



**HL INFLUENCERS:  
DIGITAL TRANSFORMATION  
TRANSCRIPT  
SEBASTIAN LACH  
ELTEMATE**

Leo von Gerlach	Hello everybody and welcome to another edition of <i>The Influencers</i> , our podcast conversations on digital transformation and law. I'm Leo von Gerlach, and with me today in the studio is Sebastian Lach. Sebastian is a seasoned white-collar crime and compliance law firm senior partner. More importantly for our conversation today, Sebastian is also CEO of the legal tech firm ELTEMATE. Sebastian, it's the second time that we have you on the show, and I'm absolutely thrilled to have this conversation with you about 2025 - 26 legal tech and the development of the legal market more broadly, so welcome back to the show.
Sebastian Lach	Great to be back, Leo
Leo von Gerlach	Sebastian, perhaps let's start with the look back on 2025. What actually moved the needle in that past year for ELTEMATE? And what has been released? What updates have there been and how has that all been adopted by your customers?
Sebastian Lach	<p>That's a great question. Well, I think what has changed in 2025 was that we've seen the development over the years. So, 2023 was kind of the big revelation, 2024 was people trying things out and 2025 we really saw the first adoption. And what this year was about was really about in my view what we call verticals. So, we have these kind of all-purpose tools, which are advanced Google searches that can actually, you know, summarize the information, put it into a nice format.</p> <p>Customers are intrigued by these tools, but at the end of the day, the question always is, "So what does it really do for me? What does it do for me as a lawyer? What does it do for my clients? Is it driving efficiency? Does it enhance outcomes?" And I think people move to the fact that we need more seasoned tools, more elaborate tools that solve more complex issues. And that is basically what we call verticals.</p> <p>And I think the conversation has moved to, yes, it is interesting what the all-purpose tools can do, but I have a more complex problem and if you're able to solve that complex problem – that's really going to generate efficiency and a competitive edge for me. So, we've really been working on those verticals and that is also what has driven adoption, that we're talking to</p>

	<p>clients that are looking for these verticals like our regulatory pilot that automates regulatory sourcing, our investigation tool that completely automates investigation related processes and law or litigation tools or other more customized, more specific tools that look at more complex problems and support in solving these and I think support is a very important word, because that's still where we are in technology, supporting processes and supporting human output rather than taking over the whole process. There are some exceptions to that, but I think that's mainly where we are.</p>
<p>Leo von Gerlach</p>	<p>All right. So, it's kind of just focusing in on very specific problems and trying to solve them through and through with different layers, which you just described so nicely with this word "vertical", and just then turn it into something that is really making a difference for the lawyer at the front and taking this forward is that already the blueprint for what you have in stock for 26? Is that a continuation of that problem-by-problem through vertical solutions? Is it something different? Take us a little bit through your thought process for the year ahead.</p>
<p>Sebastian Lach</p>	<p>Yes, I think that is where the market is going to go more generally. So, we differentiate into three different kind of verticals.</p> <p>We have the short verticals - those are rather simple things that solve a more complex issue, but that apply to any lawyer out there. For example, high quality redactions of a document. Every lawyer needs it. It's onerous and it's good if you have a tool that reliably solves that problem.</p> <p>And then you have the medium verticals. And there are others like that, checking legal outputs before it goes out, and then there's medium verticals where you say – every lawyer in a practice group will need that. For example, the Regulatory Pilot. Every regulatory lawyer does regulatory sourcing, regulatory monitoring, the investigations tool, certain things, drafting interview outlines, summarizing interviews, analyzing documents, something that every investigator needs. And I think then that's going to be the end game. We have the long verticals where, as you just said, Leo, clients come to us and say we have a very, very specific problem unique to us as an organization - unique to us because we have specific processes, and we need a partner that can build something that fits that piece, and it needs to be custom built, so I think we're kind of right now generally in the area that people were looking at in 2025 at those shorter verticals and they're now moving to medium and long verticals.</p>
<p>Leo von Gerlach</p>	<p>So, that's interesting, and probably translates into a certain idea of products, services, portfolios that you have in mind for 26. So, that sounded a little bit like tailor made solution, but probably that's also just only one side of the spectrum, so perhaps talk us a little bit through how that translates into your envisioned product portfolio.</p>

<p>Sebastian Lach</p>	<p>I think in the end, you're not going to see that one product that solves it all. I think that was kind of the thinking at the beginning – there's going to be one product that's going to solve it all. But, it's just like with human lawyers - there's not going to be one lawyer that can solve it all. You're seeing that in law firms, you have specialists. And I think that's the same thing that you're going to see in legal technology. You're going to need specific tools for investigators. You're going to need specific tools for litigators, because they all have different needs. And the intelligence - the technology will have to adopt very specific processes or ways of thinking that work for that practice area, but don't work for the other. So, we're going to see a specific need on litigation tools, on IP tools, on regulatory tools and then we're going to see, and that's where the most efficiency is going to be gained - those very, very specific requests where one law firm or one company says, "This is what I want you to do". So, it's going to be products and services. So, if you look at the short and medium verticals, you're more talking about products that's scalable, because there's a bigger group of people who's going to need that. And you're going to have to add high quality data. High quality training provided by lawyers who understand the issue that the tools really do a good job. So, you have to train them up and smarten them up. And then you have the long verticals, where you have very small groups of people. And that's more a service, because they will come to you and say, "I will describe the problem to you and I really need a partner who can build it". So, it's more about the people work that you can design, create something from scratch that somebody needs. Of course, you're going to use base intelligence and you're going to use some of your technology stack that's available, but in the end it's more kind of like a service that's being built. And what's really interesting is, the more specific these tools are going to get, there are going to be more questions about who owns the IP. And who's basically the company, the vendor? Or is it the corporate who's going to use the IP? Are you going to share IP? Those questions are going to arise now, because with those short verticals, we're basically using existing technology and doing smarter things that don't really create IP. But when you're going to medium and especially to long, those are going to be conversations that are gonna be very interesting from a legal standpoint in 2026.</p>
<p>Leo von Gerlach</p>	<p>So, that's interesting. You speak a lot about specification and then you mentioned data, data quality. You mentioned people, and I assume the individual nature of data pools that are at hand for a given organization with a specific type of people they work together with are a very driving factor for the, I think, as I understand you, that need for specific solutions, because that may vary from organization to organization.</p>

<p>Sebastian Lach</p>	<p>Absolutely. And I think one big thing that people are starting to realize – the tools themselves are not going to solve it alone. They will create a basis for doing this, but in the end, what companies, what law firms are going to have to do is data structuring. So, data analysis, collecting data, high quality data to be able to provide the tools legal basis from which they work from and high quality training and if you want to provide the high quality data, the first thing is going to have to do is data structuring, and I think that's going to be a big task for many organizations, because with those short and medium verticals, you may be working with something that a vendor provides. But, if you're going to those longer verticals, the data structuring exercise is going to be very important, and I think the winners on the side of the legal departments and the corporations, the law firms, I think are going to be those, or at least to a certain extent, those that do the best job in data structuring. And that's, of course, nothing people will massively enjoy, because it's a massive grind, but I think that's the homework you have to do before you can enjoy the fruits of AI, if you wanted to create or provide really high-quality outcomes.</p>
<p>Leo von Gerlach</p>	<p>So that's a very, very important point for our listeners to take away. That it's all about the data, understanding your data, just getting ever deeper into your data in order to derive from that any need for specific solution that are adequate for these data. So, that's very, very important and thank you for making that so very clearly, Sebastian. And speaking about data, just driving it now a little bit further to the side of the customers when it comes to benchmarking results, just checking whether there is a difference made in terms of efficiency gains and the like, so just a few words on how customers, or even yourself with Eltemate, may approach this question of benchmarking and seeing whether things work and make a difference and move the needle.</p>
<p>Sebastian Lach</p>	<p>That's a great question, and I think it's a great outlook to what has already happened in 2025 and what will happen even more so in 2026. When we have, or when we had the conversations or demos in 2024, you were basically just presenting and people were intrigued by the potential of the technology, but now the procurement decisions have become much more mature. So, people, customers, clients ask the question, and explain to us, "I'm going to have to justify this decision, this investment to my management". So, what I need is actual data that shows that there is additional efficiency here that it's actually cheaper or a better bargain to invest my money into the tool compared to doing it manually. So, you're going to have to build the business case and you need data to be able to show that this is actually a good investment. So, for all of these tools that I was mentioning, we basically run data analysis with comparator groups, which is one group works with the tool and one works without the tool. And then you compare outcomes on quality and you compare time spent. And with that data, you're able to make the case why the investment into the tool is a good investment. And to come back to my example about the verticals – how I explain it to customers is – AI basically, naked AI, if I may call it so, is like a very, very smart person that has read every book in the world. But,</p>

	<p>imagine even the smartest person coming into your organization without having read anything about the organization and what you do, and without having been trained – how good is the job that that person's going to do? So, you need to put in the data, you need to give that person good books to read, and you need to train it well, and then it's going to do a good job. And then clients ask, "So if I do that, how much money will it cost to provide the books, provide the training, build the process and how much am I going to save? And I need real data because only if I have real data can I go back to my management and justify the investment decision, and that's where we're where we already are". But, those conversations are going to be even more focused in 2026.</p>
<p>Leo von Gerlach</p>	<p>Cool, basically meaning that whenever you take an ELTEMATE product on board, you just not only see the efficiency, or you may not only feel the efficiency gain, you can actually compare it with a comparator group and then benchmark it against one another. I think that's really, really cool and that takes us already a little bit towards the end of the year, at 26, and your best guess in terms of what will people think about 2026 and the developments once we come to the end of the year, what will people possibly have overestimated, underestimated or how do you see that mindset evolving until that point in time?</p>
<p>Sebastian Lach</p>	<p>I think what we saw in 2023, early 2024 was a massive hype and massive expectations. How quickly this was going to go and how quickly lawyers, legal professionals, will be replaced by the technology. And then there was a phase of kind of sobering up, where people understood that the tech is great and it's very interesting, but it's not going to go so fast and I think in 2025 we went through that process, and the process of coming to reality began.</p> <p>And people understood it's not going to be that easy. It's not going to happen that quickly. But, if I do put the work in and we just talked about it, I'm going to see real efficiency gains. So, I think we're going to see in 2026 that development that people say the hype was overdone, the sobering up was overdone. We understand we're going to have to put the work in. But, if we do put the work in, we're going to see efficiency gains and that is actual adoption. So, we're coming from being intrigued to playing around to actual adoption, and as always with everything, I think once you've kind of shed that fantasy illusion, whatever you want to call it and get to work, you're really going to see the adoption and the effect. So, I think it's going to be much slower than anticipated. But, it's going to be more effective than feared if we put the work in, I think that's going to be 2026 for people. They're going to see AI actually make a difference in their work environment.</p>

Leo von Gerlach	Wow, so the oscillation is over. We are getting on the line where it's (a) realistic and (b) makes a real difference. So, I think we better all warm up to that idea. Just leverage the efficiency gain and with that, Sebastian, thank you so much. That was absolutely intriguing, informative. And thank you everybody for tuning in and I hope you will join us again for the next edition of The Influencers, which is coming up soon. Until then, take care. Goodbye.
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