DISCO

Company Overview

August 2020

Kiwi Camara, Founder and CEO

camara@csdisco.com

Creating the legaltech category

1 **Market leader in cloud ediscovery**

- DISCO Ediscovery is software for legal document review ($14bn nondiscretionary, countercyclical market)

- DISCO Managed Review is AI-powered document review that replaces brute-force document review by armies of lawyers (3–5× bigger TAM, high software gross margins)

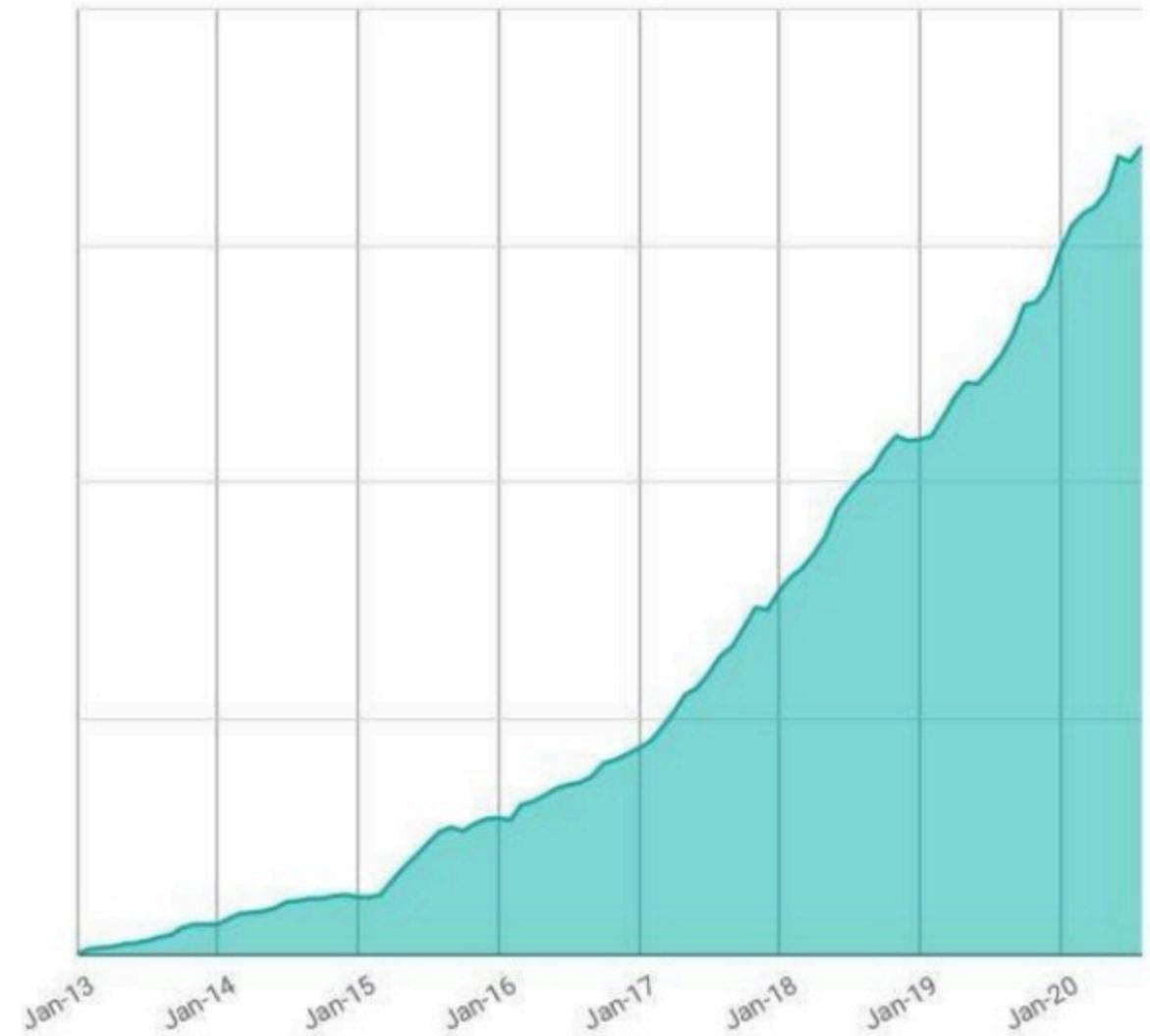**2** **Category creator for legal technology and productized legal services**

Explosive growth

Annual run rate

Logos

Jan 2018 · Apr 2018 · Jul 2018 · Oct 2018 · Jan 2019 · Apr 2019 · Jul 2019 · Oct 2019 · Jan 2020 · Apr 2020 · Jul 2020

■ Professional Services ■ Managed Review ■ Ediscovery

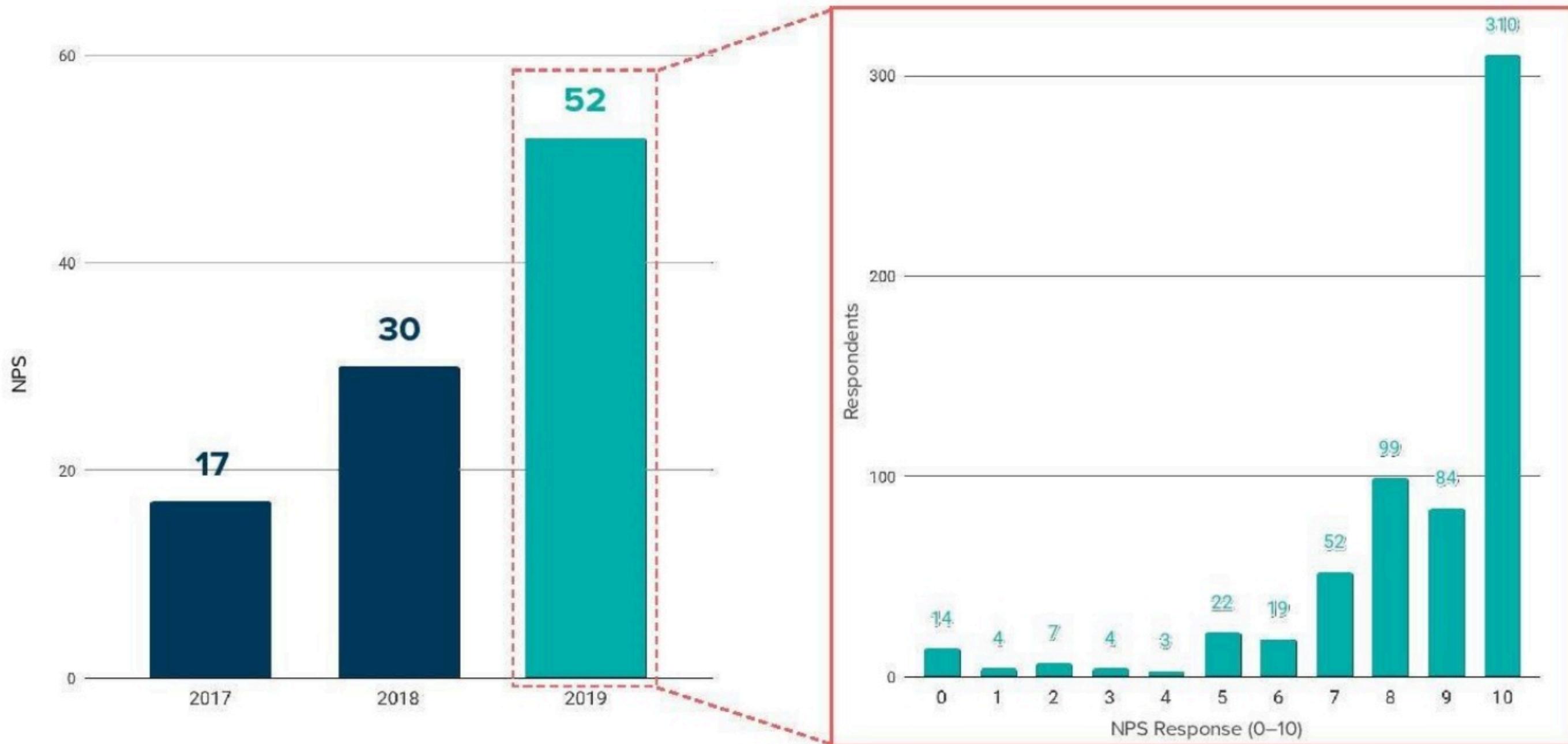Jan-13 · Jan-14 · Jan-15 · Jan-16 · Jan-17 · Jan-18 · Jan-19 · Jan-20

Growing NPS: consumerization of enterprise software

>50% of customers gave us a 10 out of 10

Legal domain + high-growth software experience

Deep industry experience

Scaled high-growth businesses

Substantial time together at DISCO

Kiwi Camara
Chief Executive Officer
Camara & Sibley
8 years

Sean Nathaniel
Chief Operating Officer
Upland Software (EVP & CTO)
1 year

Michael Lafair
Chief Financial Officer
Offers.com (CFO); All Web Leads (CFO & GC);
Morgan Lewis
3 years

Andrew Shimek
Chief Revenue Officer
Epiq (President, Legal Services & Ediscovery
— $500mm business); LexisNexis
3 years

Keith Zoellner
Chief Technology Officer
Spredfast (CTO); StoredIQ (CTO —
sold to IBM); Andersen Consulting; EDS
5 years

Kent Radford
General Counsel
Vinson & Elkins; Pillsbury;
Hogan Lovells; Camara & Sibley
8 years

Neil Etheridge
Chief Marketing Officer
Recommind (VP, Product Marketing — sold to
OpenText); Autonomy/Interwoven
5 years

Melanie Antoon
VP Professional Services
Inventus (SVP, US Operations);
Huron Consulting; Catalyst (sold to OpenText)
1 year

Aaron Trull
VP of Human Resources
BazaarVoice; AMD; H-P; Dell
2 years

Lawyer
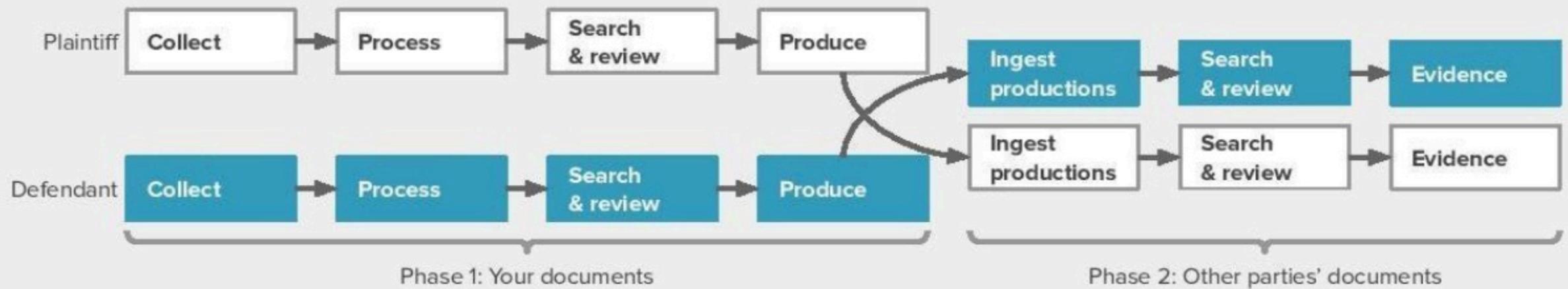
Public company and M&A experience
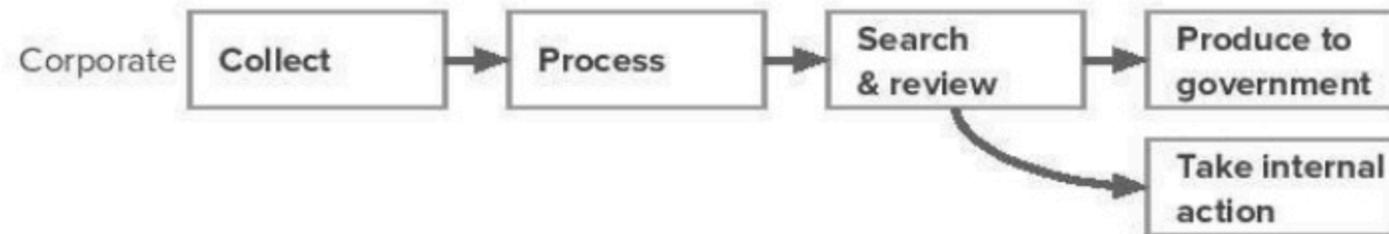
Legal domain experience

Ediscovery: legal review of enterprise data

Collect, process, search, review, and produce enterprise documents, messages, and other data. Used in:

Litigation

Plaintiff: Collect → Process → Search & review → Produce

Defendant: Collect → Process → Search & review → Produce

Ingest productions → Search & review → Evidence

Ingest productions → Search & review → Evidence

Phase 1: Your documents   Phase 2: Other parties' documents

Investigations

Corporate: Collect → Process → Search & review → Produce to government

Search & review → Take internal action

Other legal reviews

e.g., data breach, privacy, subpoenas, FOIA, GDPR DSARs

Business case for DISCO

"Fast and easy to use," i.e., high NPS end-user experience, but also . . .

1   **Save 30–50% on legal fees for doc review (which are 3–5× the cost of ediscovery)**

Major U.S. airline

Case study: Antitrust litigation over alleged capacity fixing

2   **Resolve cases months earlier by finding evidence faster, even before formal review begins**

Int'l construction company

Case study: Client resolved a Chinese criminal investigation in 2 months using DISCO when competitors required 4+ months for collection and doc review

3   **Control and secure corporate data by keeping it in a single legal repository with access by permission**

Global fast food restaurant

- Replaces data going to (many different) law firms and service providers across cases
- Opportunity for reuse of data and AI models
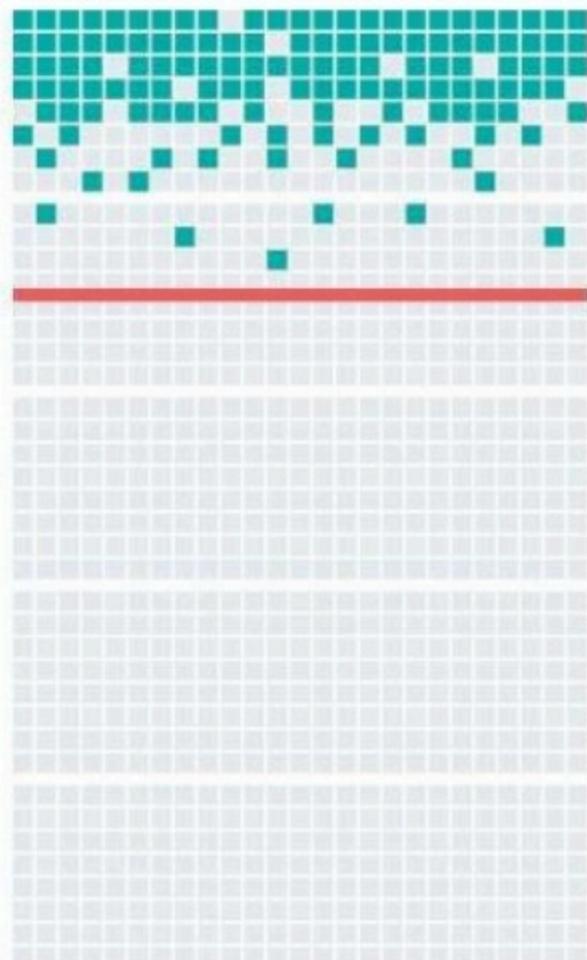- Enables distributed work and work from home

AI accelerates reviews

Linear review
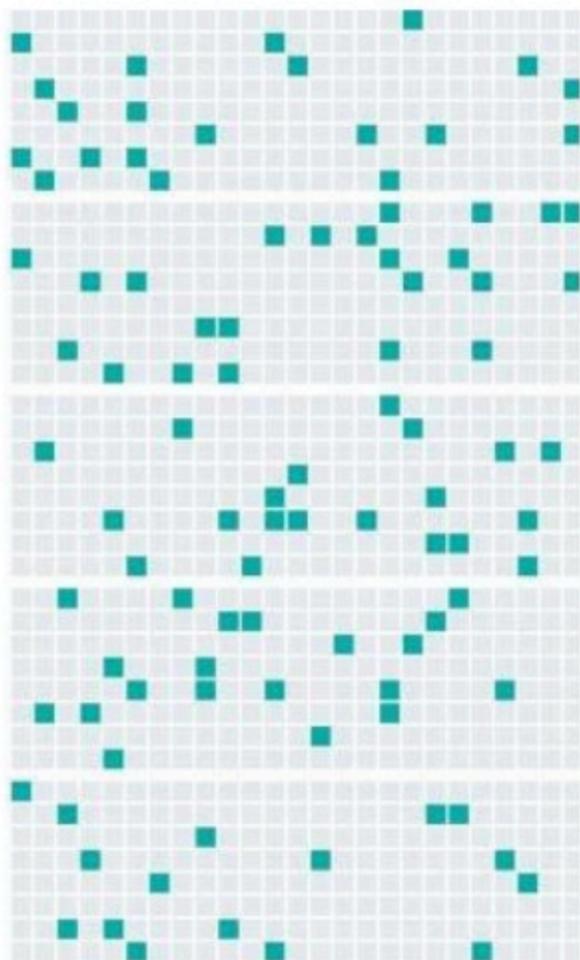
AI-powered review

Lawyers tag documents by legal issue

Our AI models score documents (-100, 100) for each tag and learn continuously

Sorting documents by these scores pushes all good documents to the top, creating:

- Richer review: 80% of documents you look at are good, v. 10%

- Earlier stop: find all good docs after reviewing 30% of the total rather than 100%

Workflow, search, analytics, and platform performance are as important as AI — user experience drives adoption

DISCO Cross-Matter AI

Take learnings from past matters and apply them to new matters from the start
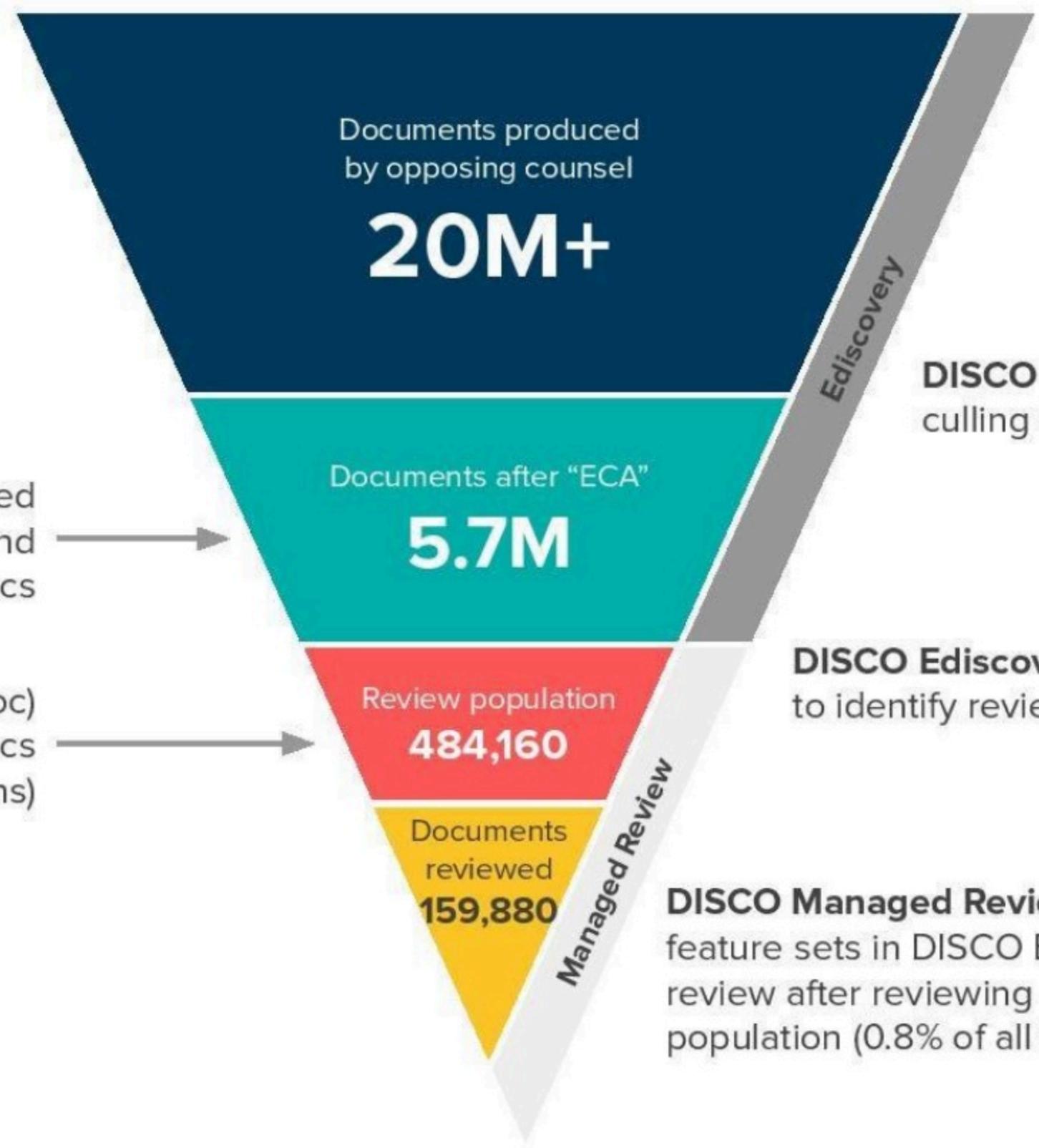
Cross-matter AI allows customers to

- build AI models powered by all their legal data

- productize their expertise in areas of law

Enables future feature sets:

- Out-of-the-box models provided by DISCO

- Compliance program powered by AI models run against data in place

- Real-time litigation prevention by integrating AI models into email and business applications to prevent creation of problematic content

Case study
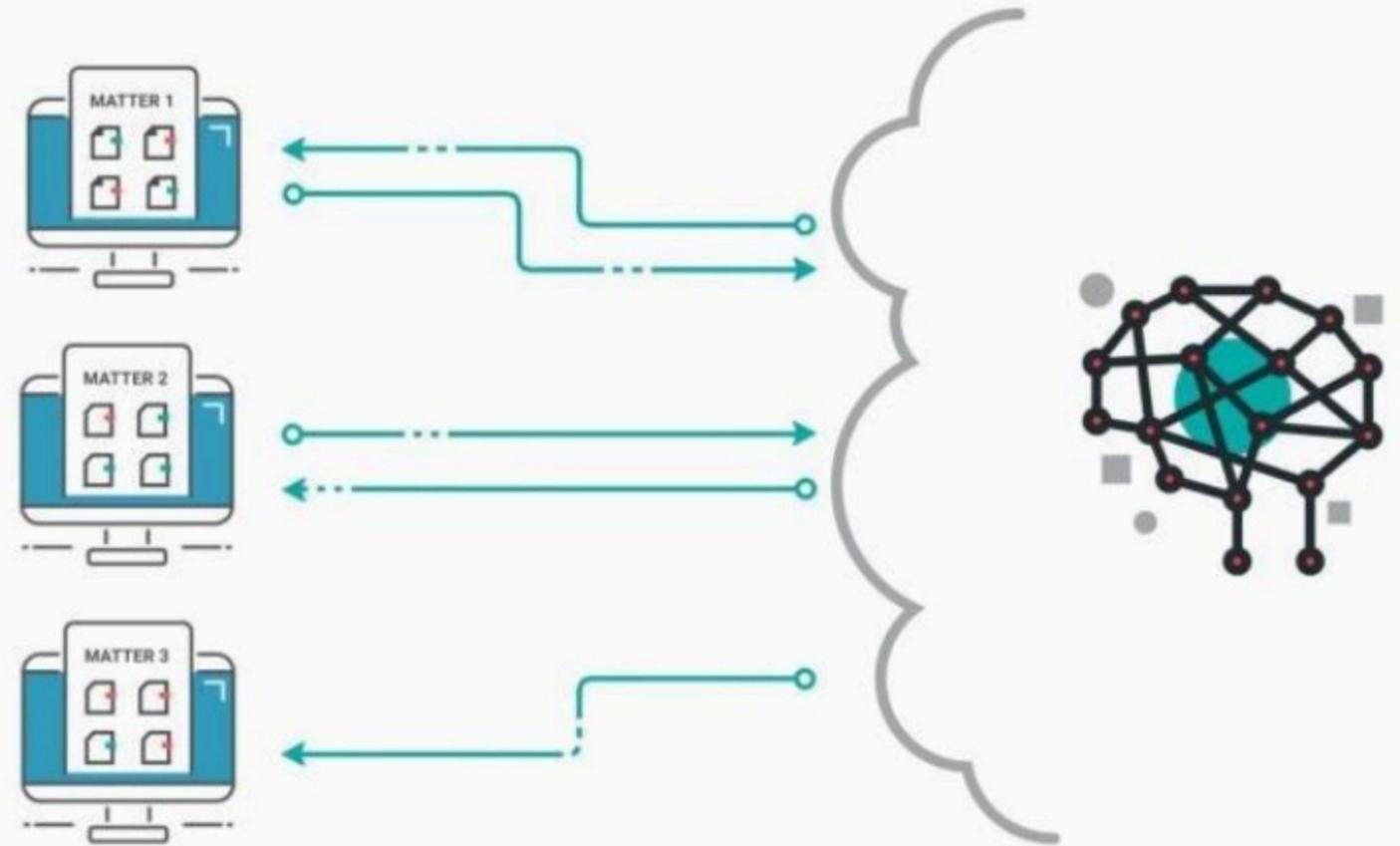
Opioids litigation

Documents produced
by opposing counsel

20M+

Documents after "ECA"

5.7M

Competitor would have charged $5.7mm here ($1 per doc) and reviewed 5.7mm docs

Review population
484,160

DISCO charged $484,160 ($1 per doc) and reviewed only 159,880 docs (creating software margins)

Documents reviewed
159,880

Ediscovery

Managed Review

DISCO Ediscovery used to develop culling strategies to reduce data set

DISCO Ediscovery AI and analytics used to identify review population

DISCO Managed Review used workflow and AI feature sets in DISCO Ediscovery to complete the review after reviewing only 33% of the review population (0.8% of all the documents)

Three key differentiators from > $75mm product investment

Cloud native architecture at PB+ scale
- Improved performance, economics, and pace of innovation by leveraging cloud technologies
- Competitors must rewrite software to go from on-premise to cloud and single tenant to multitenant

Lawyer-focused design and direct business model
- We build for and sell to end user legal teams
- Competitors must redesign user experience and pivot business models from channel to direct

AI and analytics to automate doc review
- Lawyer users train our AI models for us ➜ growing differentiation as data grows

Lawyer-focused
design

AI and analytics

Cloud native
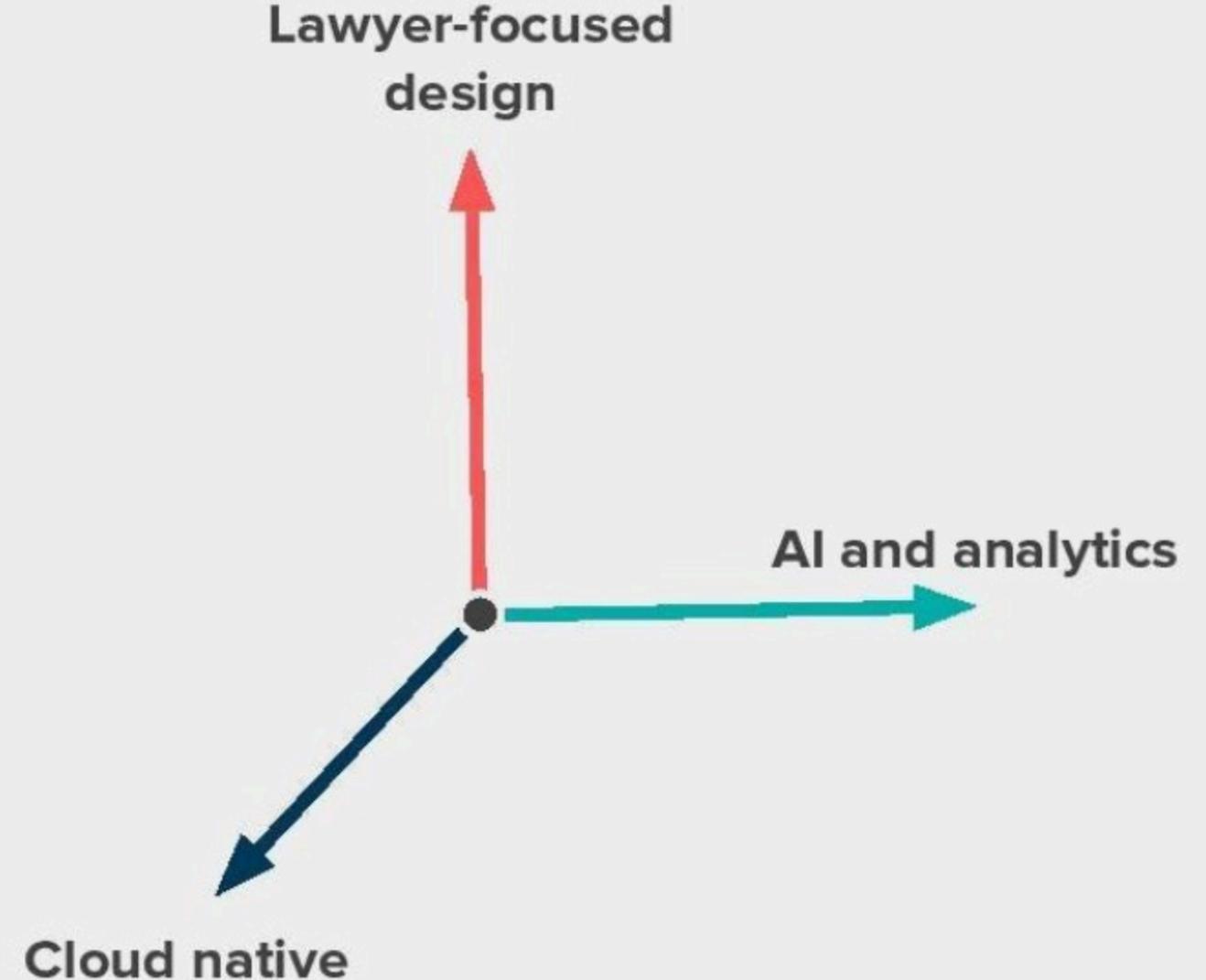
Three independent axes of differentiation ➜
very difficult for a competitor to catch up on all three

Legaltech market map

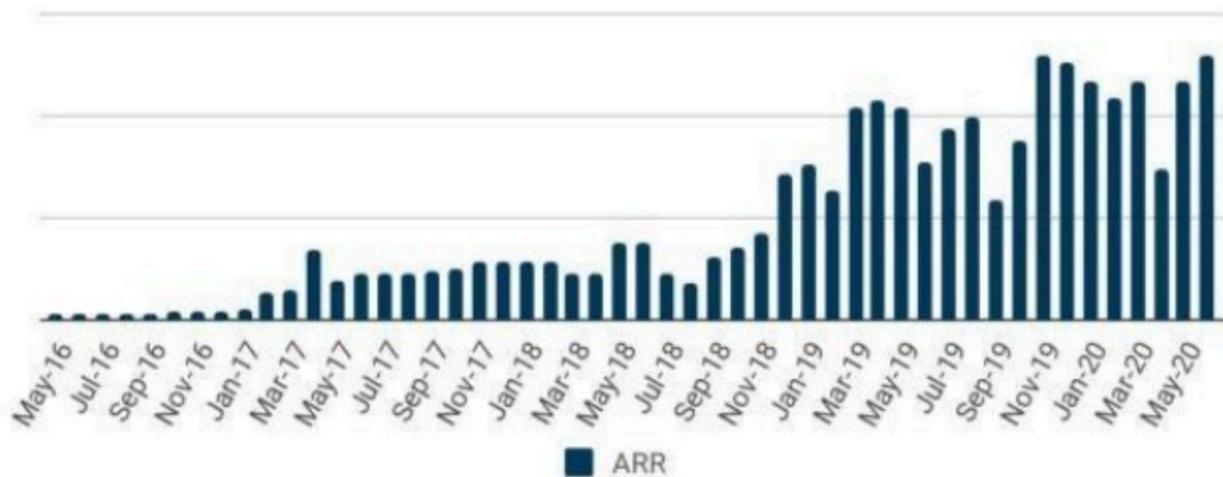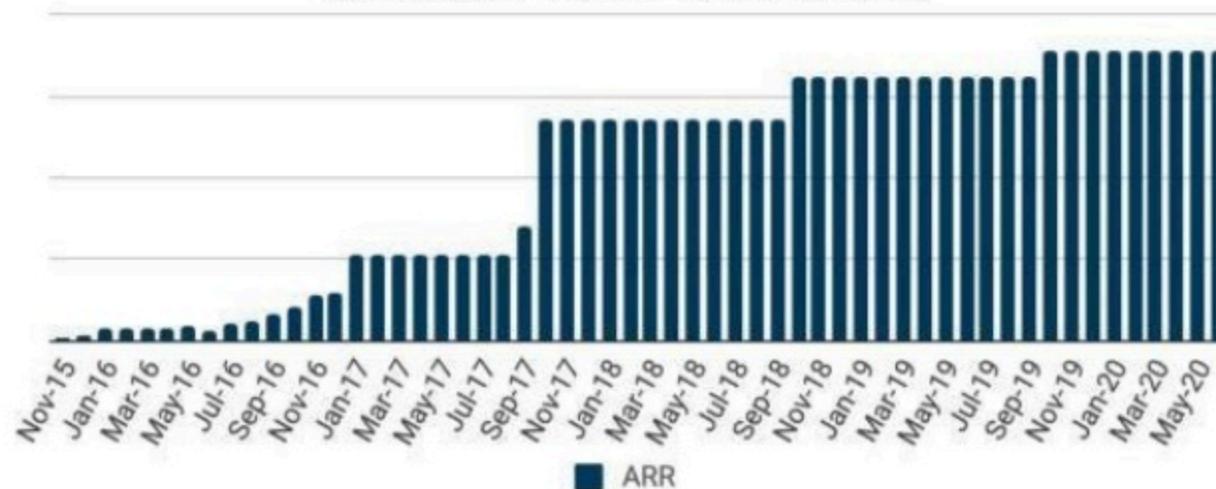Productized legal services

Software

Case Builder

Managed Review

Ediscovery

Process

Execution

Law

Facts

Compliance

Regulation

Legislation

Judging

Advisory

Transactions

Litigation

DISCO growth flywheel

etc.
**Case
Builder**

Satisfaction
**Managed
Review**

Satisfaction
Ediscovery

Usage

Usage

Expansion

Expansion
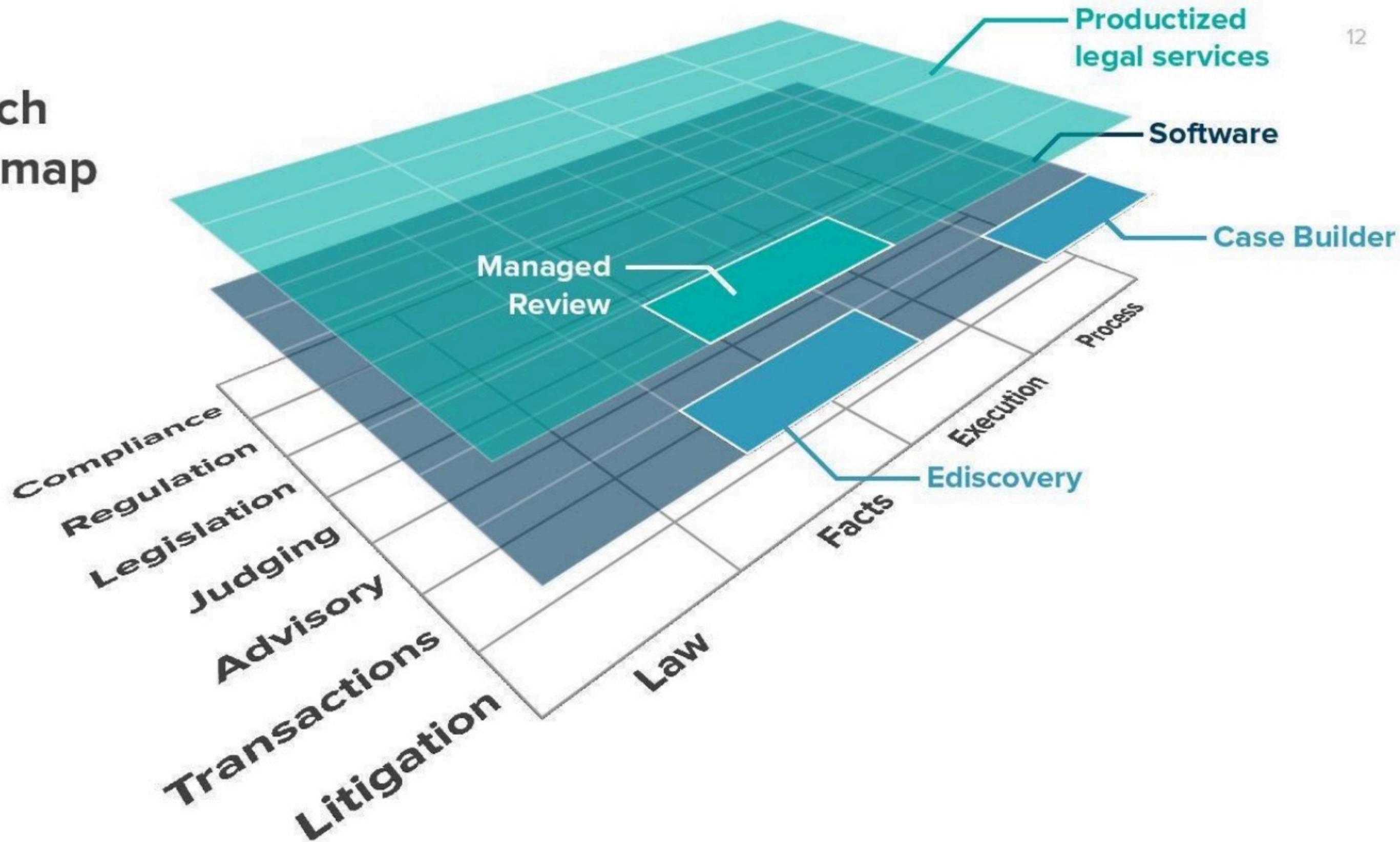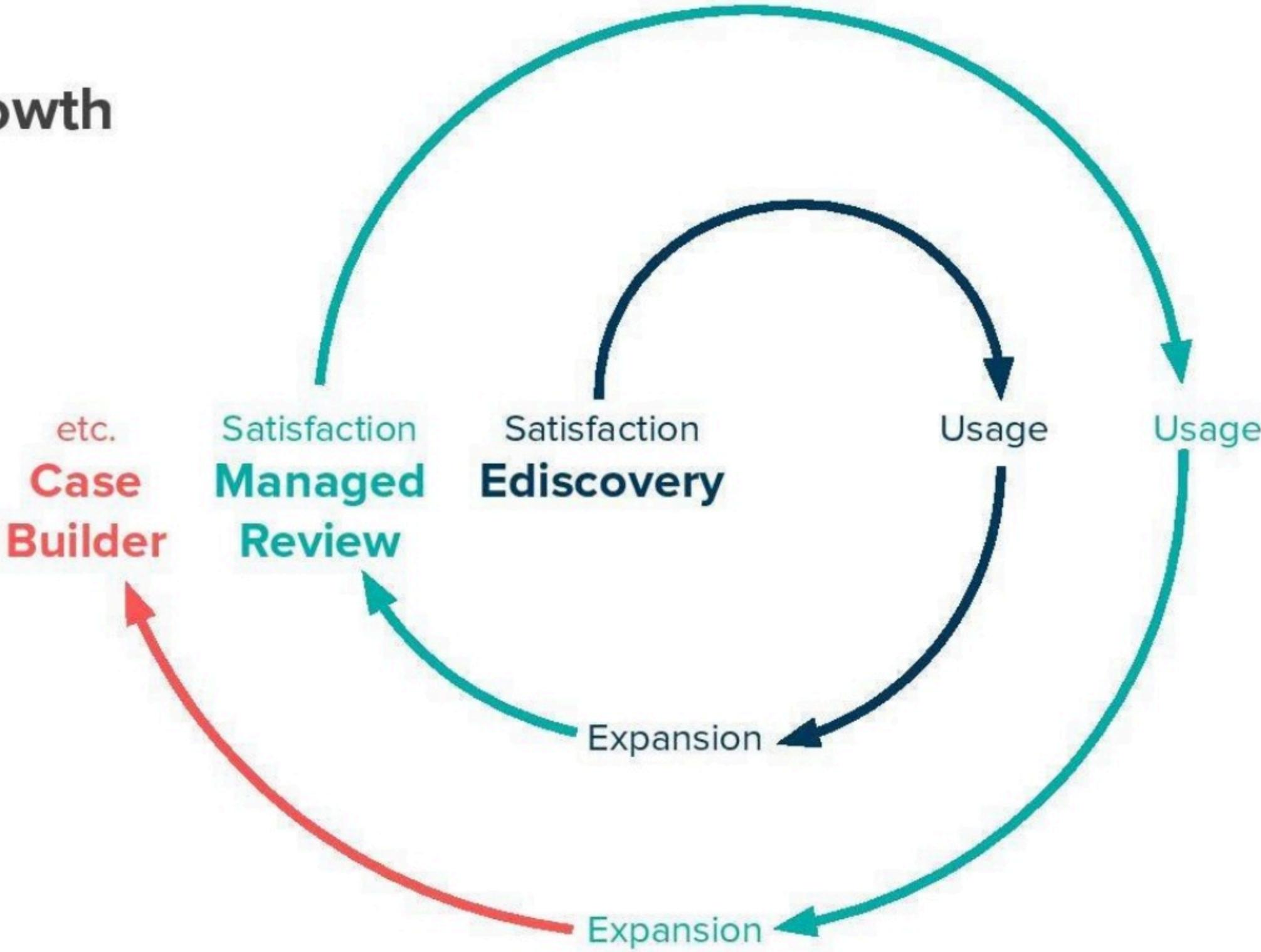
Land and expand: customer case studies

High-tech real estate company
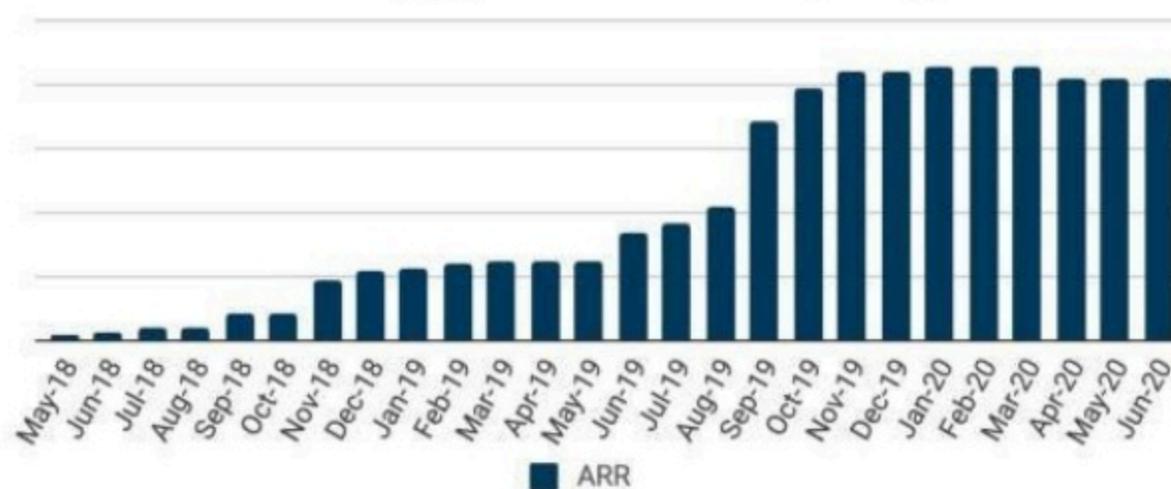

ARR

AmLaw 200 Law Firm

ARR

AmLaw 200 Law Firm

ARR
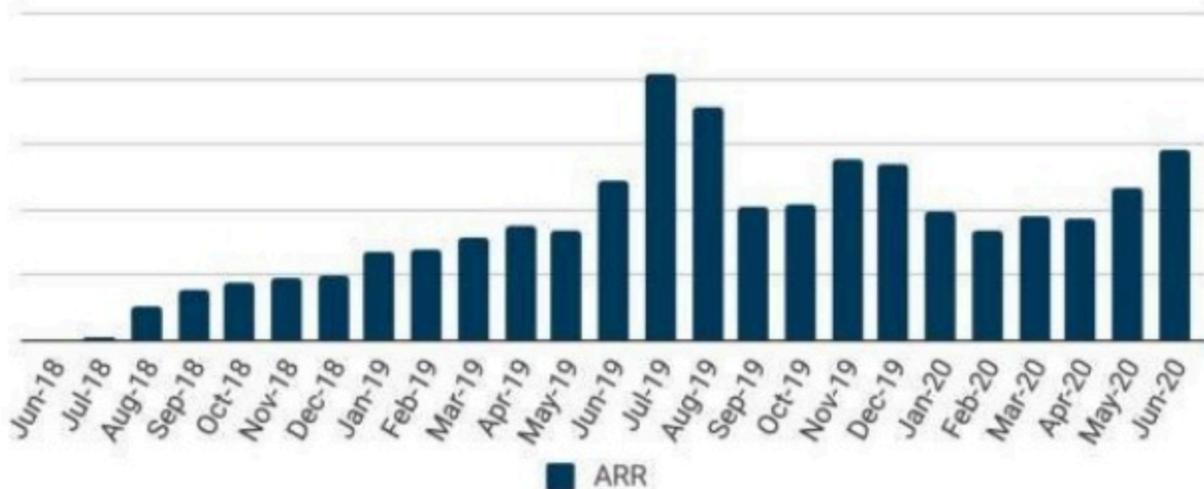
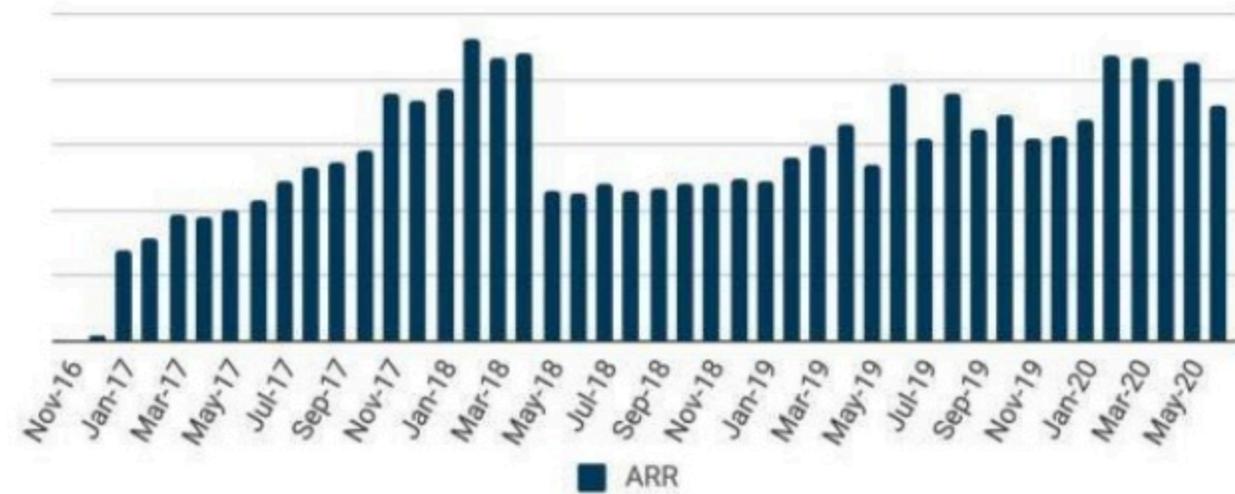## Leading pharma company

ARR

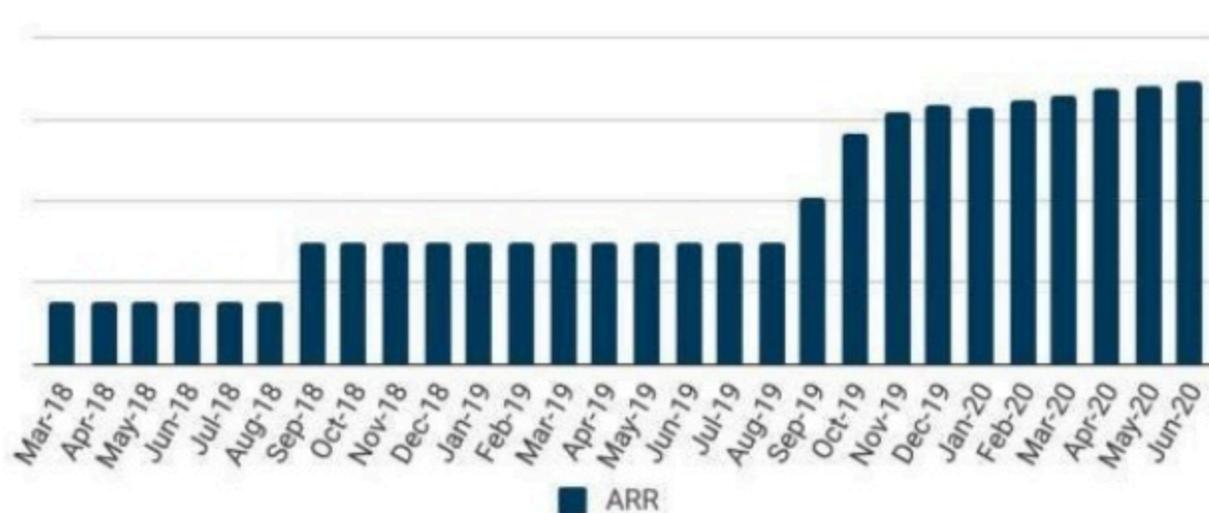# Land and expand: customer case studies (cont'd)

Global fast food restaurant

AmLaw 200 Law Firm

Leading global consultancy

Multi-state litigation boutique