

An LFJ Conversation with Tom Webster, Commercial Director, Sentry Funding

Sentry Funding offers access to the UK's largest panel of litigation funders and ATE providers to gain quick decisions, meet regulatory obligations, and deliver justice for all.

Litigation Finance Journal Conversations

'LFJ Conversations' is an original content series produced by the editorial team at Litigation Finance Journal and featuring the leading thought leaders from throughout the global litigation finance community.'

Stay informed of news and events taking place in the litigation finance sector, and gain access to all of Litigation Finance Journal's content, podcasts and event recordings, including 4-years of archived content by becoming an LFJ member.

Click [here](#) to join.

Sentry Funding revolutionizes the acquisition and administration of litigation funding and ATE Insurance. Using a SaaS portal developed in-house, Sentry offers litigation solicitors access to litigation funders and ATE providers, enabling litigators to make quick decisions and clients to access cost-effective funding options.

What makes Sentry Funding unique in the marketplace? What is your value proposition?

Sentry is the UK's first litigation funding portal where we use sophisticated technology to speed up the process and reduce the pain of arranging litigation finance and ATE insurance. The portal has several unique benefits, but probably the top two are:

1. an online decision from 17 funders and seven insurers on whether or not the case is viable for funding and ATE insurance in under 5 minutes; and,
2. the portal creates the market's first encrypted cloud-based claim file which all relevant parties have access.

Can you explain the Fast Track One and Fast Track two products, the litigation funding criteria, and which claims fall under each?

Due to the advantages Sentry brings to litigation funders & ATE insurers, we can offer market-leading exclusive products that include our Fast Track (FT) range. FT1 is for one of the commercial cases that require funding for less than £500k. The criteria are straightforward:

1. Claimant only funding.
2. Merits from a law firm and independent barrister of at least 60%.
3. The claimant & defendant are both in the UK.
4. The defendant must be able to pay any award.

ABOUT THE SPEAKER



TOM WEBSTER

Commercial Director, Sentry Funding

Tom is responsible for the growth of Sentry Funding and product development of the Sentry Portal. Sentry Funding offers the UK's most extensive panel of litigation funders and ATE providers to solicitors looking for quick litigation funding decisions.

"If the claim fits the criteria the claimant will be able to obtain funding and insurance in days rather than months, all processed online through the portal."

FT2 is scheme funding. Scheme funding is a legal precedent in a particular area, for example, Japanese Knotweed. We then work with counsel, funders, and insurers to establish set criteria. If the claim fits the requirements, the claimant will obtain funding and insurance in days rather than months, all processed online through the portal.

Assessing a legal claim is subjective, based on the perception of the claim's merits. How do you evaluate claim merits? How much weight do you give to objective metrics like the law firm's win rate and the success rate of similar claims in the same jurisdiction, and how much to your firm's subjective assessment of the claim?

One of the criticisms in the industry is how long it takes for traditional funders to make a decision. Many of the delays are because traditional funders tend to have in-house legal teams making decisions. So you have the claimant's legal team submitting an application to a funders in-house litigator to review and make a decision. You are quite right that litigation is subjective, and different legal experts will have different views on the same case.

In my experience, the in-house litigator always believes they have more knowledge and that their decision is final, which causes delays and issues. The Funders operating on the Sentry Fast Track range rely on the litigation experts running the case and believe that they are the best positioned to make the decisions. As most Fast Track funding is disbursement, only the legal team running the claim has financial risk, in line with the funder and the insurer. The funders specializing in the smaller cases don't conflict with the legal team running the case as they don't have in-house legal teams, so USP alone speeds up the funding process.

"One of the criticisms in the industry is how long it takes for traditional funders to make a decision."

You're targeting 50,000-500,000 pound claims, which is the smaller end of the UK market. Is there much competition at this end of the market? Is it more challenging to ensure a strong success rate when you operate on the smaller side of the claims market?

For FT1, several litigation funders say they can offer funding for cases under £500k, but in reality, they don't, so the competition is very small. The issue we have is not competition, but in educating lawyers on the difference between funders' saying they 'can' fund smaller cases and those that 'do' fund smaller cases. Traditional funders do not differentiate between a case for £250k and which is why lawyers find it so hard to raise funding for these smaller cases. The risk is not the same, so the criteria and process differ.

Lawyers also have to understand the price difference between funders offering to fund smaller claims as the difference can be huge. Funders specializing in the smaller case tend to be substantially cheaper than the funder that markets that they do everything. The success rate is a market issue. When funding a case for £5m, the funder can't afford to lose. When a smaller funder spreads that £5m over say 30 cases, they can afford to lose a number of these and still make a strong return. Smaller funders work on winning a good percentage of cases, whereas traditional large case funders try only to fund winners.

What are your plans for 2022? Where will Sentry Funding be one year from now in an ideal world?

We want to continue to help to support lawyers in a complicated and growing market. It is no longer in the client's interest for their lawyer to approach one litigation funder with whom they may have a relationship. We will continue to bring exclusive products to the market, bring the price down, and make the process easier so that more people can access justice. We are also making in-roads to bring our technology to international markets with Australia, New Zealand, Canada, and the USA as immediate targets. We have built the portal to seamlessly plug into new jurisdictions.