

Pioneers and Pathfinders: Jason Marty

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Steve Poor

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

This week, we're joined by Jason Marty, CEO of Lumio, a company helping legal leaders grow their businesses and adapt to the age of AI. Jason brings a wealth of experience to the new venture. He started in internet program management, before moving into the legal industry, where he served as global COO at both Baker McKenzie and Bryan Cave Leighton Paisner. He later co-founded Lumio alongside Jae Um and Ed Sohn, both past podcast guests, with a vision of creating a service as software company for the business of law.

Jason shares Lumio's origin story, his career journey, and what excites him most about the evolving legal tech landscape. If you want to know what "service as software" means to Jason, take a listen now. Thank you.

I'm talking today with Jason Marty, who's the CEO at Lumio. Jason, thank you so much for making the time to talk with me today.

Jason Marty

Thanks, Steve. I'm delighted to be here.

Steve Poor

I always like to talk about our guests professional journey, but let's start in present day. Lumio is a new venture for you that you co founded with our dear friend Jae Um and Ed Sohn. Tell us about Lumio. What is it? What does it do? And if you go into bionic teaming, you're going to have to explain the term.

Jason Marty

Sure. Our website that we launched in February is a little bit deliberately obtuse. We wanted to be a little cautious with how much we were saying before we got a little ways down the road and felt better about the proposition and sort of the direction of travel. I think fundamentally, for me, Lumio is built out of the last 25 years or so of my professional career, which have had almost entirely to do with trying to figure out how to build support infrastructure, systems, and teams for law firm partners for the commercial execution roles. So certainly I've had some things to do with the legal work side of things, but Lumio itself is not legal tech. So we are not pointed at the doing of the legal work. We are pointed at trying to find ways to use generative AI to provide what we're calling applied expertise, and fundamentally that is support for growing the firm, winning work, law firm strategy, pricing, discharging the matters, managing teams, all of the commercial motions that law firms go through, and the ones for which they currently rely on a variety of teams and systems in whatever firm they're in. We're trying to exploit Gen AI combined with our experience and best practices to help make that smoother, more effective, more efficient for partners.

Steve Poor

Are you a product company, a consulting company, or a little bit of both?

Jason Marty

I'll use my first sort of fancy new term. We think of ourselves not as software as a service, but rather as service as software. And that nomenclature...

Steve Poor

You're gonna have to tell what that means.

Jason Marty

Yeah. So, the experience of using the products, and we are a products company, should feel like receiving service. So the products that we are building are designed to work, and this is where the term bionic teammates on our site comes from. They're designed to work and feel like you are receiving support from what we call a director level assigned teammate, so you will be interfacing over email, it's not a chat bot. They will do work. The products will actually produce, you know, at the simplest level, agendas. At the more advanced level, ideas about how to go to market, how to capture certain sectors, how to rethink services pricing. And so it is, in fact, the case that we're sort of combining services and software, so we're delivering products. We will have consulting services, and the products will be intermingled, and then ultimately stand alone in the law firm clients that choose to work with us.

Steve Poor

Where are you in the development cycle? Have you brought products to market yet?

Jason Marty

We've had a prototype for the last two or three months that we've been using with prospective clients and investors, and we are headed towards an MVP minimum viable product in the October timeframe, which we are combining with some go to market programming that we're offering for certain law firm clients in that In that period. And then our plan is q1 most likely January, February, to have the first sort of full v1 for the products that we're bringing to market.

Steve Poor

You listed a lot of functions, pricing going to market, et cetera, as you bring out your first product, have you prioritized one of those functions, or is it a broad application to the multiple functionality?

Jason Marty

We're prioritizing use cases more than specific functionality. And so the first two products are designed to support one is for law firm leaders, and that's effectively strategy, commercial insights, competitive intelligence and best practices around leadership and communications within law firms, something you're very familiar with, and you're familiar with the work of one of my co founders around those sorts of activities that being Jae. The second is for we're calling it Rainmaker companion, and it is largely for the revenue generating partners in a law firm around building their book of business and providing support for doing so.

Steve Poor

Give me a little more detail around that. So you're sitting you're trying to make a sale to me, I'm the CEO of a law firm, and that's interesting me. Anything to help generate business and help the rainmakers. But on a day to day basis, what does it do for my rainmakers? I assume this is not a remedial program. It's not aimed towards this is designed, from the description, to apply to people who have showed a demonstrated ability to develop business.

Jason Marty

Absolutely. Let me give you an example use case that sort of exemplifies what we're focused in on. I may be a partner who does most of my work in biotech, and that's been where I've built my practice. And I find that I have done two deals recently in pharma, and at the moment, if I say to myself, I'd like to really expand on that and try to grow my practice in pharma, what follows is a whole set of motions that people in the industry are familiar with, acquiring research about what are the clients in that sector, thinking about what conferences I should go to, trying to understand which partners in my firm have experience that I might team up with, convening meetings right, setting those agendas, doing the client reach out, etc, all of that coming together in sort of a go to market plan that becomes my personal business development plan. At the moment, that's a fairly laborious process and one that involves lots of backs and forths and a significant amount of time, but it really needn't be. It is something for which there is best practice that can be applied. There is external information that can be aggregated and consolidated in an appropriate way, and the products that we're building will help facilitate that and make that a much smoother and faster process to go from I've just done these two pieces of work, what can I do with them? to here's an actionable plan and a set of materials and other things that allow me to go try to build and capture that work.

Steve Poor

Does the AI or the built-in intelligence, have the ability to fine tune itself based upon the experiential knowledge of the of the user, of the of the human partner?

Jason Marty

It will be assigned to a partner, and it will have memory of the interactions with that partner. I think it's really critical. And this, of course, will be a first question from every law firm. Those interactions will not train the broader system.

Steve Poor

I was about to ask you that question, yeah.

Jason Marty

It'll all be separate instances, all be aligned to specific firms, and none of the information will be commingled, but it will have memory for precedent and past activity with the partners that it's supporting.

Steve Poor

We're talking for the first time, but if you're in business with Jae, I trust you're as thorough as she is. So I'm sure you've done market research leading up to the launch, the soft launch in October. What do you think the biggest market barriers are that you'll have to overcome?

Jason Marty

One of the main ones at the moment is that we are in a hype cycle for artificial intelligence to some degree, and so most of the clients to whom we would be talking will be inundated right now with dozens of...

Steve Poor

Oh, trust me, I know it. Yeah.

Jason Marty

Yeah, and the fact that we are aiming at legal but not legal tech proper, in terms of the doing of the work, will require some some lines of distinction, and sort of weeding through that and trying to distinguish. So I think achieving clarity around what we're trying to do with whom for what and why we're not trying to help you make contracting more efficient, for instance, will be a challenge for what we're doing. I think the second one is, frankly, that, you know, the models themselves are already becoming relatively advanced, and people can achieve pretty great things simply from pick which one you want. And so, the differentiation of the support and guidance is going to have to be stark and obvious from the get go. And so we have, you know, an extensive proprietary knowledge base that we're relying on. We have very carefully curated insights and competitive intelligence. There will be customization to the to the partner users, but that will be a chasm that has to be crossed. Of why is this so substantially more valuable than what I could otherwise get just by learning how to prompt ChatGPT or something like it fairly well? And that's, of course, the bar that we've set for ourselves in all the development and testing is it has to be very, very very clear that this is differentiated, highly valuable and special in the market.

Steve Poor

It sounds like a unique offering. Are there competitors you're going head to head against this space? It sounds like you've carved out a unique space to operate in.

Jason Marty

Yeah, not, not directly that I'm aware of, I am sure there are similar things happening in other domains. You know, in terms of different sets of expertise to be applied, we're certainly following that. At the moment in space that we're looking at, I'm not aware of a direct competitor.

Steve Poor

What was the spark that led you to form Lumio? What was you talked about? Drawing on your 20 years of experience at the big firms, we'll talk about that in a second. What caused you and Jae and Ed to get together and say, "Hey, I've got an idea. Let's do this."

Jason Marty

Yeah, the origin story, I guess I'll share it is. So, Jae Um, one of my two co founders, is, as you know, a strategy consultant, a pundit for the industry, a watcher of things and people, and a pretty substantially brilliant analyst, I think. And she was doing a project for a law firm, a large law firm, about going to market, in fact. And somewhere along the way in that, and she and I had worked together before at

Baker McKenzie, somewhere along the way in that she created sort of reinforcing chat agents for the things that she was working with the partners on. And we got some feedback that two of the three partners that she had provided it to were bringing their personal laptop to and from the office so that they could use this sort of non sanctioned early chat thing to help them in their work, and that was about the point where I, and also Ed our other co founder, who was talking to her at the time, said, You know what, why don't you not share that with anybody else? And let's have a chat about, at an industrial level, what kind of assistance could such a system provide? So that's kind of when we started it. I mean, on a more personal level, you know, I and this gets a little bit into my background, but in the 90s, in the late 90s, I had a lot of things to do with the internet, and so I was sort of seeing one very significant technologic revolution and impact across industry. And as I watched what's happening with Gen AI, for me personally, it struck me that it's relatively uncommon to have an opportunity to participate in two in one career, and so I felt fortunate to be at a point where I could explore this and talk to Jae and Ed. And for me personally, obviously the two of them and their energy and brilliance was a big part of the draw, as it has to be for any good funding group.

Steve Poor

Yeah. I mean, it's a spectacular group of people that started the company. Let's talk a little bit about your background. You spent 20 years at Baker in knowledge management and marketing and operations, then a couple years at Bryan Cave as the opera Chief Operating Officer. I guess it's BCLP now so get that name correct. I'm showing my age. You didn't start out in the legal industry, though. What caused you to come over to the dark side?

Jason Marty

Yeah, I was. It was a fortunate accident, as I said. I in the in the 90s, I got into the internet stuff, and so I was doing program management for what was then sort of E commerce, two Dotto, right? And building big websites, taking money on the internet for the first time was a big thing, and in 2001 when that, when that industry popped and that bubble burst, which, of course, was not the end of the internet, as we all know.

Steve Poor

It felt like it at the time, though, didn't it?

Jason Marty

It did, yeah, and I knew somebody at Baker McKenzie, and they were doing a global knowledge system program focused on cross border M and A, so I thought, yeah, that'll be fine for I can go there for a year and do that project, and, you know, everything will even out, and then I'll step back in. And what proceeded after that was just sort of every two or three years when I would sort of get itchy and start to think about looking a next thing would be presented at Baker McKenzie. And as you say, I cycled through just about every one of the business functions there over the years. And ultimately, then from 2014 to 2017 got to go build what's now the Belfast Service Center, which is both shared services and legal services. And then 2017 came back into the CLO role. So I try to track back, why I sort of stuck? Obviously, there were a set of progressive opportunities that great firm gave me. But also, I think to the two observations I would make about working in large law. One is, you're it's pretty rare to find yo urself in the company of folks who are not really, really smart. I mean, they may not always be easy, but

you're unlikely to be uninterested. And the second was at Baker's. Of course, the global part of the role is absolutely fascinating. And so, you know, I got to travel all over the world and know people and have friends in many, many countries, and that was a really critical part of that journey. So I did the last three and a half years there in the global COO role. We did a big global transformation across all of the business services teams, and then did another almost three years at BCLP before heading out on this venture.

Steve Poor

What was it like starting the Belfast operation? I'm not asking for proprietary information with regard to Baker. More you're doing it at a time where this was starting to happen for law firms, but it wasn't common. I don't think so. There had to be some change management challenges within the organization itself, some stuff you had to just figure out, because there wasn't a lot of models to follow.

Jason Marty

Yeah. I mean, I was fortunate in that, you know, from the early days around about 2003, 2004 I'd been pretty involved in the setup of the first Shared Services Center at Baker, and probably the first in the industry, which was in Manila. And by the time we did Belfast, Manila was already about 600 people.

Steve Poor

Oh, wow.

Jason Marty

Fairly, fairly mature, and sets of its, of its processes and operations. So I had the ability to build the business plan and craft against sort of known demand from across the firm, and build as against each of the services. This is what's going to augment. This is what's going to be around the Sun. This is right. These are where the teams are going to be integrated. This is going to be unique. I think the thing about Belfast, it was new, was that it was, we were doing alternative legal services, and so we were building in the three years I was there. By time I left, I think we had more than 100 fee earners working on client matters from around the world. That was great for me, because I got to be involved in the revenue side and the profit generation side, which was it changes the discussion with the partners, if you're part of producing rather than just a cost center. So that was the thrilling part for me, and it worked really well. It all hit the numbers. Everything went to plan. I was reflecting ahead of this call as to sort of what, what are the lessons in that around innovation? Because at the time, the alternative legal services was relatively new and relatively innovative, and Belfast did become a center for a lot of innovation at bakers. And I think the one thing that I was able to do because of how long I had been there and because of how well I knew things, the numbers worked, the way that the services were charged, the way they were charged back to clients, how that reflected in partner performance, those pieces of it, the motivations and incentives, were pretty carefully lined up. And I think that's where a lot of innovation in law firms really struggles. Is good ideas, but being implemented by people or who either themselves, don't have it or don't have the support to know how to line up those ideas with the financial outputs and motivations in the firm. I think where you see innovation succeed in law firms, it's because the good idea is married to the ROI and financial impact in ways that are really understandable, not just by management, but by partners that you're asking to interact with those ideas and their own experience and their own financial outcomes.

Steve Poor

Yeah, that's a great point. I mean, I don't want to get into the whole big little partners or money grubbers, but financial incentives are important to keep in mind, if you can't make the numbers work, no one's going to support it.

Jason Marty

Yeah, for sure, and that that's not just for what you might classically think of as innovation. It's for change of any kind. You know what? Why should I use an associate in an office across the country or across the world, if it's going to have a different outcome to my local and my personal performance than using somebody down the hall, those kinds of changes have to be really carefully thought through, I think, in firms, and communicated clearly and reinforced at every point where what to do about a matter, what to do about a client is being decided.

Steve Poor

You must have had a very supportive management team at Baker to accomplish all of this. I know one person can't make all these changes. An organization is as complex and as multifaceted as Baker's.

Jason Marty

Yeah.

Steve Poor

That seems rather unique in the industry.

Jason Marty

Well, Baker McKenzie, has a history of doing things sort of adventurous, right from it is, it is a little bit in the DNA of that organization. So I don't know that, you know, it redounds to a specific individual. I think I worked for, you know, there were, or my tenure there, there were seven global chairs, I think, and about the same amount of COOs, including myself. So there was, you know, very much, a culture of pushing the boundaries around what was possible and and how to take on new challenges and services in service of global clients. Obviously, it doesn't happen without good sponsorship and mentorship along the way as well, and I had benefited throughout my career from a number of those really, really good relationships.

Steve Poor

That's great. I mean, I think you're right, nobody succeeds without having some good mentors and sponsors along the way. And people succeed by being good mentors and sponsors to other people.

Jason Marty

Absolutely.

Steve Poor

it's part of the legacy we leave.

Jason Marty

Yep.

Steve Poor

Where do you see? Let's change topics a little bit. I know you don't play in the legal tech space, but you must be...

Jason Marty

I pay attention.

Steve Poor

You pay attention to it. What developments in that space have you seen or are you tracking that are interesting to you, not because they're competitive with Lumio, but just because they're intrinsically interesting.

Jason Marty

Yeah, I mean, we talked about one of them, which is just, I think it's really challenging for firms right now to sift through the point solutions and the holistic solutions and what's going to land when. I am interested in the ways in which what's happening with generative AI is challenging the old conventions about innovation in firms.

Steve Poor

What do you mean by that?

Jason Marty

So I mean the convention was, find a group of interested partners, get some sponsorship, start with a pilot, try to build some support, demonstrate some intermediate level ROI, and sort of build that way. And I think the thing that we're seeing from firms now that's slightly different is management and executive committees, clearly working with people who are doing that work, but taking more decisions that are firmwide, and placing bets on whether it's Harvey or Lagora or other things, and saying we're not starting necessarily. I'm sure they're all piloting some degree, relatively fast, but we're not necessarily following the early adopters and trying to innovate where people are readily embracing it, but they're looking at it more as institutional choice making and laying down markers around these are things that we have to do, and I think how that means change will happen over this next five years is really fascinating. I'm also really interested in the interaction between not just the tech, but how the tech is playing with regulators, insurers, the other components of the industry to bring it to life. Because, you know, the tech will be ahead of that, and I'm quite confident that that landscape is going to be as necessary to the changes to come in terms of what it does as are the firms or the tech providers.

Steve Poor

It's an interesting point. The hype cycle around generative AI, I've seen hype cycles before as have you. There's something different about this one, and I think it's because OpenAI really is a consumer based product. At least when it was first launched, and so it was so easy to use and so fluent in the

way it converts with people that it got people excited about it in a way that they haven't gotten excited about other change or innovative efforts I think.

Jason Marty

Yeah, I mean, I'll give you, I'll give you a corollary. I mean, I, I personally think that one of the reasons why almost every firm uses iPhones and ended up shifting from BlackBerry's was precisely that consumer experience. People were having the experience of using iPhones outside of their work environment and starting to insist on that becoming part of their working life.

Steve Poor

That's what happened to me. That's a great analogy. That's right. Where do you see the change coming? Would you do you think this will the AI will change fundamental business structures in law firms, there's been a lot of discussion in the industry about business models and the impact on it, a number of associates and that kind of stuff. Give me your crystal ball. Where do you see that going? And I'm going to hold you to it.

Jason Marty

Well, I mean, I start from the proposition that the legal industry has already been changing before generative AI. If you look at just the period that I've been in, it something like 44% of the Am Law 100 at that time are no longer part of the am law 100 under the same shingle. It doesn't mean they've all disappeared, but it means they have merged and shifted and changed even prior to the Gen AI push, only a few years ago, we saw the real breaking of the associate bonus tier system that seemed unbreakable for a long time, and firms sort of moving off of that and not pegging themselves to other firms and making commercial decisions that reflect their reality, rather than the follow the pack. Same thing's happening with associate hiring right now, and I think Gen AI is playing a role in that, but I think age old processes had already been sort of being revisited, so I don't think that we're going to see some sea change. I'm sure there will be new model entrance. I'm sure that AI will have some impacts on how people think about which firms to move to, all of those things. So I don't think I don't see something sudden, but I do think that law is impacted by AI in two facets. One is on the production side, obviously, that we're all talking about, but the second is that the running of law firms is also itself knowledge work. So the impact of generative AI on law firms is on both sides of the house in fairly dramatic ways, and I think it's impossible that it's not going to change the shape and contour for how both production and operations are shaped.

Steve Poor

Reminds me of what's the old Bill Gates line? We overestimate the impact of technology in the short term and underestimate the impact in the long term, something like that?

Jason Marty

One year and 10 years, I think.

Steve Poor

I think that's right. Well, it's a fascinating time to be in the profession, isn't it?

Jason Marty

It is. I think the thing to not forget, that I try not to forget, is that there is a reason why the rates are what they are and the value is what it is. And you know, despite the fact that, you know, almost every firm will have excellence and client service and these other things on their websites and in their internal communications, that is foundationally the basis of the value. And you know, the impact of Gen AI on that in terms of the actual expert advice, I don't think there's an imminent crush of that. I think that that inherent value to the profession will likely remain.

Steve Poor

Oh, I saw some headline somewhere that said somebody was predicting partner rates going up to \$10,000 an hour. And we laugh. But you know, when I started, it was \$25 an hour, and now it's \$2,000 an hour. So anything's possible.

Jason Marty

Yeah, it's not at all impossible for work that really matters.

Steve Poor

So I know we're at time, but I got one last question for you. I sort of think it's one last question. But you know, you know, lawyers. What's it been like working in a startup? Has it been fun? Has it been exhausting? Has it met your expectations?

Jason Marty

Yeah, all of that. It's been a really, really fascinating transition, partly because I've had to go deeper than I was on generative AI itself. So that has been super educational, and is fast moving and very interesting. The second piece is, you know, you say to yourself, I've been in business for a long time, and, you know, I know a lot of stuff, but there are whole sets of things around founding a new company and building that out, even new terminology, just things to really come up the curve on. So I'm having, I'm having a ball, but I think, you know, I'm potentially also staving off dementia, because I'm having to learn on a day to day all kinds of new stuff, which is thrilling, and, you know, I'm really grateful for that, and I'm getting to have meaningful discussions with clients and investors and test ideas and do brainstorming and iteration in a form that I probably haven't done in a number of years. So yeah, it's really fun.

Steve Poor

Good. I'm glad you're having a good time. And you're working with two of my favorite people, Ed and Jae. And good luck keeping up with Jae.

Jason Marty

That is not the goal. Someone once told me that there are people in life to be admired but not emulated, and she falls into that category for me.

Steve Poor

Fair enough. Fair enough. Jason, thank you. Thank you so much for making time. It's been a fabulous conversation. Thank you.

Jason Marty

That's great. Thanks, Steve.

Steve Poor

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