



Alison Monahan: Welcome back to the Law School Toolbox podcast. Today we're excited to be talking with Mike Ulin and Tanguy Chau, creators of [Paxton AI](#), about the AI legal assistant they've developed. Your Law School Toolbox host today is Alison Monahan, and typically, I'm with Lee Burgess. We're here to demystify the law school and early legal career experience, so that you'll be the best law student and lawyer you can be. Together, we're the co-creators of the [Law School Toolbox](#), the [Bar Exam Toolbox](#), and the career-related website [CareerDicta](#). I also run [The Girl's Guide to Law School](#). If you enjoy the show, please leave a review or rating on your favorite listening app. And if you have any questions, don't hesitate to reach out to us. You can always reach us via the [contact form](#) on LawSchoolToolBox.com, and we would love to hear from you. With that, let's get started.

Welcome back to the Law School Toolbox podcast! Today we're excited to have Mike Ulin and Tanguy Chau, creators of Paxton AI, here with us to talk about the legal assistant they've developed. Well, guys, thanks for joining me!

Michael Ulin: Great to be here. Thanks for having us, Alison.

Tanguy Chau: Yeah. Thank you for having us, Alison.

Alison Monahan: Well, to get things kicked off, would you guys mind just telling us a little bit about your background, so we've got some context?

Tanguy Chau: Yeah, absolutely. I am happy to start. So, I'm Tanguy, I'm an engineer by training. I did my master, PhD, and MBA at MIT. I've always wanted to build companies and work with technologies and make them available to solve problems for markets. This is actually the third company that I'm building. I spent about seven years in the venture capital industry in Silicon Valley, working and investing on behalf of large Series A funds. And what really got me excited about the legal space is, back then I was spending a lot of time in legal AI funding companies such as [Ironclad](#) and [Casetext](#), almost a decade ago. And so, what I realized the opportunity that large language models was creating for in the legal AI space, I reached back out to Michael and convinced him to start our journeys together, building AI legal assistants and building Paxton.

Alison Monahan: Nice. And how about you, Mike?

Michael Ulin: Yeah. I'm Mike, I'm the CTO and co-founder here at Paxton. I have a bit of a unique background, kind of straddling both regulatory, legal, and AI. I actually got my career started off in regulatory affairs, working at a number of



companies, as well as the Federal Reserve in their policy group. So, I worked on the Dodd-Frank Wall Street Reform Act as that was going through Congress, and then following my time at the Fed made my way into consulting and worked with Tanguy at McKinsey and Company a long time ago. After McKinsey, went into the world of legal tech and AI working at a company called RPX, where I worked on natural language processing algorithms as applied to patents before founding a company called ZestyAI, where I was the head of AI and the first AI engineer, where we worked on applying AI models to the problem of pricing and underwriting for the U. S. property insurance industry. As part of that, we had to get regulatory approvals for all of our models, so you can imagine how text-heavy and manual that process was. So, Tanguy and I had decided to found Paxton to tackle that problem and make this technology available to legal professionals both in law schools, law firms, and in-house as well.

Alison Monahan: Wow. It sounds like you guys have a very interesting background. Tell me a little bit about Paxton. What problem are you trying to solve here?

Tanguy Chau: So, I think that really, when we started the work and the research, what we wanted Paxton to do is to really be able to help with legal research. And so, the process of collecting, reading, understanding dozens and hundreds of documents, summarizing all of that is a process that is very tedious, very time consuming, very expensive. And we saw an opportunity to build the next generation of AI algorithm that would be able to synthesize information across a vast array of data by training an AI algorithm on top of all of the laws, rules, regulations, court rulings, or regulatory filings that we are able to access. And the problem here that we're solving is that, normally this is something that somebody would have to do manually. And it's very, very time intensive, it's expensive, and oftentimes it's not the most enjoyable or desirable part of the legal work either. And so, we saw that this is a really good opportunity to build AI systems on top of that and make the work of attorneys more pleasant and easier.

Alison Monahan: That sounds great. I was a BigLaw firm attorney, so I definitely have done my share of the tedious, boring stuff. I actually remember the very first job I ever had, the first week, they came in and dropped a box of physical documents on my desk on a Friday afternoon and said, "Yeah, we're going to need you to go through these this weekend. Here's a highlighter. You're going to make a spreadsheet. You're looking for certain words." And I had been a programmer and I sort of looked at them and said, "Well, have you considered OCRing these? We could get a machine to do this." And they're like, "I don't think you understand our business model." That was quite a long time ago; things have



definitely shifted. Well, if you want to find out more about your tool, how or where can they do that?

Tanguy Chau: Yeah, I think our approach is to make the tool available to as many people as possible. This is the only way that people will start adapting and paying, and just start using AI technology. So, it's very, very easy to use Paxton and it's very easy to access it. You can sign up for a free account at paxton.ai. You can try it out. We're constantly looking for feedback from lawyers, from law students and others in the legal industry. There are thousands of users that are already using the tool that are providing feedback. So, the only thing I would say is, don't get left behind. Go try it. All you have to do is go on Paxton AI and you can start using the tool immediately.

Alison Monahan: Nice. I have played with it; it's super interesting. I was a Civil Procedure TA in law school, so that's always kind of my go-to to test these things. And yeah, I was having it explain to me the difference between certain rules of civil procedure. It did a great job. I was impressed. Before we dive in too deep on kind of how this works, talk to me about a high level. What do you think are some of the best use cases, generally speaking, for legal AI tools?

Michael Ulin: Yeah. So, there're a few that come to mind. You can use it like you did, Alison, to look up research, look up different rules and how they compare, both within a jurisdiction and across jurisdictions. Paxton also lets you summarize documents and draft new documents. So, if you need a memo or an email or an initial draft of some research, Paxton can provide you that first draft, along with citations to the primary research backing that information. So you can verify it yourself and use it as a kind of starting point for your research.

Alison Monahan: That's one of the things I definitely want to dive into more in a minute, because I think that is one of the interesting pieces and one of the typical objections of using something like... I mean, everybody who's in the law space has probably heard about the situation of the lawyer who used ChatGPT to draft his brief, and it created cases and it made up citations, and he didn't check them and he submitted that to the court. I think that's obviously the worst case scenario, if you're an attorney, thinking of how this might work for you. So, I do want to dive into that a little bit. Tell me how this is different from something like ChatGPT.

Michael Ulin: Yeah, we all know the story of the ChatGPT lawyer and how he has egg on his face, certainly, and had gotten into a bit of trouble for just submitting a brief that ChatGPT wrote for him. And I hope that experience doesn't taint folks' view



of AI or tools like this. I think he was being a bit lazy and just submitting something verbatim that he got from the Internet, and I would never recommend someone to do that. But what we've done with Paxton is we've really taken the care and the time to curate legal and regulatory data sets that are relevant to law students and attorneys, and connect them with an AI system so that when you get a response from Paxton, you also get the citations and you get the links to the relevant documents and sources, so you can understand where each sentence is sourced from and actually dive into the research materials that back it. So, it's a great way of jumpstarting your research, understanding what's out there, and getting a first draft of what you're working on. But you do still have to do some work and make sure that you understand the materials before you go and submit them to a court, for instance.

Alison Monahan: Right. I think of it similar to having a paralegal do some research for you, or even a lower-level attorney. You still need to make sure that that case actually exists, that it says what they said it says. If my paralegal hands me something, I can't necessarily just submit that to the court and be compliant with my ethical responsibilities as an attorney. I might be a dork asking you this question and maybe no one else cares, but could you tell me a little bit, is this the RAG thing that everyone's talking about in AI? What is that and how does this work exactly? I mean, not on a super technical level, but just kind of a high level.

Michael Ulin: Sure. It is indeed the RAG thing you've been hearing about.

Alison Monahan: I feel like that's all the rage, right?

Michael Ulin: Absolutely. So, RAG is Retrieval Augmented Generation. It refers to an informational retrieval technique that is then paired with an AI system. So, you can think of ChatGPT as just doing the generation part where you're generating text. And with RAG we have this information retrieval component. So, when you submit a query to Paxton or any other system that's using RAG, the first step will be to retrieve the relevant information from a data set or a database. In our case, it's going to be laws, rules, and regulations at the federal or all 50 state levels, or court decisions. So, retrieve the relevant information and then use that information when generating a response. And this is what allows us to do citations and sourcing, because we've retrieved the information first, and then we're using it to generate the response for the user. So, if you hear that term RAG, this is what it's referring to.

Alison Monahan: Right. I think the citation part is really the game changer here. I played around a lot with Claude, which I think of Claude as my new friend who just answers



things for me. I've got some videos on YouTube of using it as if I'm a law student to teach me things, but it sounds like Paxton is different in the sense that it's actually citing the sources. Is that correct?

Michael Ulin: Absolutely, yeah. I mean, Claude and ChatGPT, they will just generate some text for you, and the way these models work is they're generating the most probable or most likely text to follow your input or something that is generated before. And where that can be trouble is in like the case of the ChatGPT lawyer, where it generated all these materials that sounded plausible, but they were just that. They sounded plausible, versus being actual real cases. And that's kind of the care we've taken when developing Paxton, is that we've connected an AI model to all the authoritative data sources for lawyers, so that we're pulling just from those when we generate a response for you.

Alison Monahan: Right. That was one of things I found interesting with the tool, was that I could kind of pick, okay, I wanted to use this set of data or that set of data. So, it kind of made me more confident that I was actually getting a response that might be relevant, versus, "Hey, tell me about Rule 8 of the Federal Rules of Civil Procedure." And how is this approach different, would you say, from what I would consider the old school legal research tools, the classic Lexis, Westlaw? I know Westlaw recently bought Casetext, so they're clearly moving in a different direction, but the kind of classic legal research tools that everyone's used.

Tanguy Chau: If we take a step back and think about, how would you engage in doing legal research in the classic way – well, first you would open LexisNexis or Westlaw. And you're met with this search bar and you have to first learn how to write in Boolean queries.

Alison Monahan: Right, which is kind of a different language.

Tanguy Chau: It's a different language, and just to make things very complicated, the Boolean query for LexisNexis is not the same Boolean query as for Westlaw, because that would obviously be too easy. So you have to do that and you get your research and you get a bunch of documents that are sourced, that you now have the pleasure of reading to see which ones are applicable, which ones are completely not applicable to you. And then you might take some notes, decide, summarize them, take different sections, and then start writing and summarizing that yourself. Now, that's kind of the traditional way of doing legal research, and you can understand how it can take hundreds of hours very quickly, and it's also extremely expensive. The model in which these classical tools are charging the users, oftentimes it's on a per hour basis or per research or per case retrieved



basis. It becomes extremely time-consuming and expensive. Now let's look at the AI models and the way that Paxton operates. So, we connect to databases. We're working with data partners, or we're working or collecting the statutes, rules, regulations, or court rulings directly from the courts or directly from the source. It's close to about 150 million documents at this point. So when you go to Paxton, no Boolean. First thing, you just explain what you're trying to get in natural, plain English, natural language. Paxton understands and retrieves and does a semantic search across all of the 150 million documents that we're constantly monitoring and the knowledge is being expanded upon, and finds the language and the cases that are most relevant, synthesizes this information, summarizes it, and produce a result all within 20 seconds or less. And then you have the ability to say, "Okay, let me try to understand. Was that claim that I'm trying to make applicable? Was this not applicable?" If the reference document is not right, you ask a follow-up question to Paxton based on the knowledge that you've received. You can iterate so much faster in this new model than you could in the past, and that is the reason why, whether you're talking to law firms or to legal research tools, they are all understanding that this industry is going to change drastically, because it's not a marginal improvement. This is a stepwise improvement in the capability of the legal research tools, and it is a stepwise improvement in the capabilities of the law firms and the attorneys that are adopting those tools. It's significant.

Alison Monahan:

I agree. I think if I were an entry level lawyer, I would probably be terrified at this point, to be honest, unless I was really, really good at using these tools. Yeah, the example I chose was, I said, "Basically, I want to file a motion to dismiss. Can you give me the standard for that?" And it thought for a minute and then spit out some bullet points. And I said, "Oh, I do recall there's sort of a difference in pleading between Rule 8 and Rule 9, but I don't really remember. Can you explain that to me?" Again, it just gave me the answer and I was like, "Wow, that is something that would have taken a while." Do you hear concerns from either existing attorneys or law students about the fact that this is making legal research frankly so much faster, that there may not be anything for them to do?

Tanguy Chau:

Look, I think that we do hear any time there is a new technology that is so disruptive as AI, as what we have here, it does come and people have concerns around, "Oh, is it going to replace me? How will I adapt? How will the skills that I have built fit with this new technology?" But the truth is, this is a tool that makes it easier and faster, just like, during the industrial revolution, you had trucks and tractors that made farming a lot easier. This is very similar. However, I will tell you that the primary concerns that we hear, both from lawyers as well as from law firms is, "What would happen if we are the last one to adopt these



tools? What happens if we miss the boat? If all of our competitors or all of our colleagues know how to use these AI tools and we don't?" That is really the biggest concern that we keep on hearing. And so, I think that's really what's driving the very fast adoption that we're seeing at Paxton, and with other legal AI tools, is the fear of not catching the wave and to not have the best tools at your disposition.

Alison Monahan: That makes sense. If I think back to the example I said, of someone dropping a box of physical documents on my desk – that changed very quickly, even though the law firms didn't necessarily want it to, because the clients are like, "Are you kidding me? We have e-discovery tools." So, I feel like this may be kind of the same thing. It's like, "I'm not paying for 10 hours of legal research anymore for a question that can be answered in 10 minutes." The way I think of it too, is I think it has a lot of applicability in access to justice issues. If we can make legal services so much cheaper, we can expand to more people. So, I agree with you. I think, a) it's inevitable, and b) you don't want to be the last one kind of swimming after the boat. Well, if I'm a law student listening to this, I think you've made the case pretty well for why I might want to care about AI. But what can people do to kind of learn more about this space? Do you have any suggestions there?

Michael Ulin: Yeah. If you're a law student today, it's only going to benefit you to learn how to use these tools, because you will be using them in your practice when you graduate from law school. I think that's pretty inevitable. The best way to learn is by doing, so give it a try. You can go to Paxton.ai and create an account for free and start querying, and see really how a tool like Paxton could improve your work, not only in law school, but when you enter practice as an attorney. We have a number of tutorials and resources on the site. The best way to actually learn this is actually to take a problem you have in law school right now and go try to solve it with Paxton and see what that experience is like. And we have law students on the platform today, just shaving many hours off of their projects and writing problems, just be able to do research that much more effectively. And having talked to a lot of law students – and I'm sure your audience knows this – any time saved in law school is a precious commodity. So, I think it's definitely worth the investment to go learn how these tools work.

Alison Monahan: Yeah, I'm just imagining some of the conversations that must be taking place in Legal Writing classes at this point. I think schools really don't still know how to handle this. Is it allowed, is it not allowed? Obviously, I don't think you can stop anyone, really, at this point. So, if I were in charge, I would be saying, "We need to teach our students to do this." Mike, do you want to share the one tip... I think we talked earlier about how you can get your Boolean searches, because I



think that's actually a super cool feature of Paxton that I think law students would actually be interested in. We'll give you the secret right now.

Michael Ulin: Absolutely. Yeah, so we had heard a lot of feedback from our users and we kind of touched on it earlier, that one of the big pain points is writing Boolean queries for Lexis or Westlaw. And we're really responsive to feedback here at Paxton, and really motivated by making our users lives easier. So we just added a tool in the Paxton called the Boolean Composer, trademark. We actually haven't trademarked that. But you can describe in natural language what you're trying to look for, and Paxton will draft the Boolean query for you. And you can specify if you're looking for that in Westlaw, in Lexis, or just kind of a generic Boolean query. And not only that, it will explain to you beneath the query, what each part of the query means, so you can better understand how to write these if you need to. And so, you can take this query and then go to one of the other platforms, and hopefully save some time and be able to craft much more advanced queries just by utilizing Paxton.

Alison Monahan: That sounds like a game changer to me. I do remember sometimes at the firm, I'd have to call up the Lexis hotline and be like, "Okay, I'm really trying to get this thing, I can't find anything." And they have these people that are just sitting there being paid to give me these really advanced queries. I was like, "Is this really necessary? Isn't there a better way?" I guess we have the answer. Well, one thing I was curious about – I noticed you have an option to upload files and analyze them. And I know this is an area that lawyers get really twitchy about, is the confidentiality concerns. How do you handle this?

Michael Ulin: Yeah. So, Tanguy and I come from backgrounds of serving large institutions and corporate clients that take data security and privacy very seriously. So, if you enter into an enterprise agreement with Paxton, we give our enterprise clients a number of options to deal with data privacy and security, whether it's clearing documents immediately after a session or retaining them for a certain amount of time. Those things tend to be more important for larger law firms, and that's something we accommodate for our larger clients. In terms of how law firms handle their ethical obligations, it's like any other tool, where if you're using Microsoft Office or Dropbox, some law firms will disclose to their clients that, "Hey, these are the tools that we're utilizing in service of our clients." But for larger clients, they are looking for their law firms to be more efficient and they are pressing their law firms to start utilizing these tools. So, think we're seeing that as we talk to law firms.

Alison Monahan: One thing I've heard – and I don't know how accurate it is across the board – is that if I go to ChatGPT and upload a bunch of documents, that they're actually



training, they're using that as training data. And so, if I've just uploaded a bunch of client confidential documents, that might be in their system. To what extent do you think that's a real concern?

Michael Ulin: Well, if you're using the free ChatGPT, I think they're pretty explicit that they do use that data.

Alison Monahan: Definitely a problem. Don't do that.

Michael Ulin: Right. For Paxton, we don't use your uploaded documents, we don't provide them to other clients, they're not used for model training. Like I was mentioning, for enterprise clients, if you have certain sensitivities about document retention, some clients want those documents stored until a user deletes them because they just want those things to be available. Some want them flushed after a certain period of time, and some want them out after a particular session. Those are things that we can accommodate on a company-by-company basis.

Alison Monahan: Yeah, I think the key takeaway here is, before you start uploading a bunch of stuff into the Internet, you might want to think about what's happening to it. I'm glad that you guys have a reasonable system in place to kind of accommodate that. But I do think people need to think twice about their confidentiality and private documents and things like that, because you are an attorney. I remember working in the firm and that was kind of the big adjustments, is that you can't just talk about things at the coffee shop or in the elevator. You have actual obligations here, and I think that's just something important to consider. Alright, we're about out of time here. Before we wrap up, what parts of the tool are you guys most excited about developing further? Where do you see the potential here?

Tanguy Chau: Yeah, I am happy to share our thoughts. So, today, Paxton is a collection of agents that are looking at laws, rules, and regulations, and case law and SEC regulatory filings. But really, what we're very excited about is building an autonomous agent that can break down queries into discrete steps and collect information from sources, without having a step-by-step guidance. And so, the roadmap is that these autonomous agents will be able to enable a much deeper legal analysis outside of what we have built today. And so, you wouldn't have to guide Paxton to say, "Okay, well, I want to look at the federal code" or, "I want to look at case law" or, "I want to look at FDA adverse event database." The Paxton Autonomous Agent would actually be able to do that on itself. And so, we're in the process of rolling this out and building this. So, this is very, very



exciting. Mike, anything you wanted to share with regards to our product roadmap?

Michael Ulin: Oh no, I think you did a great job with that. Yeah, we're excited to continue rolling out new advanced features and making them available to our users. So, if you're interested in keeping up with that, just create a free account on Paxton and you'll have access to the latest and greatest stuff that we roll out.

Alison Monahan: Well, this sounds super cool. I'm excited to see what you guys do next. Any final thoughts that either of you would like to share at this point?

Michael Ulin: Yeah. I really appreciate you having us on and getting to share this with your audience. I think AI is going to definitely transform legal work, from your experience of having the box of documents. Early in my career, I had to read a draft of a bill, a 900-page bill every week, and determine which parts of it changed. So I hope with this technology, folks won't have those experiences. I'm sure they'll have their own pains and experiences to deal with, but as I mentioned, when you're in law school or when you're a practicing attorney, time is precious. And I think if you make that investment into learning how these AI tools work and how you can leverage them, I think you'll see a tremendous savings and a tremendous point of leverage. I think it's just a super exciting time to be starting on this journey. And it really feels like probably how attorneys felt when computers were introduced and we made that transition from largely printed documents to electronic documents. I think we're on the cusp of another wave like that.

Alison Monahan: I think that's fair. Alright, well, thank you so much for joining us.

Tanguy Chau: Thank you, Alison. Thank you for having us.

Michael Ulin: Thanks for having us.

Alison Monahan: Yeah, our pleasure. If you enjoyed this episode of the Law School Toolbox podcast, please take a second to leave a review and rating on your favorite listening app. We would really appreciate it. And be sure to subscribe so you don't miss anything. If you have any questions or comments, please don't hesitate to reach out to Lee or Alison at lee@lawschooltoolbox.com or alison@lawschooltoolbox.com. Or you can always contact us via our website [contact form](https://www.lawschooltoolbox.com/contact-form) at LawSchoolToolBox.com. Thanks for listening, and we'll talk soon!



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