

## **Vizibid Executive Summary**

Vizibid is a website where lawyers (and only lawyers) can find, request, and share model legal documents for use in the practice of law. Vizibid also enables lawyers to rate documents in its database, share comments about the documents, and even share revised versions of the documents. By collecting the documents that lawyers share with each other and adding them to its searchable database, Vizibid will have the fastest-growing collection of the best lawyer-approved model legal documents in the world.

In the United States there are over 350,000 lawyers who practice alone or in small law firms.<sup>1, 2, 3</sup> In their daily law practices, nearly all of these lawyers regularly prepare legal documents. These lawyers—as well as in-house lawyers for small and medium companies—use model legal documents as a starting point for most of the polished documents they draft. Unlike lawyers in large law firms, these solo, small firm, and in-house lawyers do not have the resources to maintain large databases of model documents. Instead, they turn to a variety of expensive, time-consuming, and unreliable sources of model legal documents. In this respect, solo, small firm, and small company in-house lawyers have a big unmet need.

Some lawyers pay a lot of money to access databases of legal documents on westlaw.com. A subscription to Westlaw's legal form-finding service costs about \$150 per month with a minimum 2-year contract. Some lawyers rely on printed books of forms which cost anywhere from \$150 to \$1,000 per volume and quickly go out-of-date. Lawyers also travel to the law library to find these books, and they even draft documents from scratch; both of these methods are time-consuming and create high costs that the lawyers have to justify to their clients. Occasionally lawyers will buy documents from websites that sell documents directly to lay consumers, such as nolo.com and uslegalforms.com, but sites like those are known for providing generic forms that are overpriced. Lawyers also frequently ask their colleagues for model documents; this technique works very well, as long as the colleagues actually have what the lawyers need. Solo and small firm lawyers are generally very willing to share their model legal documents with colleagues when asked. Email list serves for lawyer groups are abuzz across the nation with requests for model documents from solo and small firm lawyers. These circumstances create a perfect market opportunity for Vizibid.

Vizibid competes with each of the above methods of obtaining model documents in some combination of better pricing, higher document quality, and less effort required from the user. Vizibid's users will pay a monthly subscription fee in the range of \$25 to \$50. With a subscription, users can search for, comment on, ask questions about, and request model legal documents. None of the other competing methods of acquiring model documents offers a comparable service.

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<sup>1</sup> The American Bar Association (ABA) reports a total of 1,225,452 licensed attorneys in the United States as of April 2011. The percentage of all licensed attorneys in private practice was 73% in 1991 and 74% in 2000. Of those lawyers in private practice, 74% were in solo firms or firms with 20 lawyers or fewer in 1991, and 76% in 2000. Assuming the average of these percentages held true in April 2011, the ABA's figures show that there were approximately 675,530 solo and small firm lawyers in the United States at that time.

(See [http://www.americanbar.org/content/dam/aba/migrated/marketresearch/PublicDocuments/lawyer\\_demographics\\_2011.authcheckdam.pdf](http://www.americanbar.org/content/dam/aba/migrated/marketresearch/PublicDocuments/lawyer_demographics_2011.authcheckdam.pdf))

<sup>2</sup> The U.S. Bureau of Labor Statistics' Occupational Outlook Handbook puts the total number of lawyer jobs in the U.S. at 728,200 in 2010. (See <http://www.bls.gov/ooh/legal/lawyers.htm>)

<sup>3</sup> The National Association of Law Placement (NALP) reported in its August 2011 NALP Bulletin that 52.6% of male lawyers and 49.5% of female lawyers were in solo practice or firms with 25 lawyers or fewer in 2010. (See <http://www.nalp.org/employmentpatterns1999-2010>)

Vizibid is able to offer its service at this highly competitive rate because of the low overhead associated with operating a web service when the content is primarily user-generated. The more users Vizibid has, the greater value Vizibid will provide to each user, and the more profit-per-user will be generated.

To validate the willingness of potential customers to become paying users of the Vizibid service, we have conducted (and continue to conduct) interviews with lawyers from various age groups and practice areas, and we are compiling their responses. One after another these potential customers have expressed giddy excitement about using the Vizibid service. Many of these lawyers have expressed their willingness to pay for the Vizibid service, stating that they would expect to pay anywhere from \$20 to \$100 or more per month. Each lawyer interviewed so far has also requested an invitation to join the service once Vizibid launches. As the momentum picks up, the need for fundraising to harness the momentum is growing.

We intend to market Vizibid's services through ad placement in a variety of existing channels. These include search engine marketing and placing ads in regularly disseminated print and web publications directed to lawyers, such as the very common monthly magazines printed by bar associations and hundreds of other lawyer organizations. We will also foster relationships with individuals who have already voluntarily adopted roles in educating lawyers on the various software tools available to improve the practice of law in solo law offices and small firms. These individuals include bar association employees, law professors, and leaders of legal organizations. We will also offer incentives to converted users for referring new users to Vizibid. We intend to offer new users a free 30-day subscription to encourage user acquisitions and conversions.

We have developed a five-year projection that assumes an initial funding of \$1.2 million, a \$25 per month subscription cost, and that we are able to capture approximately 10% of the addressable market within three years, then increase to 20% of the addressable market in the following two years. This projection includes six salaried team members. Vizibid will reach positive cash flow after 24 months of operations under this projection, as shown on the following table:

	Year 1	Year 2	Year 3	Year 4	Year 5
Number of Transactions	563	10,389	150,456	456,092	614,483
Number of Subscribers	153	2,220	32,312	43,456	58,443
Revenues	\$14,073.00	\$258,482.00	\$3,761,412.00	\$11,422,558.00	\$15,362,070.00
Gross Profits	\$11,804.00	\$239,105.00	\$3,496,829.00	\$10,621,695.00	\$14,285,442.00
Total Expenses	\$(488,087.00)	\$(520,200.00)	\$(523,400.00)	\$(525,400.00)	\$(527,400.00)
Pre-tax profits	\$(476,282.00)	\$(281,095.00)	\$2,973,429.00	\$10,096,295.00	\$13,758,042.00

Vizibid was cofounded by Marc Beitchman and Forrest Carlson. Marc Beitchman is a professional software engineer at Microsoft with diverse development experience ranging from low-level computer architecture and compilers to application platforms and web services. At Vizibid, Marc is in charge of product and business strategy development. Marc is currently completing his master's degree in computer science and engineering at the University of Washington, and he received his bachelor's degree in computer science and music engineering from the University of Miami.

Forrest Carlson is a lawyer with a solo law practice in Seattle, Washington. As a practicing lawyer, he is intimately aware of lawyers' day-to-day operational needs. Forrest is excited about the many emerging possibilities in the realm of service technologies for lawyers. Vizibid is part of Forrest's vision for improvements to the legal profession through a more complete expression of the collective intelligence, training, and good will of lawyers. At Vizibid, Forrest drives the development of the customer experience, product design, and company vision. Forrest received his JD from Seattle University School of Law and his bachelor's degree from Seattle University.