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## **Executive Summary**

Legaliath seeks to disrupt the legal services industry by helping everyday people connect with high quality legal service providers at a price they can afford. The process of retaining legal help is difficult to navigate, hard to budget for, and often unavailable to the middle class due to steep costs. In addition, consumers may not know where, or how to get connected with quality legal representation aside from randomly selecting some attorney online. That's where Legaliath comes in and connects individuals in need to qualified attorneys that are willing to help at a cost structure that is mutually beneficial for both the individual and the attorney.

The Legaliath idea was conceived by President/CEO, Guy Ingram, after seeing a story about the challenges facing the family of a Minnesota janitor that was gunned down during a racially charged traffic stop by local police authorities while sitting in the passenger side of a friend's car. As a result, Ingram envisioned an easy to use application that would bridge the observed access to legal services gap.

Legaliath will be the first type of organization to connect legal services providers with end users with an informative audio/video introduction. Legaliath delivers a mobile application and web services based platform delivery and support system to an underserved market. Other organizations in the market such as LegalZoom, Avvo, LegalMatch, PrePaidLegal, and LegalShield are not targeting this underserved market. In each example, barriers and friction exist in how users are connected, services are provided, vetting process, etc.

As a result, Legaliath is positioned to capitalize on this large underserved market missed by the previous organizations by affording them free and easy access to offers from legal services providers. The attorneys who will be providing the legal service will benefit by qualifying their leads with intake data and a quick recorded video uploaded by the people who need the legal services instead of just paying for a live phone call.

The day-to-day management of the organization will remain with the six co-founders as they leverage their personal expertise to scale the business. Guy Ingram's (President/CEO) knowledge within the technical software industry will help drive the product design. Ernie Shaw (VP – Research & Development) brings a vast background in project management and quality assurance to ensure the product functions as expected based on specifications and client feedback.

Mandy Burton (VP – Marketing) will utilize her extensive marketing expertise to socialize a product that would address an underserved market. Aaron Bruner's (VP – Sales) proven strategic sales success will take Mandy's ideas and grow Legaliath within the market by capitalizing on the product presenting a better delivery system.

Brandon King (CFO) will use the labor of love for data to ensure operations are efficiently used to improve the financial levers relevant to increasing shareholder wealth. Lastly, Christopher Marshall (VP – HR) will work to ensure compliance according to all wage, tax, and associate management laws in the states where Legaliath will conduct business.

The legal services industry has grown at a consistent rate year-over-year for the past five years and is set to continue this trend. When Legaliath launches in 2018, a minimum viable product is intended for use in the metro Atlanta area where consumers (end users) and clients (attorneys) will have access to the application, the management team, and a technical support staff to answer any questions or to resolve any technical issues that arise immediately following product launch.

The revenue projections for the first year are \$625K, for the second year they will be \$1.3 million, and for the third year they will be \$2.3 million. All the operating profits generated from normal business operations during the first three years will be reinvested into the organization. This is intended to fund continued growth, repay initial investors, and position the enterprise for sale or acquisition thus providing a return for investors.

Funds are being sought from investors in the amount of \$650,000 capital investment for a 10% total equity stake in the Legaliath from a maximum of three investors. There will only be one round of funding available to investors and the expectation is that the Legaliath will receive full funding.

The invested funds along with the financing and owner capital will be used for initial development costs of the Legaliath application and Amazon Web Services, the advertising and promotions of the organization, legal and accounting fees, and prepaid insurance premiums.

Legaliath owners will manage the day to day operations of the organization during the majority of the first year. The organization will bring on staff towards the end of the first year for training purposes and will expand to three full time support individuals which will remain constant for the following four years.

The financial projections captured in the financial forms assume that the organization will expand into additional states from east to west. These new territories will allow the organization to expand market share with little to no significant increase in operating costs.

To date, Legaliath has been financed with a \$60,000 investment (\$10,000 per owner) and a commercial loan in the amount of \$290,000 with 8% interest. The loan has a structure that would require being paid in full over an 84 month period.

## **Description**

Legaliath, LLC, operates a mobile community marketplace for legal services seekers. In this marketplace, end users upload videos, key minimal data points categorizing the type of service they need, list pricing they can afford or request a bid for retainer and are connected to legal service providers from their mobile phone. Legaliath provides its users with peace of mind by connecting them with high quality legal service providers with price competition from attorneys. Further, Legaliath allows attorneys to better screen their lead candidates by viewing a video with a brief description of the potential client's situation. This feature does not exist within the current lead generation landscape for legal services.

Legaliath corporate headquarters and the company's offices are located at 1000 Chastain Road, Kennesaw, Georgia. It operates under the name "Legaliath" and is a new company. The immediate goals are to secure additional funding to launch the business venture in the Atlanta, Georgia metro area.

## **Mission**

Legaliath's mission is to help everyday people connect with high quality service providers at a price they can afford. Legaliath is committed to building trusting relationships with end users and client attorneys by providing a quality product, customer service, and user experiences. The expansion goal is secure a foot hold in the Atlanta metro area regional market, then to expand nationwide within the United States. The goal is steady expansion by adding attorneys in key markets, then marketing for the leads, ultimately becoming profitable by the third year of operations. Legaliath is also committed to giving back by serving on non-profit executive boards to promote a sense of community, to build interdependent connections, and to reinforce trusting relationships.

## **Legal Status and Ownership**

Legaliath is a limited liability company (LLC) registered in the state of Georgia in the United States. The six equal part equity owners of Legaliath are: Mandy Burton, Aaron Bruner, Guy Ingram, Brandon King, Christopher Marshall, and Ernie Shaw. The company owns the trademark to the name Legaliath, under which it does business, the respective Android and iOS mobile apps, the web domain [www.legaliath.com](http://www.legaliath.com).

Our webhosting and the domain name [www.legaliath.com](http://www.legaliath.com) are secured through GoDaddy.com. The same is true of variant extensions .biz, .org, .us and surrounding names such as legaliathstudio, leagaliathpro, leagaliathnow, legaliathweb, etc. Legaliath has registered the slogan, "*Tell us your story. We've got your slingshot*" based on advice from strategic partner R | McHale, LLC and as advised in the Practical Legal Guide (McHale, 2009).

Legaliath is in the communications sectors of the media industry, in the sub-industry of internet-based services ([GCIS, 2018](#)). Legaliath has secured a statement of work (SOW) for iOS and Android app and website development and has bound the developer with a two-year non-disclosure and six months non-compete agreements.

### **Products/Services**

Legaliath users can set a retainer price range they are able to pay, or can request bids from multiple attorneys, thereby allowing accurate matching of end users with attorneys they can afford. End users may download the app or visit the website.

#### **Services provided to attorneys:**

- Qualified lead generation
- Video-based client screening prior to consultation
- Assessment of ability to pay (fee range transparency)
- Access to new clients in geographical area

#### **Services provided to end user clients:**

- Research attorneys in their desired geographic area categorized by offerings (e.g. family law, estate proceedings, criminal defense, etc.)
- Securely upload a video stating your legal issue
- Establish a range of affordable legal service offerings
- Obtain competitive bids from multiple attorneys

The Legaliath app is primarily accessed by end users through Google Play for Android mobile devices or through the Apple App Store for iOS devices. Legaliath client attorneys can access Legaliath through the website [www.legaliath.com](http://www.legaliath.com) which allows advances administrative functions or through their mobile application, allowing them to quickly respond to incoming leads while on the go. To fully leverage the company's and the attorney's investment, the company will offer online training courses via Skype® to indoctrinate new attorneys and to ensure proficient use. Similarly, in-app instructions and short how-to videos will guide end users through registration and basic use components.

## **Geographical Location**

Legaliath will launch in Atlanta, GA the home of the CEO, Guy Ingram. The decision to start in Georgia is a strategic decision in an area where there has been over 2.8% increase of employment for attorneys (BLS, 2017). As the organization grows, there will be opportunities to establish footprints in the northeast, central, and west to take advantage of additional legal growth in areas such as Illinois (2.9%), California (1.9%), and New Jersey (2.8%). In addition, the Atlanta, Georgia metro area in 2015 had an estimated population of 5.8 million people, growing by 500,000 since 2010 (Census, 2016). Within five years, Legaliath plans to expand to California (9.6% of 2016 cases in America), Florida (4.7%), Illinois (3.8%), Maryland (2.8%), Michigan (5%), New Jersey (10.2%), New York (5%), Pennsylvania (5.2%), and Texas (17.5%). Targeting these states along with Georgia (5.5%) allows Legaliath to target 68% of all legal cases with a concentrated 10 state focus (NCSC, 2018).

## **Development to Date**

In November 2017, Mandy Burton became the Vice President, Marketing. Ms. Burton immediately began a marketing campaign, targeting the top 100 Atlanta metro area law firms (Kinney, 2016).

In November 2017, Aaron Bruner became the Vice President, Sales. Mr. Bruner immediately began a sales campaign working jointly with Ms. Burton targeting the Atlanta metro area law firms.

In December 2017, Ernie Shaw became the Vice President, Research and Development. Mr. Shaw worked collaboratively with Brandon King, who joined as the Chief Financial Officer. Jointly, Shaw and King drafted the final specifications, sought intellectual property protection and solicited bids for the initial mobile application and website development.

In January 2018, Christopher Marshall joined the team as the Vice President, Human Resources. Mr. Marshall immediately convened a board and developed corporate governance documents to include policies and procedures, organizational roles and responsibilities, etc.

In February 2018, the mobile applications and web design were commissioned, and beta testing began with testers solicited from Kennesaw State University. Upon identifying initial bugs and design flaws, the application and website will be updated, and a second round of testing is planned before final commissioning with periodic updates planned as additional bugs or operational issues are identified based on customer and client feedback and self-identified issues.

In March 2018, established strategic partnership with Robert McHale, founding member of R | McHale Law. R McHale Law, LLC is a premier, Boston-based law firm offering

comprehensive legal services in the following practice areas: Corporate Law, Litigation, and Technology Law (McHale, 2017).

### **Market analysis**

The legal services market overall includes practitioners of law operating in every sector of the legal spectrum. These include commercial, criminal, insolvency, labor/industrial, immigration, family and taxation law. While traditional brick and mortar law firms have been the primary provider of legal services over the years, online legal services are a growing trend.

According to the ABA's 2016 Legal Technology Survey, 5% of attorneys describe their practice as a "virtual" law practice. This includes practices that have a lack of traditional physical office space, to "minimal in-person contact with clients" or the use of web-based tools for client interaction. And the number of virtual law firms is on the rise. (IBISWorld, 2016). Online services include the secure storage of client information, legal advice to a consumer, video conferencing and communication tools and online marketing services. Smaller firms have been helped by nationally branded networks that allow them to leverage the online company's marketing resources to compete with larger firms.

Currently, online, or virtual, legal service providers offer a variety of packages for customers and businesses that want to gain access to legal services and advice. Attorneys that participate in these online services are usually small law firms and use the subscription services to supplement earned income for their practice. The other main segment of online services includes "do it yourself" legal documents but provide no advice or consultation. Online providers are relatively new to the industry but are gaining widespread acceptance.

The breakdown of the online legal services market includes the following:

- 8682 legal business (online) in 2016
- 46.5% Subscription Legal Plans
- 49.3% Transactional (interactive legal document)
- 4.2% other services

The profits for the online legal services industry accounted for 13.1% of the revenue in 2016. Brick-and-mortar law firms earn higher profit margins, with larger firms earning profits over 20.0% of revenue. But online service providers are offering more generic legal services, such as document drafting and form preparation. These services are more commoditized in nature and have lower profit margins as consumers and small businesses that demand them are price-conscious and go online looking for affordable alternatives to full-service law firms. (IBISWorld, 2016). Margins for this industry may be lower than for brick-and-mortar law firms,

but profit for online providers has risen over the past five years. Demand is increasing and has allowed struggling firms to reach an essential pool of new clients.

### **Size, Trends and Growth Opportunity**

The United States legal services market sustained a value of \$289.7 billion in 2016, however by 2021, the United States legal services market is forecasted to have a value of \$313.8 billion, an increase of 8.3%. The legal services market volume grew by 0.4% in 2016 to 1.275 million legal professionals, however by 2021, the market is forecasted to grow to 1.371 million legal professionals, an increase of 7.4% since 2016. Overall, the United States accounts for 49.6% of the global legal services market value. (Legal Services Industry, 2017)

Specific to the online legal services market segment, the industry saw \$5.2 billion in revenue, and \$685.2 million in profit in 2016, realizing a 7.6% Annual Growth Rate 2011-2016. The overall life stage cycle of the online market is one of growth. Further, there is a 5.8% Annual Growth Rate Projected between 2016-2021 and \$6.9 billion in projected revenue.

The legal document segment has increased over the past five years as companies have grown in new states and marketing of online legal services has increased. Growth of subscription legal plans is expected to continue over the next five years as this offers a stable and profitable revenue stream for legal document service providers. We feel these growth trends can also be attributed to expansion of the online legal services market.

The percentage of overall services conducted online is expected to grow to 21.6% by 2021, with consumers increasingly expecting to be able to, and preferring to, conduct most professional services online (IBISWorld, 2016). See appendix 3 for additional details.

### **Target Consumer (End Users)**

Marketing efforts are focused on two different aspects: generating the supply of end users and targeting attorneys to provide legal services. The end users will provide basic client data, the amount they would be willing to spend on retainer for specific legal services, and a high-level video description of the issue to provide a basis for case adoption for attorneys. Individuals and small to medium-sized law firms currently account for most online legal services, therefore, Legaliath will target both segments because they provide the greatest opportunity to capture market share in the highly competitive industry of online legal services (IBISWorld, 2016).

The ideal initial end user possesses the following characteristics: price and time sensitive, homeowner, age 21-64, household income \$30,000-\$100,000 per year, utilizes a smartphone for 25% or greater of all services and purchases, early adopter of technology, and (initially) resides in the state of Georgia.

Georgia contains an estimated population of 9.68 million as of 2017 with 5.58 million (59.2%) in the target age range of 21-64 (Suburban Stats, 2017). Smartphone usage has continued to grow in recent years and according to Statista, 94% of the age group 18-29 own a smartphone as of 2018 compared to 89% of users age 30-49 and 73% of users age 50-64 (Statista, 2018). Utilizing a weighted average smartphone adoption rate, this narrows the market to 4.75 million potential individual users in Georgia. The percentage of homes that are owner-occupied in Georgia is 65.6% which brings our target market to roughly 3.12 million homeowners. Additionally, 49% of the total Georgia population earn \$30,000-\$100,000 annually bringing the target market potential to 1.53 million users. (Statistical Atlas, 2017).

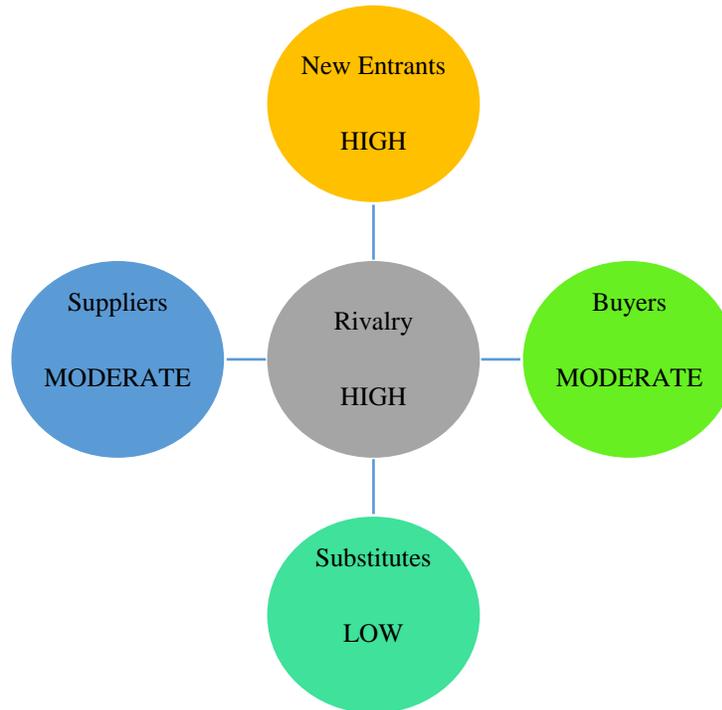
The target small business end user fits the following criteria: time and price sensitive, fewer than 50 employees, prefers to operate paperless, has a need to start, buy, or sell a business, early adopter of technology, and resides in the state of Georgia.

There are currently 718,987 registered legal establishments in the state of Georgia and 94.1% of them employ fewer than 50 employees resulting in a target market of 676,566 (Georgia Dept. of Economic Development, 2018). The number of new businesses created in Georgia are 128,661 and 114,226 in 2017 and 2016, respectively allowing for increased opportunity to target new businesses needing legal services.

### **Target Customer (Attorney)**

Revenue is derived from the attorneys thus making them our primary customers. The ideal customer displays the following characteristics: proactively markets for new prospects, marketing budget \$5,000-\$20,000 annually, less than \$2.5 million in revenue, and located in Georgia. Based on this criterion, it is estimated that the target market is 4,500 law firms in Georgia (Reference USA, 2018).

## Porter's Five Forces Analysis



### New Entrants

The threat of new entrants is high in the online legal services industry. Online services utilization is expected to grow by 21.6% by 2021 as consumer preferences continue to shift away from brick-and-mortar operations (IBISWorld, 2016). This change of behavior opens the door for new entrants to flood the market to capture market share. With the largest existing competitor LegalZoom only having 4.5% of the online legal services market share, it offers an enticing opportunity for new entrants. Barriers to entry are very low due to the relatively low capital start-up costs and the lack of clear industry leaders.

### Power of Buyers

In the case of Legaliath, attorneys are deemed to be the buyers and possess moderate power. Attorneys use several avenues to obtain business including developing centers of influence for referrals, digital advertising, billboards and television commercials. While many of these strategies are more passive, the attorneys yield some power in determining how they will find customers. When it comes to online legal lead aggregators, there are few options available to attorneys which helps to balance the power. Because pay-per-lead services are generally less expensive than billboard or television advertising, it provides a suitable alternative for smaller law firms that are seeking to grow their clientele.

## **Power of Suppliers**

The end users are the suppliers of client information and pose a moderate threat. Consumers who are concerned that their information would not be secure through an app present a risk to the success of Legaliath. Additionally, if the product is not easily accessible or the end users prefer Google searches or asking friends for an attorney referral, then the suppliers also wield more control. Oftentimes when an individual needs a service, they are unsure where to go.

Legaliath presents a solution that minimizes the amount of time individuals spend looking for a suitable attorney by providing access to three rated and reviewed attorneys in their geographic area as soon as the intake form is completed. The power of suppliers is minimized by the superior alternative that Legaliath offers compared to generic Google searches that do not provide estimated costs of services from attorneys.

## **Rivalry Amongst Competitors**

Rivalry amongst existing competitors presents the greatest threat to Legaliath. Competitors such as LegalZoom and Rocket Attorney have established a brand presence and benefit from economies of scale to consistently enhance their product for consumers. These companies provide legal document drafting and charge a subscription fee to the end user and are rapidly replacing everyday use of traditional attorneys for these services.

There are also companies like Avvo.com, LegalMatch.com, and Nolo.com that target attorneys as lead aggregators. These lead generation services qualify leads through a client intake form and attorneys are charged either a monthly subscription to list on their pages or a per-lead service charge. Due to the number of competitors in this space, there is no clear-cut leader in terms of market share.

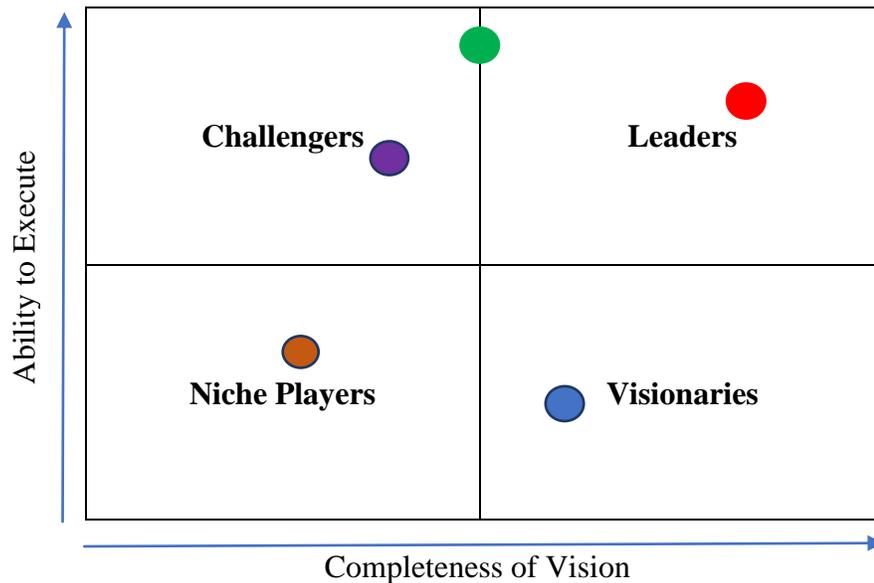
While these companies follow more traditional models, Legaliath is differentiated by offering a client video interview and a \$90 lead charge that only occurs once the attorney and end user are connected. These two aspects provide value to the end user and minimized risk to the attorney giving Legaliath a competitive advantage in a saturated space.

Google as well as traditional brick and mortar law firms also exist as competitors. Google provides immediate access to attorney contact information through searches and large law firms have exhaustive marketing budgets that allow their brands to exert their authority in the marketplace. The app-based lead generation model seeks to disrupt the legal industry and commoditize legal services by placing the power in the hands of the consumers who demand lower-priced services through increased competition of attorneys competing for clients based on price.

## Threat of Substitutes

Substitutes pose a low threat to the industry in the form of self-representation or do-it-yourself efforts. In the case of business owners, legal expertise is often a necessity to execute and draft documents correctly. In terms of individual consumers, expertise plays a significant role in family law, criminal defense, and wills, trusts, and estate. Legaliath offers access to vetted and highly rated attorneys that provide an expert alternative to self-representation.

## 2x2 Competitor Analysis



LegalZoom

Avvo

LegalMatch

Google

Legaliath

### LegalZoom ([www.legalzoom.com](http://www.legalzoom.com))

LegalZoom currently captures 4.5% market share and leads everyone in the online legal services industry. This company offers a quick and lower cost alternative to traditional attorneys by providing document drafting services to consumers. LegalZoom also provides a vast array of attorney services from their expansive attorney directory that includes wills, real estate, and corporate law to name a few. Individuals complete a client intake form that is reviewed by an attorney, the attorney then provides an evaluation to the client, and if there is agreement, they proceed forward with the case.

Attorneys can join the LegalZoom attorney directory through an application process at no charge. They are listed and referred customers, however, they are required to give customers a 25% discount off their “reasonable rate”. This aspect allows Legaliath an opportunity to gain market share through our one-time lead charge.

#### **Avvo ([www.avvo.com](http://www.avvo.com))**

Avvo is an advertising and lead generation website for attorneys that specializes in allowing attorneys to offer fixed rate services to clients who have a need. Individuals who visit Avvo can search profiles of attorneys in the area, view client reviews, and pay a listed fixed rate for services. Avvo also has a large breadth of services offered due to the number of attorneys listed on the site. The attorneys benefit by only receiving paying customers who elect the fixed rate service. Avvo attorneys are offered monthly subscription packages to advertise or utilize the AvvoPro service of creating a robust profile with client reviews. The downside to their model is that they do not limit the amount of attorney profiles that a prospective client may view. Avvo also charges a monthly subscription regardless of the number of clients that may call. This creates a financial risk for attorneys with no guarantees. For these reasons, Avvo is viewed as more of an advertising service as opposed to a true lead aggregator.

#### **LegalMatch ([www.legalmatch.com](http://www.legalmatch.com))**

LegalMatch allows individuals to complete a client information form and details of their proposed case online. The case details remain confidential and the highlights are posted on a board for attorneys in the area to view. Attorneys read through the information, determine if they can build a case, and connect with the individual if they are willing to work the case. This gives attorneys the freedom to work only the cases they wish to work. They are charged a monthly subscription fee as well for services through LegalMatch. The downside to this competitor is that it lacks mobile app ability, a video interview, and the likelihood that many attorneys would be competing for the same cases as there is no exclusivity to this board. As mentioned previously, we believe that the subscription model exposes our customer to a greater financial risk due to the uncertainty of receiving a paying customer.

#### **Google ([www.google.com](http://www.google.com))**

Traditional Google searches yield local attorney listings in real-time speed. This competitor simply connects end users with legal service providers in their area and does allow for client reviews to be posted. The Google Maps tool also gives customers insight to the office location of these attorneys. They are both a free and paid advertising service that is maximized through search engine optimization but neither guarantee clients for attorneys nor limit the number of attorneys that can be listed.

## Competitive Advantage

The competitive advantage of Legaliath exists in the pricing model that relies on a pay-per-lead strategy that charges a low \$10 per lead cost intended to minimize the amount of pre-work and a \$90 charge only once clients elect to use an attorney's services. This model serves to disrupt the legal services industry by motivating legal service providers to compete on the basis of price and provide a greater ease of access to attorneys.

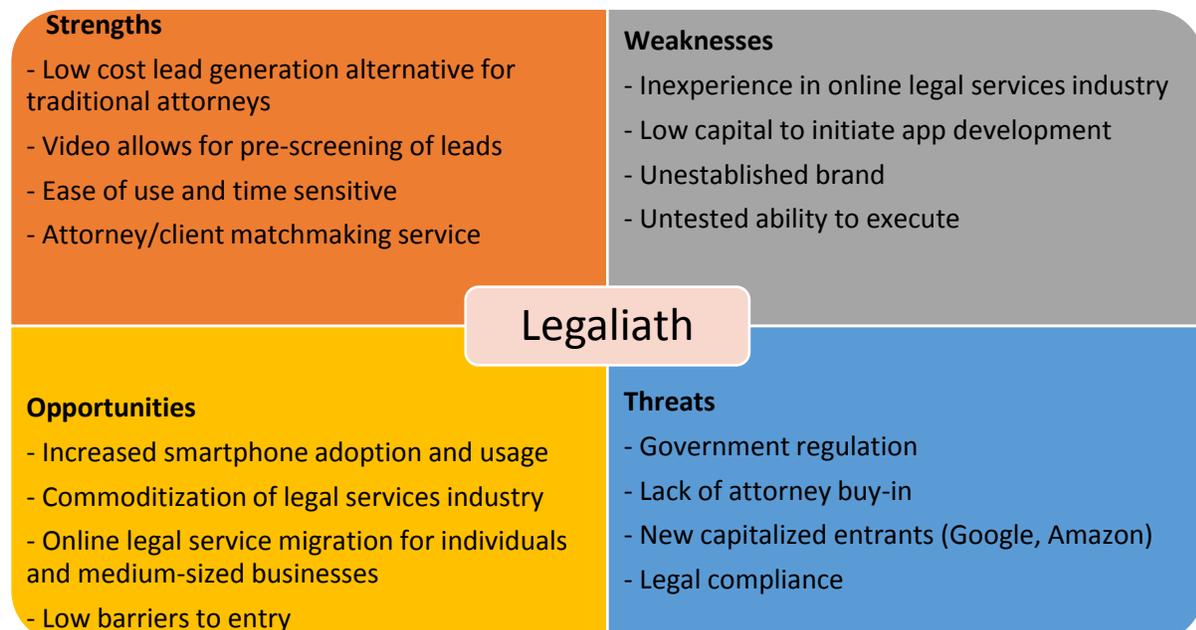
For attorneys, the end user is a better qualified lead due to their ability to record a video interview outlining their case, affirming their need for the selected service, and identifying the price they can pay to secure a retainer for the identified services. The ease of use that allows clients to rate and choose attorneys that best fits their needs along with the ability negotiate the initial retainer through a competitive bidding process gives the company a unique competitive advantage in a saturated market.

## Value Proposition

End Users: Legaliath is an easy to use app that provides everyday folks with peace of mind by connecting them with high quality legal services at a price they can afford.

Attorneys: Legaliath is a low-cost lead aggregator that provides attorneys with access to everyday people in need of high quality legal services in their area of legal expertise.

## Internal S.W.O.T. Analysis



## Marketing Strategy

As Legaliath grows, the intent is to expand into the remaining 9 major metropolitan cities in the United States (New York, Los Angeles, Chicago, Dallas, Philadelphia, Houston, Washington D.C., Miami, and Boston) in an east to west manner (Census, 2016).

- **Product** – Legaliath.com and the Legaliath app will deliver new leads to local attorneys and offer end users a way to connect with legal services they need at an affordable price. The service will offer searchable listings and allow them way to personally tell their story and connect with attorneys. We view Legaliath as a legal online dating service of sorts where clients can also set a price they are comfortable with, while providing attorneys a new client base. This provides an opportunity for recurring monthly revenues that we capture with the growing number of legal providers.
- **Price** – Legaliath utilizes a “pay-per-lead” model. Attorneys will be able to view the videos of the potential clients free of charge, however, if they choose to make contact with the potential client, they will incur a \$10 fee. This model is derived from other lead aggregator services found in sales systems across a variety of service industries including insurance, dental and legal.

Once a bid for services is accepted by the end user, the attorney will be charged an additional \$90 for the connection made. These price points were determined by the average cost per lead found in the legal industry, the potential revenue that would be derived for these services based on industry averages, and a survey conducted with 60 Georgia attorneys on what they would be willing to pay for this type of service (Lindemann 2017).

Attorneys will have the option to upgrade their account for an annual cost of \$150 or a monthly cost of \$15. This upgrade includes the ability to add a photo, a 50-word bio, and two free bids per month. This model provides an additional recurring revenue stream for Legaliath and allows greater diversification of income. For cost comparison, the team identified similar costs associated with LinkedIn Premium services and other upgraded account offerings.

- **Per lead bid: \$10/lead**
- **Per Lead Bid Acceptance: \$90/acceptance**
- **Upgraded account: \$15/month or \$150/year**
- **Place** – The app will be available on both the Apple iTunes and Android app stores. (Distribution) The user may also access the services on the internet by locating the Legaliath.com website.
- **Promotion** – Our approach to marketing promotions will be two-pronged. One strategy will focus on building of the available attorney base and the other will focus

on end users in need of legal services. The message we propose to communicate to the primary target market for the attorneys is – ***be the courageous slingshot for goliath-sized problems.*** The primary message to the end user is- ***be brave and face your goliath-sized problem, we've got your slingshot.*** This of course is a play on the ancient story where the young boy David defeats the warrior Goliath by using merely a pebble and a slingshot.

This story of courage has long been used to demonstrate that when all the odds are against someone, they can overcome. For the everyday person with a life-altering problem in need of legal services, a high-quality attorney they can afford gives them confidence and peace of mind that they can overcome their legal issue. Aligning with the company mission of delivering peace of mind and protection, marketing to the attorney target market will include:

- Strategic partnerships and advertising with regional law schools, and BAR exam preparatory programs a digital advertising campaign (social media, targeted search keywords)
- Targeted postcard mailer to area law firms
- Sponsorships of law school events
- Sponsorships of legal conventions (display tables)
- Chamber of Commerce advertising, networking and outreach

In addition, Legaliath will partner with the dozens of local bar associations throughout metro Atlanta to provide a listing on Legaliath as a benefit of membership for joining the association. Initially, Legaliath will host a launch party to generate buzz, inviting local attorneys and business leaders to an enticing location in the metro Atlanta area.

To reach the end user, marketing promotions will include:

- Digital campaign (social media, targeted search keywords, targeted emails to registered users – see appendix 5)
- Satellite radio advertising
- Billboards
- Local Restaurant and Bar advertising
- Local event sponsorship presence

For the direct mail campaign, a launch mailer will be sent to the 4,500 Atlanta area targeted law firms, at an estimated cost \$4,000. For the digital campaign, we recommend securing a digital advertising agency to provide insight on advertising costs for the local market and estimates of effectiveness based on industry standard metrics. This will provide specific targeting information as well as real time reporting to adjust as necessary. Initially, we expect to spend \$5,000-\$7,000 monthly on each targeted campaign.

Digital display advertising for both groups will be placed on social media outlets such as Facebook and Instagram, while targeted search words recommended by the agency will drive additional targeted display advertising during all internet usage. Examples of keywords include: attorneys near me, legal help, bankruptcy protection, adoption, divorce, DUI defense, etc. The marketing team in partnership with the third-party agency identified should also focus on the appropriate placement of ads strategically across webpages of business partners, social media outlets and sponsored events to generate a click through rate (CTR) of 2.0%.

Consumers or attorneys clicking through the respective ads will be brought to the Legaliath page where they may proceed with their search and submission or download the app if they are on a mobile device. Once initial users and attorneys are happy with the service/clients they receive, we anticipate the halo effect of word of mouth promotions as experiences are shared.

## **Operations**

Regarding operations, Legaliath will operate as a virtual company until demand drives the necessity to establish a physical office presence and revenue streams facilitate such a move. Equipment and furniture are not viable considerations at this stage. With an Amazon Web Services back end, our technology infrastructure can be scaled quickly on demand. Due to the need to be lean and mean at the onset to keep costs in check, all application and Amazon Web Services (AWS) development work will be farmed out to independent contractors on a public forum bid site. Once funding is established, contracts will be executed, and development timeframes will be put into place.

Initially, the labor requirements can be categorized into three main functions:

1. **Sales and Marketing** – The sales and marketing team will be responsible for generating awareness with the two parties that Legaliath plans to bring together, the clients and the attorneys. Specific efforts outlined in the marketing section will be made to advertise to insure healthy amounts of downloads of the application. Download data and statistics will be used to sell the concept and sign attorneys to be onboard.

2. **Project Management** – Some labor will be dedicated to making sure that the development of the application and integration with the AWS back end is on schedule.
3. **Data Entry** – Although the goal is a tight integration between the mobile apps and the AWS back end, some data entry is anticipated. This could be the categorization of attorneys into certain geographic zones, keying attributes about certain attorneys to “set them up” at the onset of their subscription service, or the arrangement of in app purchases and advertisements.

Although capacity utilization is a concern for many start-ups, it is less of a concern for Legaliath. The use of mobile apps that feed data to an AWS back end gives us considerable flexibility in terms of scalable growth of our capacity. In very little time, relatively, AWS can be enhanced to meet any increases in demand that might mandate the need for additional capacity.

Quality control, for now, is to be more focused on ensuring that Legaliath collaborates with reputable and knowledgeable attorneys to sustain a lasting reputation for excellence with our brand name. A cross-reference to the state bar registry is a quick way to make sure the interested attorneys are ethical and follow the rules.

As our product and service is intangible, inventory management takes on an entirely different meaning than in the traditional sense. Sales and marketing are largely responsible for ensuring that there is proper inventory of clients to represent through actions intended to raise our awareness with the public. Supply and distribution will occur as digital packets of information on our AWS back end. The mobile apps will connect to the AWS back end, allowing:

1. Prospective clients to record a short excerpt of their situation, with a digital intake form designed to categorize their case type. Geo-filtering will allow the app to provide location data to the AWS back-end, along with the video and intake form data. There is no fee for this service to prospective clients.
2. Attorneys to view and listen to recorded excerpts from potential clients for allowing them to make a quick gut decision on whether they are interested in pursuing a consultation with the client.
3. If the attorneys choose to pursue the opportunity, they will pay \$10 to contact the client. The attorneys will then be able to contact the client and provide consultation. If they choose to represent the client, they will pay a \$90 lead fee.
4. Potential clients can view ratings of attorneys to determine if they want to accept bids from attorneys. If the attorneys have pay for premium listing service, the

potential clients will be able to view bios, written excerpts, and a short video advertisement of the attorney.

Attorneys will understand that the potential clients will have the ability to rate their experience talking with the attorney. This measure will help drive positive customer service from the representing attorney.

Research and development of mobile applications is an ongoing process. Initially, the app development will be sourced to the winning bidder. Estimates based on a posted statement of work to a public forum are ~\$25,000 for the development of an application that can run on both Apple and Android devices.

While the initial development costs are not-to-exceed bid contract, ongoing research and development will need to be conducted to ensure compatibility with new version of Android and iOS as they are released and for staying in front of potential competitors and their technological advances (see Appendix 6 for application design elements).

Financial control of the company will become more of a concern as new attorneys, financial lenders, and other revenues from advertisements pick up steam. Financial control of the company will be carried out by our CFO, Brandon King.

The most important contingencies to plan around are potential changes in the law from state to state pertaining to the advertisement of legal services. Research has been conducted to determine which target markets should be selected first. Bandwidth could also become a big concern, if the cost of the scaled up and boosted AWS back end begin to climb to support a growing number of videos and audio files. Some measures will have to be taken in to consideration that will limit the amount of time a file stays “online” once an attorney for representation has accepted it.

### **Technology Plan**

Our technology goal and position are to be a simple to use mobile application that will allow clients in need of legal services to find attorneys that specialize in the field of their ongoing concern. Additionally, our goal is to utilize the highest levels of encryption to ensure confidentiality of the sensitive nature of the content that may flow between clients and attorneys. Our position on this sensitive subject is that we strongly advise clients to only use generic details without evidence to avoid risk for Legaliath. All future communications between client and attorney containing specific and or sensitive details will not be conducted through the application. In addition, to protect confidentiality, no employees of Legaliath will have access to the uploaded videos.

Our plan is to have a website that also can serve as a resource to potential clients and attorneys. Our software needs are defined as customized AWS work that will allow the seamless reception of key data points from mobile applications that will allow geographical and categorical matching of potential clients and their potential attorneys. There are no hardware needs currently as the company is to be virtual. Early on, all customer service or information providing type services will be handled via email and callback in rare circumstances. All employees will utilize cellular technology with unlimited data plans due to the virtual nature of our operations.

App development will be outsourced to app development specialty companies. AWS back end customization will be outsourced to a company who has skill in developing AWS to perform specific data management functions. All communications with technology providers will be handled and conducted by the President and CEO, Guy Ingram.

### **Management/Leadership**

**Guy Ingram, President/CEO.** Prior to founding Legaliath, Guy Ingram served as the Technical Account Engineer for Ricoh USA, document management and technology organization. Before that Guy was the Senior Technical Account Manager for the state of Georgia overseeing large projects for Southern Company, Lockheed Martin, and Warner Robbins Air Force Base.

Guy's experience within the technology sector stemmed from responsibilities that included strategic product development, sales, and organization process improvement. He spent over 17 years in roles that consisted of developing technology solutions to help clients improve the way they conduct organization. Guy also brings to Legaliath a vast working knowledge of how to develop individuals and establish high performing teams. That will be key as he partners with his executive team to create a successful path for Legaliath.

**Aaron Bruner, VP – Sales.** Aaron joined the organization to provide insights and direction as to how Legaliath sells the product to the legal community and the everyday consumer. Aaron's skills with creating relationships within the insurance technology industry will help him with the positioning of service offerings to clients; inclusive of consumers and attorneys. Aaron's experience with selling technology products for the insurance organizations has equipped him with the ability to connect with R&D team members to account for client needs.

**Brandon King, CFO.** Spent the last 9 years doing financial analysis for three different organizations helping to improve shareholder value by eliminating discrepancies with interdepartmental reporting, improving the billing process for an organization resulting in \$700K savings, and identifying productivity gains.

Brandon's responsibilities for Legaliath will consist of managing the financial reporting for the organization, identifying opportunities to improve cash flow for the organization,

providing insight to functional sr. leaders regarding the need to grow or shrink their areas, advise the CEO of necessary elements to make financial decisions, and must connect the dots with every area to the numbers.

**Christopher Marshall, VP – HR.** Christopher joined the organization with a primary focus on diversity and inclusion, talent development, talent acquisitions, and corporate human resources.

Prior to Christopher joining Legaliath, he served as the vice president of client service for ADP, a human capital management organization. His responsibilities included strategic talent acquisitions, leadership and associate development, and general corporate human resource management efforts.

Christopher's background in leadership development and human resources will be important as Legaliath develops their organization for the future by bringing in diverse, talented team members. He will be key to developing the corporate governance, organizational policies and procedures along with roles and responsibilities for the workforce.

**Ernie Shaw, VP – R&D.** Ernie brings a strong program management background to Legaliath which will be key for his responsibilities as he focuses his efforts on developing the technical specifications for the product. Ernie has held quality assurance and consulting positions focused on managing risk along with strategic planning and development efforts within the U.S. Navy and the nuclear power industry. Ernie has over 31 years of operational excellence and project management with high quality results which will serve him well as the leader of the R&D team for Legaliath.

**Mandy Burton, VP – Marketing.** After over 14 years in various marketing roles ranging from manager to director, Mandy has positioned herself as a solid marketing professional with an eye for branding and ability to strategically position an organization for long-term growth.

Mandy's responsibilities with Legaliath will include developing the organizational strategy and how we will go to market. She will be responsible for creating the brand strategy that will make Legaliath a mainstay in the minds of consumers and attorneys. She brings to the organization a strong network of organizations and colleagues that will be utilized to establish partnerships for additional marketing opportunities.

Before Mandy became a member of the Legaliath team, she held a role as the Marketing Director for a prominent healthcare organization where she oversaw the brand strategy for over 250 offices and 1100 healthcare providers.

### **Board of Directors**

The board of directors consists of five members that will provide corporate governance and guidance to leadership where appropriate. Each of the board members will leverage their

expertise to contribute insights to the sr. leadership team for decision making purposes that relate to increasing shareholder value. The members of the board will convene quarterly to discuss matters related to the organization and will remain available to provide direction whenever necessary. One committee member who is yet to be named will have a background in the legal industry which will help the business understand and avoid unforeseen pitfalls.

- Chairman of the Board
  - David Daly, Director of Programming, Sandy Springs Performing Arts Centre
- Committee Members
  - Seth Lipkin, Software Engineer, Verily Life Sciences
  - John Loud, CEO/Owner, Loud Security
  - Tom Devaney, Professor, Kennesaw State University

### **Other Key Personnel**

In the first three years, it will be important for Legaliath to hire a few functional team members to help manage the demands of starting, supporting, and socializing the organization. Strategically we will need to add to the R&D and Sales teams to help support and grow the business. The organization will bring on two sales representatives to help with the two channels for the business; clients (lawyers) and end users (consumers).

These sales representatives will report to Aaron Bruner and be responsible for acquiring and signing up new law firms on the app, getting the word out to local small business owners and consumers at various events. For the R&D team we will hire an individual desktop support person who would be responsible for providing support for any emails sent to the organization regarding any specific issues related to the mobile app or webpage. The ideal candidate would be a person who is service oriented with an understanding of app development and web design.

### **Organizational Structure**

As president of Legaliath, Guy Ingram is heavily involved in the day to day operations of every aspect of the organization. He will be responsible for providing strategic oversight regarding operations and financially impacted areas. The sr. leaders of each group will have a wide span of autonomy to make decisions that will lead to successes for the organization.

## Legaliath Senior Leader Organizational Chart



### **Social Responsibility**

The Legaliath Corporate Social Responsibility (CSR) plan includes engagement of strategic partners to provide pro bono legal services for indigent end users or services at significant discounts to meet the mission of helping everyday people connect with high quality service providers at a price they can afford. Other aspects of the Legaliath CSR plan include sponsoring career day events at local colleges again, partnering with legal services providers to facilitate a sustainable stream of future legal professionals to serve every day end users.

### **Development, Milestones & Exit Plan**

The long-term company goal for Legaliath is to successfully execute the mission of helping the everyday person connect with high quality legal services providers at a price they can afford. If Legaliath can accomplish this goal adding value for the end user and client attorneys, we will be able to achieve our business goal of becoming a leader in the mobile services provider market and a disrupter to the traditional attorney client onramp.

In assuming this position, Legaliath will adjust as necessary to continue to deliver revenue growth by adding additional end user and client attorney services based on feedback and changes in the mobile services market. Regarding growth, Legaliath will target the 9 largest U.S. metropolitan areas. This will allow concentration of marketing resources and will ensure an installed end user and client customer base. Following the completion of testing in the Atlanta metro area market in 2018 and available funding generated from business operations, Legaliath will expand east in the first quarter of 2019. This will allow sufficient time for adjustments to the platform, business model, and revenue model before launching in a new market.

Upon launch, Legaliath will seek strategic partners in the metro area offering free or reduced cost service to launch the business line. Following the launch, a similar marketing and advertising strategy will be employed targeting end users, client attorneys, and affiliated organizations to drive sustainability.

The exit plan for Legaliath is purchase by a larger nationwide organization such as LegalZoom or LegalShield. This will provide the desired return on investment for initial investors and will fully capitalize the Legaliath business model for nationwide expansion thus fulfilling the mission helping the everyday person connect with high quality legal services providers at a price they can afford. The timeline for this exit is 3 – 5 years after Legaliath has established itself as a legal services industry disruptor and is projected to acquire a dominant share of the online legal services market.

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- 2. Workflow Chart**
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- 4. Growth Model**
- 5. Targeted Advertising Examples**
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**Appendix 3 - [Business Model Canvas – Modeling Tool](#)**

# How Legaliath Works

<p><b>Key Partners</b></p> <ul style="list-style-type: none"> <li>- Local attorneys</li> <li>- Financial partners</li> </ul>	<p><b>Key Activities</b></p> <ul style="list-style-type: none"> <li>-Creating technological infrastructure</li> <li>-Local market management</li> <li>-Lead aggregation management</li> <li>-Customer service</li> </ul>	<p><b>Value Proposition</b></p> <p>Customers</p> <ul style="list-style-type: none"> <li>- High quality legal services at an affordable price</li> <li>- Peace of mind</li> <li>- Simplified access</li> </ul> <p>Attorneys</p> <ul style="list-style-type: none"> <li>- Low cost lead aggregation</li> <li>- Increased revenue generation</li> </ul> <p>Advertisers</p> <ul style="list-style-type: none"> <li>- High visibility to target audience</li> <li>- Increased revenue generation</li> </ul>	<p><b>Cust. Relationships</b></p> <ul style="list-style-type: none"> <li>- Customer service</li> <li>- Social media</li> </ul>	<p><b>Customer Segments</b></p> <p>End Users</p> <ul style="list-style-type: none"> <li>- People who want legal services</li> <li>- People who do not have direct access to legal service providers</li> <li>- People who are not sure what kind of service they need</li> </ul> <p>Attorneys</p> <ul style="list-style-type: none"> <li>- Those who want to increase their revenues</li> <li>- Those who want to reach out to more people</li> </ul>
<p><b>Cost Structure</b></p> <ul style="list-style-type: none"> <li>- Technological set-up and running costs</li> <li>- Salaries to permanent employees</li> <li>- Commission based payments for attorney / customer referrals</li> </ul>		<p><b>Revenue Streams</b></p> <ul style="list-style-type: none"> <li>- Premium and basic subscription fees</li> <li>- On-time setup fees</li> <li>- Surcharge on attorney fees</li> </ul>		

# Appendix 4 – Growth Model

