



## NEW RESEARCH: LAWYERS' USE OF LEGAL FINANCE IS GROWING—AND BECOMING MORE SOPHISTICATED

***#1 factor in choosing litigation finance provider is “expertise/track record”;  
least likely to be cited “cost of capital”***

***In-house lawyers say use of legal finance would grow still more in event of a downturn***

October 23, 2019 - Burford Capital, the leading global finance and investment management firm focused on law, today announced the results of its [2019 Legal Finance Report: A Survey of In-House and Law Firm Lawyers](#). Based on online survey data from 509 in-house and law firm lawyers in the US, UK, Canada and Australia, as well as in-depth phone interviews conducted with 32 leading lawyers across seven countries, the report reveals that legal finance is continuing to grow in use and sophistication, with lawyers predicting still more use in the event of a recession.

Christopher Bogart, Burford’s CEO, commented: “What stands out about the findings is that lawyers not only expect their companies and firms to use legal finance but also are becoming more discerning in how they do so—whether that means funded recovery programs or high-value monetizations for in-house lawyers, or a proactive use of finance as a new business and client retention tool for law firms.”

He continued: “This reflects the tremendous evolution of the category Burford led in our first decade, and we are of course gratified that the research also shows how much experience and track record matter to lawyers in their choice of legal finance provider.”

Key findings from the research include:

### ***Awareness and use of legal finance continue to grow***

- 69.2% of lawyers are “very familiar” with legal finance, up from 50.3% in 2018.
- 73.9% of lawyers see legal finance as growing and increasingly important.
- 80.0% of lawyers agree that legal finance is an essential law firm new business tool.

### ***Lawyers are becoming more sophisticated in their use of legal finance***

- The #1 factor cited by lawyers in choosing a legal finance provider is “expertise/track record” (45.6%), and the least is “cost of capital” (33.3%).
- 3 out of 4 lawyers (74.8%) cite as a very important/important benefit that legal finance allows their businesses to invest in growth and “use capital efficiently”.
- In interviews, Burford was the first or only legal finance company named by 91.0% of lawyers who were able to name any providers of legal finance unprompted.

### ***Companies leave millions in claim value on the table***

- 72.0% of in-house lawyers say their companies have failed to pursue meritorious legal claims for fear of adversely impacting the bottom line.
- In interviews, half of in-house lawyers note that their companies have recovery programs.

### ***Lawyers agree that legal finance is accepted and ethical***



- 72.1% of lawyers agree that “discovery and professional conduct rules adequately address issues raised by the presence of legal finance”.
- 68.6% of lawyers agree that “most lawyers support litigation finance; its opponents are a vocal minority who exploit unjustified fears about its use”.

***Use is predicted to increase should the economy worsen***

- 67.1% of lawyers regard as an “important” or “very important” benefit of legal finance that it allows their companies and firms to “recession-proof” legal budgets.
- 69.5% of lawyers will push for legal finance in the event of a recession, and in-house lawyers will be even more likely to advocate for the tool.

The full [2019 Legal Finance Report: A Survey of In-House and Law Firm Lawyers](#) is available on Burford’s web site and will be discussed in two upcoming webcasts; see [Burford’s event calendar](#) for details.

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**About Burford Capital**

Burford Capital is the leading global finance and investment management firm focused on law. Its businesses include [litigation finance](#) and risk management, asset recovery and a wide range of legal finance and advisory activities. Burford is publicly traded on the London Stock Exchange, and it works with law firms and clients around the world from its principal offices in New York, London, Chicago, Washington, Singapore and Sydney. For more information about Burford: [www.burfordcapital.com](http://www.burfordcapital.com)