SPECIAL REPORT

The Top Young Women Of The Am Law 200

KIRKLAND & ELLIS’S
KIM TAYLOR
LAST SEPTEMBER, KIM TAYLOR was feeling a bit nervous. The Kirkland & Ellis M&A partner was walking into the first face-to-face negotiation between her client, private equity firm Apax Partners LLP, and Endo Pharmaceuticals Inc. over the sale of Apax's Qualitest Pharmaceuticals. Taylor was not a rookie: She had represented clients in more than $3 billion of M&A and private equity deals in the prior two years alone. But this deal was particularly important. Apax was a major client, and Taylor had represented the private equity shop on its original acquisition of Qualitest three years before, making her feel even more invested in a successful outcome.

Then there was her opposition: Eileen Nugent, a prominent M&A partner at Skadden, Arps, Slate, Meagher & Flom and cohead of the firm’s private equity group, was representing Endo. Nugent’s stellar reputation and 13-year history with the drugmaker was a bit intimidating, and Taylor wanted to “show well,” she says. There was also Nugent’s gender. The prospect of negotiating against another woman as lead counsel, a relatively uncommon event, added an element of self-consciousness to an already high-stakes situation. “There’s a little bit of additional pressure, especially because with women, there can be a more narrow margin of what is effective negotiating and what people characterize as nasty,” Taylor says.

Pressure, indeed: Even today, the rough-and-tumble world of M&A and private equity counts few women among its most prominent and senior ranks. To be sure, there are a handful of women who have attained star status: Debevoise & Plimpton’s Franci Blassberg and Margaret Davenport; Skadden’s Nugent; Faiza Saeed at Cravath, Swaine & Moore; Patricia Vlahakis at Wachtell, Lipton, Rosen & Katz; and Alison Ressler at Sullivan & Cromwell. But as one senior female M&A veteran points out: “You can probably name more CEOs and CFOs in the Fortune 500 who are women than you can name senior women M&A partners.”

The tendered reasons are many—from the unpredictable and long hours that thwart any semblance of a work/life balance to the testosterone-filled negotiating rooms to the hurdles of networking among executive, boardroom, and private equity clients who are predominantly male. In the face of such obstacles, women who ascend to the highest levels of this rarefied world, including those on this year’s 45 Under 45 list, are all the more noteworthy. Like their male counterparts, they must be, first and foremost, outstanding lawyers. But many have also adopted a variety of strategies—from building client lists early in their careers to nurturing a network of female executives to building reputations based on their good listening skills and a lack of ego—in order to attain success. Finding mentors they can relate to and even making sure to marry a supportive spouse can also play a role. “So many stars have to line up to make success [in the M&A world] happen for you,” says Tiffany Pollard, an M&A partner at Fried, Frank, Harris, Shriver & Jacobson. “That’s even more the case for a woman.”

M&A and private equity are not the only practice areas lacking senior women. As just about any female law partner can tell you, a decade after women began graduating in equal numbers from law schools, they still represent only an average of 15 percent of the equity partnerships of The Am Law 200. But anecdotally and according to our analysis of the gender composition of elite M&A firms, the number of women M&A partners is even smaller. According to lawyer biographies on firm Web sites, women constitute 16 percent of the partnership at Skadden, but only 12 percent of the partners who list M&A as a specialty; Sullivan & Cromwell counts 18 percent of their partnership as women but only 11 percent of their listed M&A partners; only 7 percent of Cravath’s corporate M&A partners are women, compared to 15 percent of their total partnership; and 15 percent of the listed M&A partners at Ropes & Gray are women, compared to 19 percent of its partnership.

The tough lifestyle associated with advising companies and buyout shops on multimillion- or multibillion-dollar transactions is the easiest explanation for the dismal numbers and the one most frequently given. Women who may be juggling the competing demands of family—or are just more reluctant to give up all other interests for work—self-select out of the M&A and private equity partnership tracks, many partners say. “Any number of women will say to me when they come in to quit: ‘I don’t want to do what you do,’” says Allison Schneirov. The Skadden M&A partner, who counts private equity firms Permira Advisers LLC and The Blackstone Group L.P. among her clients, tries to carve out time in the early evening to spend with her two kids and then works late into the night, but she says such a balance is “a train wreck” when she’s in the middle of a live deal. For Schneirov, the opportunity to work on some of the most complex and fast-paced transactions, as well as with clients she enjoys, more than makes up for the demanding lifestyle. She admits, however, that she has questioned the personal costs at various points in her career.

The added challenges for women to build a client list when they’re still a minority in corporate boardrooms, and especially among private equity firms, is another factor. Women must combat everything from the unconscious tendency of clients and colleagues, often male, to gravitate toward people who are similar to them to the remnants of a more outward sexism

**Let’s Make A Deal**

A new generation of women are breaking through the testosterone-filled ranks of M&A and PE lawyers.

By Amy Kolz

Photographs by David Yellen
when awarding or assigning business. “The old boys’ network is alive and well,” says one female private equity client who spoke anonymously because of her firm’s press policy. She remembers requesting a favorite female partner at an Am Law 25 firm for a recent matter, only to get assigned a more junior male partner. When she protested, the law firm suggested she could hire multiple partners, at a higher cost, of course.

“Business development is [also] sometimes trickier,” says Simpson Thacher & Bartlett M&A partner Kathryn King Sudol. Typical client entertaining, like high-priced dinners or drinks, can be fraught with concerns about mixed messages. “You see clients sometimes getting twitchy about a dinner one-on-one,” says Sudol. And the stereotypes of what it takes to excel in the testosterone-laden deal negotiating rooms don’t help.

“There is a history of the macho M&A lawyer; that the loudest voice would win, and [that’s] not necessarily a trait associated with female lawyers,” says Gibson, Dunn & Crutcher M&A partner Barbara Becker.

Certainly there are men who shy away from the hard-charging reputation of M&A work. But it’s not a stretch to suggest that the sometimes über-aggressive, game-winning atmosphere might be less attractive to a greater number of women. Take Debevoise partner Jennifer Burleigh, a rising star in the firm’s fund formation group who started out doing more generalist M&A work. She cites the cordial nature of fund negotiations as one of the reasons behind her switch. “You’re building a bridge [with future investors] during a [fund] negotiation, which is more my style than pounding the table and trying to walk away with every point, which is sometimes what characterizes M&A,” she says.

And a largely male atmosphere that can fall short of the politically correct creates yet another hurdle. “We have a bit of a collegial fraternity atmosphere here; we’ve been called the ‘Animal House’ of [private equity],” says James Connors II, the general counsel of private equity firm Kelso & Company. Twenty years ago, Debevoise partner Richard Bohm could have hesitated to staff then–junior associate Margaret “Peggy” Davenport on Kelso transactions for fear of her reaction to any off-color comments, Connors says. Without someone like Bohm, who is a big proponent of diversity, Connors adds, it probably would have been easier “to bring the other guy.” Today, Davenport is the lead relationship partner for Kelso.

In the face of these challenges, there is no single recipe for success. But it’s fair to say that the combination of ingredients behind any accomplished female dealmaker is certainly more complex than taking several cups of hard work and a quart of talent, and bake for a dozen years.

Take Jennifer Hobbs, a Simpson acquisition finance partner who has negotiated multibillion-dollar financing on such corporate megadeals as the $23 billion buyout of Wm. Wrigley Jr. Company by Mars Incorporated, as well as a slew of acquisitions by private equity firms Silver Lake, Apax, Goldman Sachs Capital Partners, Kohlberg Kravis Roberts & Co. L.P., and S.A.C. Private Capital Group LLC. Hobbs credits excellent mentors, as well as developing her own client relationships early on, as key to her success. Senior finance partner Marissa Wesely, for instance, helped her navigate the “maze and land mines” that accompany the path to partnership. That guidance ranged from pushing Hobbs to speak up when she didn’t want to...
Kim Taylor's clients say one of the secrets to her success is her laserlike focus on her client's objectives. That focus comes from years of experience, says Taylor, who admits that she was more likely to fixate on winning points as a junior lawyer without evaluating their ultimate value to her clients. Today, she prides herself on her listening skills, both with her client and the other side. "It allows me to more quickly solve problems in a way that works for everyone," she says. That was certainly the case in Apax's sale of Qualitest to Endo. At the negotiation in early September, the parties were fundamentally apart on issues such as how much indemnification Apax would provide for a particular legal issue. Buddy Gumina, cohead of Apax's health care team, says Taylor adeptly realized that Apax could give Endo a higher level of protection on the legal risk in exchange for more certainty in closing the deal, a good trade for the private equity firm. (The American Lawyer's parent company, ALM Media Holdings, Inc., is majority-owned by funds advised by Apax Partners.)

In late September, Apax and Qualitest announced the $1.2 billion sale. "It was a pretty efficient process when we could get in a room and listen to each other," Taylor says. And she left the negotiations even more impressed with Skadden's Nugent and Endo legal chief Caroline Manogue: "There aren't that many of us [women in the deal world], so it was inspiring."

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