

Press Release

LONDON LEGAL TECH STARTUP LEXOO SECURES \$4.4M SERIES A LED BY EARLYBIRD

- The data-driven marketplace has over 800 lawyers across 55 countries
- Lexoo's clients compare and hire lawyers within a global and trusted network and reach savings in legal costs of 50% and more
- Further efficiencies will be reached with the implementation of new technologies like automated contract drafting and project management tools

Berlin, October 4, 2018 – [Lexoo](#), the legal tech startup helping companies rapidly identify and obtain cost-effective and transparent legal services, has closed a \$4.4M Series A financing round led by Earlybird with participation of Forward Partners and Ned Staple, General Counsel at Zoopla Property Group, amongst others. Lexoo will use the funding to expand into new markets as well as develop new tools to help its lawyers work more efficiently.

The legal industry is experiencing a shift in mindset with in-house lawyers under pressure to do more with less and increasingly questioning the established practices and fee structure of the large international law firms. Meanwhile a growing number of senior lawyers is rejecting the traditional partnership route, opting to work independently or for smaller boutique firms.

Lexoo's data-driven marketplace allows in-house lawyers to quickly identify boutique firms from a global, trusted network. Lexoo's clients compare and hire lawyers who bid competitively for their work. Lawyers are asked to provide fixed fee quotes, incentivising them to work efficiently and giving clients cost certainty. Lexoo's lawyers are algorithmically matched to the client and the job spec, eliminating the stress typically associated with finding and instructing an appropriate lawyer. Lexoo's legally trained team monitor and assist when necessary.

"The traditional global law firm is a flawed delivery mechanism. The large dominant firms bill by the hour and are incentivised to overcharge. Furthermore, the decision makers are often senior equity partners and so take a very short-term view," comments Daniel van Binsbergen, co-founder and CEO at Lexoo who previously worked as an M&A lawyer at global firm De Brauw Blackstone Westbroek. "We have created a competitive and transparent market that is aligned with the interests of the customer rather than the partners of big firms."

Lexoo now has over 800+ lawyers on its marketplace, all of which have been individually vetted to ensure a high quality – Lexoo accepts less than 15% of applicants. The lawyers are typically former global firm lawyers who now work independently or for boutique firms. With a network that already covers 55 countries, Lexoo has a larger global footprint than any traditional law firm.

Since launch in 2014, over 3000 multinational companies, large corporates and high-growth startups have engaged Lexoo lawyers including UBS Asset Management, Travelodge, eBay, Ascential plc, VICE Media, Ocado, Monzo, Just Eat, Babylon Health, Secret Escapes, WorldRemit and ASOS. Lexoo is also on the legal panel of numerous FTSE 250 firms. Clients of Lexoo save at least 50% on legal fees but in some cases the savings can be considerably higher.

"We're seeing a new generation of in-house lawyers challenging established practices of big firms and looking for alternatives. Indeed there is a growing realisation that smaller specialist firms are not only more cost effective but also provide superior service. Meanwhile, larger corporates are increasingly hiring legal operations managers to review procurement practices and bring down legal costs. All of this is extremely encouraging for Lexoo," continues Daniel van Binsbergen, co-founder and CEO at Lexoo.

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"We are delighted to be investing in Daniel and the whole Lexoo team, who have the perfect combination of tech expertise and legal industry background needed to take on the B2B big law market. We love their vision and believe they have the potential to evolve from a marketplace into a virtual and distributed tech-driven global law firm," comments Fabian Heilemann, Partner at Earlybird, who will be joining the company's board.

Lexoo will use the funding to invest in new technology, including automated contract drafting and project management tools to further increase efficiencies of its lawyers. The company also plans to expand its headcount to 45 employees internationally by 2020. The global B2B legal market is worth \$414bn, indicating considerable headroom for growth amongst legal tech firms looking to make the legal process more efficient, transparent and competitive.

"I was struck by how Daniel and his team understood the need to grow supply and demand in unison, which is critical to building successful platform businesses and generating network effects. There is undoubtedly a structural shift going on in the legal sector, with both lawyers and their clients wanting greater flexibility and more efficiency. Indeed the number of deals and volume of money going into innovative businesses in the sector shows that significant change is already well underway," Ned Staple, General Counsel at Zoopla and co-founder of FarmDrop.

Lexoo won the prestigious Financial Times Innovative Lawyers Award in 2017.

About Earlybird

Earlybird is a venture capital investor focused on European technology companies. Founded in 1997, Earlybird invests in all growth and development phases of a company. Amongst the most experienced venture investors in Europe, Earlybird offers its portfolio companies not only financial resources, but also strategic and operational support as well as access to an international network and capital markets. Earlybird manages different funds with focuses on digital technologies in Eastern and Western Europe as well as health technologies. With over EUR 1 billion under management, seven IPOs and 22 trade sales, Earlybird is one of the most successful venture capital firms in Europe.

Further information is available at: www.earlybird.com, Twitter: <http://www.twitter.com/EarlybirdVC>, LinkedIn: www.linkedin.com/company/earlybird-venture-capital or Facebook: www.facebook.com/EarlybirdVC.

About Lexoo

Lexoo is reinventing the legal industry, creating a competitive and transparent market that aligns with the interests of business customers rather than the partners of global law firms. The data-driven marketplace allows in-house lawyers to rapidly identify specialist cost-effective independent and boutique lawyers from a global, trusted network that spans 55 countries. Lexoo lawyers are typically former big firm lawyers with at least six years' commercial law experience and are individually vetted to ensure quality. Headquartered in London, the company's investors include some of Europe's most respected venture capital firms including Earlybird and Forward Partners.

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