

Litigation-Finance Firms Bankrolling Plaintiffs

The business of commercial litigation finance is making inroads in the United States, after it was pioneered in Australia and spread to Britain, reports *Crain's New York Business*. Litigation funders pay upfront legal costs for plaintiffs or their lawyers in return for a share of a settlement, judgment or verdict down the road.

The finance firms portray themselves as white knights as they help entrepreneurial firms that retain them to wage battles against bigger, better-funded companies that steal their intellectual property, renege on contracts or commit fraud or other offenses against them.

"Many litigation-finance firms are backed by hedge funds, private-equity firms, family offices and other investors who sink millions into these funders, betting on returns that are not correlated with the ups and downs of the stock market." *Crains* reports.

Read the story.