

TECHSHOW2018

Creating Your Own Legal Tech Startup

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1. A TALE OF ONE STARTUP

Daniel Lewis was midway through his second year at Stanford Law School when he became convinced there was a better way to do legal research.

The thought came to him while doing work for a nonprofit in 2011, as he was trying to understand where his issue fit within a broad group of cases his research had found. In his mind, he pictured a view of his issue triangulated against the most important cases at the center and all the other less-important cases circled around them.

He later described it as having taken shape in his mind as "a visual process of trying to figure out where on this map I needed to locate myself and what the other cases were that I needed to be aware of." As he discussed that idea with other students, he realized that many of them shared his approach of trying to contextualize their research visually.

As he formed a rough idea of a better legal research platform, Lewis took the idea to various people at Stanford, most influentially Jeffrey Heer, a computer science professor then at Stanford and an expert in data visualization. Heer introduced Lewis to computer-science research on understanding social connections and visualizing data sets that helped him begin to crystalize his idea.



By the beginning of his third year, Lewis had teamed up with friend and classmate Nicholas Reed, who share his enthusiasm for the idea. That fall, the pair took a course in venture capital. In the spring, they enrolled in an intensive "Launchpad" course in product design at the Stanford Institute of Design. Before year end, they had a business plan, and just two weeks before graduation, their plan placed second in a university-wide business plan competition.

By their June 16, 2012, graduation day, Lewis and Reed had investors already knocking at their doors. A week after graduation, they went full bore into raising funds to launch their business. A month later, just a few days before they were to take the bar exam, they closed an initial round of financing of \$1.1 million. Their legal-research alternative, Ravel Law, was born.

Five years later, in June 2017, Lewis and Reed sold their startup to LexisNexis Legal & Professional for an undisclosed amount. Both companies considered it a win, with LexisNexis



planning to integrate Ravel's technology -- particularly analytics and data visualization tools -- into the Lexis research platform and a variety of LexisNexis products.

"For our part, one of the things I'm most excited about is not to consider this a finish line for Ravel," Lewis of the acquisition, "but rather a next step, and through LexisNexis's global reach to extend our reach to millions more people than we otherwise could."

Ravel's is a unique success story, but it illustrates the startup culture that is redefining the legal industry and legal technology. Ten years ago, it would have been audacious for a second-year law student to think he could launch a legal-research company -- not to mention one offering an all new way of doing research. But today, anyone with a good idea, maybe some coding skills, and the willingness to work hard, can get a company going.

There are various reasons for why this is, but two factors play a central role:

- The legal industry is a significant market that is ripe for innovation and disruption, and so is alluring to many entrepreneurs.
- The price of innovation is cheap, in that virtually anyone with a good idea and a laptop can bring a product to market.

That does not mean that every startup will succeed. Only a small percentage of legal startups will stand the test of time. But the sheer number of startups attests to the variety and creativity of new products being brought to the legal market. Quantity, of itself, isn't necessarily a good thing, but the more milk you have, the more cream that will rise out of it.

2. THE ROSS INTELLIGENCE STORY

Co-presenter Andrew Arruda's company, ROSS Intelligence, also grew out of a student effort. In 2015, Arruda was a lawyer in Toronto when he was contacted by Jimoh Ovbiagele, a computer science student at the University of Toronto. Ovbiagele had developed an interest in the potential applications of artificial intelligence in the legal field, and reached out to Arruda to help develop his idea.

"I went over and checked out the prototype and I just knew this would happen," Arruda later recounted in a magazine article. He quit his law job and joined with Ovbiagele and a third cofounder, computer engineer Pargles Dall'Oglio, and together they went to work on their AI-powered legal research application, ROSS.



ROSS uses AI to provide the best answers to lawyers' natural language research questions. It uses machine learning, so that the more you use it, the smarter it gets.

In 2016, ROSS moved from Toronto to Silicon Valley, won \$120,000 in funding from Y Combinator, and formed an alliance with international law firm Dentons. It has been all uphill from there.



In October 2017, the two-year-old company announced an \$8.7 million Series A funding round, adding to its earlier \$4.3 million seed round. ROSS said it would use the funding to accelerate its growth, expand its product lines, increase its capacity, and attract world-class talent to its workforce.

That is a long way to come in just two years, given that the three founders started out using their credit cards to fund their nascent business. "We'd go around the table and see who had space left on their cards and what buying we had to do," Arruda said.

3. OTHER STARTUP STORIES

3.1 A Keyboard for Lawyers

Lawyer Brian Potts was furiously writing a brief when he went to insert a section symbol. As was his custom, he had to stop what he was doing, use the mouse, go to insert a symbol, find the section symbol and hit insert.



"This process stopped my train of thought, took up my precious time, and more than anything else, was incredibly annoying," Potts, a partner at Foley & Lardner in Madison, Wis., later recalled.

As he pondered the problem, his first thought was to ask the firm's technology staff if they could put some sort of section symbol button on his computer screen.

"Then it dawned on me that having the section symbol as a key on the keyboard would be even easier. In fact, having lots of things that lawyers use every day on the keyboard would make my life a lot easier."

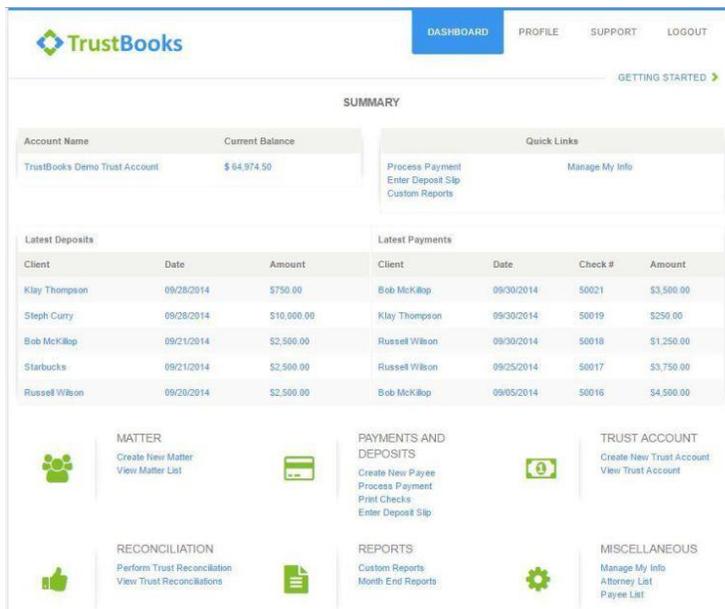


So Potts decided to create just such a keyboard. He assembled a team of engineers and went to work designing a keyboard specifically for lawyers, one that would have keys for the functions lawyers frequently use. After testing several prototypes, the LegalBoard was born. And Potts became founder of a technology company to manufacture and market the keyboard, Pro-Boards LLC.

The LegalBoard is a keyboard for Windows computers that incorporates common lawyerly functions, using the F1 through F12 function keys and the number pad. The keyboard shifts easily from lawyer mode to standard mode, so the number pad and function keys can function normally whenever the user wants.

3.2 Trust Accounting Made Easier

Tom Boyle was a CPA doing bookkeeping for small law firms in North Carolina when he decided there had to be better software for lawyers' trust accounting. Most firms he worked with used either QuickBooks or Microsoft Excel, but both were cumbersome for lawyers to use and neither was well-suited to the fiduciary requirements of trust accounting.



So in October 2014, Boyle founded his own company and created his own trust accounting software, TrustBooks. TrustBooks is a cloud-based program designed to make trust accounting simple and foolproof for small and mid-sized law firms.

“We’ve tried to be very simple,” Boyle later explained. “We’ve taken the accounting language out of the mix. We let small firms get up and going without understanding complex accounting.”

The problem with most accounting programs, Boyle believes, is that they

are not designed for trust accounting or even specifically for the legal profession. They are soup-to-nuts programs designed for every industry. When a product tries to do everything, Boyle says, it cannot excel in any one thing. That is particularly true for trust accounting, where states set very specific rules and requirements.

By contrast, Boyle designed Trustbooks specifically for small offices and made it so intuitive that ... well ... even a lawyer can use it. Features include three-way reconciliation of trust accounts, built-in controls to ensure compliance with bar rules, and automatically generated reports suitable for filing with state bars.



“History shows that attorneys don’t do a great job keeping and reconciling their trust accounts,” Boyle says. In its own simple way, TrustBooks aims to change the course of that history.

3.3 Helping Those with Low and Moderate Incomes

As an associate at Sidley Austin who often provided pro bono legal help to low-income people, [Dorna Moini](#) came to believe that much of legal technology is designed to benefit corporations and higher-income individuals, while not a lot of technology is designed to help those with low and moderate incomes. So early in 2017, she left her job at Sidley to start a company that would design technology for the clients she came to know through her pro bono work.

That company, [HelpSelf Legal](#), launched in December 2017 with its first product, an automated platform designed to help users file to obtain domestic violence restraining orders. “With the legal system stacked against women in the first instance, we think this will be crucial in bridging the justice gap,” Moini explained.

Eventually, Moini plans to add other areas of legal need, including civil harassment, evictions, child support, guardianship and conservatorship. The platform serves only California matters for now, but Moini hopes later to expand into other states.

Moini plans to license the platform to legal aid organizations and women’s shelters to use with their own clients and also sell it directly to individuals for \$15 per use. She is already in talks with several legal aid organizations, she said, and plans to charge a licensing fee according to a sliding scale based on what the organization can pay.

3.4 Tracking Time Via Alexa

Matthew Volm is not a lawyer. But his wife is. And he often heard about and saw firsthand the struggles she had to enter and track her billable time. He thought there had to be a better way, so he and his two partners in the startup company ThreeMatts came up with the idea for Tali.

Tali uses the Amazon Echo or other Alexa-enabled devices to track a lawyer’s time. The company describes it as a productivity assistant powered by artificial intelligence that takes a hands-free, voice-first approach to time tracking and productivity management.



The product integrates with the Clio practice management platform and was formally unveiled at the Clio Cloud Conference in September 2017. You can command Tali through Alexa, giving commands such as, “Log six hours for Jones,” or, “I’ve started Oregon state tax research for Thomson.”



Recently, Tali was selected to participate in the Enterprise and Smart Data Technologies category for the 10th annual Accelerator Pitch Event at the prestigious SXSW conference. Meanwhile, Volm and his team are working on new integrations and new features.

4. TECHSHOW'S STARTUP ALLEY

This year, for the second time, TECHSHOW is hosting a special Startup Alley in its exhibition hall to highlight innovative legal technology startups. A competition was held to select the companies that get to participate.

The 15 winning companies not only get to be highlighted as exhibitors in the Startup Alley, but they also participate in a pitch competition on the opening night of the conference, in which attendees vote live for their favorite.

The competition is a cooperate effort of [ABA TECHSHOW](#), Above the Law, [Evolve Law](#) and [Lawsitesblog.com](#).

The winning companies, in order of their vote tallies, are:

1. [Book-It Legal](#). Book-It Legal provides a web platform connecting attorneys with law students across the country for per-project legal tasks, such as research, editing, document review, and writing articles. Our company gives attorneys a way to get quick assistance and reduce costs to clients while providing students a more convenient and flexible way to gain experience and earn income.
2. [Gideon Legal](#). Gideon is a fundamentally new way for law firms to connect, communicate with, and service clients, at scale. Gideon is an intelligent messaging platform that connects firms with their best leads, in real-time, from their website, directory profiles, and social media. Gideon learns a firm's preferences on particular case types and to predict likely case outcomes, enabling them to deploy resources to optimum value. Built to fit existing workflows, Gideon integrates with case management software.
3. [Time Miner](#). Time Miner eliminates the hassle of manual, contemporaneous methods most attorneys use to keep track of billable time spent on their smartphones. Automatic, with no timers to start and stop, Time Miner captures past calls and texts with clients, and produces a report on-demand that shows your billable activity in terms of client, date and time, duration, and dollar value based on your hourly rate.
4. [Voluble: Insights for Litigation](#). Voluble collects and analyzes consumer posts from a broad range of online sources to generate insights specifically for litigation. Our proprietary tools and partnerships give us access to data from a comprehensive array of social media platforms, forums, e-commerce sites, and blogs. Our experienced litigation team transforms vast amounts of unstructured consumer chatter into relevant and



reliable data that can be used by experts to support their opinions in affirmative or rebuttal reports.

5. [Lawyaw](#). Eighty-five percent of lawyers work at small firms and do not have the administrative support or resources of big firms. As a result, they spend a lot of unbillable time managing fragmented and inefficient administrative workflows and only bill an average of two hours a day versus big firms that leverage support staff and bill an average of six hours a day. Lawyaw is a machine learning vertical SaaS company that streamlines predictable administrative tasks so that small firms can spend as more time on revenue generating activities.
6. [SavvySuit](#). “Okay Google, talk to Florida Pro Bono Matters.” Go ahead, try it on your Android. Learn firsthand how SavvySuit is pushing the legal profession forward with the creation of conversational user interfaces. One such interface is a sophisticated pro bono catalog which allows attorneys to find pro bono cases with ease. This catalog provides case descriptions aggregated from over 30 organizations, including traditional legal aids and nation-wide programs like the ABA Military Pro Bono Project.
7. [SimplyAgree](#). SimplyAgree is a signature and closing management tool for complex corporate transactions. Our web-based platform streamlines the administrative tasks of a closing — from automating signature packets to closing binders — so attorneys can focus on getting deals done and exceeding client expectations. SimplyAgree reduces these time-intensive closing processes from days to minutes, while providing the attorney with increased risk oversight and cost predictability.
8. [Evichat](#). Evichat is a tool for lawyers to collect authenticated evidence from their clients’ mobile devices and social media accounts in an eDiscovery lite platform built specifically for mobile data where it can then be redacted and/or exported. We can also produce time-stamped web page archives with all meta data.
9. [VortexLegal](#). VortexLegal is the Expedia for legal services – a one-stop shop where you can search for, hire, rate and review legal service providers like court reporters, interpreters and translators, private investigators etc. There is no marketplace for legal service providers so we are providing a new way to procure these services that offers more transparency in pricing and allows small and medium sized operators to compete with national service providers.
10. [NextChapter](#). TurboTax for bankruptcy attorneys. NextChapter is a web application for attorneys to prepare, manage and file their bankruptcy cases online. Our unique web workflow guides attorneys through the bankruptcy process making it easier and faster to prepare cases.
11. [Caliber Litigation Services](#). Technology has completely changed the user experience of many traditional services — from catching a cab to renting a car. What if I told you that



same opportunity existed to change the court reporting industry? We built a proprietary tech platform from the ground up to access thousands of court reporters for services — from video to real-time reporting, all at a lower cost than the current industry providers.

12. [Beagle](#). Beagle helps companies follow their own rules or the ones set out by a regulatory agency. As companies are drowning under information, they need technology to process it in order to make the right decisions. Beagle is a technical solution to help that decision-making process and can be trained to read and understand the rules. Beagle can tell decision makers which rules apply, why and gives them suggestions. It is a decision augmentation process technology based on our property AI techniques.
13. [Digitary Legal](#). Digitary Legal helps law firms and in-house legal departments easily and accurately predict, price and manage legal matters. Clients save money and promote accountability with precise legal budgets; automated accrual management features; and intuitive RFP tools. Law firms reduce overhead and increase profitability with time-saving project management solutions; task-level data; and clearly scoped, accurate budgets that will strengthen attorney-client relationships.
14. [Social Evidence](#). Social Evidence is a cloud-based application that quickly and accurately collects, organizes, and analyzes data from specific social media sites for named accounts and provides tools to assist the legal professional to easily search, find, and use relevant case-related information in a repeatable, admissible, and legally-defensible format.
15. [Qualmet](#). Qualmet is a cloud-based platform used by law departments to quickly and easily measure the value of external legal service providers. The company focuses on raising the business value created between in-house and outside counsel. Through performance metrics and objective benchmarking, the company and its namesake product create an industrywide common language. Released earlier this year, the platform has been adopted by legal departments from a wide range of industries.

