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CASE STUDY · MARLUC SYNOPSIS

Crosby

IMPLEMENTED 2025 ONWARDS · PROFESSIONAL SERVICES · US · BAND B · CLAIMED ONLY

VERSION 1.1 · PUBLISHED 15 NOVEMBER 2026 · UPDATED 15 NOVEMBER 2026 · FACTS CHECKED 15 NOVEMBER 2026

A US law firm built around AI agents that review and redline commercial contracts, with its own lawyers checking the work. In November 2026 it said it had insured its agents and removed lawyer review from about a fifth of the work. In October 2026 TechCrunch reported it had bid for some assets of Weil Gotshal.

ABOUT THIS SYNOPSIS

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Facts and figures are as reported by the sources listed below, which may be incomplete, self-reported or out of date. Check the original source before relying on any figure.

The impact band, proof marker and SEAM view are MarLuc's opinion. The organisation is not a MarLuc client and has not reviewed or endorsed this synopsis. Names and trademarks belong to their owners.

NOTICE WORDING LAST UPDATED 16 NOVEMBER 2026

AT A GLANCE

AI-native company: built around AI from the start and attempting transformational change. It claims band A; MarLuc grades it on what is evidenced.

AI used: AI agents that review and redline commercial contracts, with the firm's lawyers reviewing the harder points.

Implemented: 2025 onwards. Grade: band B, Operating model redesign, Claimed only.

Headline result, as reported: Contracts reviewed in under an hour and lawyer review removed from about 20% of the work, by Crosby's account; no results independently checked

1 · The case

The facts, as reported by the 7 sources listed at the end. Where a source is silent, the field says "Not reported".

Organisation

Crosby. Law firm for commercial contracts, serving fast-growing companies, largely start-ups at launch. Soft-launched in January 2025 and came out of stealth in June 2025 with about 19 staff, per TechCrunch. Its website lists more than 50 licensed attorneys in November 2026. Canvas block: 4. Operations and process. Also 5. People and skills, 3. Customers and proposition.

Business challenge

The challenge. Co-founder Ryan Daniels, a lawyer, told TechCrunch that contract negotiation and legal review were a bottleneck at his previous company, where he was the only legal person. Contract negotiation remains a person-to-person process that can take weeks or months, per TechCrunch. The founders said the only way to use AI to change the legal industry was to build their own law firm and own the whole process.

How it was addressed. Crosby is a registered law firm that hired its own lawyers and built its own AI software, where most legal AI companies sell tools to law firms. Clients send a contract over Slack or email. The AI suggests changes or examines the other side's changes, flags the harder points and routes them to Crosby's lawyers, and the redlined contract comes back, typically in under an hour, per Lux Capital. It charges fixed rates by the document. In November 2026 Crosby said it had bought a $5 million insurance policy covering the work of its agents and had removed lawyer oversight from tasks that do not legally require a lawyer, which it calls paralegal tasks. Crosby says its paralegal agents are the first point of contact for client requests, do end-to-end work within a defined set of tasks and pass other work to its lawyers. The insurance policy is with Testudo and underwritten by Lloyd's of London, per Artificial Lawyer. In October 2026 TechCrunch reported a bid for some assets of Weil Gotshal; the outcome is not reported. [1] [2] [3] [4] [5] [6] [7]

Who implemented it

In-house (In-house): The firm's own AI software and lawyers.

Technology (SEAM pillar E)

SEAM types: T7 AI agents. Deployment: Not reported. Vendors and products: Not reported.

Where it was built in: Clients send contracts over Slack or email; Crosby's internally developed AI software reviews and redlines them and routes harder points to its lawyers. Feedback from its lawyers and clients is used to improve the models, per Lux Capital.

What changed

Before: contract review done by lawyers and billed by the hour, taking days or weeks, by Crosby's and its investor's account. After: agents do the first review and the firm's lawyers handle the harder points; since November 2026 agents do about 20% of the lawyers' former work without lawyer review, by Crosby's account. [1] [2] [3] [4] [5] [6] [7]

What it cost

Not reported. Crosby has announced funding rounds of $5.8 million, $20 million and $60 million; TechCrunch puts the total at about $85 million.

What it saved

Not independently measured. By Crosby's account: review in under an hour at launch; the first 1,000 contracts took 173 days and by October 2025 it reviewed that number every three weeks; over 90% of documents returned in a few hours. Per Lux Capital: more than 2,000 contracts processed for Cursor, with review time cut by 50%. In November 2026, by Crosby's account, human review time fell to zero for 20% of its existing legal tasks, about 36 hours of an estimated

Governance and control

Crosby says it is a registered law firm, a Professional Limited Liability Company with barred attorneys, and carries malpractice insurance. It says it takes liability for its work. By its account, Testudo, the firm it worked with to obtain the cover, analysed its systems, models, governance controls and logs of human review before a $5 million policy covering its agents took effect in November 2026. Named accountable owner and regulator involvement: Not reported. Crosby says its agents work in a sandboxed environment with access only to the relevant client's data.

S2 · Accountable owner · Claimed
Crosby says it is a registered law firm whose lawyers take direct liability for the work; a named accountable owner is not reported. [3] [5]

A1 · Safe use · Claimed
Crosby says agents work without lawyer review only on tasks that do not legally require a lawyer. [4]

A2 · Human in the loop · Claimed
Lawyers weigh in on the harder points, by Crosby's and its investor's account; since November 2026 about 20% of the lawyers' former work is done by agents without lawyer review. [3] [4]

A3 · Monitoring and assurance · Claimed
Crosby says Testudo, the insurer it worked with to obtain the cover, analysed its systems, models, governance controls and logs of human review; Crosby also says it measures each new agent capability on its own datasets. No report is published. [4] [7]

A4 · Vendor AI · Not reported
Not reported.

A5 · Agent controls · Claimed
Agents work directly for clients on paralegal tasks under a $5 million insurance policy, and in a sandbox with access only to the relevant client's data, by Crosby's account; limits beyond these are not reported. [4] [7]

A6 · Standards and regulation · Claimed
Crosby says it is a registered Professional Limited Liability Company with barred attorneys and malpractice insurance; no regulator's view is reported. [5]

What worked, what did not, what is unproven

WORKED

– Speed of contract review, by Crosby's account.

– Growth to more than 100 customers in a year, per Lux Capital.

– An insurer agreed to cover the work of the agents, by Crosby's account.

– Agents correctly completed or escalated tasks 94% of the time before launch, by Crosby's account.

DID NOT

– Not reported

UNPROVEN

– Quality and error rates against a traditional law firm.

– Whether removing lawyer review from paralegal tasks holds without client harm.

– Cost to clients against hourly billing, and the firm's own margins.

– Crosby's expectation of 15 agents to each attorney by the end of 2026.

Timeline

Jan 2025 Soft launch, by the co-founders' account [1]

Jun 2025 Comes out of stealth with a $5.8 million seed round led by Sequoia; over 1,000 customer contracts reviewed and about 19 staff [1]

Oct 2025 Raises $20 million in a Series A round; the law firm Cooley is among the investors [2]

Mar 2026 Lux Capital announces it is leading a $60 million Series B round [3]

Oct 2026 TechCrunch reports Crosby has bid for some assets of Weil Gotshal, including its trademark, brand and some internal data, and is working to hire some of its lawyers; terms not disclosed [6]

Nov 2026 A $5 million insurance policy covering the work of its agents takes effect, and lawyer oversight is removed from tasks that do not legally require a lawyer, by Crosby's account [4]

2 · Grade and SEAM assessment

MarLuc's opinion, made on the evidence above. How cases are graded: marluc.co.uk/case-studies/how-we-rate

Level of change and impact

Claimed: A. Grade: B, Operating model redesign. Proof: Claimed only. Route: Model-led.

Operating model change (Level 3, band B), claimed as business model change (band A). The firm is built around agents with lawyers accountable for the result; all results are the firm's or its investor's own figures. New reporting in October and November 2026 does not change the grade or marker.

Graded B, claimed A. The firm is built around agents doing contract review with its own lawyers accountable for the result, and it has changed the mix of work between agents and lawyers. Every figure is the firm's or its investor's own; no quality, cost or client outcome has been independently checked.

The SEAM view and lessons learnt

Crosby keeps the accountability of a law firm and changes who does the work underneath it. The step to watch is the one it took in November 2026: it removed lawyer review from a defined class of tasks only after an insurer had examined its controls and review logs, by its account. For an established firm, the transferable point is to define which tasks need a professional's sign-off, keep evidence of review, and move work to agents task by task. Whether quality holds is not shown in any independent source.

1. Define which tasks legally need a professional before removing review from the rest.
2. Keep logs of human review so an insurer or auditor can test your controls.
3. Ask an AI-native supplier for error rates as well as turnaround times.

Evidence

Score 1 of 4. Self-reported: the figures are Crosby's and its investor's own, relayed by TechCrunch and Artificial Lawyer; no client outcome or quality measure has been independently checked.

Evaluation method. Self-reported company figures: company and investor announcements, partly relayed by trade press; no evaluation of results.

Sources disagree. Crosby's home page says human attorneys review all work; its post of 9 November 2026 says lawyer oversight has been removed from tasks that do not legally require a lawyer.

Status. Ongoing: trading and growing, with a $60 million funding round in March 2026 and a reported bid for some Weil Gotshal assets in October 2026.

3 · Original sources

Read these in full. To challenge a fact or a grade, use the contact form at marluc.co.uk or the link on https://marluc.co.uk/case-studies/crosby

[1] TechCrunch: Sequoia-backed Crosby launches a new kind of AI-powered law firm
https://techcrunch.com/2025/06/17/sequoia-backed-crosby-launches-a-new-kind-of-ai-powered-law-firm

[2] Artificial Lawyer: Hybrid AI Law Firm, Crosby, Raises $20m – Cooley Invests
https://www.artificiallawyer.com/2025/10/08/hybrid-ai-law-firm-crosby-raises-20m-cooley-invests/

[3] Lux Capital: We're Backing Crosby to End the Billiable Hour for Laywers
https://www.luxcapital.com/news/were-backing-crosby-to-end-the-billiable-hour-for-laywers

[4] Crosby: Building safer lawyer agents
https://crosby.ai/blog/ai-agent-insurance

[5] Crosby: The AI Law Firm for Commercial Contracts (home page)
https://crosby.ai/

[6] TechCrunch: AI law firm Crosby bids on disintegrating, famed firm Weil Gotshal
https://techcrunch.com/2026/10/30/ai-law-firm-crosby-bids-on-disintegrating-famed-firm-weil-gotshal/

[7] Artificial Lawyer: Crosby Insures Paralegal Agents – Interview
https://www.artificiallawyer.com/2026/11/10/crosby-insures-paralegal-agents-interview/

Crosby website: https://crosby.ai/

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VERSION HISTORY

v1.1 15 November 2026 Added the October 2026 Weil Gotshal asset bid, total funding of about $85 million and Crosby's November 2026 agent accuracy and review-time figures.
v1.0 15 November 2026 First published