

Dealmakers Q&A: Mayer Brown's Jen Carlson

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Jennifer J. Carlson is a corporate and securities partner in Mayer Brown LLP's Palo Alto, California, office. She focuses on representing companies, investors and underwriters in a wide variety of capital markets and finance transactions, including public and private initial, follow-on and secondary offerings; cross-border offerings; venture capital investments and liability management transactions. She also regularly advises companies on U.S. Securities and Exchange Commission compliance matters, NYSE and NASDAQ listing matters, and corporate governance issues, and she counsels buyers and sellers in mergers and acquisitions and other strategic transactions.

Carlson represents publicly traded and private startup companies, as well as the institutions and individuals that finance them, across a wide range of industries. Carlson and her colleague Nina Flax recently relocated to Mayer Brown's Palo Alto office from Chicago to further expand the firm's corporate offerings on the West Coast.



Jen Carlson

As a participant in Law360's Q&A series with dealmaking movers and shakers, Jen Carlson shared her perspective on five questions:

Q: What's the most challenging deal you've worked on, and why?

A: One deal that stands out for me is a \$2 billion leveraged recapitalization. The substance of the deal touched on numerous areas of my practice — a private offering of high-yield notes, a self-tender offer for common stock, a debt tender offer and consent solicitation, and a revolving and term loan credit facility, in addition to numerous governance, fiduciary and NYSE-listing issues. Everything needed to be handled concurrently. I had a huge amount of responsibility, and I ran with it. As any human being would be, I was a bit overwhelmed by the amount of information and grueling hours, but I pushed on and got the deal done, and the client was ecstatic with our performance. I mention this matter because it proves an important point in the legal profession — challenges are fantastic opportunities for growth.

In fact, every deal presents its own challenges in varying degrees. I have found that you should never assume that a deal will be easy, no matter how many times you have done a similar structure. That is one aspect of my profession that keeps me on my toes and provides for daily excitement. When I get up in the morning, I never know what sorts of challenges the day will bring.

Q: What aspects of regulation affecting your practice are in need of reform, and why?

A: More can be done to facilitate access to capital for companies, both large and small. Congress intended for the Jumpstart Our Business Startups (JOBS) Act of 2012 to help certain companies access the capital markets. I believe the JOBS Act fulfilled this promise in some ways but left holes and uncertainty as well. On one hand, the initial public offering on-ramp for emerging growth companies (those with under \$1 billion in annual revenues) has helped relieve some of the regulatory burdens of going public. On the other hand, crowdfunding was meant to bring the securities laws up to speed with advances in technology, including social media, but it's uncertain whether the SEC's proposed rules will actually be useful for small companies. The costs of complying with the crowdfunding rules appear to be too great compared to the actual benefit.

For example, a company must provide detailed information and become subject to SEC reporting but can only raise up to \$1 million annually through crowdfunding. Under the proposed rules, some have suggested that it could cost nearly \$40,000 to raise only \$100,000. If the rules are adopted as proposed, I think few companies will actually find crowdfunding beneficial.

However, in May of this year, a new bill was introduced to a congressional committee that tries to remedy some of these issues. The Equity Crowdfunding Improvement Act of 2014 proposes to repeal the JOBS Act crowdfunding provisions and lessen the burdens on issuing companies and the intermediaries (or funding portals) that assist in the offerings. The bill is still in very early stages, but it will be interesting to see if it progresses.

Q: What upcoming trends or under-the-radar areas of deal activity do you anticipate, and why?

A: I'm hoping we see a continued increase in IPOs, particularly for smaller companies that have a lot of growth potential. 2013 was a great year for IPOs, and 2014 is currently outpacing last year. Also, given what is going on in Congress with the new crowdfunding bill and the SEC's proposed rules based on the JOBS Act, I will certainly be watching that area as well.

Q: What advice would you give an aspiring dealmaker?

A: First, be curious. Ask questions, and do your best to understand your client. And don't be afraid to admit to yourself when you don't understand something! I've seen too many lawyers get themselves (and sometimes a deal) in trouble because they are too proud or embarrassed to admit that they need help. No lawyer knows everything there is to know about every deal. That's why we call it practicing law. Nobody has it mastered, and at Mayer Brown in particular we have a deep bench of experienced colleagues to pull from.

Second, take ownership of your deals. You cannot become a dealmaker if you do not understand all the aspects of a deal. Get involved at all levels, anticipate what needs to be done, and ask to do it. Believe me, most partners are happy to have associates ask for more responsibility.

Third, always look at the big picture. When you understand the client and the deal, you can focus on what is really important. Most lawyers have type A personalities, so it is easy to get mired in details you think are important and lose sight of your client's goals. Of course, your work product must be correct, but fulfilling the needs of your client should always be at the top of your list. This last point is clearly the most important, but a younger attorney needs to take the first two steps to get here!

Q: Outside your firm, name a dealmaker who has impressed you, and tell us why.

A: Lily Chang at Bank of America Merrill Lynch is fantastic. I have worked with Lily on numerous transactions, and she is incredibly busy but always able to focus on the big picture. She impresses me with her great business sense and depth of knowledge. Plus, she is truly pleasant, collaborative and supportive of outside counsel.

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