

MEMORANDUM: CaseAI

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To: Prof William Fisher

From: Fergus Glynn

Subject: Fintech Business Plan for “CaseAI”

Table of Contents

1.0 Introduction.....	2
2.0 Background	3
3.0 Opportunity	3
3.1 The Market for CaseAI.....	3
3.2 Profitability	4
4.0 Launch	5
5.0 IP Protection.....	5
5.1 Trademarks.....	5
5.2 Service Marks	6
5.3 Patents	6
5.4 Trade Secrets	7
6.0 IP Strategy	7
6.1 Challenges to IP Protection	8
6.2 IP Exploitation.....	9
6.3 IP Protection in the UK.....	10
7.0 Conclusion	11

1.0 Introduction

CaseAI is a cutting-edge, artificial intelligence-powered platform that helps lawyers and legal teams automate routine tasks and make better, faster decisions. The platform uses advanced machine learning algorithms to analyse legal documents, such as contracts and court filings, and it can assist with tasks such as legal research, document review, and predictive analysis.

CaseAI is designed to help lawyers and legal teams save time and effort, and to improve the accuracy and efficiency of their work. The platform offers a range of tools and features, such as natural language processing and predictive analytics, that can help users identify key issues and trends in their cases, and it can provide insights and recommendations that can help users make more informed decisions.

The legal industry is a large and complex market, with a wide range of players, including law firms, corporate legal departments, government agencies, and individual lawyers. The use of artificial intelligence and machine learning in the legal industry is becoming increasingly common, as lawyers and legal teams look for ways to automate routine tasks and make better, faster decisions. The CaseAI platform, with its advanced algorithms and capabilities, is well-positioned to meet this demand and capture a share of the market.

The CaseAI platform has the potential to generate significant revenue through a combination of subscription fees, transaction fees, and partnerships. The UK has a thriving ecosystem of fintech companies, investors, and support organisations that could provide support and resources for the launch of the platform.

The UK is a prime location for the launch of CaseAI, with its well-established financial and technology sector, and its supportive ecosystem of fintech companies, investors, and support organisations. The UK also offers a strong legal system, with robust intellectual property rights protection and enforcement mechanisms, and a skilled workforce with expertise in legal and technology fields. The launch of CaseAI in the UK presents a unique opportunity to disrupt the legal industry and deliver significant value to lawyers and legal teams.

2.0 Background

The business is called CaseAI and it is an artificial intelligence-powered platform that helps lawyers and legal teams automate routine tasks and make better, faster decisions. The platform uses advanced machine learning algorithms to analyse legal documents, such as contracts and court filings, and it can assist with tasks such as legal research, document review, and predictive analysis.

CaseAI is designed to help lawyers and legal teams save time and effort, and to improve the accuracy and efficiency of their work. The platform offers a range of tools and features, such as natural language processing and predictive analytics, that can help users identify key issues and trends in their cases, and it can provide insights and recommendations that can help users make more informed decisions.

In order to ensure the reliability and accuracy of the platform, CaseAI will be built on top of a robust, secure infrastructure, and it will be regularly tested and evaluated by a team of experienced legal professionals. The company will also adhere to all relevant regulations and industry standards, and it will employ strict security measures to protect user data and prevent unauthorised access.

CaseAI is a powerful, cutting-edge platform that helps lawyers and legal teams work smarter, faster, and more efficiently, and it can help them provide better services to their clients.

3.0 Opportunity

3.1 The Market for CaseAI

The legal industry is a large and complex market, with a wide range of players, including law firms, corporate legal departments, government agencies, and individual lawyers. The industry is driven by a variety of factors, such as population growth, economic development, and regulatory changes, which create a demand for legal services.

The use of artificial intelligence and machine learning in the legal industry is becoming increasingly common, as lawyers and legal teams look for ways to automate routine tasks and make better, faster decisions. The CaseAI platform, with its advanced algorithms and capabilities, would be well-positioned to meet this demand and capture a share of the market.

Overall, the market opportunity for the CaseAI platform is significant, and there is a strong demand for the services it provides. The platform would help users save time and effort, and improve the accuracy and efficiency of their work, which would enable them to serve more clients and generate more revenue.

3.2 Profitability

One way the platform could generate revenue is through subscription fees. Users, such as individual lawyers or legal teams, would need to pay a monthly or annual fee to access the platform and its features. The subscription fees could vary based on the level of access and features that users need, and the company could offer discounts for bulk subscriptions or long-term commitments.

Another way the platform could generate revenue is through transaction fees. For example, the platform could charge users a small fee for each document that is processed, or for each search query that is made. This could provide a steady stream of revenue, as users would need to use the platform on a regular basis in order to get the most value out of it.

Additionally, the company could potentially generate revenue through partnerships with law firms or other organisations. For example, the company could offer the platform to law firms as a value-added service, and charge a fee for each user who accesses the platform through the firm's account. This could help the company reach a wider audience and generate additional revenue. The CaseAI platform has the potential to generate significant revenue through a combination of subscription fees, transaction fees, and partnerships.

4.0 Launch

The UK has a well-established financial and technology sector, with a thriving ecosystem of fintech companies, investors, and support organisations. This includes a range of organisations and initiatives, such as Tech Nation, Level39, and Innovate Finance, which provide support and resources to fintech businesses. This would provide a supportive environment for the CaseAI platform, as it could access a wide range of resources and expertise, and benefit from the insights and experiences of other fintech businesses.

There is also a strong regulatory framework in the UK for fintech companies, which provides a high level of protection for users and investors, while also enabling innovation and growth. This includes the Financial Conduct Authority (FCA), which is the regulator for the financial services industry in the UK, and the Financial Services Compensation Scheme (FSCS), which provides protection for investors in the event of a failure by a financial services firm. This would provide a stable and predictable environment for the CaseAI platform, as it would be able to operate within a clear legal and regulatory framework.

5.0 IP Protection

In order to protect a business from competition, it is important to consider various forms of IP protection. IP protection can help to prevent others from using or copying the CaseAI service without permission, and it can provide legal remedies if infringement occurs.

5.1 Trademarks

A trademark is a word, phrase, symbol, or design that is used to identify and distinguish the goods or services of one company from those of another. Trademarks can be used to protect branding, such as the company's name, logo, or slogans, and they can help to establish and protect the company's brand identity in the marketplace. To obtain a trademark, it is necessary to conduct a trademark search to identify any existing trademarks that could potentially conflict with the proposed business or its branding, and then to file a trademark application with the Intellectual Property Office (IPO) in the UK. After trademark a search at the IPO, "CaseAI" is

not a registered trademark, and is unlikely to conflict with existing registered trademarks. It is likely an application would be successful.

5.2 Service Marks

Service marks are typically used in the same way as trademarks, with the main difference being that they are used to identify a service rather than a product. For example, a company that provides AI services, like CaseAI, may use a service mark to identify and distinguish their services from those of their competitors. This can help customers to easily identify the company and its services, and can also help to build trust and credibility with customers.

In the field of AI services, service marks can be particularly useful for identifying and distinguishing the various services offered by different companies and organisations. With many different AI service providers offering similar services, service marks can help customers to easily identify the source of a particular service and to choose the provider that best meets their needs. Service marks can also help to protect a company's brand and reputation, and can prevent competitors from using similar names or branding that could confuse customers or damage the company's reputation.

Since CaseAI's offering will be to law firms as customers or in the form of partnerships, a service mark application to the IPO. Although trademarks and service marks are virtually the same, CaseAI is both a product and a service, so it would increase protection to register both types.

5.3 Patents

A patent is a form of IP protection that is granted to an inventor or innovator for a new, useful, and non-obvious invention. Patents can protect the functionality and technical aspects of a product or service, and they can prevent others from making, using, or selling the invention without permission. To obtain a patent, it is necessary to conduct a patent search to identify any existing patents that could potentially conflict with the proposed invention, and then to file a patent application with the appropriate government agency. The patent application must include a detailed description of the invention, as well as any necessary drawings or diagrams.

Although the CaseAI software is cutting-edge, it is unlikely to meet the criteria required for obtaining a patent.

5.4 Trade Secrets

Many fintech companies focus on developing innovative technology, and as a result, they often prioritise protecting the confidentiality of that technology over obtaining patent protection. This is because the technology they use may not be eligible for a patent, or may be better protected as a trade secret.

A trade secret is information that is not generally known or readily ascertainable, has commercial value, and is subject to reasonable efforts to maintain its secrecy. In the EU (and as retained in the UK post-Brexit), the EU Trade Secrets Directive (EU 2016/943) offers protection for trade secrets. This directive provides a uniform legal framework for the protection of trade secrets across the EU, including measures to prevent the acquisition, use, or disclosure of trade secrets without the consent of the owner.

To protect confidential information or trade secrets, fintech companies should have non-disclosure agreements in place with employees, contractors, and other third parties. These agreements should clearly define what information is considered confidential and prohibit the unauthorised disclosure of that information. Fintech companies should also include confidentiality clauses in their third-party agreements to protect against the disclosure of confidential information by third parties.

It is important for fintech companies to carefully assess whether protection by patent or as confidential information is appropriate for their technologies. With respect to CaseAI, enforcing protection of the technology through confidentiality is a better option than a patent application, which would be unlikely to succeed.

6.0 IP Strategy

Offensive and defensive IP strategies are two different approaches that companies can use to protect and promote their products, services, and brands.

An offensive IP strategy is one in which a company actively seeks to protect and enforce its IP rights. This may involve filing patents, trademarks, or copyrights to protect the company's intellectual property, or taking legal action against other parties that infringe on those rights. An offensive IP strategy is often used by companies that have developed new and innovative products or services, and want to prevent competitors from copying or using those products or services without permission. By taking an offensive approach to IP protection, a company can maintain its competitive edge and prevent others from unfairly profiting from its intellectual property.

A defensive IP strategy is one where a company takes steps to protect itself from potential IP infringement lawsuits. This may involve conducting thorough IP searches to ensure that the company's products and services do not infringe on the IP rights of others, or obtaining legal opinions from IP experts to confirm that the company's activities are not in violation of any IP laws. A defensive IP strategy is often used by companies that are operating in a crowded or competitive market, and want to avoid getting caught up in costly and time-consuming IP infringement lawsuits. By taking a defensive approach to IP protection, a company can reduce its risk of being sued for IP infringement, and can focus on growing its business without worrying about potential legal challenges.

In general, both offensive and defensive IP strategies are important for companies that want to protect their intellectual property and avoid legal disputes. An effective IP strategy will typically involve a combination of both offensive and defensive measures, depending on the specific needs and goals of the company. For example, a company may take an offensive approach to protecting its core products and services, while also taking a defensive approach to ensure that its other activities do not infringe on the IP rights of others. This would be the most appropriate strategy for CaseAI, since it is a new technology, but it will operate in a market where there are similar technologies on the rise and increasingly used.

6.1 Challenges to IP Protection

Challenges to IP protection can be because the use of registered IP rights for fintech technology is relatively recent, and markets for these intangible assets have had less time to become

established. It can be difficult to establish ownership of technology, which is often comprised of complex software that is an amalgamation of different types of software, such as open source, proprietary, and third-party. In many cases, a reliable inventory of all the software used may not be readily available, which can make it difficult to establish ownership of the copyright in the software.

The use of AI technology in the development of fintech products and services can create additional complexities. For example, the US Patent and Trademark Office, the European Patent Office (EPO), and the UK Intellectual Property Office have all refused to grant patents for inventions created by AI machines because no human inventor was listed on the application paperwork, and it is generally held that an inventor must be a human. This can create challenges for fintech companies like CaseAI that rely on AI technology in their products or services.

Some of these challenges can make it difficult to properly value and monetise IP assets, and it can also make it difficult to prevent others from copying or using the technology without permission. As previously discussed, a patent application is unlikely to be successful for CaseAI's technology, so it would be more beneficial to protect the IP through confidentiality agreements (trade secrets), combating this specific challenge with respect to AI technology.

6.2 IP Exploitation

Maintaining a strong IP portfolio through regular reviews and internal policies is important for CaseAI to be well-positioned to exploit its IP through licensing or sale. This can provide a valuable source of revenue for the business, and it can help to protect the technology and prevent others from using it without permission.

However, there is a danger of the technology being reverse-engineered. It is possible to reproduce machine learning-trained AI software through a model extraction attack by making repeated queries to a machine learning model. This effectively reverse-engineers the software, and it can potentially make it reproducible by others. This could undermine any proprietary information or trade secret protection in the original AI software, and it could also allow competitors to create similar products without having to invest in their own research and development.

CaseAI is aware of the potential risks of reverse-engineering, and the following steps will be taken to protect the IP: using encryption, implementing strict security measures, and carefully drafting licensing agreements that specify the terms and conditions under which the technology can be used. By taking these steps, CaseAI can protect the IP and maximise the value of its intangible assets.

6.3 IP Protection in the UK

The UK legal system provides a high level of protection for intellectual property rights and offers a range of enforcement mechanisms that are comparable to those available in the United States. The UK is a member of the World Intellectual Property Organization (WIPO), and is also a signatory to several major international IP agreements, including the Berne Convention for the Protection of Literary and Artistic Works, the Paris Convention for the Protection of Industrial Property, and the Patent Cooperation Treaty.

The UK has also signed and enshrined into UK law the WIPO Copyright Treaty (WCT) and the WIPO Performance and Phonograms Treaty (WPPT), which are commonly known as the "internet treaties." These treaties provide additional protection for IP rights related to the internet and digital media, and help to ensure that UK law is in line with international standards for IP protection.

The IPO is the official UK government body responsible for overseeing and enforcing IP rights in the UK. The IPO is responsible for granting patents, registering trademarks and designs, and enforcing copyright and other IP rights. Its website provides comprehensive information on UK law and practice in the area of IP, and offers a range of resources and tools to help businesses and individuals protect and enforce their IP rights.

The British government takes a strong stance against counterfeiting, and regards the production and sale of counterfeit goods as a criminal act. The IPO's annual IP Crime and Enforcement Report provides detailed information on the incidence of IP crime in the UK, and highlights the harm that it can cause to the UK economy.

The US Special 301 Report is an annual review of the global state of IP rights protection and enforcement, conducted by the Office of the US Trade Representative. The report identifies countries with commercial environments that may be harmful to IP rights, and includes recommendations for addressing IP issues in those countries. The UK is not currently included on the Special 301 Report, which suggests that the country's IP protection and enforcement mechanisms are considered to be effective and consistent with international standards. As such, businesses like CaseAI will have suitable protection for infringement of its IP in the UK, which will be necessary for its long-term success.

7.0 Conclusion

An effective IP strategy is crucial for the success of CaseAI. Both offensive and defensive IP strategies are important for protecting the company's intellectual property and avoiding legal disputes. CaseAI's technology, which uses artificial intelligence and machine learning, creates additional challenges for IP protection. These challenges can make it difficult to properly value and monetise IP assets, and to prevent others from copying or using the technology without permission.

To address these challenges and by taking a proactive approach to IP protection, CaseAI can maintain its competitive edge and prevent others from unfairly profiting from its intellectual property. This will help the company to succeed in the legal industry, and to deliver significant value to lawyers and legal teams.