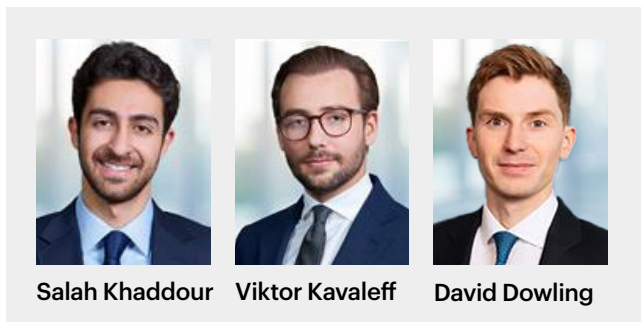


Trainee Insights: London Strategic Transactions Counsel David Dowling



Salah Khaddour Viktor Kavaleff David Dowling

Salah Khaddour: Hi, my name's Salah Khaddour.

Viktor Kavaleff: And my name is Viktor Kavaleff.

Salah Khaddour: Welcome to the Ropes & Gray Trainee Insights podcast. We're your hosts. Today, we have with us David Dowling. David is counsel in the strategic transactions group.

Viktor Kavaleff: Welcome, David. It's great to have you here today. How are you?

David Dowling: Good. Thank you both so much for having me. I feel very honored to be on the podcast—excited to be chatting to you today.

Viktor Kavaleff: Let's get straight into some of the introductory questions, then. Would you be able to talk us through your journey so far to Ropes & Gray, private equity, and the strategic transactions practice group?

David Dowling: I trained a fair while ago now at a global firm, and on qualification, moved to another U.S. firm to do private equity—this was about 10 or so years ago. It was at the stage where U.S. firms were really opening in a big way in London, and private equity was really rising. Then, at about three years qualified, I was actually opposite Ropes on a deal and really liked the Ropes team, and so, came across then. My initial first four years or so I was on the London private equity team. And then, as we'll come onto, what I found myself doing was more and more venture capital work, work for impact investors or work in life sciences that was naturally coming through the London office, because at that stage, we didn't have a separate strategic transactions

group in London—and we can talk more about what that means in a moment. Then, after a few years of doing that, I was like, "I really enjoy this work. There's no one in London in the strategic transactions group. Why don't I move across and be the London person?" And so, that all happened. I moved—I went on secondment to Johnson & Johnson here in London and their pharma early-stage innovation group during that transition and came back and made counsel as part of strategic transactions.

Salah Khaddour: Thank you for giving us a bit of a background about yourself and your journey so far. Can you tell us a bit more about how your career developed to being counsel at Ropes & Gray?

David Dowling: If we talk about the role of counsel and how it fits into different firms, I think most law firms have a role that is senior but is pre-partner. For some firms, that is a salaried partner, so you might see someone on the website called "partner" but they're an employee that might be a legal director. At Ropes, because we have a single partnership, counsel is the role that we use. And so, my role within the firm is to help build out the European aspect of the strategic transactions group, trying to bring together different practice areas and different groups within the firm and help build the European piece of the business.

Salah Khaddour: How does it differ from the role of a senior associate, for example?

David Dowling: You're expected to take more of a leadership role internally, whether that's supervising associates. You're responsible for more of the back office in terms of billing, opening client matters, and things like that. But, as I say, a big piece of it is external and is about when you're interacting with clients, there's a recognition that, "Here's someone who has a bit of expertise over a particular practice area," and allows you to hold yourself out in that way.

Viktor Kavaleff: That's very interesting—thanks for walking us through that. We also wanted to ask just a little bit more specifically about strategic transactions, what type of work the group does, how does that exactly differ from normal private equity dealmaking, and how are they similar?

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David Dowling: It's worth saying that this is primarily an internal administration piece—there are people within strategic transactions that do private equity deals, confusingly, and people within the private equity group that do strategic transactions. Ropes does a lot of work for life sciences, pharma, and health care companies—it's not the sole work, what the group does, but it's a heavy focus—and those companies have a very broad variety of needs when it comes to transactions. And so, it is effectively an umbrella practice group that combines a range of different disciplines. That is our venture capital and emerging companies group—startups looking to do a Series A or Series B financing, or venture funds looking to invest in those kind of early-stage companies. It is a licensing and collaboration group, so again, those early-stage companies may enter a partnership agreement with, say, a large pharma company, or on the flip side, large pharmas entering into ones with smaller biotechs or other pharma, where it's not M&A, an acquisition, an investment in a company, but what it is is giving away rights to certain intellectual property—patents or developing particular drugs for a particular subset of cancer, and then allocating the economic rights for that. It involves M&A, so buying and selling companies. Capital markets as well, so when companies want to do a listing on NASDAQ or wherever, the group does that.

The logic of bringing that all into one practice group is a recognition that these companies move very regularly and fluidly through these different types of transactions. So, one day, they may just be starting out. They may then do a large license for the pharma. They may want to list on NASDAQ. They may want to be bought and sold. A large pharma client wants to buy one of these small companies, or do what's called an "option deal,"— I think of it as a little bit like a try before you buy—where a large pharma will often provide some financing to a small company, which could be in the form of an equity investment, venture capital style, or it could be in the form of convertible debts. They will also often do some sort of licensed collaboration with the company because they want to help that company grow and develop a particular product, but they may also be interested in buying the company eventually, but they're not yet ready to do that because they feel like the science is not sufficiently de-risked. What we mean by "de-risked" is how far through it is with its clinical trials and approvals. At the same time that you're doing this package of investments, a license agreement, you can get what's called an "option to buy," where you agree that you can buy the company at, say, a set price or a set formula in a number of years' time depending on certain events occurring. That's a good way for both parties to have visibility of the future. From the pharma's perspective, certainty they're going to be able to buy this company, but from the small companies' perspective, they have a clear route, financing, and an opportunity to be bought. It's just but one type of transaction we do, but I think it's a really good illustration of the type of deals that we do in the practice group in having the different specialties all together.

Viktor Kavaleff: It seems like it's very fast-moving and diverse. Just jumping off of that, how do you think that the strategic transactions practice group will develop over the next five to 10 years?

David Dowling: I think we're at a really interesting moment in the U.K., in particular, but in Europe, in general, an inflection point for life sciences. It's worth mentioning that the group does energy, entertainment, tech, but just to look at the life sciences piece of it for a moment, I think the pandemic put big pharma, universities, and science innovation on everyone's minds again and recognized the benefits that the sector can do for everyone. As part of that, I think lots of these companies have become very, very expensive in the U.S. American investors and American pharma are looking for good value companies to invest in, to buy, or to partner with, and what they're finding is in the U.S., they're too expensive, but in Europe, there's a lot of very good quality science. We've got the so-called "golden triangle" here in the U.K., which is Oxford, Cambridge, Imperial, but obviously, there are lots of other fantastic universities. And so, there's a recognition that Europe has really good quality science, really good quality academics, and really good human capital. People want to live in London. We've got financial markets. We've got law firms like ours. But it's much cheaper than investing in the U.S. On the flip side, lots of British universities and academics are recognizing the benefits of spinning out their intellectual property and developing more companies, so there's financial returns that you can hopefully build a company and sell it for millions. As the pandemic saw, a lot of the people that delivered the vaccines and developed the vaccines were some of the largest pharma in the world, but the intellectual property often began in universities or smaller biotechs. That partnership between small companies and large companies, I think, is something that everyone is recognizing.

I think where we are placed as a firm is we do a lot of investor-side work. We do company-side work as well, but we do a lot for U.S. investors. I think what we're seeing is a real appetite to do more investment in Europe, be that venture, licensing collaboration, acquisitions, and so, as Europe groups as a sector and as an area of interest, I think we're very well paced to pick that up. And you see that in the range of clients we do that for—we do lots for the largest pharmas. We also do a lot for so-called "biotechs," effectively, as startups in the life sciences sector. We do work for them where they expect to partner or be bought by some of our U.S. clients because they want someone who has that expertise. So, I think we're well placed to ride that growth.

Salah Khaddour: David, I recall from my time at the LSE that you do some lecturing at both LSE and King's College.

David Dowling: You're right, I used to teach at King's, and now, I just teach at LSE.

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Salah Khaddour: What has been your most memorable experience teaching?

David Dowling: I taught for four or five years at King's on the LLM on the private equity venture capital master's course, and I now help teach the equivalent course at LSE. I really, really enjoy it. Day-to-day practice is great, but sometimes, it can be more mechanical, shall we say, and it's nice going and being with optimistic students. One of my students at King's has since become a partner of a law firm in Switzerland, and I was able to refer a matter to him, so that's been quite nice to see someone who was in one of my tutorial groups actively working on a deal with them. Both King's and LSE, it's a very international cohort, and so, having perspectives of people from Georgia (as in, the country), the Middle East, China, wherever it may be, in a single seminar, and each coming to their own perspectives, I really enjoy that. Particularly, people who come from a civil law background—to be geeky for a moment—and trying to explain to them some of the quirks of separating legal and beneficial title, and them thinking, probably quite fairly, that our legal system is a bit ridiculous.

Salah Khaddour: Listeners to this podcast may be students. They may be legal professionals. They also may be legal professionals who are currently studying. So, what advice would you give to listeners in relation to whether their studies, or their aspiration is to become lawyers here in the U.K.?

David Dowling: My general advice to anyone, whether that's a student, trainee, even junior associate, is just take the time to learn everything that you can. I don't mean that in an intimidating, "You need to know everything" kind of way, but what I mean is when you get senior, there's so much of running matters, supervising people, billing, and all the rest of it, and you lose some of the time to learn. It's a privilege to be a student or a trainee that you have the space to learn, develop your craft, explore things that are interesting. As part of that, be patient. People in vac schemes, trainees, or even junior associates, really want to jump in and do the really interesting work, and I think there is merit in recognizing that that will come with time. You won't get given the good work until you can show that you can do the so-called "less interesting" work well. Time flies by very quickly and you'll be 10 years qualified and doing a podcast for some trainees before you know it, and so, just be patient in that. The final thing is, take an interest. That interest can be on a particular area of law, a sector, or whatever it is. Ultimately, if you do practice in law, you're going to be doing this for a long time and a large number of hours, and so, you want it to be somewhere that you have an interest in. Take the opportunity, whether it's the Financial Times, The Economist, whatever, to just read around and get a feel for a sector. Initially, it will feel quite intimidating. You'll be reading about all these names, and it will feel like gobbledygook, but if you do it regularly and make it a habit, you'll start to see the same concepts again and again and be more familiar.

Viktor Kavaleff: Thank you so much for those insights, David. I think a lot of our listeners will find them very, very useful. Outside of strategic transactions and lecturing at the LSE, we've also understood that you are heavily involved in pro bono. What motivated you to get into pro bono work, and has there been a particularly impactful case that you've worked on?

David Dowling: When I was across the GDL in LPC, a friend and I set up a charity that still exists called Pro Bono Community—a very original name, I know. We set it up as the then coalition government came in. I'm not being partisan, they factually cut legal aid quite significantly. What we were finding when we were law students was that students were going into law centers, Citizens Advice bureau, wherever, and being expected to give advice, and there was no—at that stage at least—real systemized training. And so, what Pro Bono Community has done is it's developed a range of training courses in welfare benefits and other areas for law students to do before they go. I think, now, we train hundreds of students a year. I'm no longer involved, but I would encourage any law students to do that.

Two other things, I guess, I'd mention is when I was at my previous firm, I helped set up a family law clinic, which actually Ropes is also one of the co-founders of. When I was there, we had a very heartbreaking case of a woman whose son was very severely disabled. She wasn't a British national, but her son was—the father was no longer in the picture. They were talking to the home office about trying to get them to remain, and the home office was saying, "We don't recognize..." I think it was a national insurance number of the father, and it was all going back and forth. Anyway, I noticed that in the letter that someone had written on her behalf to the Home Office, they'd got two of the digits wrong in the national insurance number, and that's why it was being rejected. And so, we spotted that, and she was able to correct it and get indefinite leave to remain for her son and herself. She could've been deported back to Bangladesh absent spotting that typo, so that's always really stayed with me. Then, the final, probably what I'm doing more at the moment in terms of pro bono, is with some of the universities in helping them in their very early-stage spinouts, and particularly, ones around med-tech and using AI to help with fetuses and assessing the health of fetuses.

There's a broad range in there, but I think, in general, everyone should get involved, and for students, it's a good opportunity to learn. But I also feel that law is a profession that has barriers around it—it's a kind of guild in that traditional sense. I think when you create barriers, that creates expense, and so, there's a duty on you to step outside of that barrier and do some help outside of it.

Salah Khaddour: Yes, certainly. I'm personally involved in pro bono. I think for the future trainees listening, I think it's a really great opportunity to take ownership of your work and take a leading role in the matter, and also, have some impact as well.

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David, we'd like to ask you some personal and professional development questions, particularly with regard to mentorship. Did you have a mentor throughout your career?

David Dowling: I've had a variety of people I could point to as mentor figures and who fulfilled that role. I haven't had, say, one person that I've consistently spoken to as a mentor as such. I've had a few senior associates. Ropes, very kindly, has a work coach when you get to a certain level of qualification, and she is fantastic. She was a partner at two Magic Circle law firms years ago, so she's probably the closest I've had in guiding me and helping me plot my career path.

Salah Khaddour: Do you have any advice for junior lawyers with regard to how to choose and find the right mentor?

David Dowling: I think, sometimes, people, understandably, are looking for one really interesting figure that's going to be their Gandalf, Professor McGonagall, or whoever, who sees them all the way through their career, and I think that's probably the wrong way to think about it and isn't necessarily realistic. I think you can have a variety of mentors at different stages for different roles. I think it's about thinking why you want a mentor, rather than just going, "I would like a mentor because it'd be a great thing to have, and it'd be good to have a senior person help me." It's more, "What do you want it for?" Do you want someone to see you through the application process, see you through your training contract, see you into a particular type of firm, see you how to navigate hours, see you in a particular practice area, see you get promoted to counsel or partner? What is it that you feel that you are missing, or what perspective do you think you feel you are missing, and therefore, try to find a mentor that has something.

Salah Khaddour: I think that's really helpful advice. Could you tell us a memorable moment in your career that sticks in your mind?

David Dowling: Yes. I'm actually going to pick a negative one, because I think it's important to be realistic for people. I was honestly a couple of weeks into my training contract as a first-seater, and I was sat with the trainee partner—it was on one of his matters in a capital markets context. We did a bond issue, and I got a phone call from the stock exchange saying, "Hello, Mr. Dowling. These bonds haven't gone in for trading. There's a problem with the bonds. The form isn't filled in correctly." And my stomach just completely lurched. So, I scurried out of the office and went and chatted to the senior associate on the matter, who was

like, "There are two codes," and I hadn't copied one of the digits. A very classic first-seat trainee mistake—probably why I'm so scarred by it and spotted that in the family law clinic context—but it was very easy to fix. We had it fixed within minutes, and everything was fine. The reason I mention that is, genuinely, mistakes happen. We work very long hours, it's very demanding, it's all very stressful, but ultimately, almost everything we do can be fixed if you are very honest and come clean about it immediately. And even if it can't be fixed, then there are ways of addressing it. But the single most important thing that I took away from that is honesty and clarity as soon as possible, and don't just try and hide things or fix things on your own—just talk to someone more senior straightaway.

Viktor Kavaleff: Thanks so much for talking us through mentorship and the reassuring advice on mistakes. Just to wrap up this podcast, we just wanted to ask a fun question: What is London's best kept secret?

David Dowling: At the moment, I live in Islington. We don't have a balcony. We don't have a garden. I'm in a very tiny flat, so space is at a premium. We discovered that around the corner from us in Thornhill Square is London's, and potentially the country's, smallest nature reserve. It's called Barnsbury Wood, and it's literally tucked away in this triangular wedge of some Victorian houses, and it's only open between 2:00 and 4:00 p.m. on Tuesdays—that is literally the only time it is open. I suspect most people haven't heard of it or been to Barnsbury Wood.

Salah Khaddour: Thank you, David, for answering our questions and providing us with all your insights. I'm sure it's going to be very helpful for our listeners—we hope you enjoyed listening to this episode as much as we enjoyed recording it. For more information about Ropes & Gray in London, including career opportunities, please visit the [Ropes & Gray website](#), as well as the social media pages on [Twitter](#) and [Instagram](#), both @ropesgraygrads. Feel free to get in touch with us via those social media handles if you have any questions or thoughts for future episodes. You can also subscribe to the series wherever you typically listen to podcasts, including on [Apple Podcasts](#) and [Spotify](#).

Viktor Kavaleff: We hope you can join us on our next episode, where we'll be talking to more of our colleagues here at Ropes & Gray and providing you with insight into the firm's culture and how you can succeed as a trainee or a junior lawyer. In the meantime, take care and thanks again for listening.



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