

NEXT STEPS FOR FIRST LAWTECH SANDBOX AS PILOT DRAWS TO A CLOSE

- The success of the Pilot paves the way for a second phase of the Lawtech Sandbox in the summer
- Five UK lawtechs which were selected to join the pilot share their experiences
- The three month Sandbox Pilot launched in December, was designed to drive forward the development of lawtech by providing access to a number of tools, connections and services, including access to legal data and participating regulators
- LawtechUK in collaboration with the Regulatory Response Unit to launch new tool over the coming weeks to help lawtech pioneers navigate legal services regulation and to increase confidence in lawtech development

Thursday 25th March 2021: [LawtechUK](#), the government-backed initiative within [Tech Nation](#) to help transform the UK legal sector through technology, today brings to a close the Pilot stage of the first Lawtech Sandbox - a research and development initiative for lawtech scaleups - following a successful three month trial period.

The Sandbox Pilot, launched in December last year, has been a driving force in the development of early-stage lawtech scaleups. The Sandbox Pilot is a key part of the LawtechUK programme, and is instrumental in galvanising the growth of lawtech and positioning the UK as a global leader in legal technology.

Amplified Global, Legal Utopia, ClauseMatch, Deriskly, and Legal Schema were the five UK lawtechs selected to join the Pilot and today share their insights from the success of the Lawtech Sandbox Pilot.

Through the three month period, they all saw accelerated growth, realised through a number of tailored tools and services, including: access to regulators for fast response support in navigating regulation and governance; connections to LawtechUK's network to help drive collaboration, commercial opportunities and development of lawtech products; and access to legal data by matchmaking with data sources.

The success of the Pilot paves the way for a second phase of the Lawtech Sandbox in the summer and exploration into how its benefits can be provided to the wider market to support its transformation.

As part of the pilot, LawtechUK and the Regulatory Response Unit have also considered a number of cross sector issues and will launch a tool over the coming weeks designed to help lawtech pioneers navigate legal services regulation in the UK. The tool takes a UK-wide approach and demonstrates that despite different regulatory regimes, lawtechs and regulators can work cohesively across the different jurisdictions of the UK.

Jenifer Swallow, LawtechUK Director at Tech Nation, comments: *"The Lawtech Sandbox Pilot was designed to help bring transformative lawtech to market faster and help reinvent the service of law. The*

success of the Pilot has been fantastic to see, playing a crucial role in the development of several early stage scale-ups and demonstrating the value and knock on effects of the burgeoning lawtech sector. As we saw with fintech, the Sandbox has the potential to propel lawtech into the mainstream - that is an incredibly exciting future many can help to build."

Sheldon Mills, Executive Director, Consumers and Competition at the Financial Conduct Authority and Chair of the Regulatory Response Unit, comments: *"It is a ground-breaking initiative to bring regulators together in this way to support technology innovators in law. It has been impressive to see how this engagement and support can make a difference and to see regulators themselves actively solving problems, including where there are boundary issues between two regulators. The creation of the Regulatory Response Unit is a clear demonstration of the commitment and scale behind LawtechUK's approach."*

Insights from the Five Lawtech Pioneers

Anastasia Dokuchaeva, Head of Product, ClauseMatch, a company which digitises regulation enabling smart compliance, comments: *"The programme was highly instrumental for us for working with the ecosystem, understanding the challenges and the problems that both sides – regulators and the regulated – face. What was the most unique about it is that it provided us with a great opportunity to work with multiple regulators and have them come together at the round table all 'in one room', all at one time simultaneously, something that we were not able to do before. As part of the Sandbox, we were looking at several use cases such as anti-money laundering and KYC use cases, ESG, privacy, onshoring post-Brexit. Meeting experts allowed us to tap into this wealth of experience and deep-dive more into the issues that the industry is looking at."*

Peter Hunn, Founder, Legal Schema and Clause.io, Legal Schema enables legal documents to be easily structured and consumed as data, comments: *"Accelerating the adoption and use of smart contracts is critical to the global competitiveness of the UK as a jurisdiction. In order to do so, a simple, universal, means to add structured data into contractual documents is needed to transform them into digital agreements. The Lawtech Sandbox enabled us to test the viability of this idea and to collaborate with key stakeholders to get to a point where we have something of real substance, as outlined in the whitepaper to be released in the coming days."*

Dr. Mimi Zou, CEO, Deriskly, which analyses corporate communications to detect and avoid disputes, comments: *"For Deriskly, the Sandbox has helped to connect us with potential users and potential clients, as well as a network of individuals and organisations that have provided us with rich insights to inform our market research and product development. Moreover, being part of the inaugural cohort of Sandbox Pioneers has helped to raise our profile as an early stage lawtech venture that is trying to innovate in a new space (dispute avoidance)."*

Minesh Patel, Founder, Amplified Global, a company that helps customers engage with technical legal information, comments: "Through the Sandbox Network we partnered with Vodafone to access some of their datasets and have been able to collaborate with legal regulators. That's allowed us to develop, test and further calibrate our product. An organisation of our size and stage would have found it really difficult to be working with, or even engaging with these partners without the Sandbox Network. The process has rapidly accelerated our growth and helped us to get the product to market quicker than we could have ever imagined."

Fraser Matcham, CEO, Legal Utopia, which provides DIY tools and makes it easy for SMEs to get legal support, comments: "The LawtechUK Pilot was a particularly well-timed event for Legal Utopia's product development and the key projects we've been focused on launching since early 2020. The pilot helped us get these different projects locked-in and funnelled the resources needed to get them done. The results I think exceeded both sides' expectations, in particular, to go from nothing to a full modelling training platform with a training dataset on one project. This will directly result in an expansion of our service offering to SMEs and the wider market."

ENDS

Notes to the Editor

LawtechUK will today showcase the progress the Pioneers have made, as well as highlight the regulators and network support, and key insights at The Sandbox Pilot Showcase Event. More information [here](#).

About the Lawtech Sandbox

The Lawtech Sandbox Pilot is a free, government-backed initiative, and does not take an equity stake in organisations that join. Although industry not regulatory led, and supporting a market where many operate outside the regulatory regime, the Lawtech Sandbox is inspired by the FCA's sandbox, set up in 2016 to support innovative UK financial services firms delivering in the interests of consumers, and widely attributed as playing a key role in the growth of the fintech sector. The Lawtech Sandbox brings together technologists, the legal and business community, and public bodies, to support more innovative legal technology coming to market. The Sandbox will be delivered in collaboration with thirteen participating regulators and Lawtech Sandbox partners.

Participating regulators:

- Bar Standards Board (BSB)
- CILEx Regulation Ltd (CRL)
- Costs Lawyer Standards Board (CLSB)
- Council for Licensed Conveyancers (CLC)
- Financial Conduct Authority (FCA)
- Information Commissioner's Office (ICO)

- Law Society of Northern Ireland (Lawsoc-NI)
- Law Society of Scotland (LawScot)
- Legal Services Board (LSB)
- Solicitors Regulatory Authority (SRA)
- The Intellectual Property Regulation Board (IPReg)
- Master of the Faculties

The Judging Panel:

- Chris Grant, LawTech Director at Barclays Ventures
- Sophia Adams Bhatti, Head of Strategy & Policy at Simmons Wavelength
- Nick West, Chief Strategy Officer, Mishcon de Reya LLP, & Founder of MDR LAB
- Matthew Smith, Manager – Policy, Innovate, FCA
- Stephen Browning, Challenge Director – Next Generation Service at Innovate UK
- Jenifer Swallow, LawtechUK Director, Tech Nation
- Alexandra Lennox, Head of LawtechUK, Tech Nation

About LawtechUK

LawtechUK, is a government-backed initiative within Tech Nation, established to support the transformation of the UK legal sector through technology, for the benefit of society and the economy. The Panel was established in 2018 by the Secretary of State for Justice, and as a group of leaders and experts from the public and private sectors, acts as the advisory board to LawtechUK. Its members take an active role in LawtechUK's work programme.

Existing Panel members include Katie Atkinson, Dean of the School of Electrical Engineering, Electronics and Computer Science, University of Liverpool, Christina Blacklaws (Chair), Dr Anna Donovan, Faculty of Laws, University College London, Chris Grant, LawTech Director at Barclays Eagle Labs, Sarah Green, Law Commissioner for Commercial & Common Law at the Law Commission, Brian Liu, Co-founder & former CEO Legal Zoom and CEO at BizCounsel, Rosemary Martin, General Counsel & Company Secretary at Vodafone Group Plc, Julia Salasky, CEO at Legl and CrowdJustice, Professor Richard Susskind, Technology Advisor to the Lord Chief Justice and President of the Society of Computers and Law, Rt Hon Sir Geoffrey Vos, the next Master of the Rolls and Lord David Wolfson of Tredegar QC, the Parliamentary Under-Secretary of State for Justice.