One of Peter Thiel's Fellows Created a New Startup That Will Fund Lawsuits



Image by NY Photographic

A new startup, **Legalist**, is looking to make money from the practice of bankrolling lawsuits, **reports *Business Insider***. The startup plans to fund those that it calculates has a chance to win.

Although Eva Shang, its cofounder, is a Thiel Fellow, she said the company won't be funding lawsuits like the one Peter Thiel backed when Hulk Hogan successfully sued Gawker. The fellowship means that Shand took a $100,000 investment from Thiel's foundation to help build Legalist.

"In a presentation at Y Combinator's Demo Day on Tuesday, Shang argued that litigation funding is poised to become an 'explosive asset class.' The startup has funded one lawsuit for $75,000 and expects a return of over $1 million once the case is over. That money will then be reinvested in other lawsuits, and the process will repeat itself," reports **Biz Carson**.

Legalist uses an algorithm tocalculates the odds of winning the case and the time scale in which it would finish.

Read the article.