



## VENDOR VOICE

# Legal Analytics Shop Talk with Lex Machina

After a higher education–fueled start, Lex Machina’s Legal Analytics Software-as-a-Service is poised to enter new areas of the law. Find out how it’s working to keep customers up to date—and what future legal information access developments the industry can expect.

The technology for Legal Analytics was initially created by Stanford University computer science and law school department members in 2010, as part of a public interest project that began in 2008, spearheaded by Professor Mark Lemley and cofounders George Gregory and Joshua Walker. The \$3 million project was funded by companies including Apple and Cisco and global law firms such as Fenwick & West and Heller Ehrman.

In the years since, readers of *The Recorder* named Lex Machina’s Legal Analytics one of the Best New Legal Services in 2014 and 2015;

and the company was awarded the American Association of Law Libraries’ New Product Award in 2015.

In November 2015, the analytics platform—which helps legal industry members predict different legal strategies’ outcomes by tagging and categorizing millions of federal court dockets and documents—was acquired by content and technology solutions provider LexisNexis.

Although Lex Machina currently focuses on intellectual property law, its recent acquisition has provided an array of new opportunities. *AALL Spectrum* recently spoke with

**Lex Machina Vice President of Customer Success Lydia Flocchini, CEO Josh Becker, and Director of Sales, Eastern Region Darren Schleicher memorializing their 2015 New Product Award with AALL President Holly M. Riccio.**

Lex Machina Chief Evangelist and General Counsel Owen Byrd about the current state of data availability and professional development in the legal information industry, how the research process has changed, and what advancements we can expect in the future.

### **Has Lex Machina's audience changed at all over the years?**

**Owen Byrd:** It's expanded. There are more and more attorneys who now have their own user accounts, but they really rely on the experts in the library to help them. We're not seeing many instances of an attorney who is not a user just emailing a query to the librarian and asking the person to answer it, because the system is just so easy to use, and you don't really know what to

## **THE BASICS**

**Founded:** 2010

**Was backed by:** Leading venture capital firms and angel investors, including the former CEO of Thomson Reuters, the former general counsels of Apple and Oracle, and the cofounder of Yahoo!

**Users:** Corporate counsel for companies such as Microsoft, eBay, Shire Pharmaceuticals, and start-up companies; law firms; law librarians; and other industry members.

**Recently acquired by:** LexisNexis Legal & Professional

In the future, librarians will be even more important than today—because they are in the best position to understand how to integrate the information from different sources.

ask the librarian for unless you know what's in there. I've seen more collaboration develop between attorneys and librarians to get the most value from legal analytics.

### **Who uses the system most?**

**OB:** Especially in law firms, regardless of how many user accounts are set up for a particular firm, there are always accounts for librarians. I can't think of a single customer that's a law firm that only has user accounts for attorneys; librarians are always in the mix, as they should be. They're the owners of these sort of online subscription services.

Because of our heritage, having spun out of a public interest project at Stanford, we have also provided a lot of free access to academics—student researchers and so on. I'm not sure how long we're going to be able to do that, but we will often, for example, go in and give a presentation for a law class at a law school and then give students user accounts for the duration of the class.

### **Lex Machina offers periodic classes—webcasts—to help users understand new features and how legal analytics can enhance their work. What initially inspired you to provide online education?**

**OB:** Our customer success team is constantly doing training; they visit our customers, for example, at law firms and corporate law departments who are subscribers and do in-person trainings. Let's say a law firm adds two new librarians. We make sure they get trained on the front end; no one gets thrown into the deep end of the pool and gets a user login without getting trained.

We're really aware of our users' need to get the most from the system, and the way to do that is to make sure they know how to use it, so we do a lot of training and offer a lot of support. Every time we roll out a new data feature or function, we have a soup-to-nuts training program to accompany it. And people can email or call to get specific questions answered.

### **Which method do subscribers most often use to contact you?**

**OB:** I'd say email is the most common. And then there are users who develop relationships with their dedicated customer success point person, so they'll just email that person directly. Also, our sales directors spend a lot of time in the field, and they are involved as well, in addition to our customer success team members, who are making sure all users are getting the most from the platform.

Part of the challenge is that legal analytics is a new category of resources. We mine bits of litigation to roll out information that has never been available before. It's really incumbent upon us to make sure people are well trained and supported because they're using a platform that is new.

### **How would you say the product helps make legal information professionals' day-to-day lives easier?**

**OB:** Lex Machina was recently acquired by LexisNexis, and there's a lot that's exciting about that acquisition, including the fact we're now able to move rapidly beyond IP law—into patent, copyright, trademark analysis; employment law; bankruptcy; or other areas.

So the librarian becomes the hub at the center of the wheel. The rise of these online resources just reinforces the importance of the librarian in the law firm.

Our greatest expense up until now has been paying for the underlying PACER system data to build out the product, which is the online system federal courts use. Now, we can get all the documents from LexisNexis, which will really accelerate our entry into other subject matter.

The most important thing we've done, and continue to do, is always listening to our customers. The customer success team is constantly funneling back product feature requests and ideas. I love that our Vice President of Products Karl Harris has calls with customers every week. We use what's

called agile development, which means we're constantly incorporating user input and feedback into deciding what we build next. We don't sit in a locked room and dream up what we think would be a really cool product. We work with our users to make sure we're delivering what they want.

**How did the LexisNexis partnership come about? Are any changes planned as a result?**

**OB:** We started to talk to LexisNexis, and one thing led to another, and we now have access to 63 million PACER documents. It's like hitting a vein of gold for us. Document cost was always the limiting factor. We're going to continue to operate as a wholly owned stand-alone company, with access to all PACER documents—and LexisNexis's marketing channels and expertise on how to grow.

**As it has grown, has Lex Machina offered any professional development opportunities for its employees?**

**OB:** Our engineers go to PyCon, the annual Python programming language conference. We have attorneys across different departments, and they all get continuing education; and folks in other departments get opportunities for professional development—attending conferences or webinars and being able to subscribe to different resources. We are keenly aware that we succeed when our employees succeed, and continued professional development is a really central part of their success.

**Have you personally sought out any professional development opportunities during your career?**

**OB:** Oh my gosh, yes. In my role as chief evangelist and general counsel, I go around and speak at lots of educational events and industry conferences, and one of the things I like best about my job is that I not only get to present, I also get to listen. I get to attend events where I learn so much from other speakers and panels. I'm a frequent flier when it comes to continuing education.

Patent	Title	Cases			District Court Findings			Damages
		District Court	PTAB	ITC	Infringement	Invalidity	Unenforceability	
4763356	Touch screen form entry system	3	0	0	1	0	0	\$497,238,713.18
5576951	Automated sales and services system	92	1	0	0	0	0	
6121960	Touch screen systems and methods	3	1	0	0	0	0	
7084859	Programmable tactile touch screens for improved vehicle instrumentati	1	0	1	0	0	0	
7139591	Hand held telecommunications and	6	0	0	1	0	0	\$31,500,000.00
7469381	List scrolling and document translat screen display	3	0	1	1	0	0	\$931,731,343.78
7812828	Ellipse fitting for multi-touch surfac	2	0	1	0	0	0	
7843429	Interactive video based games usin	1	1	0	0	0	0	

**Early Case Assessor**  
Showing assessment of Brandywine Communications Technologies, LLC as a plaintiff and Farney Daniels as counsel and patents 5206854, 5812537 in Patent cases

Patent	Title
5206854	Detecting loss of echo cancellation
5812537	Echo canceling method and apparatus for data over cellular

**Plaintiff** Brandywine Communications Technologies, LLC  
Total Patent Cases Filed: 134  
Total Patent Cases Taken to Trial: 0

**Ten most recently filed Patent cases (10 cases)**

Title	Venue	Filed
Brandywine Communications Technologies LLC v. Toshiba Corporation et al		
Brandywine Communications Technologies LLC v. Alcatel-Lucent USA Inc.		
Brandywine Communications Technologies LLC v. Zultys Inc.		
Brandywine Communications Technologies LLC v. Aastra USA Inc.		
Brandywine Communications Technologies LLC v. Allworx Corporation		

**Plaintiff's Law Firm** Farney Daniels  
Total Patent Cases Filed: 663  
Total Patent Cases Taken to Trial: 8

**Ten most recently filed Patent cases**

Title	Venue	Filed
T-Rex Property AB v. Maxmedia Outdoor Advertising LLC 6:15-cv-01575	M.D.Fla.	2015-09-22
T-Rex Property AB v. Total Outdoor Corp. 1:15-cv-08197	N.D.Ill.	2015-09-18
ASTRAZENECA AB et al v. HEC PHARM CO., LTD. et al 3:15-cv-06025	D.N.J.	2015-08-05
Word to Info Inc v. Facebook Inc 3:15-cv-03485	N.D.Cal.	2015-07-29
Word to Info Inc v. Google Inc 3:15-cv-03486	N.D.Cal.	2015-07-29
T-Rex Property AB v. Las Vegas Billboards, LLC 2:15-cv-01285	D.Nev.	2015-07-08
T-Rex Property AB v. Stakeley Outdoor Advertising, Inc. 4:15-cv-00356	N.D.Okla.	2015-06-25

**Top to bottom: Patent Portfolio Evaluator provides the litigation history for an entire portfolio. Early Case Assessor quickly helps assess the threat posed by a new case.**

## Is there a certain stage of a legal information professional's career when you'd recommend seeking out professional development opportunities?

**OB:** Well, we all know that lawyers come out of law school not entirely ready to practice law. The practical experience that a lawyer or a librarian needs to get to be a success professionally has to be supplemented with schooling: continuing education, professional development. Our webinars are free, and we're not the only legal vendor who provides them. Those are great, free opportunities to continue a person's education.

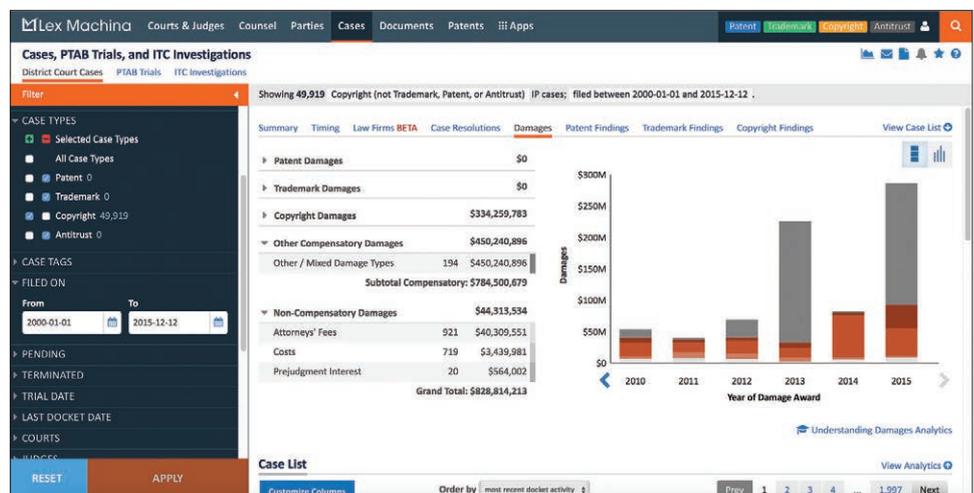
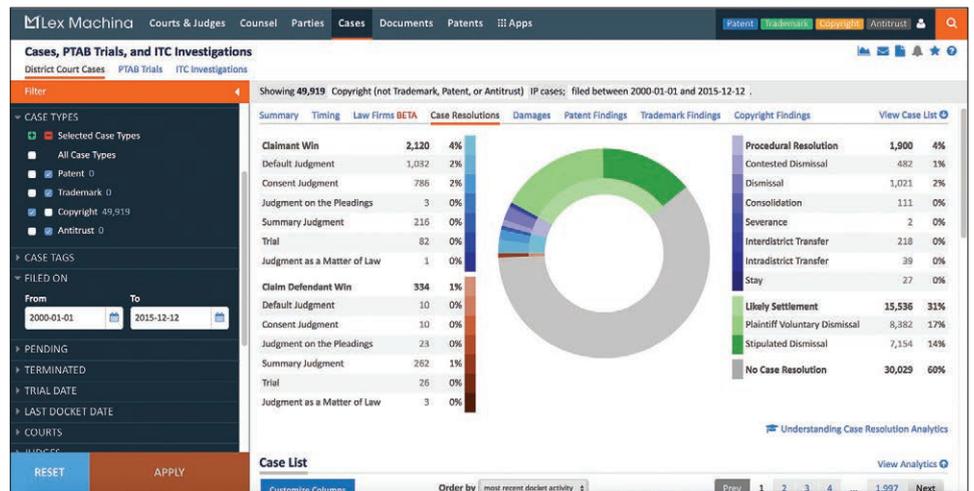
## As technology use has increased in the past decade, do you feel it has changed the way legal information professionals and other industry members approach learning opportunities?

**OB:** Absolutely. I'm old enough to remember when research was done in books; and then, of course, companies like LexisNexis emerged to provide online legal resources. I hear from librarian friends that the explosion of specialized online resources has completely transformed their day-to-day work.

Your readers will know more about this than I do, but I hear libraries are drastically cutting back on their print subscriptions in favor of online resources. So the librarian becomes the hub at the center of the wheel. The rise of these online resources just reinforces the importance of the librarian in the law firm.

## How will technology change the way industry members conduct research in the next decade?

**OB:** In the future, librarians will be even more important than today—because they are in the best position to understand how to integrate the information from different sources to best help lawyers.



**Top to bottom:** Case List Analyzer shows how cases with specific criteria were resolved. Damages Analytics provides information about damage awards in a case list.

## What future changes do you see for the industry, in regard to professional development? What will it look like in 10 years?

**OB:** More, I think, will be online—that's what I've seen, in my own 25 years of experience being a lawyer, and attending conferences and continuing education events. The availability of webcasts and training modules and other online offerings is going to make it even easier for librarians and other professionals to stay abreast of new technology in law firms.

I appreciate law libraries' openness to new products and ideas and resources. They really are the thought leaders within the industry; and librarians' enthusiasm can make or break

new legal technology. For example, the *Dewey B Strategic* blog has been really supportive of us and other new legal technology companies. That's a great example of how important librarians are in helping the legal industry move toward greater adoption and use of new technology.

## What changes do you anticipate for Lex Machina in the next 5–10 years?

**OB:** I'm sure our mission will remain to bring analytics to all of law. I think we'll see, in the next two years, with access to LexisNexis's resources, the ability to move our analysis to all federal subjects—and to then start to chip away at state law subjects as well. ■