

# Perspectives on Litigation Funding: Key Takeaways from the Legal 500 GC Summit in Vienna

HAMBURG, GERMANY, June 27, 2025 /EINPresswire.com/ -- The recent Legal 500 GC Summit in Vienna highlighted a significant market disconnect: despite proven financial benefits, litigation funding remains underutilised by corporate legal departments across continental Europe. This article written by [Deminor](#) Senior Counsel Dr. [Stephan Klebes](#) examines the summit's key findings on perception barriers, strategic opportunities, and market evolution that are reshaping how companies approach dispute resolution financing.



The Perspectives on Litigation Funding: Key Takeaways from the Legal 500 GC Summit in Vienna

## Vienna GC Summit Expert Panel on Litigation Funding:

The Vienna Legal 500 GC Summit brought together diverse litigation funding perspectives from both private practice and in-house counsel. The panel included renowned experts Anne-Karin Grill and Ulrich Kopetzki (who also serves as Acting Director for Europe for ICC Dispute Resolution Services), alongside in-house perspectives from Anna Katharina Radschek of Lincoln Electric and Bernard Reviczky of Siemens Energy.

A telling market indicator emerged before the session even began: organisers struggled to find an in-house counsel with direct experience using third-party funding in Austria. This difficulty immediately highlighted the market's underdevelopment and set the stage for examining why corporations with ample financial resources consistently overlook litigation funding's strategic advantages.

The panel composition was strategically designed to address this gap, bringing together private practitioners experienced with funding alongside in-house counsel at different stages of funding awareness. Ms. Radschek's recent transition from private practice (where she had worked extensively with funders) to in-house counsel provided unique cross-sector insights, while Mr.

Reviczky represented legal departments interested in but unfamiliar with funding mechanisms.

#### Funding Impact: Transforming Corporate Balance Sheets

Financial analysis presented at the summit demonstrated litigation funding's concrete impact on corporate financial statements. By neutralising litigation costs on balance sheets and positively affecting EBITDA, companies can transform potential financial drags into strategic assets.

The summit identified a critical market perception problem: companies frequently associate litigation funding with financial distress rather than strategic financial management. This misconception represents one of the most significant barriers to wider adoption, particularly among well-resourced corporations that could benefit from the financial optimisation litigation funding provides.

As the panel discussion revealed, many companies resist third-party funding because "they often don't want to be perceived as needing external funds." This subjective perception barrier prevents them from taking the next analytical step to evaluate potential benefits. The corporate mindset frequently equates litigation funding with distressed companies or insufficiently resourced claims, an image many established businesses actively avoid, even when it works against their financial interests.

This misperception creates a substantial competitive advantage for early adopters who recognise that third-party funding offers more than just financial support; it delivers claim validation through independent assessment and enhanced decision-making through additional expertise.

The panel highlighted how funding delivers benefits beyond financial impact. When a funder conducts thorough due diligence, both client and counsel gain confidence in their claim's merits. This external validation process often identifies strengths and weaknesses that might otherwise remain undiscovered until later litigation stages. As noted during the discussion, this collaboration "benefits both the lawyers working on the case and the client," creating a more solid foundation for the entire proceeding.

#### In-House Challenges: Risk, IP Claims & Awareness

Summit attendees raised practical implementation questions that revealed significant knowledge gaps in the market. Questions about defendant insolvency risk highlighted how companies often overlook funders' sophisticated risk assessment infrastructure, including specialised asset-tracing capabilities that provide value beyond simple financing.

The panel addressed specific concerns about enforcement prospects, with participants noting that many funders maintain dedicated asset-tracing teams. These resources represent significant added value that companies can leverage beyond the primary funding relationship. As clarified during the session, insolvency risk assessment is conducted "in the funder's own interest", meaning companies effectively gain access to sophisticated risk analysis as part of the

standard funding relationship.

Another market insight emerged around non-monetary claims, particularly in IP litigation. While traditionally considered challenging for funding, the panel clarified that such cases remain viable when ultimately valued in monetary terms. The discussion specifically addressed IP claims seeking cease and desist orders, noting that while such remedies "pose some problems that can be dealt with, they require the claim to be directed at money, or at least be able to be valued in money to be funded." This clarification opens funding possibilities for a broader range of commercial disputes than many legal departments currently consider.

The summit consensus identified education as the market's primary barrier rather than the funding mechanism itself. This awareness gap suggests substantial first-mover advantage for companies willing to explore these options ahead of wider market adoption.

#### Arbitration Edge: ICC Trends & Tribunal Strategy

Institutional data shared at the summit offered compelling market evidence: since implementing funding disclosure requirements, the ICC has observed markedly increased rates of funded arbitration claims. While Mr. Kopetzki noted they "don't have hard statistics," his unique position has enabled him to observe "a lot more funded claims at the ICC" since disclosure requirements were implemented. This informal trend analysis could indicate growing sophistication in how companies approach high-stakes international disputes.

The summit highlighted an underappreciated market advantage: funders' ability to enhance arbitration strategy, particularly during tribunal selection. Their first-hand experience with potential arbitrators provides valuable insights that can significantly impact outcomes. The panel specifically noted that "when selecting the arbitrator, it's always the best information you can get if someone has first-hand experience with that person," and that "the more [who] are included in this process and can provide information, the better for the outcome." This strategic benefit extends well beyond financial considerations and offers particular value in complex cross-border arbitrations.

These findings suggest the arbitration funding market may be developing faster than general commercial litigation funding, presenting specific opportunities for companies regularly engaged in international dispute resolution.

#### Three Game-Changing Takeaways for Legal Teams in 2025

The summit distilled three market-shifting insights with transformative potential for corporate legal departments:

##### Education Creates Opportunity

The significant awareness gap about litigation funding creates substantial competitive advantage for informed market participants. Companies that understand these mechanisms gain measurable advantages over competitors operating with outdated perceptions. As emphasised

during the panel's closing discussion, "there's a lot of work to be done in terms of educating people about the existence of third-party funding." This suggests a clear market opportunity for legal departments willing to invest in understanding advanced financing mechanisms.

#### Financial Metrics Bridge Communication Gaps

The summit identified a persistent organisational disconnect between legal and finance departments that prevents effective funding utilisation. The panel explicitly noted that "there is a certain disconnect between legal teams and finance teams within companies" where they "sometimes speak different languages." Companies achieving better cross-departmental communication demonstrate significantly higher adoption rates.

Private practice counsel can serve as crucial translators between these departments, as can funders themselves. The panel observed that "if the funder once gets in touch with the financial guys, it's a matter of seconds that it will click", suggesting more effective go-to-market strategies for funding providers who target financial decision-makers directly.

#### Strategic Value Beyond Financing

Market analysis presented at the summit demonstrated that litigation funding's non-financial benefits frequently outweigh pure financing advantages. Companies report that external validation and strategic insight provided by funders deliver value extending far beyond balance sheet improvements.

The panel emphasised that "outside of those financial impacts, [there are] very good reasons to use a funder," creating benefits that "outweigh the potential additional efforts one needs to make to get funding." They noted that while companies must provide certain information to secure funding, "that's information that you will have to provide to your counsel in any case, if you want to bring a claim", meaning the due diligence process creates little additional burden while delivering substantial strategic advantages.

#### Looking Forward: The Evolution of Litigation Funding in Europe

Continental Europe's litigation funding market stands at a clear inflection point.

Market data indicates first-movers will secure significant advantages by incorporating funding into their dispute resolution strategies ahead of competitors. These early adopters will benefit from both financial optimisation and enhanced claim quality through rigorous funder due diligence processes unavailable to companies following traditional approaches.

For in-house legal departments, litigation funding offers transformation from cost centre to strategic business partner, a critical evolution as companies face increasingly complex international disputes. By adopting financing mechanisms aligned with broader business objectives, legal teams can elevate their organisational standing and deliver measurable financial impact.

The summit's conclusion was powerful in its simplicity: the panellists unanimously advised general counsel to "just pick up the phone and call the funder, get in touch, make the experience yourself, and you will not regret it." This straightforward recommendation cuts through complexity and misconceptions, suggesting that direct engagement remains the most effective path forward.

As European markets continue developing, the question is no longer whether litigation funding belongs in corporate strategy. The relevant consideration now is adoption speed, how quickly legal teams will leverage this tool to gain competitive advantage. Companies that delay exploration risk finding themselves at a significant strategic disadvantage by 2026 as funding becomes standard practice among sophisticated market participants.

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