

NEWS & INSIGHTS

ROBERT WILKINS EXPLORES HOW LITIGATION FINANCE IS RESHAPING LEGAL STRATEGY IN LAW360 ARTICLE

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Lightfoot Franklin & White LLC partner **Robert A. Wilkins** has closely followed the evolution of litigation finance since its inception more than a decade ago. Once a novel concept, the industry has matured quickly, reshaping how cases are funded and legal risk assessed. Wilkins explored the history of litigation finance so far in **a recent article for Law360** (subscription required).

In his article, "Tracking the Evolution in Litigation Finance," Wilkins examines how this approach to financing plaintiffs' personal injury cases has evolved into a sophisticated product offering with diverse funding options and increased complexity.

"Roughly 10 years ago, funders in the U.S. began offering nonrecourse financing for plaintiffs' personal injury contingency fee cases," writes Wilkins. "The business model, from a litigation perspective, was revolutionary."

Wilkins explains how litigation funders initially entered the market to mitigate financial risk for law firms by replacing traditional bank loans with case-secured funding, with repayment contingent solely on success. He notes that as the litigation finance market has evolved, considerations around funding structures, deal terms, risk assessment and other factors have become increasingly complex. As funders seek to deploy greater amounts of capital, they have expanded offerings to include loans against case dockets and, in some instances, reverted to recourse loans backed by personal guaranties.

For plaintiffs' firms considering litigation finance, Wilkins emphasizes the importance of thoroughly understanding the structure of cases and the timeline for resolution to prevent interest charges from overwhelming case value. Defense counsel, meanwhile, must understand how these financial arrangements will affect claim viability and settlement dynamics.

You can find a PDF of the article [here](#).