

MVP: Latham's Marc Jaffe

By Emily Lever

Law360 (September 13, 2022, 2:02 PM EDT) -- Marc Jaffe of Latham & Watkins LLP's capital markets practice led electric vehicle maker Rivian through its IPO less than two months after it finished producing its first cars, resulting in the biggest IPO of 2021 with a valuation of \$11.9 billion, earning him a spot as one of Law360's 2022 Capital Markets MVPs.

HIS BIGGEST ACCOMPLISHMENT:

Jaffe represented Rivian Automotive in what turned out to be the biggest IPO of the year and one of the biggest tech IPOs to date, buoyed by investor interest in "green" vehicles and ventures with an environmental message. Although Rivian had a historically large IPO, it faced challenges because it was in a very early stage and had only gotten a few vehicles to consumers. This made it more difficult to make the case to investors, Jaffe said.

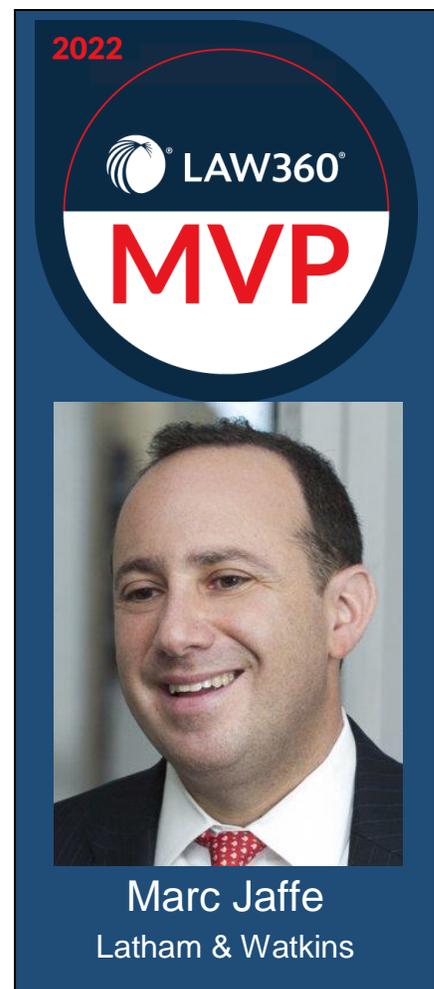
"I've worked on lots of IPOs for consumer companies that you can go touch and feel, Warby Parker, Casper, lots of restaurant companies where you can walk in and taste how delicious their chicken wings are," Jaffe told Law360. "It's a lot harder to tell that story where very few people had actually seen a Rivian, and you're only really starting to see them more regularly on the road."

A multidisciplinary Latham team worked on navigating the U.S. Securities and Exchange Commission's IPO process, balancing regulatory requirements about how to market the company to investors while weaving an attractive story about a fairly unproven (though Amazon-backed) company.

"The challenge in marketing a transaction like Rivian is meeting that absolutely paramount disclosure obligation, but at the same time, making sure investors understood what was an incredibly compelling story," Jaffe said.

HIS BIGGEST CHALLENGE:

The biggest challenge of the past year was market volatility, in stark contrast to the 2021 boom, Jaffe



said. Between inflation, rising interest rates, the Russia-Ukraine war and tensions between the U.S. and China, equity capital markets are unstable and IPO activity has slowed significantly.

"Guiding clients that we've taken public, that we took public in 2020 and 2021, through this market volatility, and guiding clients who we're working with to be ready to go public but can't today because of the markets, and then guiding clients to be ready to take advantage when the market turns around, has really been a challenge this year," Jaffe said.

Tech companies that had big IPOs in 2021 have been hit particularly hard and are strapped for capital to keep powering the rapid growth that got them their high valuations in the first place, Jaffe said. But the tides may soon turn, Jaffe added.

"The market always comes back," Jaffe said. "There may be a resetting of expectations, there may be a change in thought around valuation, but all of these disruptions have been temporary. Some of them have been longer than others or some of them have changed market dynamics in ways that took longer to recover from. But I am 100% positive that this disruption today will end. U.S. capital markets are resilient."

WHY HE'S A CAPITAL MARKETS ATTORNEY:

When Jaffe joined Latham's New York office in 1993, he found it offered a strong capital markets practice. He remained interested in that practice because of the opportunity to get involved in clients' businesses and create deep ties during the IPO phase, which is a formative time in a business's development. Those ties can survive beyond the IPO and endure long into the life of the business, Jaffe said.

"When you go through the IPO process, when you go through the capital raising process, if you do it right, you become a long-term trusted adviser to your client, part of the client's core decision-making team," Jaffe said.

OTHER NOTABLE DEALS HE'S WORKED ON:

In 2018, Jaffe worked on Spotify's IPO, which was the first direct listing — which allows a company to start trading without a traditional IPO — in the U.S. capital markets. He subsequently worked on other direct listings such as Warby Parker's.

"It was an intense process working with the SEC and market participants to set up a structure that was completely different from the regular IPO process, but that worked within the four walls of the SEC process, and worked within market dynamics and worked from a trading perspective," Jaffe said. "It's rare that you get to be part of such a groundbreaking, rule-changing, rule-making transaction."

— *As told to Emily Lever.*

Law360's MVPs of the Year are attorneys who have distinguished themselves from their peers over the past year through high-stakes litigation, record-breaking deals, and complex global matters. A team of Law360 editors selected the 2022 MVP winners after reviewing more than 900 submissions.