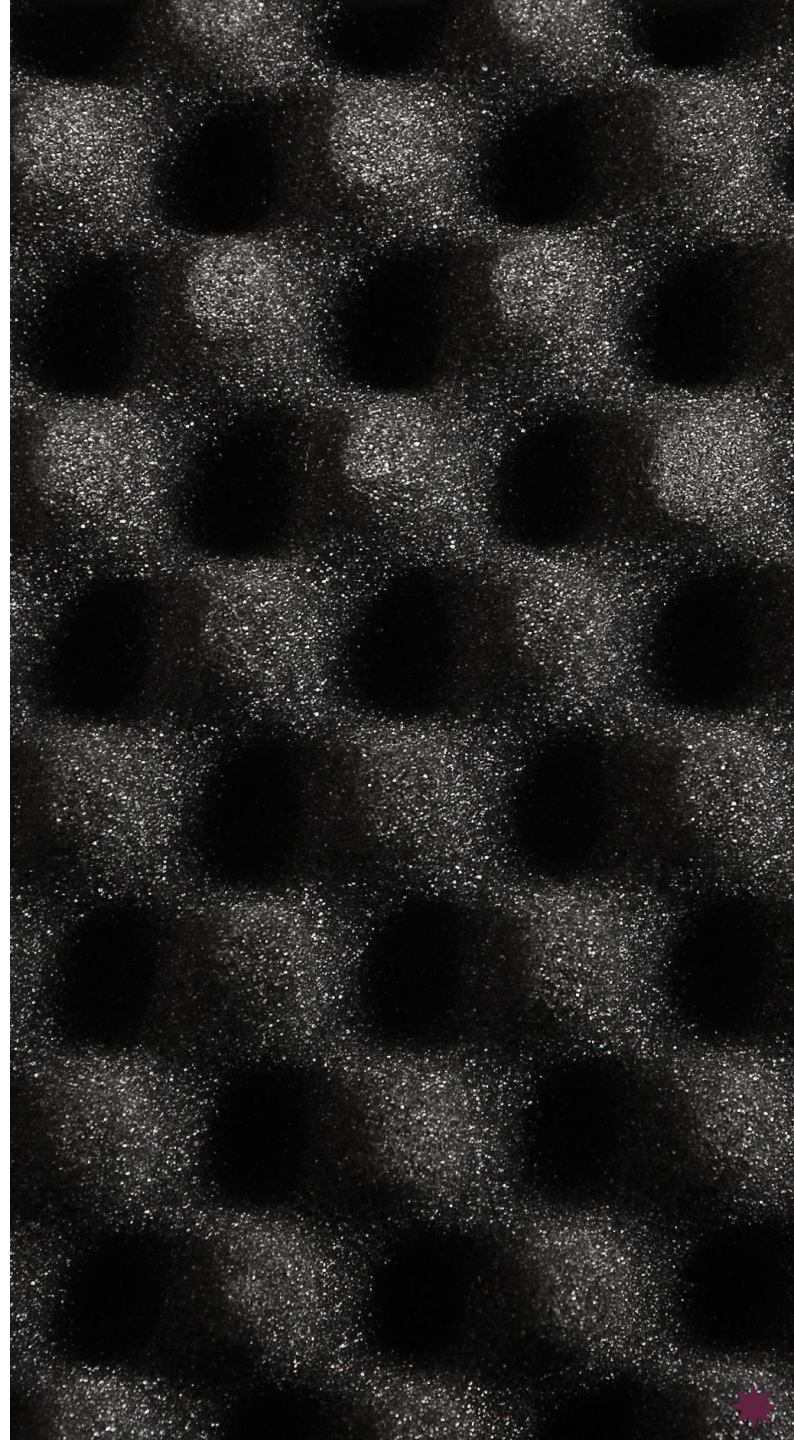
AI Moves the Judgment Bottleneck Earlier

- Issues surface sooner and in greater volume.
- Senior lawyers may need to engage earlier.
- Clients may be asked to decide earlier.
- The bottleneck shifts from finding issues to judging them.



AI Increases Both Signal And, If You're Not Careful - Noise

- More issues can mean more insight.
- More issues can also mean more false positives.
- Detection is not prioritization.
- Filtering becomes a **core** lawyer skill.

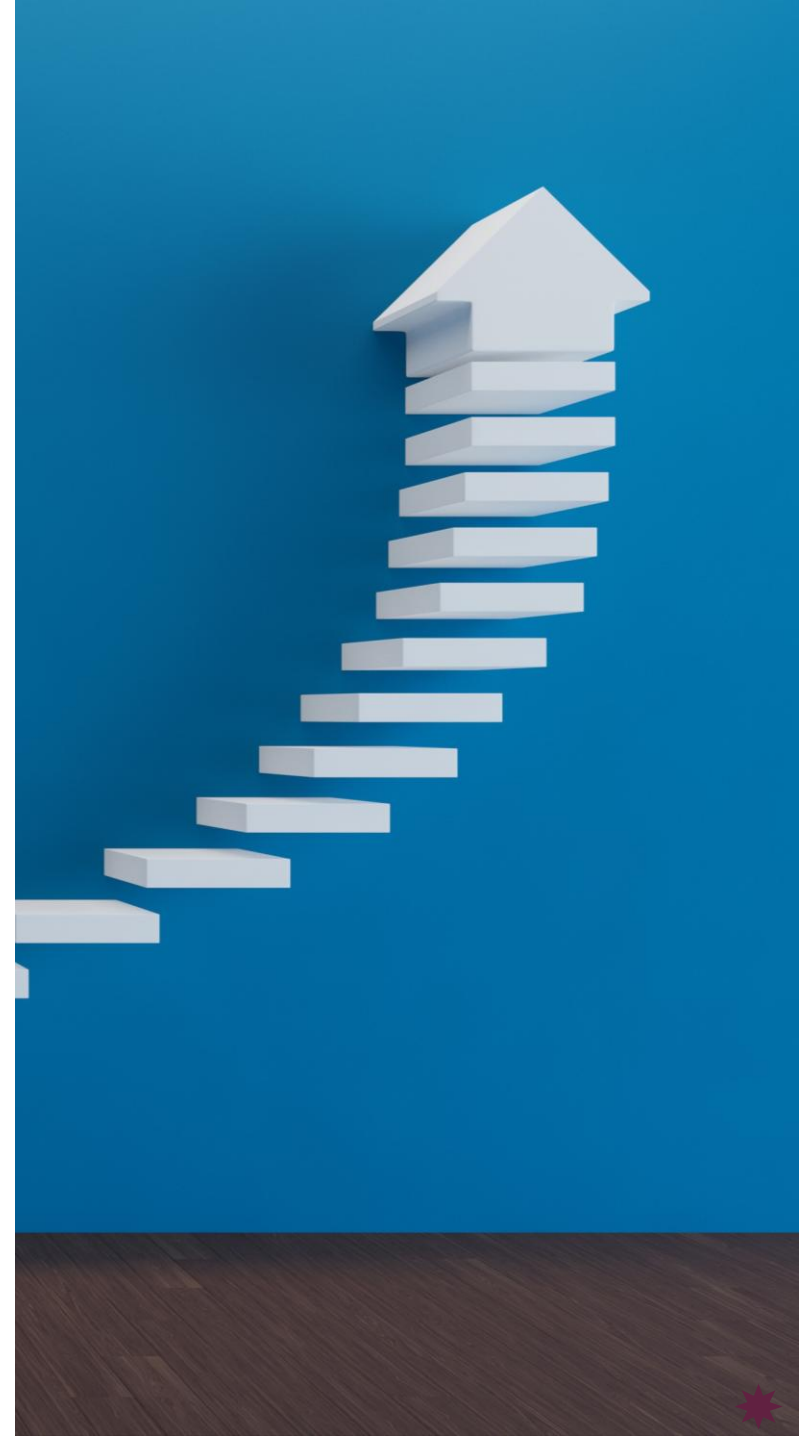


Not Everything Can Be Escalated

- Define what gets escalated.
- Define who reviews before the client sees it.
- Define when counterparty pressure is appropriate.
- Define what remains internal.

The Noise Problem

Escalation Protocols Become Negotiation Infrastructure



Poll: When Should AI-Surfaced Issues Reach the Partner or Client?

What threshold should an AI-surfaced issue meet before it reaches the partner or client?

1. Materiality Threshold

2. Client Sensitivity

3. Escalation Timing

4. Counterparty Impact



Poor Filtering Can Turn Information Advantage Into Credibility Loss

- Too many marginal points dilute the important ones.
- Low-quality asks create counterparty fatigue.
- Over-escalation can make the team look undisciplined.
- Your Credibility is a leverage asset.



AI Can Help You Win The Clause And Lose The Room

- Aggressive AI-generated positions can strain tone.
- Excessive fallback positions can feel like gamesmanship.
- Over-identification can create unnecessary conflict.
- Relationship capital remains part of leverage.



The Violent Markup Problem

1

AI identifies 75 deviations from precedent.

2

Associate includes 60 in the markup.

3

Counterparty views team as unreasonable.

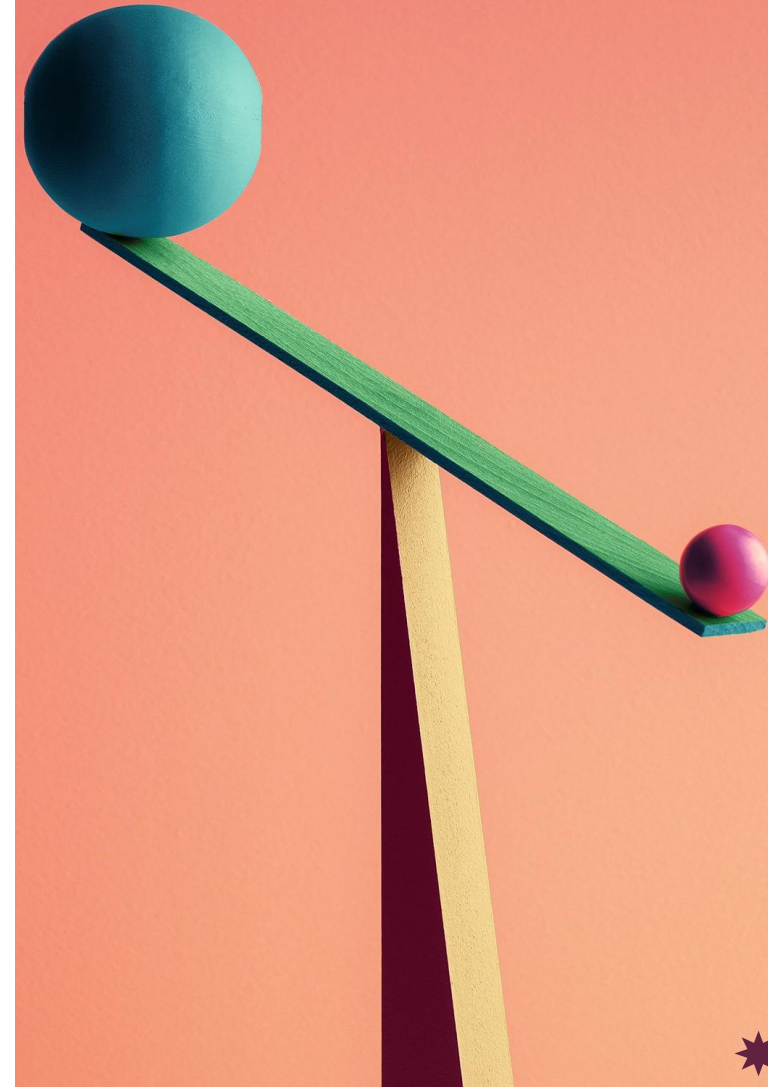
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Material issues get lost in noise.



Relationship Risk Is a Negotiation Risk

- Trust affects responsiveness and concessions.
- Tone affects whether counterparties engage or resist.
- Process discipline preserves credibility.
- AI output still needs human proportionality.



The Six Buttons Work Together, Not in Isolation

Speed increases issue volume.

Issue volume requires filtering.

Filtering requires judgment.

Judgment affects escalation and relationships.

Relationships affect leverage.



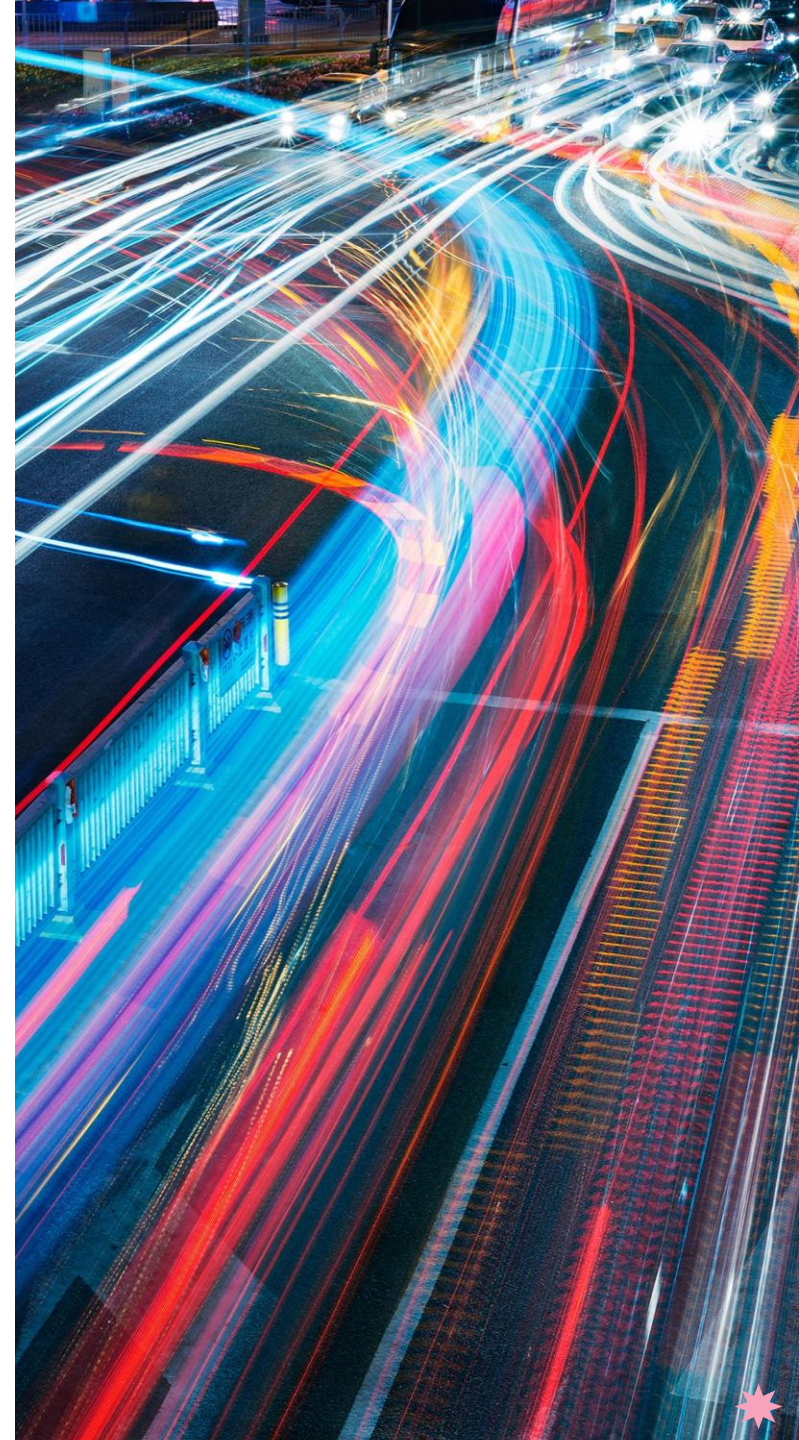
Leverage Yields Better Negotiations

- Faster issue spotting → earlier pressure.
- Better preparation → stronger positioning.
- More credible options → different resolution paths.
- Earlier escalation → faster alignment or premature conflict.



When Both Sides Use AI, Speed Advantage May Neutralize

- AI vs. AI may reduce pure speed advantage.
- Issue volume may increase.
- More options can create complexity.
- Strategy, filtering, and judgment become differentiators.



Hypothetical: AI-vs-AI Negotiation May Create More Issues, Not Faster Closure

**Both sides generate issue lists and fallback positions faster.
Does the deal move faster, or does prioritization become the bottleneck?**

- Buyer generates faster diligence issues.
- Seller generates faster responses and counter-issues.
- Issue volume increases on both sides.
- Human convergence may slow without filtering.



Reality Check:

Has AI Adoption Actually
Affected Outcomes?



Post-closing AI: Monitoring May Change What Gets Negotiated

Currently | AI can track obligations and reporting

Emerging | Monitoring covenants and compliance patterns

Speculative | New covenants based on monitorability



AI Changes Learning from Repetition to Verification

The learning problem shifts when AI compresses the first pass.

- Lawyers still need exposure to documents, issues, negotiations, and partner judgment.
- AI can move the lawyer faster to the harder question: is this output right, material, and usable?
- Learning becomes less about producing the first draft and more about interrogating the draft.
- The leverage skill is turning faster information into a credible negotiation position.

Exposure through repetition

review • draft • markup • repeat



Learning through interrogation

verify • frame • prioritize • recommend

What changes?

The first-pass task compresses; verification and framing move forward.

Why it matters

Lawyers must learn how to question AI output before relying on it.

Leverage effect

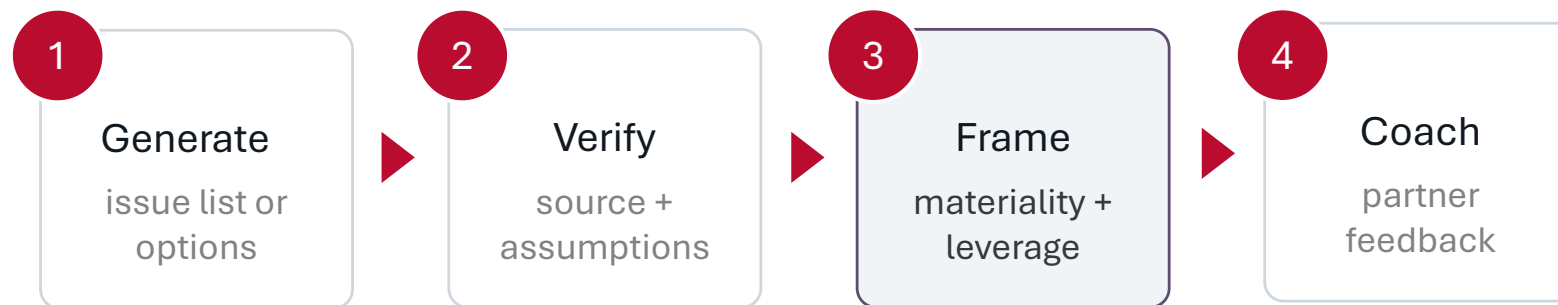
Better issue judgment turns speed into usable pressure.



Judgment Coaching Moves Earlier in the Matter

AI can surface issues and options faster; the learning value comes from supervised feedback on which one's matter.

AI-Enabled Learning Loop



- Partner comments should focus on judgment: why this issue matters, why this sequence works, why this option is credible.
- The feedback loop should train issue framing, not just text edits.
- The scarce skill becomes explaining the deal consequence under time pressure.

What changes?

The judgment discussion happens sooner and closer to the source material.

Why it matters

Teams learn to separate usable signal from generated output.

Leverage effect

The team develops a shared standard for credible pressure.



Judgment Coaching Moves Earlier in the Matter

The work does not disappear; the developmental equivalent changes.

Old training task	AI-era training equivalent	Negotiation skill developed
First-pass review	AI-output verification	source discipline
Basic summaries	client-ready issue synthesis	materiality judgment
Routine redlines	playbook comparison + exception analysis	risk allocation
Negotiation prep	fallback ladder + escalation memo	sequencing
Partner comments	error review + judgment coaching	leverage framing

What changes?

Routine production becomes supervised verification and issue architecture.

Why it matters

Associates must learn judgment even when AI accelerates the first pass.

Leverage effect

Better framing strengthens the team’s negotiating posture.

Training focus: associates learn to validate, prioritize, frame, and recommend—not merely to generate more work product.



The New Associate Deliverable Is a Recommendation, Not Raw Output

AI can accelerate drafting and issue spotting, but development happens when associates own the recommendation architecture.

1. Source support

Where is the issue in the record?

2. Materiality

Why does it matter to risk, timing, or economics?

3. Options

What are the credible positions and fallbacks?

4. Escalation

Who must decide, and when?

5. Recommendation

What should the team do next?

What changes?

The associate is evaluated on synthesis and judgment, not raw volume.

Why it matters

Partners and clients need decisions, not unfiltered AI output.

Leverage effect

Cleaner recommendations improve sequencing and credibility.

Development rule: let AI generate candidates; require the associate to explain the judgment call.



Lawyers Must Build Filtering, Escalation, and Verification Systems

- **Filtering** frameworks decide what matters.
- **Escalation** protocols decide who sees what.
- **Verification** standards protect accuracy.
- Client **communication** turns output into advice.



Roles & Responsibilities When Issue Cycles Compress

Junior Associate

First-pass review, source verification

Mid Level Associate

Triage, markup strategy, escalation memo

Senior/Partner

Judgment, posture, relationship management

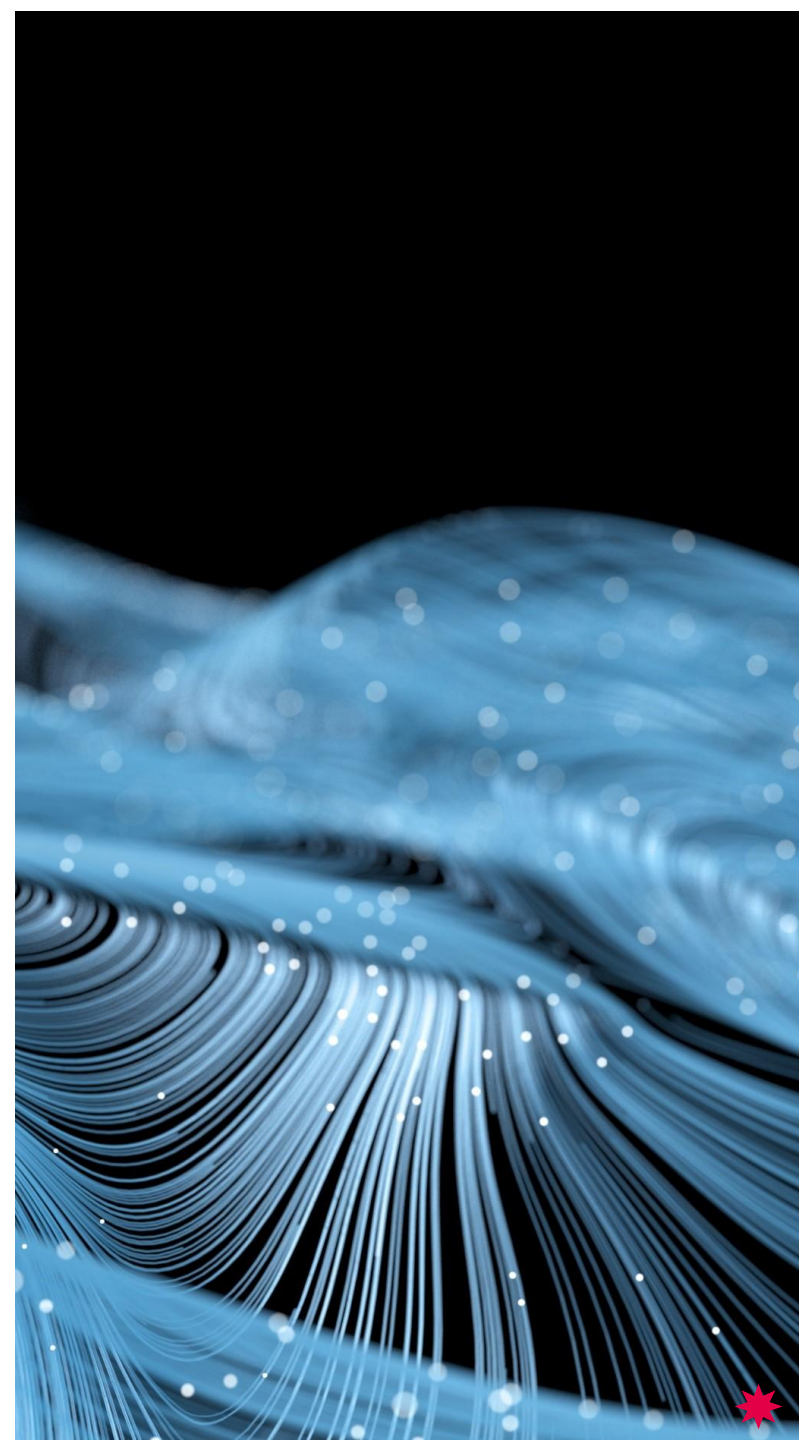
Client

Earlier decisions on material issues



AI Changes Training, Supervision, and Junior Associate Development

- First-pass work changes but does not disappear.
- Verification and source checking become more important.
- Playbooks supplement shadowing.
- Senior lawyers may engage earlier.
- Final judgment remains human.



Poll: How Does Shifting AI Use Impact Attorney Development?

When AI Use and Capability is uneven, AI's Inherent Advantages are Magnified

- AI can create more output than people can process.
- Counterparty bandwidth becomes a constraint.
- Issue sequencing becomes strategic.
- Filtering protects both credibility and momentum.

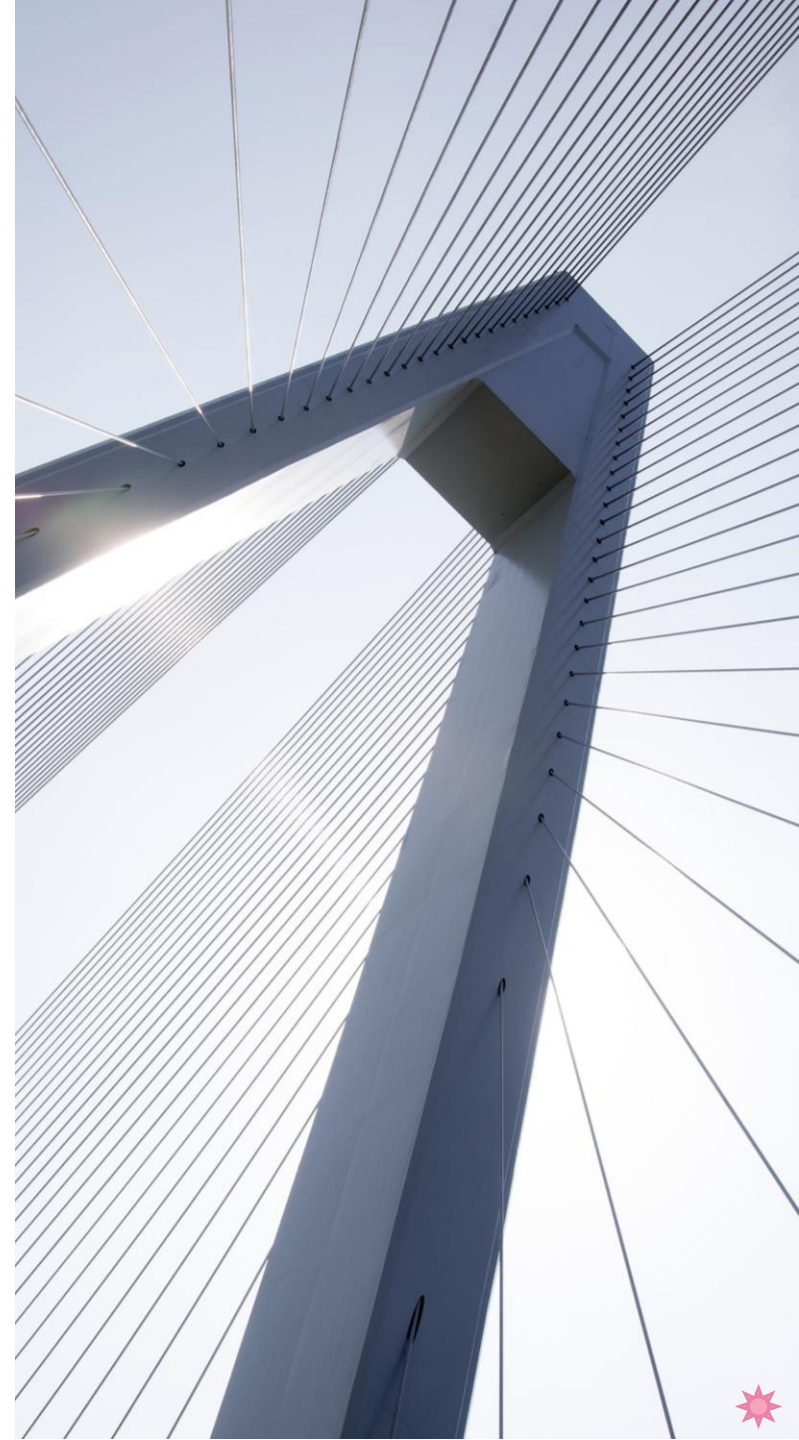
Leverage Lens

Using AI as a strategic constraint.



Playbooks Are Leverage Infrastructure

- They encode institutional knowledge.
- They support consistent positions and fallbacks.
- They help train AI-assisted workflows.
- They help smaller teams prepare and sophisticated teams scale.
- They do not replace judgment.



Implementation Should Be Judged by Whether It Improves Negotiation Discipline

Does it improve leverage?

Does it improve filtering?

Does it improve escalation timing?

Does it improve client alignment?

Does it preserve relationship capital?



What Lawyers Should Do Differently Tomorrow

1

Build playbooks before pressure hits.

2

Use approved tools and defined inputs.

3

Verify before escalating.

4

Verify before escalating; filter before negotiating.

5

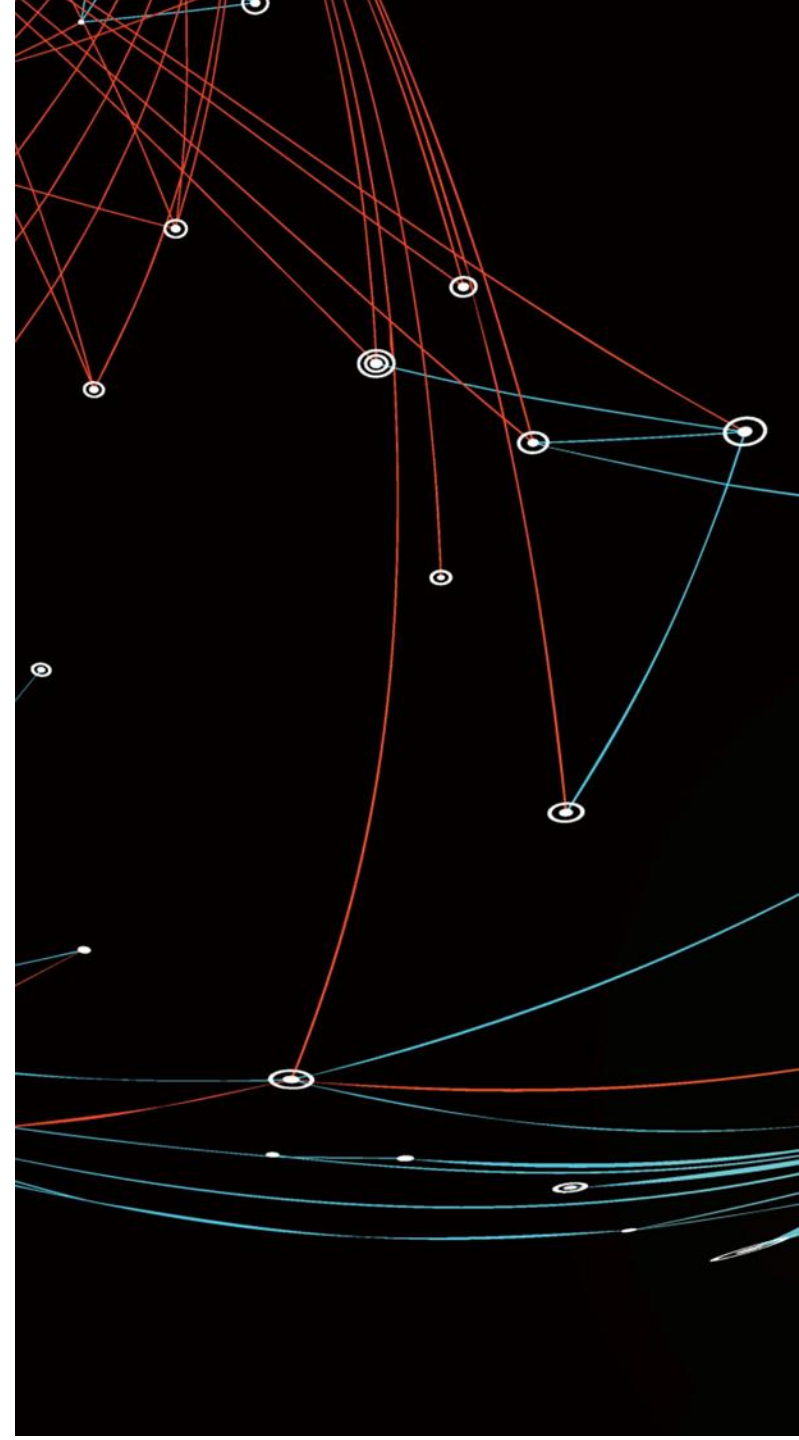
Protect credibility — relationship capital remains leverage.



AI Does Not Dictate Deal Outcomes

It changes the conditions under which outcomes are determined.

- It changes information
- It changes behavior
- It shifts leverage
- It forces judgment earlier





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