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DEAL DYNAMOS

How Latham & Watkins built the Law Firm Corporate Practice of the Year.

FROM LEFT TO RIGHT: ALEX KELLY, JUSTIN HAMILL, IAN SCHUMAN, MARC JAFFE, AND CHARLES RUCK

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Winner

Deliberate Dealing

Latham & Watkins, Law Firm Corporate Practice of the Year

BY
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THIS SHOULDN'T COME AS A SURPRISE. IT wasn't an accident or a stroke of luck. Timing didn't have much to do with it. No, Latham & Watkins' evolution into a corporate leviathan was a deliberate, drawn-out path built on scope and scale, strong talent acquisition and the ability to work on matters for clients small and large in a variety of capacities.

That investment culminated, over the second half of 2020 and through 2021, in perhaps one of the greatest runs a Big Law corporate department has ever seen. This is how they did it.

SCOPE AND SCALE

The scale of the firm's reach during this period is staggering. Latham touched roughly 4,600 deals, leading 3,400 of them, worth—the firm estimates—roughly \$3 trillion.

Staggering, but perhaps not surprising. Over the past several decades, Latham has built “a machine,” with 2,300 attorneys practicing in its corporate group alone. That is 70% of the firm's total attorney count and is a larger number than the total number of attorneys at all but a handful of the world's largest law firms.

The firm says a full 70% of its almost \$5.5 billion in revenue is derived from the group.

“Some friends of mine who are bankers asked if there were deals that happened that we weren't involved in,”



From left to right: Alex Kelly, Justin Hamill, Ian Schuman, Marc Jaffe, and Charles Ruck, partners with Latham & Watkins in NYC

Marc Jaffe, former global chair of Latham's corporate department and current managing partner of the firm's New York office, says. “I said there are, but not many.”

Charles Ruck, the global chair of Latham's corporate department and 30-year veteran of the firm, said he and some of his more seasoned compatriots have had the pleasure of working toward this build for decades.

“I see this as a return on an investment we have made over the past 20 years—the scope of the machine we have built over the years with 2,300 lawyers [in the corporate group] worldwide in every financial center in the world.” Ruck says. “And over the last couple of years, the industries we have expertise in such as financial services, health care, technology, life sciences and energy, really took off.”

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Not only do we have a dedicated practice area for each, we have them on a global basis.”

A LIFECYCLE FIRM

While the larger, flashier deals the firm works on often get the press, such as its work with longtime client AMD in its \$35 billion buy of Xilinx in 2020, Latham relies on what it refers to as a “lifecycle” approach in working with its corporate clients.

“We highlight the largest deals, and we are a go-to for those,” Tad Freese, former global vice chair of Latham’s corporate department and current office managing partner at the firm’s Silicon Valley and San Francisco offices, says. “But we do deals of all sizes and, candidly, that has been key to helping us build our practice.”

Sometimes that means doing smaller deals or corporate work for growing companies. Other times, it means using their industry expertise to poach a big fish.

Freese referenced the firm’s work for Slack, which was purchased by Salesforce in December 2020 for \$27.7 billion and, prior to that deal, had a relationship with another Bay Area firm.

“Slack was a longtime client of another firm, but the company was nervous the firm didn’t have the platform they needed to do the deal,” Freese says.

The firm not only did the deal work, which was complex in and of itself, but also handled all the finance, tax, employment, data security and regulatory aspects of the transaction.

Linda Lam is the director of global corporate law at AMD, one of the largest chip manufacturers in the world. She says AMD has been working with Latham for “decades” and the firm has been their go-to for capital markets work, financial services efforts and various transactions.

Lam says the long-term relationship, and the familiarity that comes from that dynamic, make Latham an ideal one-stop-shop for her. In her 17 years at AMD, she says the firm has worked on around 20 transactions, both big and small.

“They are sophisticated and large enough,” she says. “In our latest transaction, there were a lot of areas of law that needed to be coordinated. They performed as one person. And I didn’t even see any of this. Whatever instructions were given were coordinated in the background and they always came back with coordinated advice. That level of sophistication is what I am paying for.”

TALENT

Any law firm will tell you that finding the right talent is paramount to achieving whatever they are defining as success. During the last two years, finding—and keeping—that talent was a major point of concern for virtually every law firm with a sizable corporate practice.

Latham hired more than 100 corporate associates over the course of the last two years, and while they lost some to attrition, as all firms did, leadership feels their early jump into “pandemic hiring” gave them an advantage in getting and keeping those all-so-valuable associates.

“We jumped in early on investing in talent when the pandemic hit,” Freese says. “That early jump really helped us, especially in the Bay Area. If we would not have hired early, we would have had challenges.”

Jaffe says that in addition to wooing new attorneys out of law school with the firm’s strong reputation, it also got nimble and creative when hiring became difficult.

“I spent a lot of time on lateral hires, and in Silicon Valley it was almost impossible to hire someone,” Ruck says of the second half of 2020 and all of 2021. “But because of our scope, we were able to hire people in Austin, Texas, for example, to support our Silicon Valley work. We did the same in San Diego and Boston. That is a real strength.”

That strength has an effect on clients.

Claire McDonough is the CFO at Rivian Automotive, an electric truck company that Latham helped take public in 2021 with the largest tech IPO in history, coming in at \$11.9 billion.

She says the company leaned heavily on the Latham team throughout the process.

“We have had a good universal team of representatives working on the account. When you think about hiring a legal team, it isn’t just about the senior partner,” she says. “The comprehensiveness of that team and the way the team leaned in to sprint to deadlines alongside us really raised the bar. It makes me excited to recommend them to other corporate clients.”

As for the slowdown in corporate work in 2022, Ruck said the firm is well-positioned to come out stronger on the other side.

“We have added over 200 public companies to our roster,” he says of the previous two years. “Those companies will continue to have needs over this next cycle. We are built to handle it.” ■