

Pioneers and Pathfinders: Basha Rubin Returns

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Steve Poor

Hi. This is Steve Poor, and you're listening to Pioneers and Pathfinders.

This week on *Pioneers and Pathfinders*, we're pleased to welcome back Basha Rubin, CEO and co-founder of Priori. It's been about four years since Basha last joined us, and in that time, Priori has gone through a remarkable transformation. What began as a marketplace connecting clients with flexible legal talent and boutique firms has evolved into a robust platform with innovative RFP and panel management tools that help organizations better manage, evaluate, and leverage their outside counsel relationships.

In our conversation, Basha reflects on more than a decade of building and leading a legal tech company. She shares insights on scaling a business, evolving a product in a fast-changing market, and navigating the growing complexity of legal data. We also talk about how Priori is preparing for the next wave of technology shaping the legal industry, and she gives us a look into her work with the Yale Law School Fund Board.

It was great catching back up with Basha, and we hope you enjoy listening to the conversation. Thanks for your time.

It's so great to see you. Thank you for joining us again.

Basha Rubin

Thank you so much for having me. I'm excited to be here.

Steve Poor

I can't believe it's been four years since we had our last discussion. You guys have been up to some cool stuff during that period, but it feels very compressed.

Basha Rubin

It's been a very busy four years, but it certainly doesn't feel like it's been that long since we last did this.

Steve Poor

Well, bring us up to speed on what you've been doing. I mean, I know you've launched Scout, you've moved into RFP and outside council management program. You've gotten even deeper on data analytics, legal ops, your newest product, I think, is internal benchmarking of rates. I'm sure I'm missing a bunch of stuff.

Basha Rubin

It's all connected.

Steve Poor

Yeah, tell me about the evolution and sort of what's going on in the industry that's leading you to evolve the business in the way you're doing it.

Basha Rubin

Absolutely. So, as you probably remember, we initially launched as a marketplace for flexible talent and boutique firms. We always differentiate on the market through our use of technology and data to make us more efficient and to be able to deliver better results faster to our clients. We started hearing, probably around the last time we connected to 2022 ish, from a lot of our power users, that they wanted to not only be able to use the technology that we developed to be able to identify new outside counsel and flexible talent, but also to be able to better understand their existing panel, the existing firms that they work with. And so we started trying to think about how we could support that request, and ultimately launched our RFP and panel management products, the artist formerly known as Scout.

Steve Poor

Oh, sorry, I didn't mean to use an old term.

Basha Rubin

No, not at all. We still use it sometimes internally, to our marketing team's profound chagrin, but started, and so we launched, I think, a really unique panel management software that was then called Scout, pulling in data from public and private sources in order to be able to best surface for in house teams, what outside counsel they should be hiring and what the pricing should be for any new project. We then, about a little over a year ago, added RFP functionality to that. Everything--the full is supporting the full process through live auction to the extent that's needed, and we've been continuing to layer on so most recently, we added internal benchmarking to that product suite, and that really pulls in from E billing data in order to have that data surfaced at the time that in house teams are making an outside counsel hiring decision, we are launching side, can't talk about it too much, but launching some, really, I think, unique AI components into that tool as well, really, with the goal of being a full suite, end to end, outside counsel, selection and management platform, we are thinking, it's a really interesting moment. I guess that's what I'll say. I think that AI is an enormous tailwind across our business lines, as AI is putting more up for grabs. Who should be doing legal work, what that legal work should look like, how different tooling should be used, and how it should be priced, and in order to do that, it's not business as usual anymore, and in house teams are increasingly relying on RFP and other kinds of rigor behind the selection process in order to make sure they are making the best decision they possibly can.

Steve Poor

On Priori's website, you've got a number of business cases, and they're they're fascinating to read. I was particularly struck by the one by GE aerospace, in the sense that your client was talking about some of the challenges they face in accessing data, and nobody knew where stuff was, and they had panel counsel, and they didn't know why they had panel counsel. I mean, obviously some of it was a spin off from GE, so that impacted it. But I think for our listeners that are in house counsel, they understand some of those challenges because they live it every day. But I think for a lot of our listeners, they don't really appreciate those very real problems that you guys are trying to solve for.

Basha Rubin

Yeah, I think it's one of these sort of many to many problems where their data is really disparate. And so if you think about a legal team who's a user of Priori, oftentimes they have hundreds, if not over 1000 in house counsel, many of whom are making outside counsel hiring decisions. And then there are, in some cases, hundreds of external firms that in-house teams could be using, whether they're formally impaneled or not, and data about performance lives in attorneys' heads. Data about what experience and expertise those firms have lives on individual websites. The billing data often lives in systems that in house teams, lovingly, I would say, find hard to access and to parse, and they really need all of that data in one system of record in order to be able to query it, understand it, and make sure that they are making smart hiring decisions. And the cost of making not smart hiring decisions, I think number one is

not getting the best legal advice and legal representation, but number two that cost is wildly all over the map, and as in, house teams are trying to get a hold of it, trying to move more to AFA, it's really important that they be able to access that data. So we're really a system of record for legal departments on their on outside counsel management.

Steve Poor

One of the, I assume, the decisions your clients are making are whether to make or buy this type of capability, or whether to just go without the capability at all, which is not really much of a choice as you're talking to clients, what's the return on investment theory that you lay out without going into any specific client or any specific situation, why buy it as opposed to making it?

Basha Rubin

I think that it's interesting. In the early days, when we were focused on panel management without the RFP component, we had several clients who bought after trying to build it themselves, and they found that the lift of actually maintaining the data that is required and making it surfaceable was Herculean, and they found that they were spending a lot of time creating and maintaining systems that weren't well used by the in house team. Once we added RFP, I think that was that sort of completed the virtuous circle, and the fact that we had both was a very unique value proposition on the market. I think that the value of RFPs are pretty easily quantifiable, because it comes down to dollars and cents, whether you track that in terms of cost avoidance on any RFP, which you know, can be a squeegee or calculation, I think, for some in house teams, or just tracking year to year spend, and really starting to see over time how putting in place a robust RFP program can drive value. Of course, you could put in place an RFP program without buying an RFP platform. Many in house teams do that, but then you have major data challenges because that's not being tracked in a central place. You're not able to get the benefit of past knowledge when you're making go-forward decisions, and you're not really having a central we really like to think of ourselves as a control center and a governance platform for outside counsel hiring, and it's, I think we're out of the no one ever got fired for hiring Skadden, whoever it is era...

Steve Poor

Pick your favorite.

Basha Rubin

I was trying to think of who to pick on.

Steve Poor

Pick on Kirkland. They make a lot of money.

Basha Rubin

Yeah, no one ever got fired for hiring Kirkland. I think that now where there's increasing pressure to think about how legal work is being done and what the pricing model should be inside firms, ALSPs, in sourcing with AI platforms, you really need to be able to have that kind of control center. And I think that given the acceleration we've seen on the market over the last year, I think that in-house teams really appreciate that narrative.

Steve Poor

The access to data you talked a little bit about, in terms of its dispersion within companies across the market, as a general proposition, must have been quite a challenge, an engineering challenge to solve. How have you managed to crack that particular nut to deliver quantitative and quality data to your clients?

Basha Rubin

Well, number one, we have an incredible product and engineering team led by my co founder, Mira Levitt, who has worked very, very hard in partnership with her team and very thoughtfully in terms of how to best deliver this data. Number two, we have taken a system agnostic approach to data. So when you use the Priori platform, you don't need to. We can integrate with any e billing system, whether directly through AI or SFTP in a data lake. We can connect to other kinds of systems as well, and I think that is a huge benefit to in-house teams, because in house teams are already locked into a lot of these systems that they're using, even if some of them aren't their favorites, the cost of switching just doesn't make sense, and the fact that we can leverage that data and make it more usable for them is a significant value add. For instance, when we launched this rate benchmark, internal rate benchmarking feature, we started to hear from many of our clients that they had actually which, to be honest, I we didn't even think of as a benefit when we were doing it. We just wanted the data in the right place at the right time, but that because of some of the data displays in existing e billing tooling that they had paid consultants to create Power BI or Tableau dashboards in order to surface the same data that we were surfacing. And so the fact that we are able to pull out of existing systems in an agnostic way has been very powerful. Number three, we've built a lot of internal AI tooling, and have been working on this for years now, that enable us to ingest large quantities of data and normalize it, and that's been a major endeavor for our team. And I would say number four, we have really worked in close partnership with our legal department clients, through our exceptional client success organization, to be able to put in place the change management that they need in order to surface data from their internal teams. So, for example, we have a really, think, a really powerful reviews module that pulls in internal reviews from the legal department. That's, of course, only as good as--

Steve Poor

--The review itself.

Basha Rubin

The review itself, but by putting the work in upfront and being thoughtful about that change management, I think we've been able to really exceed at least some baseline expectations of the data that we'd be able to surface that way.

Steve Poor

One data challenge is always when there's a human in the loop that's always a problem that's difficult to solve. Exactly You mentioned your internal benchmarking feature, which I presume is relatively, relatively new from the description. It sounds me like your benchmarking rates: Firm A versus Firm B for third-year associates, for example.

Basha Rubin

That's exactly right, and I think it's what's really helpful here, is having that data surfaced at the right moments. And so, I think that this is to the central challenge of, I think many legal departments is they have tons of systems of record where all of this data exists, but it can't be accessed at the moment they're making an outside counsel hiring decision, and that's exactly what we surface through this feature launch.

Steve Poor

Awesome. How have your clients adapted to AI? I know you've got features coming out, you don't want to talk about it. That's not what I'm asking. What I'm asking is, there's been this for the last few years, we've had been on this hype cycle of generative AI and Oh, my God, it's going to destroy us all. Oh, we've all got to use it. Has it made your clients or prospective clients more sophisticated in terms of

their utilization and buying of technology? Has it created any either tailwinds or headwinds for you in terms of pushing product out into the marketplace? How has it impacted general counsel?

Basha Rubin

Well, isn't that the trillion dollar question?

Steve Poor

If I knew the answer, I'd have my own business.

Basha Rubin

Me too, or another business, but we're watching the space like everyone else, with keen interest, I will say that my conversations with in house counsel are sort of still in the part of the life cycle where it's we know we need to have it. We're trying a lot of things, and we haven't quite been able to quantify the ROI of it yet, but we are deep in experimentation. That does give me some trepidation, because I think that the I believe that this technology is obviously transformative for the profession, for the world, but I also think that we're at a place in the curve where we can't even see the curve, if that makes sense. And everyone's grown. A lot of these companies have grown extremely quickly, but when there's not quantifiable ROI, I think there's real questions about how that continues to be measured over time, whether in house teams are going and law firms are going to continue to pay the amount of money that they are currently paying for this tooling, whether it is services, a services layer on top of the LLMs, whether it is a more hyper verticalized solutions within the legal space, it is all a big question mark to me, to be honest. Yeah. What do you think?

Steve Poor

Yeah, it's you've put your finger on, sort of all the various dynamics. You know, to me, the market has been driven over the recent past, largely by fear of missing out.

Basha Rubin

Totally.

Steve Poor

So, lawyers go, oh my goodness, I know X. Lawyer is using y product. He says it's the greatest thing in the world. We've got to have it. What do you know about it? I just know what she told me, okay, and we're falling behind. Oh my god, we're falling behind. Because it is we assess these programs all the time, as you might expect. The struggles you're describing from your clients are struggles that we have. As well. Do we go for a point solution? Do we go for a narrow vertical Do we go for a broad platform solution? They're expensive. What are we getting in return? And the the other question is not just, what's the short term return on investment? What long term impact does it have on the structure and operation of lawyers, whether they're general counsel office or outside lawyers, to change who I need. Does it change where I need them? Does it change the numbers that I need? That's all part of the calculation, and I think it's all very fuzzy right now.

Basha Rubin

Yeah, I think so too. And I think that I'm blown away by some of these tools, I think, and the entrepreneurs who are founding these companies.

Steve Poor

They're amazing. Some of them are amazing, aren't they?

Basha Rubin

Absolutely. On the other hand, the valuations are betting on the collapse of the legal business model, and...

Steve Poor

That's a tough bet.

Basha Rubin

I think it's a tough bet. I do because I think it misunderstands what a lot of legal work actually is, and the role that lawyers play strategically.

Steve Poor

I think that's right. I mean, if you look at the business, I mean, I've been in it a very long time, and I can remember 40 years ago, when I started, people were talking about, oh, you can't bill by the hour anymore. That \$25 an hour rate is too high, the model has to change, and here we are decades later, it's the same model, basically dressed up differently. So I think the valuation's based on the demise of the legal profession. I agree with you. I think that's a that's not a bet I would make.

Basha Rubin

But you know, it doesn't feel like it should have to be an either or Right, right? But the way I think venture capital is pumping money into this space sets up a failure.

Steve Poor

Yeah, I think it does. It's a risky proposition for them. I'm curious, you've been running your company now for, what, 12, 13 years?

Basha Rubin

It's almost 14.

Steve Poor

That's a senior citizen in the age of startups. I mean...

Basha Rubin

Tell me about it.

Steve Poor

Sort of as you look back on it, what's the trip been like for you? What's been expected? What hasn't been expected? If you wrote the book about it, what would be the key points?

Basha Rubin

It has been all unexpected. When I started this, I was in my mid 20s, and now I'm not, and I'm married with two kids. It's been a journey that has, you know, it's been the constant in my life throughout that period, and I expected it to be a quick success or failure. It never occurred to me that I'd be doing it for this many years, but I have loved it, and it has felt to me, like it's had so many different eras that it doesn't feel like one, like I've only been doing one thing for that period of time. It's the kind of job that keeps you on your toes every single day. We've grown a lot. We've launched different businesses. I've had to become expert at all sorts of different things. The launch of our RFP and panel management product over the last couple of years has really added an entirely new product line that's also a different kind of underlying business. We are building a lot of AI now, which is going to be its own set of fascinating challenges, and we hope, accelerant so it's been, it's been a wonderful adventure. I've had

a incredible business partner, my co-founder, Mira, and we've loved almost every second, not, I can't say every second, almost every second.

Steve Poor

If you told me every second, I would have to call you on that one. That's not possible. What's the strategy for the company going forward, where, without getting into secrets in terms of deployment of AI or anything, just sort of, how do you see the market evolving going forward, and how do you see the company adapting to meet those changes in the market?

Basha Rubin

We think that AI is going to put increasing pressure on these kinds of decisions and on, as I said earlier, sort of how legal work is being done, who is doing it, and what the pricing is. And both of our business lines really are at the very core of those kinds of decisions. And there's a lot of synergy between those two business lines that we have. We've talked a lot about RFP and panel management, but I think it's the dawn of the era of flex talent too. And the reason I think that is because there seems to be near definitive consensus that AI is going to drive in house legal teams to more insourcing, and the way that in house legal teams can support more insourcing in a way that allows them to scale up and down and get the skills that they need just in time, is through flexible talent, and we believe that that is going to be a huge growth area over the next few years, because many in house teams don't have a long term strategy for how they are supporting more internal growth without more permanent headcount that looks the same way it looked 30 years ago.

Steve Poor

I agree, there's a clear business justification for that conclusion. It's logical that that would happen. One of the historic barriers to that has been the ability to find quality people on short term notice. And I know you guys have grappled with that issue, and you have a solution you bring to marketplace. Tell me a little bit about that solution. How do you how do you grapple with that give your clients comfort that that's not going to happen to them?

Basha Rubin

You know, I think the market has changed wildly since we first launched this in 2013 and I would say that COVID was the real catalyst for profound change, both in terms of who is available in the marketplace as well as client perception of the marketplace, and I would say there are a lot of different threads to pull on here, but before COVID, we got that question all the time, how do I know this person is good? Aren't they just someone who couldn't get a full time job, or someone who is on ramping and if they are good, they're going to get a full-time job. I would say I that question, which was extraordinarily common, is now very uncommon. Really? Yes, and I think there is increased recognition that it is this is a valid career path, and an increased interest from lawyers in making it a career path that is an intentional choice. I think that COVID kind of opened everyone's minds to a different way to work and created a lot more empathy for people who wanted to craft a career that allowed them to have more flexibility with their family. And I think there was a real mindset shift. I also think, or we saw, that a real before COVID, almost every traditional, flexible talent, 20 to 40 hours a week, or a project that we saw wanted someone to be on site, and that really limited the pool of available talent, and that has really shifted, and now almost nothing is on site. And so, I think that there was more talent available. It's also the case, I think, that there was a misunderstanding, or lack of understanding in the market about how lucrative, honestly, it could be to be in these kinds of roles. Our top performing lawyers have made over seven figures the past several years through our market on an annual basis. That's not a...

Steve Poor

That's real money.

Basha Rubin

Yeah, that's not a bad gig.

Steve Poor

I was gonna say, Sign me up.

Basha Rubin

That was often the joke in the early days of Priori, when we were a seed stage company, and we're like, Where can we get this work? And so, and I think that now we've all become more comfortable with flexible work, even outside of law, right? Like Upwork, Task Rabbit, these kinds of all the delivery services we interact with this kind of workforce in all different ways all the time. And so, I think there's a lot more comfort with it. And then finally, I think AI is going, I think that there's sort of the idea that you can have a hyper efficient, flexible talent with the addition of partnership with AI companies is also very powerful in terms of understanding efficiency and value-add.

Steve Poor

Absolutely, that makes a lot of sense to me. I know I've only got a couple of minutes left, but I want to ask you about the Yale Law School Fund board, which you joined a couple years ago. Tell me about that, and what's your mission there, and what's your what contribution are you making, and what are you getting out of it?

Basha Rubin

I hope I'm making some contribution. The Yale Law School fund board advises the dean and the law school about fundraising and sort of financial allocation for the law school. I was very honored to be invited to join a couple of years ago, and it's been really exciting for me to get to be back involved with Yale Law School, an institution that I truly loved being part of while I was there, and getting to under a little bit of insight into how they think about not only fundraising, but also where they're spending money, and how they're uniquely positioned on the market. So I have that's probably a for profit way of thinking about things, but my words, not theirs. But I've really loved the opportunity to participate in that.

Steve Poor

Law schools are at an interesting inflection point as well. There must be some really interesting again, I'm not looking to get anything proprietary, but there must be some really interesting discussions about how to allocate the money. How are we investing in where do we see the changes in the profession coming, and where do we align our investment dollars? Those must be fascinating conversations.

Basha Rubin

Yeah, and it's been, for me also, not just with AI, but Dean Gherkin, who just left the law school, really invested in through the Psi leadership program, in supporting students and alums who are interested in the intersection of business and law and entrepreneurship. And that was, I think, one of the reasons I was invited to participate, and also that I've really enjoyed being able to connect with existing students and alum and faculty about the business of law and why I decided not to go into traditional practice format, but do this instead.

Steve Poor

Well, it's a fascinating story, and I appreciate you coming back again and updating us on the cool things you're doing and the changes you're seeing in the marketplace. Thank you so much. It's been great.

Basha Rubin

I appreciate it. Thanks for having me.

Steve Poor

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