

Capital Markets Group Of The Year: Latham

By **Matthew Guarnaccia**

Law360 (January 29, 2019, 11:13 AM EST) -- Latham & Watkins LLP is no stranger to big moments on major stages in the public offering space, and its work guiding a historic direct listing for Spotify and multimillion-dollar IPOs for a Siemens AG unit and Farfetch Ltd. earned the firm a spot as one of Law360's 2018 Capital Markets Groups of the Year.

With more than 450 attorneys, Latham's capital markets group is one of the firm's largest, and it has made a name for itself by steering numerous high-profile listings. With attorneys in more than 30 offices around the world, the group has an enormous global reach and bolsters the work of other groups in the firm.

"Capital markets in many ways is one of the jewels of Latham," said Ian Schuman, a partner in Latham's New York office and global co-chair of the firm's capital markets practice. "It helps drive a lot of what we do."

Arguably the crowning achievement not only for Latham, but for the entire market in 2018 was the direct listing of Spotify on the New York Stock Exchange in April. The music streaming giant did not issue new shares, instead listing existing shares without assistance from underwriters.

The nearly yearlong process to bring Spotify to market saw the company eschew the standard roadshow process and IPO-specific lock-up agreements. The company relied upon its already significant market presence, and it felt comfortable going public without raising additional capital.

In addition to addressing various compliance, securities, tax, intellectual property and privacy concerns, Spotify's status as a Stockholm, Sweden-headquartered company created an additional layer of complexity.

Latham said one of the biggest successes with respect to the Spotify listing was getting the U.S. Securities and Exchange Commission comfortable with many aspects of the offering. Latham's capital markets group is home to a number of former SEC personnel, making it uniquely positioned to work with the agency and tackle all of the deal's regulatory aspects.



“Looking back it was a big achievement, not only from a legal perspective but from an overall execution perspective,” Schuman said.

Another major IPO guided by Latham was the \$884 million listing for London-based online luxury fashion retail platform Farfetch Ltd. Listing on the New York Stock Exchange in September, the deal required extensive coordination between group members both in New York and London, as well as work on the regulatory side out of the firm’s national office in Washington, D.C.

The group also represented the underwriters for German biotechnology firm MorphoSys AG on its flotation of American Depositary Shares as part of a dual-listing. The \$239 million deal represented one of the first true dual listings by a German company in the past decade.

The nature of the listing created numerous levels of complexity from both a corporate and regulatory standpoint, but it was ultimately a home run for Latham.

“This deal was super complicated on the execution of the technical parts because of the German corporate particularities,” said Rüdiger Malaun, a partner in Latham’s Munich office and global co-chair of the firm’s capital markets practice. “It was something that took all the parties involved to manage and was a super successful deal.”

Latham was active in other parts of the globe as well. For example, the capital markets group steered Siemens AG medical technology unit Siemens Healthineers AG’s \$5.2 billion listing on the Frankfurt Stock Exchange in March.

With a team located in four German offices —Frankfurt, Munich, Düsseldorf and Hamburg — in addition to its London office, Latham led Siemens to what became the second largest German IPO since 2000 and the largest-ever European health care IPO.

In addition to the big deals guided by the capital markets team, another main aspect that sets Latham apart is its overall knowledge of the industry and continued involvement in the realm of thought leadership and publications. The firm’s understanding of its clients’ industries, and a deep bench of securities, regulatory and intellectual property practices, combined with long standing relationships with major global investment banks, allows Latham to consistently stay ahead of the pack.

After a successful 2018, Latham shows no sign of slowing down. Even with uncertainties present in the market, the firm believes it is well-positioned to forge ahead in the coming year and once again demonstrate why it is one of the leaders in the capital markets space.

“We’re looking for ways to improve quality, looking for ways to improve efficiencies, to find ways to be the best and stay the best,” said Shayne Kennedy, managing partner of Latham’s Orange County office and global co-chair of the firm’s capital markets practice. “That requires ongoing effort. That’s not something you could ever take for granted and we’re constantly evaluating how we can do that.”

--Editing by Alyssa Miller.