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 **LEGAL**
TECH EDITION

Delivering the
True Promise of
Legal
Analytics

LEX MACHINA

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CARLA RYDHOLM,
DIRECTOR OF PRODUCT
MANAGEMENT

LEX MACHINA

Delivering the True Promise of Legal Analytics

BY JOE PHILLIP

Headquartered in Menlo Park, CA, Lex Machina has today become what many of its clients dub the “Google of litigation data.” The company’s analytics solution for the legal sector is equivalent to a search engine that not only collects and indexes the humongous amounts of litigation data, but also harbors purpose-built apps that offer powerful insights about judges, lawyers, parties, and the subjects of the cases. These insights enable law firms and lawyers to pitch and land new clients, and win lawsuits. Corporate law departments, on the other hand, use Lex Machina to select and manage outside counsel and set litigation strategy and tactics.

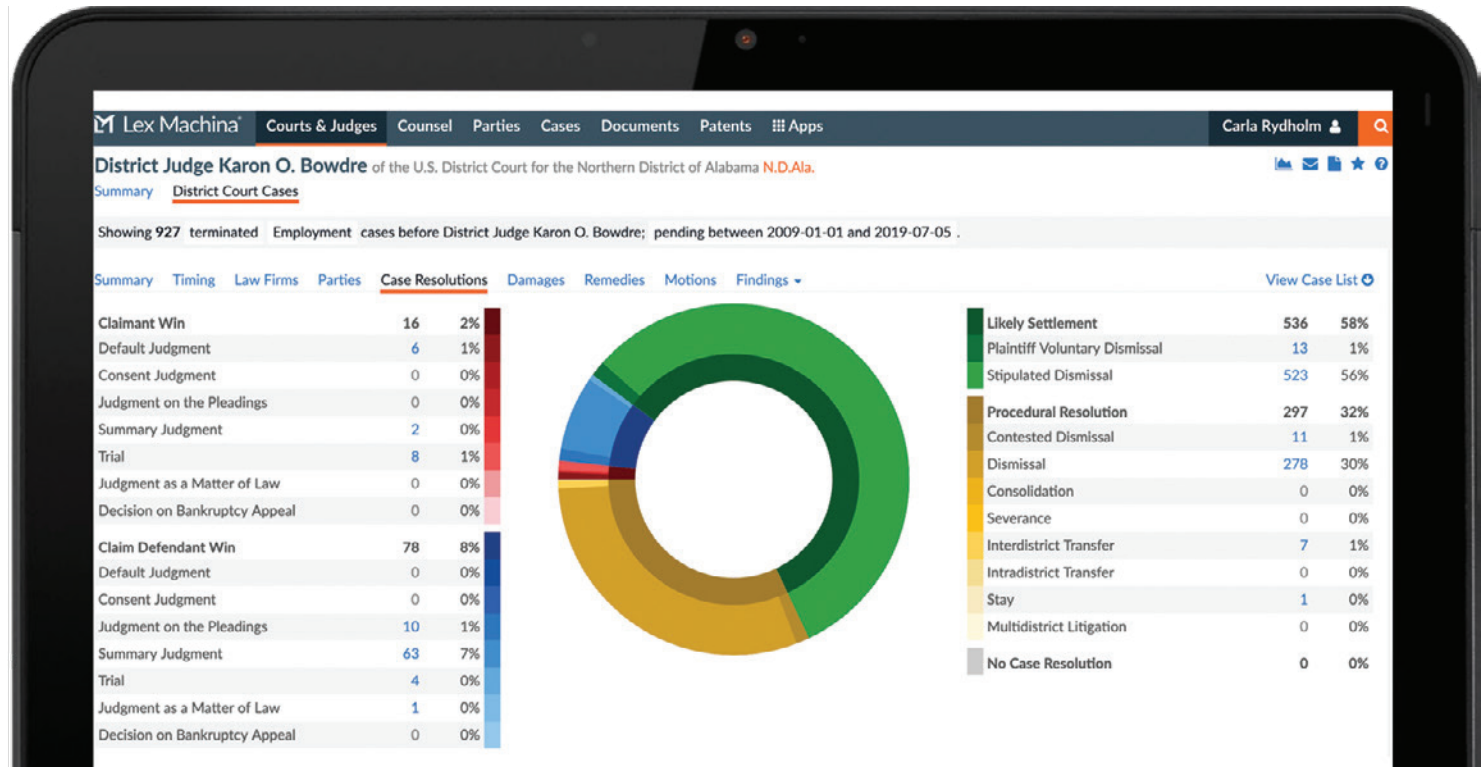
From its embryonic stage at Stanford’s Law School and Computer Science department, Lex Machina has grown over the years, enabling law firms and corporate legal counsel to foster a culture of legal analytics within their organizations. Lex Machina marries the raw potential of analytics with the burgeoning stacks of legal information to deliver solutions that enhance the litigation process. This unique combination produces highly valuable insights with significant time saving for companies and law firms.

“When we started back in 2010, we didn’t have any competitors or even customers for that matter, because the idea of legal analytics was pretty unheard of,” says Carla Rydholm, the Director of Product Management at Lex

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LEX MACHINA’S SUCCESS
COMES FROM PUTTING
OUR CUSTOMERS FIRST.
WE WIN BY ENABLING OUR
CUSTOMERS TO WIN. OUR
FANTASTIC TEAM AND
VISIONARY LEADERSHIP
CONTINUOUSLY INNOVATES ON
BEHALF OF OUR CUSTOMERS
”

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Machina. “The legal space has come a long way since, and we’ve had a head start,” Carla adds.

In 2015, LexisNexis, a premier legal information provider, acquired Lex Machina to hone their legal analytics edge. Since then, Lex Machina has been continually improving their offerings in tune to the ever-evolving, data-churning legal space. The company stands true to its name (The Law Machine) by modernizing the legal systems through the novelty of its solutions.

A Powerful Database to Fuel the Platform

The legal industry is a storehouse of information with vast volumes of data and meta-data generated from constitutions, statutes, laws, and cases, to name a few. Every verdict offers new pieces of data, which Lex Machina has used to build a massive database to fuel their Legal Analytics platform and analytics apps. The company performs the heavy lifting of obtaining the litigation data from courts and other outlets and then goes the extra mile in structuring the data with natural language processing and machine learning tools as well as a fair amount of machine supported human review. The platform houses holistic, readily accessible data, pertaining to over 1.5 million cases from the

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U.S district courts. With the expertise of a team of attorneys and legal pros, Lex Machina adopts an integrated approach to design the modules of the Legal Analytics platform. This enables the company to provide the right data and insights at the right time to users.

“We want to make sure that our analytics is accessible and meaningful for the person using Lex Machina,” says Carla. Lex Machina offers the Legal Analytics platform over the cloud in a simple SaaS subscription model. Users can pay for and access the modules or relevant apps as required—in a custom fashion. “Our design is meant to be easy to use and help drive conversations, among peers and customers, which lead to data-driven decisions” adds Carla.

Using proprietary case tags, users can identify the data sets of cases that are relevant to them and obtain analytics. The platform’s algorithms

analyze the litigation data regularly, which helps assess a new matter in the context of a case and deduce crucial insights on litigations of the opposing counsel, law firm, or attorney. Timing analytics provide information pertaining to the time taken for a case to get dismissed get to trial, or how long it will take the case to terminate. Two interesting components of the legal analytics platform are the party group editor and damages analytics. The

former helps assimilate a group of parties and analyze their cases, while the latter provides an overview of the damages allotted to the party group. This is vital in planning the budget and deciding on whether to settle a case early or prolong it.

Legal Analytics Apps that Drive Custom Insights

Lex Machina's suite of Legal Analytics apps leverages both the Legal Analytics platform and data modules within the database to provide instant access to relevant analytic information, which ramps-up the "ease of use" factor. "The inspiration to come up with these apps was to quickly and specifically answer questions. Lex Machina packages specific sets of functionalities and data to make legal operations more efficient and data driven," states Carla. A few distinctive apps include the Damages Explorer app, which allows users to search, discover, and compare the damages awarded in previous cases. The Parties Comparator app lets lawyers juxtapose party information based on litigation volume, performance, and outcomes. Lex Machina also offers the Courts and Judges Comparator, and Law Firms Comparator apps to compare attorneys and teams. Additionally, the Early Case Assessor app lets lawyers get an overview of the plaintiff's litigation history. The Motion Kickstarter app helps lawyers formulate winning motions by comparing motion styles and arguments, which can prove to be successful before specific judges. Another inclusion is the Patent Portfolio Evaluator that provides lawyers with a detailed overview and litigation history of an entire patent portfolio, consolidated into one report.

Customer Success: The Best Narrative

Many testimonials from professionals in both corporate counsel and law firms exemplify Lex Machina's prowess—bringing to light multiple ways how clients use Legal Analytics and its suite of apps. Lex Machina's Legal Analytics is the go-to platform for Steven Geiszler, the U.S. Chief Intellectual Property Litigation Counsel for Huawei. In addition to leveraging the platform for appropriate attorney selection, Geiszler resorts to Lex Machina to quickly assess an opposing party and their counsel, and determine the risk level and appropriate litigation strategy. In an instance, he found that the organization that sent him a demand letter had already filed 200 patent cases, but never gone to trial—a fact that helped him deduce that the best course of action was to "pick up the phone and resolve the matter directly" rather than expending time and resources by involving in-house colleagues or an outside counsel. He attributes Lex Machina as one of the "most significant developments in U.S. litigation practice" since he began his career in 2001.

Along similar lines, Kate Boyd, chief engagement officer at leading litigation funder Validity Finance identifies Lex Machina as a solution that enables them to fund cases that has higher value and better chance of winning. The team at Validity uses Lex Machina's detailed case outcome information particularly



the unique damages awards data, to monitor relevant developments and ensure that Validity's exposure remains balanced. "Even when we can't fund a case, we often share all or part of our analysis that is based on information derived from the Lex Machina platform. Stress-testing the cases and sharing our conclusions helps even those we turn away. Now they can communicate about their case more persuasively with other potential funders, and they may even refine their litigation strategy based on the new information. It's a positive for us and for them," mentions Kate.

When it comes to the law firms, the success story of Wilson Sonsini Goodrich & Rosati (WSGR), a globally recognized legal advisor to companies in technology and life sciences, among many others, is worth mentioning. Lex Machina enables the law firm to respond to clients faster, and quickly model-out a litigation budget for a case. With the Legal Analytics platform, WSGR gets to analyze the timings, damages, resolutions, and findings for the opposing counsel, the parties, and the judge involved. They can thus prepare the pitch and the bill (budget) for the case. With Lex Machina's Motion Metrics attorneys can analyze the chances of success for specific motions in front of any district judge, compile a list of successful motions, and identify winning arguments. With District Court, PTAB, and ITC data at their disposal, WSGR can craft robust case strategy and ensure that they have their bases covered.

Taking the Legacy Forward

With a growing list of success stories and an ever-improving solution stack, Lex Machina is looking ahead to bring Legal Analytics to all areas of the law. The company also has plans to expand into state courts very soon. "Lex Machina's success comes from putting our customers first. We win by enabling our customers to win. Our fantastic team and visionary leadership continuously innovates on behalf of our customers." concludes Carla. **CA**

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Company:

Lex Machina

Key Person:

Carla Rydholm
Director of Product
Management

Description:

Lex Machina with its core offerings of the Legal Analytics platform and Legal Analytics apps provides valuable case insights to ensure winning legal strategies and competitive business decisions

Website:

lexmachina.com

Top 25 Legal Tech Solution Providers - 2019

Faced with the data deluge, information complexity, ever-changing client requirements, and shifting market dynamics, the legal industry is turning to technology to accomplish better outcomes. Considering the requirements for adequate supply of legal content in law firms, today's legal tech solution providers are bringing the best of new-age technology without dispelling legacy systems altogether in order to help attorneys make informed decisions.

In the wake of this transitory period experienced by the legal space, CIO Applications has compiled a list of Top 25 Legal Tech Solution Providers 2019 to highlight the robust legal tech solutions these firms bring to the table. We are delighted to feature Lex Machina on our annual list of legal tech solution providers. The company takes an integrated approach to develop its legal analytics platform, well-equipped to provide the right data and insights to its clients.

Next on the list is InfoNgen—a company that offers a text analytics and sentiment analysis solution, enabling users to efficiently find hidden patterns in structured and unstructured data. Redefining the legal tech space with an end-to-end approach for data governance issues, Congruity360 is ensuring secure, agile and up-to-date data, while exposing only reliable data sets empowering businesses to make intelligent decisions.

On the other hand, revolutionizing the industry with optimized enterprise legal spend on outside counsel through a proprietary AI-backed platform is Bodhala. The company equips law firms with the necessary data in order to facilitate crucial business decision making. The list also includes Celant Innovations that is equally adept in accommodating customers' feature requests promptly with its document automation technology.

With several innovative technological capabilities and success stories up their sleeves, the aforementioned solution providers are constantly proving their mettle in the legal tech landscape. We hope this issue of the CIO Applications helps you build the partnership you and your firm needs to foster a technologically-driven business.

We present to you CIO Applications' "Top 25 Legal Tech Solution Providers - 2019."