



## Webcast: Introducing Lex Machina's Chapter 11 Bankruptcy Module

Join Eric Schnabel (Partner at Dorsey & Whitney) and Laura Hopkins (Lex Machina's Bankruptcy Legal Data Expert), hosted by Aria Nejad (Lex Machina's in-house counsel), as they showcase highlights from the analytics and data included in Lex Machina's newly released Chapter 11 bankruptcy module. The webcast will include a demonstration of how the bankruptcy module can provide insights and trends regarding plan confirmation, bankruptcy termination, courts, judges, parties, counsel, and more.

### Speakers:



Eric Schnabel  
Partner  
Dorsey & Whitney



Laura Hopkins  
Legal Data Expert  
Lex Machina



Aria Nejad  
In-House Counsel  
Lex Machina

Aria Nejad ([00:00](#)):

Welcome everybody to today's webcast where we'll be introducing Lex Machina's newly released Chapter 11 bankruptcy module. My name is Aria Nejad, I'm in-house counsel here at Lex Machina and I'm going to be moderating today's webinar. I'll introduce our guests here shortly who will showcase highlights from the analytics and data included in Lex Machina's newly released Chapter 11 bankruptcy module.

([00:20](#)):

But just a couple of quick housekeeping notes before we get started. So this is going to be a 20 minute presentation followed by answers to any questions submitted by attendees, for up to about 30 minutes total for the presentation. So please share your questions at any time and we'll review them together at the end. The principal part of the presentation is going to be a demo and we're very fortunate today to have with us Laura Hopkins, who is a legal data expert here at Lex Machina. Before joining Lex Machina, Laura served as a civil litigator and bankruptcy practitioner for over 13 years in the Western District of Pennsylvania and District of Maine. We're also very excited to have with us Eric Schnabel here with us today. Eric is a partner at Dorsey & Whitney and co-chair of the Finance and Restructuring practice Group. In his practice, Eric regularly represents a variety of constituents including both public and non-public companies throughout many stages of pre-bankruptcy planning and the Chapter 11 reorganization or liquidation process. He is council to significant creditors, official committees and lenders in bankruptcies and out of court restructurings.

([01:23](#)):

So at this point I'm going to turn it over to Laura. And Laura, I'll ask you to tell us a little bit about yourself and introduce yourself and Eric can do the same. And then go ahead and begin the presentation. So take it away, Laura.

Laura Hopkins ([01:33](#)):

Sure, thanks Aria. Like I said, I've been five years with Lex Machina. I helped out on developing this Chapter 11 bankruptcy court module. It's been a long time coming and when I joined Lex Machina I started on the district court bankruptcy module. So we've been building out bankruptcy for a while and I'm coming to you from Camden, Maine. Eric, care to say anything.

Eric Schnabel ([01:58](#)):

Thanks again, my name is Eric Schnabel, partner at Dorsey & Whitney. I practice across the country, but I'm housed in our New York and Delaware offices. I'm at my house right now outside of Delaware. I think this tool is going to be very interesting, especially if you go to different courts across the country. I think things are different in different places and it's sometimes good to have intel and this is one way to get it.

Laura Hopkins ([02:31](#)):

That is a great introduction Eric. Thank you.

([02:34](#)):

So I'm going to go ahead and share my screen against live demo here. But welcome, I'm excited to walk you through Lex Machina's new Chapter 11 bankruptcy court module. In this module we have all Chapter 11 cases and their full dockets filed since 2009. We have data on all bankruptcy court judges with Chapter 11 cases. We have data on all dockets and have enhanced them with our document tags and keyword search. We have Lex Machina style entity data that our users know and love on law firms,

lawyers, parties, and we've classified those into bankruptcy party roles such as debtor, creditor, trustee and creditor committee. And we have the ability to sort cases based on debtor type, cases with confirmed plans, voluntary involuntary petitions and assets and liabilities.

[\(03:30\)](#):

So Eric, let me ask you, how do you see yourself using this data?

Eric Schnabel [\(03:35\)](#):

Well, I think there's a variety of things you could do with this data. I think, one, this data can help you understand the market as in the restructuring market, as a business. Whether it's budgeting to the firm, how busy we're going to be, how busy were we in the past? You can figure out per court or nationally kind of where restructurings are. Is it a busy time? Is it a slow time?

[\(04:01\)](#):

I think you can also use this as a business development tool. You can kind of look at clients and see where they are and what kind of size cases they are and maybe they're in your sweet spot and you should go after that client more. Who are they using?

[\(04:15\)](#):

I think you can also use this to kind of understand the competition, who's getting those committee cases, who's getting those significant creditors and try to position yourself well against that. And I also think you can get, which I think is really interesting is intel on courts and specific judges and really use this as a research guide to help practice law on top of the regular search engines like Lex that you might use to do or have your associates used to do legal research.

Laura Hopkins [\(04:46\)](#):

Well thanks Eric. That's a great introduction and I wanted to walk you through some of those use cases and how our users might approach them. So let's say I'm an attorney at a large law firm, like yourself, I have a client facing Chapter 11 bankruptcy and they're looking to file in the Central District of California, which happens to be, I'll point over here, the third largest district in our data set. Again, these cases start anything filed January 1st 2009 and after is part of our data set.

[\(05:22\)](#):

So Eric, we know you don't mess around and you're dealing with high stakes cases. And so we want to look at cases in your sweet spot, like you said, with liabilities of \$5 million and hopefully I put enough zeros in there and we hit a prize-

Eric Schnabel [\(05:39\)](#):

You could do 50 if you wanted too.

Laura Hopkins [\(05:42\)](#):

We could do 50, but I practiced with 5. So we'll filter to, we see, 11,841 cases with 5 million in total liabilities and we're looking at the Central District of California, so we're going to add that filter on there as well. And so we go over to our timing, because again our client wants to know how long is this going to last and how much is it going to cost, we see here that time to plan confirmation the median time is about 511 days, so about a year and a half, and we see that time determination is a little bit longer, closer to two years, 647 days. But we know that plan confirmation is a crucial milestone in Chapter 11. So I'd like my client to see how long a case with a confirmed plan is going to take in this district. So we'll

restrict our results only to plans that have been confirmed and we see a little bit of a different, well much different picture in terms of time determination with 1090 days, so just short of three years.

[\(06:53\)](#):

So this information is extremely useful to set my client's expectations and explain that the bankruptcy process can be a long process. And we can also scroll down over here just to kind of highlight and we can see the top judges that are hearing those cases that fit confirm plan with at least 5 million in total liabilities in the Central District of California. See what judges have heard most of those cases. We can also look to see who's going to be in the courtroom with us, who will be negotiating with on all sides, creditors, debtors, trustees, creditor committees, and we can even see some of the parties that have shown up in some of those cases see if there's any matches.

[\(07:34\)](#):

So Eric, going back to timing, how important is a time to milestone like plan confirmation in your practice?

Eric Schnabel [\(07:43\)](#):

Well I think depending on the kind of case you have, plan confirmation is obviously your exit and when you file a case, you want to know how it's going to end, which because that makes it more efficient and less costly. And the question that always is how long is it going to take? And I would think what this does is takes a little bit of the guesswork out of it. And the interesting thing is given the way you can filter this information by assets, so if it's a \$20 million liability, you could do 5 to 50. If it's a \$300 million liability, you could do 100 to a billion and kind of see that snapshot. And then you can compare districts and compare judges. So if you've got a California headquarter company with that's a Delaware LLC, you can file in Delaware, you can file in California, you can compare the two and your client can make a more informed decision based on real data about where it wants to be. And I think that it's an immensely helpful tool.

Laura Hopkins [\(08:47\)](#):

Exactly. Thank you. So I did mention judges earlier and I want to show you, you can also do research on your specific judge from our courts and judges section as well as the other sections that I did show you. And since Eric you practice on the East Coast, we'll go with a judge that might be a little more familiar with the to you Judge Walrath. So I can just type her name in there and she pops up, and we can see in our data set we have 1,934 cases and over 208,000 documents. We can see from the summary page that cases before her have increased quite a bit over the last three years since 2019. And we can go over to just review her the documents that have she's ruled on or any document that's been filed in a case in front of her.

[\(09:43\)](#):

So, say we want to bring an objection in front of Judge Walrath and we want to know other objections similar to ours just for, I'm going to say we want to do an objection to professional fees. So we're going to take our document tags and our keyword search, we're just going to look at objections, but if I wanted to include orders I certainly could to see what kind of orders she'd ruled on as well. And now I have objections to professional fees filed in cases that have been in front of her.

[\(10:21\)](#):

So here we scroll a little bit down, I see an objection to professional fees of Eisen Ramper in the case of Center City Healthcare LLC. So now I have two options I can go to see this document. I can take a look at the case page... Which I'm going over to summary there, sorry, I got ahead of myself. I can go into the

case page and I can see what this case was about. It was filed in 2019, it's open, it's in the district of Delaware, almost 7 million in assets here, 70 million in liabilities. I have the debtor, the creditor, doesn't look like there was a trustee appointed in this case but there was a creditor committee, so I can also see council on that creditor committee and get an idea of the parties, and the law firms. If I want to go over to the docket entries and explore the docket, I can do that with the keyword search or again look for my objection that way.

[\(11:20\)](#):

But the other way I can go into this is just by clicking, sorry what case? There we go. Clicking right into this docket entry and that will bring me to the place where that document was filed in the docket. So I can look and see what happened after that objection, how the judge ruled, if there were hearings, is there a transcript, is there a brief? And I can take a look that way. So I can actually look at the document with few documents. Or when I'm done with that research I can go back out to my search and find some more documents that I'm interested in looking at.

[\(11:59\)](#):

So Eric, with my second demo, would information about your judge or court be useful when approaching a bankruptcy case?

Eric Schnabel [\(12:11\)](#):

Well I think to me this tool is just awesome because you send your associate out to file whatever the issue is, objection or motion. They go on Lex and do a bunch of legal research and so forth and that's all well and good and that's obviously very important. But this lets you drill down on your specific judge to see whether he or she has actually ruled on this issue. And the fact that you can search the docket for the motions in front of, here Judge Walrath, you could find a transcript because you've got access to the docket. So it might not have just been a bench ruling and you can read the hearing. Maybe you don't use it in a brief because it would be kind of a weird citation or you don't want to, but you know about it. So the intel from the perspective of preparing yourself for the hearing or including in your brief is just fantastic.

[\(13:07\)](#):

I also think what this really lets you do is you could run a search on I need to do this, I need to object to committee standing to bring a derivative action against the lender, well when has that happened in front of this judge? It lets you kind of create a template that you can figure out how other people have argued it and then maybe use that as an outline for your own research to create your own pleading. So I think it's just a very powerful tool to supplement with the standard legal research.

Laura Hopkins [\(13:42\)](#):

Yeah, I agree. Thank you. So for my final hypothetical, I want to take you into some of the party data. So say I'm a law firm representing General Electric, I'd like to pitch for more of their bankruptcy business. I want to know what firms am I competing with and where are they so I can figure out the best strategy to gain more of their business. So just for example, I said General Electric, you can go to our parties search and you can add all these parties. oh look, I already started over there, but I can add some more parties here and I can view litigation analytics based on these parties. Just so I've already prepared the meal for you.

[\(14:24\)](#):

So here is just the General Electric party group that I had saved previously. We see there's 721 bankruptcy court cases that they've been involved with. So I'm going to go click into there and take a

look at that and I have it right here pulled up already. So we see there's heavy presence in the District of Delaware, Central District of California, Middle District of Florida. And we can go over to law firms and we see in this case said of 721 cases, these are the top law firms that are coming in and also the top parties. But we want to know more about law firms so we can pull a law firm's report and to save processing time I'll bring over here.

[\(15:10\)](#):

So here we can see the top law firms representing General Electric in these Chapter 11 bankruptcy cases and we see that it's Reed Smith. From there we can take a look at those cases, we can find documents that Reed Smith has filed, we can find documents filed against them and we can even go into a law firm search and seek out other documents filed by or relating to that firm and really hone in on the details of our pitch for more business and the competition. So Eric, I'll ask you, what is important to you when you're looking to expand or acquire new business?

Eric Schnabel [\(15:50\)](#):

Yeah, I think what this lets you do is when one of your clients says that you get most of their work, kind of lets you litmus test that statement and lets you see who your competition really is. And again, as I said before, I really like to toggle on the total liabilities because you know might represent GE and a certain size case, while someone else is looking to represent GE in a different size case. \$10 million debtor case is different than a billion dollar debtor case in terms of what firms that client's going to hire. And so let's see, really kind of narrow this down.

[\(16:27\)](#):

I was thinking that this also be good tool for analyzing lateral partner candidates. If they say, oh, I do all this work for X, Y, Z bank. And you can kind of search that and really see whether they're on those pleadings or do that work or who else is there and research their claims of being the lead council to somebody in numerous cases. So I think that's a very helpful tool to strategize on your own business development for targeted for your own clients or new clients.

Laura Hopkins [\(17:07\)](#):

Great, thanks. Thank you for that. So those are the hypotheticals that I prepared and thank you for letting me share. Lex Machina's new bankruptcy court module with you and with our guests that are listening. We're very excited to open up this new universe of bankruptcy court analytics to our users. So now Aria, I will pass it over to you for some Q and A.

Aria Nejad [\(17:35\)](#):

Yeah, that was so interesting. Thank you Laura. That was very insightful. Thank you Eric for giving the feedback and just showing us what's new in this brand new module. We have a few questions that have come in. Let's start with, this was interesting to me, someone asked can this be used to see a list of newly filed bankruptcies on a regular basis?

Laura Hopkins [\(17:58\)](#):

Sure, I can answer that. So yes, the answer is yes. Lex Machina is we update our documents and our dockets on a daily basis so with alerts and everything a user could easily see what new filings have come in.

Aria Nejad ([18:19](#)):

Awesome, yes, thank you. Another question that just popped up. What are some of the busiest bankruptcy courts and judges? That's a question I had actually coming in as well.

Laura Hopkins ([18:35](#)):

Oh great. Since I'm doing the show let me bring you back into my bankruptcy module. Actually will premise to, I think in November we're slated to release a bankruptcy court trends report and webcasts. But if you look here, you can see the top courts, and again, these are filings since 2009. So the District of Delaware, Southern District of New York, and you can also see the top judges. I know Judge Drain just recently retired, so I'm sure his cases will stay steady there, but it'll be interesting to see. Eric, does this surprise you? What do you think?

Eric Schnabel ([19:19](#)):

Well, I think it's interesting because this is all cases. So this would include a case with a million dollars of liabilities and three billion dollars of liabilities. So I'd be interested to see if, can you go to total liabilities and just put 50 million up and see how that changes or put 100 million up? Because 100 million is usually the mega case cut off. And you can see how California right was in second place and it drops way down. And then also you look at the bankruptcy judges and I can't remember who the top judge was before, it was probably California judge who handles smaller cases. And here you've got the top four judges are all Delaware judges. So I think that to me that's a really interesting way to... We're all practitioners in different markets in terms of size of dollars, a billion dollar thing, they're not going to hire a bigger company, et cetera, in bigger firm. In a smaller case, you're going to hire a firm that's more economically rational. So I think this really lets you kind of pick that market, which is interesting. And it also lets you know why I practice in Delaware and New York primarily.

Laura Hopkins ([20:40](#)):

Yeah.

Aria Nejad ([20:44](#)):

Very cool. Oh sorry, go ahead Eric.

Eric Schnabel ([20:51](#)):

I was saying we have lots of questions.

Aria Nejad ([20:53](#)):

We do, yeah, we've had lots of questions coming in. Are there any of these in particular you guys that pop out to you? Yeah, anyway, I'll let you guys decide if there's a couple of them that are more interesting than others. But yeah, there's some very good questions coming in.

Laura Hopkins ([21:10](#)):

There is a question about Pace being the data source. We do use PACER as our data source on the judge info, yes, there are definitely judges that are no longer on the bench. Again, our data is comprehensive. If they've had a case that was active or open since the beginning of January 1st, 2009, if they've been on the bench and handled a Chapter 11 case, they are in our data set.

Eric Schnabel ([21:40](#)):

But, you're also looking at data from '09 so you could take the last three years and see what that got you or the last five years. So that would eliminate some of those judges who maybe were retired in 2020.

Laura Hopkins ([21:56](#)):

Right. Yes. If you used this filed on facet filter, just to say you only want to look at cases that were filed since 2018, you could go ahead and do that to restrict. And again, you can also search by judge and by court as well. So if I want to look up the Western District of Pennsylvania, I can go to my old home court, I should have wrote Pennsylvania, and see how things are going there.

Eric Schnabel ([22:35](#)):

Do you have plans to roll this out to, which is one of the questions, Chapter 7 or 15 different chapters or just [inaudible 00:22:43]?

Laura Hopkins ([22:43](#)):

Yes, I have plans. [inaudible 00:22:48] has plans, but we are going to keep things coming as we go. We are always interested in feedback.

Eric Schnabel ([23:01](#)):

I think it's coming. 7 and 15 would be the interesting ones to do, but 11's obviously more popular.

Laura Hopkins ([23:08](#)):

Yes. But right now we are only Chapter 11.

([23:13](#)):

Can you filter by industry? We do not have an industry filter yet. We are working on that though as well.

Aria Nejad ([23:23](#)):

Right. I've heard industry tags coming down. It's on the horizon for sure. It's definitely something that we've been hearing often from our clients and even prospective clients and it's definitely something that we are adding in. We're working on it currently from what I understand.

Laura Hopkins ([23:41](#)):

I think that's it for the questions, unless there's-

Aria Nejad ([23:46](#)):

Yeah, there was just one more that I was curious about. Yeah, we got to the majority of them, but one of the questions I thought was interesting is the bankruptcy module integrated into the new Lex Marketing API?

Laura Hopkins ([24:01](#)):

I do not have that answer because I been more focused on... But we will definitely get back to that person.



Aria Nejad ([24:14](#)):

Right. I don't want to speak too soon. From what I understand, the API's comprehensive with everything that we have and so people who have acquired the API will have access to it. But again, yes, we'll double check on that. But yes, the people who have the API currently are doing a lot of interesting things with it and I believe that if it's not already integrated it very shortly will be. There's a lot of interesting things happening with the API and with the new industry tags coming. But this has been very informative, I really appreciate you guys taking the time to go through the demo with us and just answering a lot of the questions that have come in. Thank you. I'm sorry, go ahead Eric.

Eric Schnabel ([24:53](#)):

Yeah, I was just saying one thing I know in working through this the other day with you guys is that when you do a search on the docket and then you want to pull, like you said, oh I can look at the motion or the order or what have you, that's all included in your fee structure basically. So, even though you're pulling the info from PACER, you don't have to go out of this into PACER, pull the document, get charged 35 cents a page or whatever. You guys are just basically selling that whole package, so we can basically get access to these dockets and these documents while you're using the research tool and you don't have to separately pull them. So it's fully integrated from my perspective.

Laura Hopkins ([25:40](#)):

Right. I do want to add, we do automatically download petitions, any document with the summary of schedules in there and Chapter 11 plans. So those are automatically downloaded and then the other documents are fetchable.

Aria Nejad ([26:00](#)):

Excellent. And the big question I see right here the person prefaced it with big question, when is this available?

Laura Hopkins ([26:09](#)):

It's available now.

Aria Nejad ([26:10](#)):

Available now. Yes. The module has been launched today. So it is available now.

The last thing I noticed, someone asked as in addition to what are the busiest bankruptcy courts was will these bankruptcy courts be included with my subscription? This depends on your subscription, but we're happy to connect you with someone here at Lex Machina and ensure you get access to these analytics. And I think that we have a contact page on the last slide. There we go here. So yeah, feel free, if you have any questions, reach out to us directly. The Lex Machina website or any of our emails, you can look us up on the website as well. But enjoy the rest of your day everyone. Thank you for joining us and thanks again Laura and Eric. Great presentation.

Laura Hopkins ([26:54](#)):

Yeah, thank you.

Aria Nejad ([26:57](#)):

Thank you.