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Transactional Training: Increasing Your Curriculum's Effectiveness

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About the Panel

Ian Nelson

- Vice President, Business Development, Practical Law Company
- Formerly a corporate attorney in New York with Kramer Levin Naftalis & Frankel LLP

Scott Connolly

- Corporate & securities partner, Drinker Biddle & Reath LLP
- Designed and implemented Drinker Biddle apprenticeship program for corporate associates

Matthew McDonald

- Corporate & securities partner, Drinker Biddle & Reath LLP
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Transactional Training: Increasing Your Curriculum's Effectiveness

Part I

- Overview of corporate transactional practice areas
- Types of assignments tackled by junior associates

Part II

- Drinker Biddle apprenticeship program case study
- Concrete training ideas you can implement

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Part I

- Overview of transactional practice areas
- Types of assignments tackled by junior associates

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What is Transactional Practice?

- Traditionally includes "corporate," "securities" and "finance" practice areas ("doing deals")
 - IP, ERISA, bankruptcy, real estate, environmental and tax are also considered transactional
- Involves SEC rules and regulations, stock market rules, state corporation and LLC laws, and the UCC and tax codes
- Largely based on deal-specific "know-how," which is not based on any rules or regulations
 - This creates challenges and opportunities for library and PD teams

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Why Do Associates Need Transactional Support?

- Law school prepares students for litigation
 - Case studies, research, brief writing
 - Corporate courses usually teach theory, not practical skills for private practice
- Law firms have historically done a better job training and supporting litigators
- Transactional associates are being asked to do things they've never even heard of before

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Transactional Training More Critical Than Ever

- New alternative billing arrangements
- Clients refusing to pay for junior lawyer time
- End of lockstep compensation and the rise of merit-based compensation
- Firms and clients demand a sharp learning curve as students transition into lawyers
- Law schools continue to teach litigation and transactional "theory," not practice

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Introduction to Corporate Practice Areas

- Mergers & Acquisitions
- Capital Markets and Securities
- Business Entities
- Private Equity
- Alliances and Joint Ventures

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Overview of M&A Practice

- M&A refers to two types of transactions, although they are referred to interchangeably
- There are different varieties of M&A deals:
 - Stock acquisitions
 - Asset acquisitions
 - Mergers
 - Tender offers
 - Auctions
- There is also public M&A and private M&A
- It's good to be familiar with and to offer dedicated resources for all types of deals

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Overview of Capital Markets and Securities Practice

Securities offerings (raising money)

- Registered and unregistered
- Debt and equity
- Includes IPOs, secondary offerings, 144As

Periodic reporting and disclosure

- The preparing and filing of SEC forms (10-Ks, 10-Qs, 8-Ks)
- Required of all public companies

Corporate governance

- Advising public companies on matters such as annual meetings, structure, committees, consents, etc.

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Other Significant Corporate Practice Areas

- Business Entities
- Private Equity
- Alliances and Joint Ventures

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A Day in the Life of a Corporate Associate

- Conduct due diligence
- Research (precedents, corporation laws, etc.)
- Forming business entities
- Preparing and rule-checking securities filings
- Drafting closing documents and ancillary agreements
- Preparing and running closings
- Being a point person with other practice areas
- Draft memoranda and client correspondence
- Prepare officer's certificates, board resolutions, minutes and other governance documents

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Part II

- Drinker Biddle apprenticeship program case study
- Tips for building transactional skills
- Training class ideas

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Drinker Biddle Case Study

Associate training before 2009:

- Weekly one-hour lectures over a nine-month period
- "Listen and watch" approach
- Diversity of associate assignments meant lecture topics not always immediately relevant to all associates

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Drinker Biddle Case Study (cont'd)

Goals:

- Align firm culture with client values
- Improve realization rates
- Quickly turn junior associates to experienced, practical lawyers
- Eliminate "first time" mistakes made on client matters

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Drinker Biddle Case Study (cont'd)

Program structure overview:

- Experiential multi-month program for new associates
- Training done through modules focused on practice areas
- Full-time training; no billable work
- Provide timely feedback to reinforce key concepts
- Leverage existing firm resources whenever possible

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Drinker Biddle Case Study (cont'd)

Training Modules:

- Create fact pattern and assign associates tasks around it
- Assignments based on actual documents and deals
- Client involvement
- Successful completion of course measured by project management skills, leverage of available resources and finished work product
- Sample module

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Drinker Biddle Case Study (cont'd)

Feedback so far:

- Associates
- Partners
- Clients

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Tips for building transactional skills in your associates

- Training is "real work"
- Real-life scenarios
- Mock deals
- Survey associates for areas of need
- Get more experienced associates to supervise
- Don't teach the answer, teach how to find it
- Include client contact whenever possible

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Ideas for Training Classes

- Conducting due diligence for M&A and securities transactions
- Tender offers workshop
- Preparing a merger agreement
- Rules checking SEC filings
- Advising clients on Regulation F-D
- Annual meeting timeline and proxy preparation
- How to prepare for and run an M&A closing

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How are you training your transactional attorneys?

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