

🖨 [Click to print](#) or Select '**Print**' in your browser menu to print this document.

Page printed from: <https://www.law.com/therecorder/2018/02/28/in-house-counsel-poll-finds-a-quarter-have-used-litigation-finance-mainly-in-tech/>

# In-House Counsel Poll Finds a Quarter Have Used Litigation Finance—Mainly in Tech

The survey also showed that corporate legal departments often drive the decision to use third-party funders, but that many in-house lawyers have ethical reservations.

By Ben Hancock | February 28, 2018

New survey results published Tuesday suggest that about a quarter of in-house counsel have direct experience using [litigation funding](https://www.law.com/topics/litigation-funding/) (<https://www.law.com/topics/litigation-funding/>), mainly at tech companies. The results also show that company legal departments often drive the



Photo: Shutterstock.com

decision to use third-party finance but that many in-house lawyers also have ethical reservations about the practice.

The findings (<http://lakewhillans.com/research/litigation-finance-in-house-perspective/>) were published by litigation funder Lake Whillans, which has offices in New York and Palo Alto, and Above the Law. Of 276 respondents across a total of 37 cities, a little more than 26 percent said they had firsthand experience working with a litigation finance firm.

The survey is the second to be conducted by Lake Whillans and Above the Law, following a polling of law firm partners that was released in February 2017 (<https://www.law.com/therecorder/almID/1202779800652/partners-give-high-marks-to-litigation-funding-but-ethics-fears-persist/>). The results of that poll showed funding making inroads with firms but that ethics fears posed a hurdle to greater adoption of third-party finance.

The respondents to the latest survey mainly hailed from in-house legal departments in the financial and banking industries; less than 5 percent of respondents said they were in the tech sector. Even so, of those who said they had firsthand experience working with a funder, the largest chunk—36 percent—came from tech.

According to the report, a majority of all in-house respondents said that the decision to seek litigation finance is driven by company legal departments—in other words, themselves and their peers. That stands in contrast to last year's poll of law firm litigators, who saw outside counsel as the main driver of that decision.

But like their law firm peers, a number of in-house counsel expressed reservations about litigation funding. Of those who had used it, 30 percent said they would recommend it strongly, while 45 percent said they would recommend it with reservations; 25 percent said they would not recommend it.

Of those respondents who had not used litigation finance and said they would not consider using it, the No. 1 reason cited was “ethical reservations,” followed by having heard “negative information” about the practice.

The full results of the poll can be found [here](http://lakewhillans.com/research/litigation-finance-in-house-perspective/) (<http://lakewhillans.com/research/litigation-finance-in-house-perspective/>).

---

**Copyright 2018. ALM Media Properties, LLC. All rights reserved.**