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## **Profiler Talk: Ridge Road's Adam Jiwan and Michael Mager on investment in legal software space**

Global holding company [Ridge Road Capital Partners](#), along with its principals [Adam Jiwan](#) and [Michael Mager](#), last month acquired a substantial majority stake in [TrialWorks](#), a leading provider of case management software for US law firms.

*Founded in 1996 by trial attorney Robb Steinberg, Florida-based TrialWorks offers products, services and solutions designed to help law firms better manage their business and automate the handling of their caseloads. Steinberg remains a minority shareholder and full-time executive.*

*Mergermarket spoke with Ridge Road's Jiwan and Mager about the TrialWorks acquisition and their growth strategy for the business.*

### **Singled out**

According to Jiwan, TrialWorks received offers from a variety of financial and strategic buyers in the past, but its founder "wanted a partner to accelerate growth, not a clean exit."

TrialWorks' long-term accounting firm, Kaufman Rossin, services another of Ridge Road's portfolio companies based in Florida, Kitchen Art. "TrialWorks' accountant knew us well and had seen what we were able to achieve with this other portfolio company, and recommended that TrialWorks' owner consider us as a prospective partner," Jiwan explained.

"There is no better referral than a shared and trusted advisor," he said.

TrialWorks is a leader in its niche, with a subscription-based business model that has grown consistently, albeit at a moderate rate, since its inception. Jiwan added, "We saw tremendous potential to accelerate growth by investing in sales and marketing, continuing to innovate, and entering into new verticals."

Ridge Road also appealed to TrialWorks because the firm primarily uses its own personal capital, which is permanent and allows it to buy businesses with the intention of holding them long term, according to Mager.

Jiwan and Mager became co-chairmen of the TrialWorks' Board of Directors. Ridge Road's [Ryan Pakter](#) – a graduate of Columbia Law School, Harvard Business School and Harvard College – was appointed managing director of TrialWorks and leads the company's growth strategy.

### **Growth plan**

TrialWorks plans to develop new vertical practice areas, improve automation for high-volume practices, increase reporting alternatives, and make major investments in software innovation, sales and marketing, and customer training.

Additionally, TrialWorks aims to improve its user interface to make it easier to use and redevelop its mobile application, Mager outlined. There are several opportunities to add valuable functionality to the company's software.

"One particular area of interest is cybersecurity for law firms, which possess vast amounts of highly confidential information. Financial institutions spend billions on security annually, and we see this as a significant growth area," Mager said.

The majority of TrialWorks clients are litigation-focused personal injury firms. However, the company's software can add value and efficiency to firms across a wide variety of practice areas, he noted.

### **Acquisition criteria**

In addition to organic growth, Jiwan said TrialWorks is already considering some M&A opportunities.

One of the most attractive aspects of TrialWorks' business is its "extraordinarily high rate of customer retention. We are attracted to other businesses with similar levels of retention and customer loyalty," he added.

Ridge Road believes there is potential to grow TrialWorks domestically, especially on the West Coast, where the company has been underrepresented historically, he continued.

"We believe there will be increased consolidation as the strong get stronger and smaller companies struggle to compete," Mager said.

### **Competitive landscape**

In recent years, a number of web-based case management solutions providers have emerged, but Mager said Ridge Road's due diligence highlighted that very few have the depth of functionality of TrialWorks' software, which has been continuously developed for more than 20 years.

TrialWorks' product offers everything from calendaring, workflow management, document generation and tracking, to billing, expense tracking, and settlement calculation. In addition, it offers plug-ins such as medical record retrieval, client text messaging, and electronic signing – as well as a one-stop shop hosting solution for all of a firm's software needs.

### **Potential IPO**

Jiwan said Ridge Road believes it can drive a multifold increase in recurring revenue for TrialWorks.

"We acquired TrialWorks with an intention to develop it into a very substantial business over the long-term. We may explore a public listing to have a liquid currency for capital raising and acquisitions, but that will not be for some time," he noted.

## **Advisors**

Mark Heimlich of law firm Hogan Lovells provided counsel to Ridge Road on its acquisition of TrialWorks.

Ridge Road secured financing for the deal from Prides Crossing.

## **About Ridge Road**

Harvard graduates Jiwan and Brian Norton founded Ridge Road in 2012. Mager, Pakter and Chris Timchak, also Harvard alumni, subsequently joined the team. The firm targets undervalued or underperforming private and public businesses, employing its permanent base of capital. To date, it has executed nine transactions in the US, Europe, Asia and Africa, and has offers on three additional companies.

Current investments include Future Finance, a European millennial finance company; Climb Credit, a student finance company based in New York; and Kitchen Art, a US kitchen cabinet design and installation company.

by Deborah Balshem in Fort Lauderdale