

## Litigation as an Asset

AN INTERVIEW WITH ANDREW LANGHOFF

### PROJECT

This interview is part of a series to help attorneys think through the issues that affect their practices, investments, and overall financial wellbeing.

### ABOUT

Andrew Langhoff is the founder and principal of Red Bridges Advisors, the number one Chambers and Partners ranked U.S. litigation funding broker.

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**Jack Duval:** Today I would like to kick off the first Bantam podcast interview that I've ever published and I am very pleased to announce that I'm going to be doing this with a friend of mine for probably twenty years, a guy by the name of Andrew Langhoff. Welcome Andrew.

**Andrew Langhoff:** Hey Jack, happy to be here.

**Jack:** Are you involved in the strategy of what areas and industries you want to go after? Is that part of it and then identifying names?

### BACKGROUND

**Jack:** I'm going to give a very brief background of you. I hope I do your CV justice. Andrew has been involved in law, media, business, and with litigation finance for many years. But you started out as an associate with White & Case in New York. You were in house at Cap Cities/ABC and then at Walt Disney, actually doing internet development of all things, way back in 1996. You also were the CEO of Dow Jones Local Media Group and then the publisher of Wall Street Journal Europe. And then you moved into the litigation finance world. You were the COO of Burford Capital and then a principal at Gerchen Keller. And now you run your own shop in the litigation finance world, so quite a background.

Why don't we kick it off with this, because there's so many ways to come at litigation finance, and I want to get into what you do for your clients at Red Bridges, but first because maybe some of my listeners might not know what litigation finance is, give me the real short version of that.

### LITIGATION FINANCE (THE ELEVATOR PITCH)

**Andrew:** Yeah, thanks Jack. Look, litigation finance fundamentally looks at litigation as a financial asset and it seeks to unlock the value of that asset now while the litigation is pending in return for a share of the proceeds once that litigation is successful. So, importantly, commercial litigation finance is typically non-recourse such that if the case is unsuccessful the funder or the investor loses its full investment and for that reason litigation finance can be expensive compared to other forms of financing but at its heart it's about understanding that litigation has value and that that value can be unlocked now in multiple different ways.

**Jack:** Got it and for the person or entity that is getting litigation finance to fund their litigation

is it fair to say that essentially it's a way for them to lay off some of their risk?

**Andrew:** Absolutely, and we can go through this any which way you'd like, but there are a number of different products that have developed really over the last ten to fifteen years that allow claimants to lay off their risk and law firms to share and spread their risk. There are a number of different ways that we do this, but you're right, at the heart of it it's basically an opportunity to shift risk and it can be very advantageous for the clients.

**Jack:** Right, okay so I do want to go through all those kind of different aspects of it, but first I want you to speak a little bit, if you would, to your firm Red Bridges Advisors and tell our listeners what you do there and how you add value for your clients.

**Andrew:** Yeah, so look litigation finance is still relatively new. It's probably only been in this country for about a decade. I spent time at two of the largest funders in the world so I understand the business, but for most folks who are seeking litigation finance they're doing it for the first time. There's a real asymmetry in the market in terms of how to price things, what products are available. The funders really to some extent do have an upper hand and I saw a real

hole in the market, an opportunity, call it what you will, to basically help folks who are seeking funding and to help them obtain it on the best possible terms. So my job is to really I've jumped from the other side of the table over to what is called the counter party side which I think is telling, to really help those folks make sure that they are properly using litigation finance and that they are getting the best deal possible.

**Jack:** Got it and the "asymmetry" that you speak of it's really an information asymmetry because those funders are looking at deals, you know in theory, all day, every day. Your client comes, they're going to do this maybe once in their life, so they don't have any context if you will.

**Andrew:** You put your finger right on it. Most folks, certainly if they have a claim that is worth fifty, sixty million dollars that these are not going to happen often in the course. Often these are sort of bet-the-company litigations. Folks who were in that position are typically new to litigation finance they have no idea what products are available, they have no idea which funders are viable, they have no idea how to price things, what terms they should be concerned about. And so my value add is to basically help them from the very beginning of that journey when they're trying to figure out whether or not litigation finance makes sense all the way through the closing so I'm sure I'm with them every step of the way.

**Jack:** Got it. Yeah, it makes a huge amount of sense. So you had started down this path and I want to come back to it, and I know you have a framework of four kinds of litigation finance or at least that's the way you divide up the world. So maybe take our listeners through that.

## LITIGATION FINANCE: THE FOUR TYPES

**Andrew:** Sure. Look, I think let's start with a familiar idea which is that contingency lawyers had been investing in litigation for over a century. So this in some ways, although commercial litigation finance as we're talking about it as an industry is maybe a decade old in the US, maybe a little older in the UK, maybe a little older still in Australia, where it really got its start during the early aughts. But in this country contingency lawyers had been investing. They haven't been investing funds, but they have been investing their time. And that equation has typically been, I'll invest my time in your case and if it wins, I'll take thirty or forty percent of the proceeds, and if it loses, I walk away with nothing. And essentially litigation finance took that model and instead of investing time, invested money, so the client can frankly choose any law firm it would like to have represented in a given case.

Right, so we sometimes called this a synthetic contingency fee model. It's basically the funding of legal fees and expenses in a case and a lot of the cases that get involved with litigation finance have significant expert fees. Whether it's an international arbitration or patent or anti-trust so let's not minimize the amount of expense that can be involved. That first product really is just paying fees and expenses in the same way that contingency fee lawyers have been investing in cases for decades.

But once we see that the litigation has value and that we can invest in it a number of different opportunities open up. The most obvious is to monetize the claim itself. Now again this has nothing to do with paying legal fees. Let's assume that the legal fees are already paid or maybe the case is being taken by a contingency lawyer. But at that point in time if you have a forty million dollar claim and you as a company might be seeking some kind of working capital or some other use of the funds. If the notion was that you could take ten million dollars now in return for giving some piece of your forty million-dollar proceeds when things resolved that can be a very attractive proposition. Because let's face it, litigation is risky. Even the best case can lose and so taking the opportunity to basically take some money off the table or de-risk in your terms is very attractive.

The second product we see is claim monetization. Now once we get there, we see that there are other folks who are making money off these proceeds and they are, let's meet them again, the contingency lawyers. So when litigation finance came to the U. S. rather than competing with a lot of contingency lawyers a new product was really developed, which is to say contingency law firms typically have pools of contingency fees that they expect to get at some point in the future. And the notion is that rather than waiting a long time to see those fees they can essentially unlock or de-risk, whatever verb we'd like to use, those fees now. So a firm might have an expectation that they're going to receive a hundred million dollars in contingency fees, at some point over the next five or ten years they might take ten million dollars and financing now, and then pay the funder back out of those fees when they actually resolve over the course of the next decade.

**Jack:** And just to be clear, that claim monetization can be for one litigation or it could be for a portfolio, is that correct?

**Andrew:** Yeah, it's a great point and typically what we see is law firms doing these in a portfolio fashion. Typically firms that do contingency work do a fair amount of it so they'll have a pool of cases and we can come on to this later if you'd like, but because there are a number of cases in that pool or that portfolio and because we can cross collateralize them to basically protect the funder, the risk of the funder being repaid, the risk to the funder is less and so the pricing can be less so that tends to be very attractive to a lot of boutique and contingency law firms. So we've seen a lot of that in the U. S. in the last five years or so.

**Jack:** Yeah, that that makes sense. So we've got the synthetic and then we've got the claim monetization and then what else?

**Andrew:** You've got this fee monetization and then you have what is just, and they can apply to either claims or fees, just in the acceleration of a judgment. So at some point in time let's say a firm has been successful in maybe it's a class action. They know they're going to get paid. They know that the court is going to give them, say at least twenty percent of the proceeds, but they also know that process could take four, five, six, seven months to come to fruition. Rather than waiting that period of time, law firms and sometimes claimants can essentially accelerate their fees. At that point in time there's no legal risk so the pricing is different. It's really much more akin to say factoring that you would see in a retail operation or otherwise.

**Jack:** Right.

**Andrew:** So those are our four. We've got the fees and expenses, the claim monetization, the fee monetization, and then acceleration of either claims or fees.

**Jack:** Right and this litigation funding, this can be done at any point along the life span of a claim, including, in theory, before it's even filed, right?

### TIMING

**Andrew:** Yeah, that's very perceptive. As I've just said that acceleration takes place after there's been a settlement but litigation finance can enter the frame at any point. Often it does start at the outset of a litigation, especially when there are significant costs or expenses involved before you bring an antitrust claim that might have a budget of twelve or thirteen million dollars, a lot of firms and others will wait until they have secured financing. So certainly at the outset sometimes you see folks waiting until they're beyond some kind of preliminary motion or motion to dismiss and discovery has started, so now we have a significant cost. Sometimes you can wait until the eve of trial which is always interesting because the risk equation gets challenging sometimes right before trial. And then there are certainly a number of cases where there's an investment made at the appeal level.

I'll just mention that and a lot of this is done discreetly and so they're not a lot of publicly reported examples of litigation finance, but when they are done in the bankruptcy case they have to be publicly disclosed so there is a rather well known example I was involved in when I was at Gerchen Keller where a bankruptcy trustee sought twenty five million dollars while his case was on appeal. It was public that in return he would pay the funder back fifty million dollars if and when it was successful and in fact that's exactly what happened. I'll just say that your pricing can get better the farther along you are in a piece of litigation typically because the funder can better understand what the legal issues are and what the actual record looks like as well.

**Jack:** So there's all kinds of questions that come up in my mind with that kind of table setting. So one that I think would be of interest to my listeners and there's kind of a cross-spectrum there of big law people and people who have boutiques and people at kind of mid-size firms, but do you think that it helps kind of "un-tilt" the table, if you will, for a broke plaintiff going after a deep pocketed defendant?

## LEVELING THE PLAYING FIELD

**Andrew:** Yeah, look I mean one of the obvious metaphors in litigation finance is the David and Goliath situation where you have well-heeled corporate clients that have defense firms that are happy to bill by the hour and went off and paper a plaintiff to death with various bits of motion practice, discovery, what have you. And there's the notion that those plaintiffs are often fundamentally disadvantaged and are forced into an undesirable settlement just because they don't have the resources to continue the trench warfare that is very common in that kind of corporate litigation. So there's no question that when there's a funder behind a plaintiff and there's a notion that you can go toe to toe with a very large litigation budget that frankly you're going to get probably a fairer outcome, because the case will be decided on its merits as opposed to throw weight as to what kind of ammunition one side had.

**Jack:** Right, and I know we've talked about this a bit off screen here, but do you think that it has, well, maybe the best way to phrase it is, do you think that it shows up in a litigation? Do you think that defendants see an uptick in the claimants or the plaintiff's filings or do you think it's obvious when litigation finance is procured?

**Andrew:** Yeah, it's a relatively subtle question, but I think it it's going to be nuanced and depends on the situation of the plaintiff. But I think there's no question that if you're a large corporate litigator and you've got, let's say it's an inventor. Let's look at the patent situation. You've got an inventor who has some early filings and claim charts and what have you and patents that he put together in his garage. You know as a corporate litigant that this inventor really has very limited resources and yet they seem to have hired one of the best patent litigation firms in the country and they seem to have equal resources. There's no question that that triggers the thought in the mind of defense counsel that maybe litigation finance is at play here and frankly that does lead to satellite litigation where there'll be some attempt to discover whether or not the litigation finance has been used really as an attempt to try to get at the underlying documents that have been passed back and forth between the funder and the litigant when the funding decision is made because you appreciate that due diligence you could often expose some weaknesses in the case. And often there's an attempt to try to get at that kind of documentation. Typically courts have frowned on that and we don't see many situations where that's an issue but that is the kind of consideration that lawyers and their clients need to think about when they think about litigation finance.

**Jack:** Interesting. Is that considered privileged? The contract, the litigation finance contract itself?

**Andrew:** It's not privileged because the funder is not an attorney so it's not attorney client privilege, but typically it falls under what is referred to as the work product doctrine. And there's a common interest gloss on top of the work product doctrine. There's a nice amount of literature on this that's now available on the web and I think, I certainly counsel my clients that they should not be concerned that this issue maybe ten years ago would have been sort of a very hot live issue to be concerned about, but that over time the vast majority of rulings have been in favor of not disclosing. And that essentially the litigation finance firm is treated like a part of the team that the plaintiffs put together so they're treated in some ways as an expert would be or anyone else who had access to the strategy or the thinking of the law firm and clients.

**Jack:** Right. So you as a claimant then you would need to have counsel in order to be covered by that work product doctrine?

**Andrew:** Yeah. Well, that's a nice question and I'm not sure you would have to have counsel. It's possible that those communications if they're in furtherance of your litigation that that could be enough. I'm not going to comment on that, but I do think that as a general matter the notion is that the back and forth between a funder and a potential client is essentially not made available to the other side for obvious reasons. There's no good reason that the defendant can give that they should have access to those documents.

**Jack:** Got it. Okay, great. So I want to come back a little bit to how you work with your clients and I think it ties into the whole litigation finance structure. But when a client comes to you with a case that they want you to shop to various funders, number one how much evaluation do you undertake and then secondarily what is the origination process at the funder?

## VETTING CLAIMS FOR FUNDING: THE FIVE CRITERIA

**Andrew:** Yeah, good question. So in terms of what I do, I work on a contingency basis by and large. Sometimes I have retainer depending on the opportunity, but typically I'm going to take something on because I think it deserves to be funded and I think I can place it. So in essence I'm completely aligned with the funders and one of the advantages that I bring is when I darken the funders' door they know that I have confidence in a case because as I work on contingency, I'm not going to spin my wheels or waste my time on a case that I don't think is going to get funded. So my process is really akin to the same process that a funder will undertake although they'll obviously undertake it at a deeper level, and I'll just pause and give you the five criteria that I use and that most every funder focuses on primarily when thinking about whether or not to take on a case.

The first is going to be the underlying merits. Let's be clear, if a case will not win the funder does not want to touch it and if you hear from anyone to imply that funders lead to frivolous litigation this is the point that puts the lie to that. No funder wants to lose their money in a case that is not meritorious. And in fact meritorious, these are often really vague ideas, but has a seventy percent chance of winning. If you talk to the English barristers they actually give them percentage numbers like that. So merits are wildly important. Merits are the hardest part to diligence. That's what usually takes a good month or so to truly understand with a bunch of lawyers who are typically specialists in a given area, but I'll want to, given my legal background, I have a very good understanding of what the merits are. Make sure that there's clear, that all the necessary elements have been met. So merits are the first and most important thing.

Well, the second thing, which might be the most important thing, is collection risk. Now this is easier to evaluate, but if there's no chance of collecting from the defendant despite the fact that you're going to win, it's really not worth the funders' time. So I used to joke that almost on a weekly basis I get a phone call from a lawyer with a spectacular case against the Republic of Congo and usually that was a short phone call because it's very difficult to enforce, not impossible, but difficult to enforce against Republic of Congo. So you've got merits. You have collection risk. Collection risk you can pretty much get a handle on pretty quickly, but there is again some nuance there as well. Is Venezuela worth time right now or not? Do you see regime change in some of these places? So collection risk is there.

The third element would be just the deal economics. And this is where a lot of deals fall down. You have to be sure that the damages are sufficient enough to account for not only the investment but also the return to the funder. And in most single case investments the funder is going to be looking for what we call three x return which in the U. S. means if I give you three million dollars, I want nine million dollars back. Now most funders will want to make sure at that point in time that the amount of settled proceeds is going to be obviously well in advance of that. They want to make sure that their counterparty or their clients are getting at least fifty percent, if not more, of those proceeds. So if they're entitled to nine or ten million, they want to make sure the client has twenty million. Now you see pretty quickly that if you don't have a case that's more than forty million dollars in settled value or in claim value that you're going to miss the mark. So that economics to make sure that the funder isn't going to take a haircut is important.

The last two criteria are more qualitative. One, we're concerned about the law firm itself. We want to make sure they have experience. You want to make sure they have what we think it takes to actually win the case. Often that involves real trial experience, in addition to just being litigators. And then finally there's a focus on the client themselves, or the counterparty, because this investment is passive, I want to be clear that these funders have no say in the strategy of the litigation. They have no say in the settlement of litigation. That essentially once they've done their diligence they are passing millions of dollars across the table and folding her arms and essentially waiting and if they think the client is not going to be commercially reasonable to settle a case that is a real concern. So understanding the sensibility of the client, the quality of the law firm, in addition to the other three sort of economic issues and merit issues I raised are all important.

**Jack:** Boy, how do you evaluate whether or not a claimant will settle for a reasonable amount or not? That seems difficult.

**Andrew:** Yeah, it's hard. Typically these clients are sophisticated parties. They are corporations that have real targets that they're working to, but there's no question that there is risk there and in the little example I gave with an independent inventor who might have a claim against some large tech company for, I don't know if you saw, but in the western district of Texas the other week, I think there was a two billion dollar verdict.

(Editor's Note: the case was [VLSI v. Intel](#) and the jury awarded \$2.175 billion to VLSI, the largest patent infringement award ever. Interestingly, Plaintiff VSLI was backed by a [Fortress fund](#) that invests in patents and then pursues firms they believe are infringing on them.)

That kind of idea can get stuck in someone's head and can actually be an issue. So yes, it's not a perfect process this underwriting and I want to be clear too that in the same way that contingency lawyers used to just sit around and sort of discuss among themselves whether or not to take on a case, most of this due diligence you'll see discussions of artificial intelligence or other sort of algorithmic processes to figure out whether to invest in a case that. But almost always we're talking about a group of very smart lawyers with significant experience sitting around a table and trying to poke holes in a case and if they can't poke a hole in the case, essentially they're going to say this one's a go or I think I'll make an investment. It works like that.

**Jack:** Got it. Okay. And I just want to circle back to one thing to clarify, and I think I know the answer, but I want to make sure. When you said that Red Bridges Advisors, works on a contingency basis, you're aligned with the funder. I just want to make sure when you talk about your contingency, it's on the deal getting funded and not the outcome of the claim, is that correct?

**Andrew:** Yes, that's true. Folks who do what I do in the US typically take their remuneration when the deal closes when the funding is agreed to and the first tranche is paid and that's when I get paid out of a piece of the initial financing. In the UK you'll see folks who are willing to wait until the back end is resolved and they're working for the funder. I work for the counterparty, that's important and thank you, but when I say I'm aligned with the funder what I mean is I believe in the case in the same way that I think the funder should believe in the case as well.

**Jack:** Right. Got it, okay. All right, so couple of other questions have come up. So as far as the actual transaction, and when I say transaction it means your phone rings, it's somebody looking for funding. What's the typical timeline from when you get that call, assuming that they do get funded, to when they actually get the first payment?

### FUNDING TIMELINE

**Andrew:** Yeah, I think the industry will tell you that it takes about three months to get funding and they're wide variations in that. Sometimes it can take longer certainly with more complicated cases. Patent cases, international arbitration, it can take longer than three months. Sometimes though if there is an immediate need a deal can be done in a month or two. I've heard of deals being done in a week if the opportunity presents itself and there's a real need. But traditionally the process is you're going to take a month to figure out what you really need, how to present yourself to the market, put out feelers to the various funders. You're then going to spend probably a couple three weeks talking to a handful of funders.

In my case I will have selected the funders because I think they would be appropriate to give an opportunity based on the amount being sought, based on the area of law, again anti-trust, patent, and what have you. And what you're looking for is the development of a term sheet that has agreeable pricing and other terms. You usually get that, now we're probably a month and a half, two months into our process. At that point in time you'll probably have a thirty day window where the funder will finish their diligence and if you're lucky in parallel you'd be negotiating your deal documentation. So now we're really right up against three months. Now again, it can be faster, but I think anyone who's interested in doing this has to understand that this is not a I'm going to fill out a form and sort of get a quick transaction. It doesn't work like that.

**Jack:** Got it. Okay. And then a question occurred to me by something you just said. Is it the case now that the industry has developed to such a level that there is now specialization at the funder level? Meaning that some funders only do IP and some funders only do other things?

### FUNDER SPECIALIZATION

**Andrew:** Yeah, I'm glad you mentioned that. So look, ten years ago there were maybe five real commercial litigation finance firms available in the US. At this point I must have at least forty on the list in my laptop and that's probably not fair because I'm not counting the hedge funds and others that are interested in the litigation finance although they don't hang a shingle out that says we do litigation finance. So the industry has really mushroomed over the last five or ten years and there are literally billions and billions of dollars coming in in the industry. Just this past month a new funder came in with a billion dollars. There was another new funder as well.

Now you know you can take that all with the a shaker of salt as to how much is really getting deployed, but the short answer is we're not hurting for a broad number of funders and over time both because of the way they're built could be the actual person within the funder or it could be just a need to really distinguish themselves in the market, we are seen segmentation and that segmentation might be based on size of case. Most commercial funders won't get out of bed for an investment of less than two million dollars although increasingly there are a number of funders that are happy to participate at the million-dollar investment level. Some at the five hundred-thousand dollar investment level.

Conversely there are some funds and serving hedge funds that will say come knock on my door when you've got a ten million dollar investment. So certainly size of case or deal opportunity for other sized matters. And then there's the type of case or cases that are being diligenced. And there are some that do nothing but patents and there's some that really like international arbitration and there are some that have had their fill of both of those. So increasingly my role is to remain on top of the market in terms of who is interested in what, despite that list of forty, usually for any given opportunity there are five or ten funders that are going to be appropriate. Those are good questions.

**Jack:** Right. Okay, now if you do any reading on litigation finance you come across this word "champerty". So why don't you define that for our listeners who may already know what that is and talk about it?

### CHAMPERTY

**Andrew:** Well, the funny thing about champerty, it's one of those things that I'm sure if your listeners are lawyers they are now scratching their heads trying to remember maybe they heard that on the bar exam whenever that was, but it's a medieval common law doctrine. It developed in the UK. Actually the UK has now retired the idea entirely. It concerns meddling in litigation. Again I won't go through chapter and verse, but essentially it was created to prevent nobles from otherwise basically creating frivolous litigation.

In litigation finance now we have sophisticated parties who are using financing as a way of trying to move forward with their litigation. There are lots of different ways that you could get financing. You could get it from a bank, you could get it from an equity investor. The fact that you happen to be getting it from a litigation funder is just a function of the structure of the deal. That's all by way of saying when this industry really came to the US maybe ten years ago there was a concerted effort by the U.S. Chamber of Commerce, let's be candid, to do anything they could to basically stop litigation finance entirely just because the Chamber of Commerce doesn't like litigation of any kind for its members.

In fact, the conversation over the last ten years has moved from let's talk about champerty and the fact that you shouldn't be able to invest in litigation which is what champerty in the case is, all the way to if you do invest, perhaps you should just close it. Which is to say that the concern about regulatory or ethical issues have really gone from an existential concern to sort of a slightly irritating concern that you might be called out in a judge's chambers or otherwise as being using litigation finance. So champerty is no longer an issue in any of the major commercial centers in the US that's not to say that there aren't states in the U.S. that have a champerty case from fifty, eighty years ago that could arguably be a concern. One should be careful when doing litigation finance, but as general matter champerty was a red herring in the industry and is really of no great concern to those who are practicing today.

**Jack:** Great, now I understand! So, this has been great and I want to give you an opportunity to give your thoughts on where you see litigation finance going from here. Because you've talked about how it's really about ten years old or so in the U.S., but to go from five true funders to forty, that's exponential growth. So where do you see it going now?

### THE FUTURE OF LITIGATION FINANCE

**Andrew:** Yeah, well I think this industry is going to continue to grow at a good clip. I want to be careful, there are some of the comparisons and projections made would have you think that this litigation finance is the next private equity. I think it is a very important specially financed area. I think it's serious. A critical need for claimants who are looking for the opportunity, to your point, to level the playing field. I think it is a vital financing tool for those who are involved in law firms and have offered them a solution for growing their firms aggressively that they didn't have prior to the advent of commercial litigation finance. So I think with respect to monetization, there is an enormous opportunity for some of the larger corporates in the country to really take advantage of the size and scale of their litigation to make some of their legal departments not necessarily cost centers, but actually into profit centers.

So there's a lot of opportunity for growth I think in the US in particular. And frankly it is always true in any legal industry, there's been caution in terms of its adoption of litigation finance, but I'll tell you the difference between six, seven, eight years ago when a lot of the AmLaw firms were not really interested in entertaining this idea and today where there is no barrier to conversation at any firm in the country, has been really quite spectacular. So it's growing. It's moving. I'd be cautious about how quickly it can grow, but it serves an enormous purpose and I see steady reasonable growth for the foreseeable future.

**Jack:** That's interesting and just to come back you mentioned AmLaw firms. Is it the case, Andrew, that more and more of these white shoe New York City firms are not just doing defense work exclusively like they used to and now they're starting to take plaintiff's cases as well?

**Andrew:** Yeah, it's funny. This is something we've been talking about for a while now. A lot of the better firms have been watching firms like Susman Godfrey, firms like Quinn Emmanuel and watching their financial success and probably with a bit of envy. And those firms are on the plaintiff's side often, although not exclusively, are happy to engage in contingency arrangements and I would guess would be happy to entertain the kind of financing that we're talking about here.

What's interesting for those AmLaw firms is plaintiff side work is different from defense side work. You need to be able to analyze the case to make sure that you should take it. You need to be able to budget it properly. So the argument within the industry is that AmLaw firms would do well to partner with funders so that as they approach the notion of doing more plaintiff side work and plaintiff side work with some level of contingency, that they use that funder relationship to help them pick the right cases and to basically provide them some kind of revenue stream. Not the entire fee that they would earn, but rather maybe fifty percent of their fees so they can keep the lights on, pay the associates, but still get some really significant upside out of these cases.

**Jack:** Right, and those are bound to be obviously large cases.

**Andrew:** Yeah, and we're seeing this right now. Again there are firms that would only have done say defense side anti-trust work ten years ago, that are now finding themselves happy to be on the plaintiff side. There are a lot of large firms that seem to have created within them smaller teams of plaintiff's side lawyers who are looking for these kind of contingency opportunities. So I think we're going to see more and more of that, and frankly in the UK it's always a head scratcher to the lawyers over there that we have firms that are sort of mostly defense side or mostly plaintiff side as they say over there, they're happy to be on both sides of the "V". so I think they're going to see an evolution to that model.

**Jack:** Yeah, that makes sense. And this is been fantastic Andrew. I want to give you an opportunity, if people want to get in touch with you, what's the best way for them to do that?

**Andrew:** Yeah, look I've got a website that they can go to [redbridgesadvisors.com](http://redbridgesadvisors.com), but they can also just send me an email at [andrew.langhoff@redbridgesadvisors.com](mailto:andrew.langhoff@redbridgesadvisors.com) and I can be immediately in touch with them. I'm happy to talk to folks just in a quick conversation to give them some general direction, it doesn't mean that I'm going to take an opportunity on, but I'm happy to give some kind of guidance so that folks understand what's available to them and perhaps they should be talking to.

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## ABOUT BANTAM INC.

Bantam Inc. ([www.bant.am](http://www.bant.am)) is a private investment office focused on serving attorneys with at least \$10 million of investable assets.

Bantam delivers bespoke fiduciary solutions in asset management, risk management, and strategy.

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Based in New York, Bantam serves clients nationwide.



