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Rising Star: Latham's Andrew Galdes

By Emilie Ruscoe

Law360 (June 21, 2022, 2:40 PM EDT) -- Andrew Galdes of Latham & Watkins LLP has advised numerous companies on how to navigate sanctions against Russia and helped language learning company Duolingo secure a license to offer its English proficiency test in Syria, earning him a spot among the compliance law practitioners under age 40 honored by Law360 as Rising Stars.

THE MOST CHALLENGING ISSUE OF HIS CAREER:

As a member of Latham's economic sanctions and export controls practice group, Galdes boasts a practice centered around helping clients maintain compliance with U.S. economic and trade sanctions and export controls.

Galdes noted that a major part of that work is helping clients conduct internal investigations into known or suspected violations of these trade controls laws and, where warranted, voluntarily disclosing violations to U.S. regulators.

"These are typically my biggest cases in any given year, but our work is very behind the scenes," Galdes said. "There's often a lot of sensitivity and confidentiality around these investigations and our ideal outcome in these matters is to secure from the U.S. government a warning or a cautionary letter that resolves the matter, but that doesn't lead to a fine or penalty."

He noted that over the past year, he's worked on several big internal investigations and secured a number of warning or cautionary letters.

Alongside those nonpublic matters, he said, his year to date "has really been dominated by a collection of about 100 matters, all related to the understandable tidal wave of new sanctions and export control restrictions that the United States and allied governments have imposed on Russia in response to its invasion of Ukraine in February."

Overnight, Galdes said, Latham clients from such industries as financial services, energy, entertainment and high technology, along with nonprofits and private foundations, had questions about the impact of the sanctions on their activities. The firm represents "countless" multinational companies



whose businesses were impacted by sanctions changes in multiple countries, he said.

At times, Galdes said, he was counseling "well over 50 different clients on how to navigate a legal landscape that, for a period of time, was changing almost daily and quite dramatically, as the United States announced, basically overnight, a new sanctions and export control regime targeting Russia."

Wave after wave of new sanctions and export control rules have dropped since February, Galdes said. Nearly all have taken immediate effect — and, more often than not, they come without a lot of guidance from regulators.

"We've been working since then night and day to help U.S. and multinational companies, private foundations, and other clients keep up with the new law, update their compliance programs [and], where possible, see around corners so they can stay in compliance with these laws, knowing that new regulations and new restrictions are likely to come [and] helping them see where the regulators might turn next so they're not caught a step behind," Galdes said.

A key component of that work has been organizing internal teams, he said, "because one feature of this new sanctions program is that the United States is often rolling out sanctions alongside and in coordination with allied governments, and multinational clients, more often than not, are impacted by and need to navigate many overlapping sanctions and export control regimes."

"What might be permissible under U.S. law might not be permissible under U.K. law," Galdes said. "We have to make sure we don't advise a client that's subject to both regimes that they're OK doing something because it's consistent with the U.S. law without being hand in hand with our colleagues in the U.K."

Advising on these sanctions, Galdes said, has been "the challenge of my career — I've never lived through a change in law that's happened so quickly and so dramatically."

"In the weeks immediately following the invasion," he said, "it was essentially days of back-to-back calls where me and the other senior members of the team were dividing and conquering, and each of us had our calendars completely booked."

"The high-water mark was maybe an 86-page set of export control regulations the Department of Commerce published that took immediate effect," he said. "Working overnight to absorb it and then summarize the key takeaways and identify potentially impacted clients ... it was sort of an all-hands-on-deck effort."

HIS MOST INTERESTING RECENT MATTER:

Galdes noted again that many of his matters aren't public, so there were some interesting things he couldn't talk about. But he highlighted recent compliance work he did for Duolingo as an example of something he was really proud of.

Galdes said Duolingo, a popular language learning app, also offers an online, fully monitored English proficiency test job seekers can use as they apply for work.

Galdes and his colleagues were looking at whether the test could be available throughout the world, including in regions that are the target of U.S. embargoes, when they determined that U.S. sanctions against Syria prohibited parties in Syria from using the app or taking the English proficiency test.

"That's a big deal in a country where individuals are looking for job opportunities outside Syria to escape the humanitarian crisis there," he said, adding that the prohibition was, in Latham's view, "maybe an unintended consequence of the U.S. embargo."

"Working closely with the client and its exceptional general counsel, we designed a strategy to obtain U.S. government support," he said. "And reasonably quickly, we were able to have the regulator of U.S. sanctions programs, the U.S. Department of the Treasury's Office of Foreign Assets Control, issue what's called a specific license to allow Duolingo to make the app available, and make a language test available, in Syria."

Latham worked closely with OFAC and the U.S. Department of State on the matter, and Galdes said he was pleased when they recognized that "U.S. interests were furthered by supporting the advancement of education around the world."

"That was a recent, big and exciting accomplishment," he said.

HIS PROUDEST MOMENT:

Galdes said his proudest moment as an attorney wasn't related to trade controls but was a pro bono litigation matter he worked on a few years back.

"I had the opportunity to be part of the litigation team representing two American Muslim comedians, who had sued the New York Metropolitan Transportation Authority for refusing to run a series of ads promoting a comedic documentary they had created that explored Islamophobia in America called 'The Muslims Are Coming,'" Galdes said.

"The ads that they were trying to run in the subway system had jokes like, 'facts about Muslims: grown-up Muslims can do more pushups than baby Muslims,' and pointed to the documentary — just sort of like silly, tongue-in-cheek humor," he explained.

After the Metropolitan Transportation Authority agreed to post the ads, Galdes said, it almost immediately changed its advertising policy to disallow political advertising, then prohibited the ads and refused to run them, telling Galdes' clients the authority was characterizing the ads as political in nature.

Latham brought a First Amendment lawsuit in the Southern District of New York, which granted a request for a preliminary injunction and found that the rejection of the ads was unreasonable.

"The judge understood and supported the core argument we were making, which is sort of the truism that 'American Muslims are ordinary Americans' is not a political statement," Galdes said. "The ads went up directly because of our work, and I was just so proud to be a member of the team that was able to swiftly deliver a total win for the client and the firm [on important] First Amendment principles and, really, further the message that the client was trying to convey with the ads in the first place."

WHAT MOTIVATES HIM:

Galdes cited two major motivators for his work, noting that the subject matter of his practice comes first and foremost.

"I just find international trade control laws to be substantively fascinating. It's the intersection of

international relations, politics and government, national security law, and it just changes so rapidly," he said.

He also said his role mentoring junior attorneys is a source of motivation.

"This area of law, especially the export control regimes, but also U.S. economic sanctions, can be really complex, technical and often intimidating to some more junior lawyers, and certainly to me when I was just starting out," he said, noting that he benefited from mentors including Les Carnegie and Bill McGlone.

"I really enjoy helping make the area of law approachable to new lawyers," he said.

— As told to Emilie Ruscoe

Law360's Rising Stars are attorneys under 40 whose legal accomplishments belie their age. A team of Law360 editors selected the 2022 Rising Stars winners after reviewing more than 1,350 submissions. Attorneys had to be under 40 as of April 30, 2022, to be eligible for this year's award. This interview has been edited and condensed.

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