One AI to Another: Is That Your Best Offer? – Autonomous contract negotiation between robots seem to be both odd and of the future

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Imagine a world in which your company's contracts with vendors, including Amazon, Google, Microsoft, Bloomberg and Bloomberg, are negotiated and executed by artificial intelligence (AI) based software robots.

This future could exist in a matter of months, not years, if the pilot of a new AI-based software system for contract negotiation and execution underway at Bloomberg, Microsoft, and Stanford University is successful.

Stanford Law School CodeX organizers have assigned the pilot a name that sounds like a Hollywood movie sequel: Contract Mind Meld. Bloomberg, Microsoft, and Stanford University are testing the system with commercial and consumer agreements, including non-disclosure agreements (NDAs).

The first AI-based software system designed to make deals between AI-based software robots is being developed by Fabrica, a joint venture between Bloomberg and Stanford University. Fabrica's mission is to "reimagine the future of work," and its initial focus is on the future of contracts.

Research and development of the contract negotiation AI has been underway since 2018. Bloomberg's contract management group, which has 300 lawyers and over 10 years of experience in contract management, has been working with Microsoft and Stanford University on the project. Bloomberg has been using Microsoft Azure as its cloud provider for its contract management system since 2018. Stanford University's CodeX has been working on the Fabrica project since its inception, with the goal of making it a reality in contract law. Fabrica is the first project to emerge from the Stanford Accelerator for Learning, which was launched in 2019 to accelerate the development of AI-based software systems for learning and teaching.

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How Autonomous Negotiation Works

As outlined after by Eric Emerson, partner, Fabrica, Bloomberg, and Stanford University, the process of the contract negotiation AI is as follows: Company A's contract management system sends a request to Company B's contract management system. Company B's system receives the request and responds with a counter-offer. Company A's system receives the counter-offer and responds with a counter-counter-offer. Company B's system receives the counter-counter-offer and responds with a counter-counter-counter-offer. Company A's system receives the counter-counter-counter-offer and responds with a counter-counter-counter-counter-offer. Company B's system receives the counter-counter-counter-counter-offer and responds with a counter-counter-counter-counter-counter-offer. Company A's system receives the counter-counter-counter-counter-counter-offer and responds with a counter-counter-counter-counter-counter-counter-offer. Company B's system receives the counter-counter-counter-counter-counter-counter-offer and responds with a counter-counter-counter-counter-counter-counter-counter-offer. Company A's system receives the counter-counter-counter-counter-counter-counter-counter-offer and responds with a counter-counter-counter-counter-counter-counter-counter-counter-offer. Company B's system receives the counter-counter-counter-counter-counter-counter-counter-counter-offer and responds with a counter-counter-counter-counter-counter-counter-counter-counter-counter-offer. Company A's system receives the counter-counter-counter-counter-counter-counter-counter-counter-counter-offer and responds with a counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-offer. Company B's system receives the counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-offer and responds with a counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-offer. Company A's system receives the counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-offer and responds with a counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-offer. Company B's system receives the counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-offer and responds with a counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-offer. Company A's system receives the counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-offer and responds with a counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-offer. Company B's system receives the counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-offer and responds with a counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-offer. Company A's system receives the counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-offer and responds with a counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-counter-offer. Company B's system receives the counter-