

# From Founded to Funded

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## Challenges & Visions for Justice Tech

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### Executive Summary

# EXECUTIVE SUMMARY

In 2022, the Duke Center on Law & Tech conducted a research study to identify the barriers to effective justice tech innovation.

The study encompassed a comprehensive review of podcasts, research studies, articles, and interviews pertaining to justice tech – tech innovation aimed at improving access to justice. We also drew on our experience running the Duke Law Tech Lab.

Interviews were conducted with a diverse group of individuals, including founders or first employees of justice tech startups (n=16), investors or potential investors in justice tech (n=5), individuals who had experienced a legal problem and sought resolution without assistance from an attorney (n=7), as well as legal professionals and public service professionals (n=17). All interviews and focus groups were conducted remotely via Zoom during summer 2022, utilizing a two-researcher approach where one researcher posed questions while the other documented the discussion. Notably, to ensure confidentiality, interviews were not recorded.

What follows is the story we heard from these sources.

The demand for affordable legal help is high, and justice tech has the potential to address the justice gap - but systemic barriers remain to legal innovation. Justice tech is a search for how to help more people with their legal problems.

We talked to founders who started and shifted or even abandoned their idea. We talked to founders who refined their product for a long time in a small market before trying to expand to new jurisdictions. We talked to founders who had sold their company.

Founders are motivated to make things better, but the barriers are significant such that few are successful. Founders must be resilient, creative, and dedicated to the people they serve.

# FINDINGS

## **1. Finding Its Footing**

Justice tech is in its formative stage. It's crucial for founders to collaborate on shared visions and build a community of practice to ensure the field matures.

## **2. Mission-Driven Mavericks**

Founders tend to be fervently committed to addressing legal inequities, frequently having a direct connection to the issues they are seeking to solve. Their businesses rest on delivering affordable, scalable legal solutions for all.

## **3. The Profit-Passion Puzzle**

Founders are navigating a maze to find sustainable business models that also expand access to justice. No one-size-fits-all solutions exist in this complex landscape.

## **4. New Funding Models Needed**

Traditional funding models fall short. Founders face the uphill task of securing sufficient financial support that aligns with their dual-purpose goals and gives them the time needed to test their product and business model.

## **5. Markets for the Massive Middle**

Justice tech serves all, including the massive

majority of consumers who cannot afford traditional legal services. Still, for B2C startups, customer acquisition is tricky, as most users won't be repeat customers.

## **6. Quality Over Quick Fixes**

Even in beta, there's no room for error. Founders aim high, demanding robust and adaptable solutions to fit different jurisdictions and client needs.

## **7. Countering Bias Against SRLs**

Founders grapple with the impacts of systemic bias on their users, especially self-represented litigants, and spend unanticipated resources in supporting users.

## **8. Legal Landmines & Fragmented Frontiers**

Founders tread carefully, with concerns over unauthorized practice of law sometimes stifling innovation. The regulatory landscape needs clarity and leadership to foster growth.

## **9. Many Problems; A Brave Few Problem-Solvers**

Though there is widespread recognition that legal services need to improve, justice tech founders are the risk-takers turning ideas into action and pursuing their visions in the face of many challenges.

# FUTURE IMPLICATIONS

The provision of legal services necessitates innovative approaches to adequately serve all societal sectors. This vision should incorporate a robust ecosystem of justice tech entrepreneurs.

1

**Current and potential founders** are encouraged to seek opportunities for advancement in the legal field. The pathway to establishing a justice tech company is not linear, and it often originates from personal experience with the legal problems being addressed (either as the person experiencing a legal problem or an attorney solving it for others).

2

**Investors and grantmakers** are encouraged to recognize the market potential of justice tech in legal services, while **accelerators and incubators** are recommended to provide regulatory guidance and support.

3

**Consumer choice**, which requires understanding that some companies may only operate within certain jurisdictions just like lawyers, is valued.

4

The engagement of **technologists** who possess relevant skills and understanding of the justice system is sought.

5

**Legal professionals**—including lawyers, paralegals, judges, and court officials—are encouraged to explore partnerships and funding opportunities with justice tech startups. Justice tech products may potentially expand the service scope of legal service nonprofits and law school clinics.

6

**Regulatory bodies and legislators** are urged to endorse uniform data standards, promote interoperability, and prioritize access to justice in their funding and rule-making.