

LAWDRAGON



Left to right: Jelena McWilliams, Jennifer Leete, Elad Roisman and Noah Phillips.

By Katrina Dewey

The right people. The right place. The right time.

How else to describe the masterpiece achieved by Cravath in Washington, D.C.?

“Cravath is a standard-setter, a kind of holy grail of law firms,” says Jelena McWilliams, former Chair of the Federal Deposit Insurance Corporation and the Managing Partner of the office.

She was previously Executive Vice President of Fifth Third Bank, Chief Counsel to the U.S. Senate Committee on Banking, Housing and Urban Affairs, and staff attorney at the Federal Reserve Board of Governors during the 2008 financial crisis. A widely respected financial institutions expert, she now

heads Cravath's Financial Institutions Group. But she remembers when she was in law school at the University of California, Berkeley, more than 20 years ago: "Cravath was a name that was borderline unachievable, even for somebody coming from one of the best public law schools in the country."

Fast forward through her mountain of achievements and she was, "frankly, a little startled" when the New York firm contacted her, looking to add an office in D.C., where it previously had one between 1924 and 1946. The firm, founded in 1819, opened a London office in 1973.

"To have an opportunity to join Cravath, be part of an office opening in the nation's capital, and to have that office entrusted to a partner joining from government was very surprising to me and definitely intriguing," she says.

McWilliams and her fellow D.C. partners – Noah Phillips, Jennifer Leete and Elad Roisman – have all built impressive resumes in the regulatory agencies that implement the broad intent of congressional statutes and executive orders into the specific: detailed standards governing how businesses interact with one other, the government, the consumers and the broader American public.

Those organizations, from the Securities and Exchange Commission to the Federal Trade Commission to the FDIC and the Federal Reserve, have wide-ranging enforcement and regulatory authorities and regularly represent the government's vanguard in the nexus of cutting-edge technology, finance strategies and policy positions that have yet to be written into law.

Phillips began his legal practice as an associate at Cravath from 2006-2010. He went on to serve as Chief Counsel to U.S. Senator and former Assistant Majority Leader John Cornyn, of Texas, on the Senate Judiciary Committee, before being confirmed as a Commissioner of the Federal Trade Commission, where he served from 2018-2022.

Moving back to the 203-year-old firm whose work helps "define the landscape of American law," as Phillips describes it, was a logical progression.

"To be one of the founding partners in an office like this and to do the same kind of top-quality, cutting-edge work in the regulatory space in Washington as Cravath does in its New York office was irresistible," says Leete, who was Associate Director in the Division of Enforcement at the SEC, where she served for more than 20 years. "They basically had me at, 'Hello.'"

Cravath has had an outsized impact on the nation's legal affairs and regulation throughout its history.

Government clients have included the Second Bank of the United States, an early version of a federal bank; the Inter-Allied Purchases Commission during the World War I era; and the U.S. State Department during the Iran hostage crisis. Cravath contested part of then-President Franklin D. Roosevelt's New Deal during the Great Depression on behalf of a poultry firm, and fought censorship by the Postmaster General in the 1940s on behalf of Esquire magazine.

Cravath was also instrumental in pushing for litigation that led to *Miranda v. Arizona*, the 1966 case establishing so-called "Miranda rights" restricting law enforcement's ability to interrogate suspects without telling them that they have a right to an attorney.

In recent years, Cravath has added significant dimension to its practice with the addition of Christine Varney, a former U.S. Assistant Attorney General and Head of the Justice Department's Antitrust Division; David Kappos, a former Under Secretary of Commerce and Director of the U.S. Patent and Trademark Office; John Buretta, a former Principal Deputy Attorney General and Chief of Staff in the Criminal Division of the Department of Justice; David Portilla, a former senior policy advisor to the U.S. Department of the Treasury's Financial Stability

Oversight Council; and Daniel Zach, a former Assistant Director of the FTC.

Add to that esteemed group Roisman, a former Commissioner and Acting Chairman of the U.S. Securities and Exchange Commission; before that, he was Chief Counsel to the U.S. Senate Committee on Banking, Housing and Urban Affairs, counsel to a former SEC Commissioner, and in-house at the parent of the New York Stock Exchange. Throughout his career, he became increasingly familiar with Cravath.

“This is the sort of firm that, even in law school, you think of as the highest peak,” he says. “And Cravath continued to hold that reputation throughout my career, both in private practice and in the government.”

Lawdragon: The chemistry that you four share as the foundation of this office is extraordinary. Tell me how you got to know each other.

Jelena McWilliams: Elad and I worked together with the Senate Banking Committee. We shared a wall and kept our doors open so we could just talk across without actually having to walk into each other’s offices. Then, over time, I got to know Noah, who worked with the Senate Judiciary Committee, and I remember being blown away by his intellect, his knowledge of the subject matter he was discussing, and beyond that, his curiosity about the world and ability to gather knowledge. Frequently, after meeting people who are really interesting, I think, “Oh, I would like to play Trivial Pursuit with this person.” Noah and I have yet to do that, so a Trivial Pursuit game will be in the office’s coffee area, for sure. And I met Jennifer and got to know her during the process of forming this office. I genuinely love this team: It already feels like family.

Jennifer Leete: Elad and I didn’t work closely together at the SEC, but our paths did cross from time to time. And I have long been a fan, so when I found out that he was going to be one of the other partners, I think I leapt out of my

chair with excitement. And it was Elad who told me about Jelena and said, “She’s a force of nature. You’re going to love her.” The three of us had dinner together, and we all just hit it off.

Elad Roisman: After leaving the SEC, I wanted to make sure I went to a place where not only would the work be very interesting, but the people were good people who would be collaborative and work well together. That has borne fruit and been true as we have hit the ground running at Cravath. To me, this is as good a place to work as you can have in terms of collegiality, camaraderie, clients and interesting issues. It’s truly something I’m very happy about.

Noah Phillips: The ability to work with great people is a joy. It’s also really helpful to allow us to think across subject matter areas, given there are all sorts of crosscurrents in our work, and collaborating adds a lot of value for our clients. I also can’t think of a better group of people with whom to start a new venture. And the D.C. office is absolutely a new venture for Cravath. To begin this journey, with the backing of Cravath; really, it’s a once-in-a-lifetime opportunity.

LD: One thing I’ve noticed about the practice of law in D.C. is how it has evolved and broadened so that every practice area touches on every other practice area and the flow of issues has become almost continuous for clients, rather than centering on a discrete matter involving a particular agency.

JL: That’s been true for a long time. My first big case at the SEC, 20 years ago, was actually an anti-trust case in which we worked closely with the Justice Department because the practice in question also violated a little-known SEC rule. And the trend has become even more pronounced over time as the agencies have expanded their scope and their reach, and the world has become more interconnected. The best way to deal with Washington is holistically, and that is certainly the approach we take at Cravath.

ER: Every regulated entity has multiple regulatory overseers. Both during my time in private practice and in government, I was struck by how a business decision or market event had ripple effects for not only a company but for how multiple regulators interacted with that company.

And when you deal with multinational corporations, especially financial institutions, they're subject to an entire host of national and international cross-regulations. If you don't understand how they all work together, you can't really be effective in planning and helping your clients.

Luckily for us, Noah's antitrust expertise, Jelena's banking expertise and the securities law expertise that Jennifer and I have cover much of the gamut of what our clients need. And just as we worked together throughout our careers in government, bringing our respective knowledge to the table, we'll continue to use that same inter-disciplinary approach for client matters.

NP: In Washington, from the perspective of regulators and the government, it doesn't start with a silo or an area of law. It starts with a problem. And from the perspective of the regulator, it's often a question of, "How do I solve that problem with the tools that I have?" There are all sorts of little eddies, nooks and crannies in the law. When regulators see an issue – whether it is blockchain, virtual reality or artificial intelligence – and they want to deal with it, they want to address the issue; they're going to think across the board and they're going to look at every tool in their tool set.

JM: In this regard, D.C. is probably the most unique training you can get in the United States as a lawyer. Having spent some time in different agencies and on Capitol Hill, you pick up pieces of the puzzle in such a way that you don't even know you're collecting them. And then, at some point in your career, you have the "a-ha" moment, "I've got it, I understand how the puzzle works." And no other place gives you that big picture as well as D.C. does.

I started out as a securities lawyer in Silicon Valley working on early stage companies, initial public offerings and mergers and acquisitions, then came to D.C. and worked at a law firm on the public company side of the same issues. I joined the Federal Reserve right before the financial crisis and, all of a sudden, I had to learn consumer financial protection law, literally in the middle of the crisis. The first thing that landed on my desk was subprime lending. From the Fed, I went to the U.S. Senate and had exposure to the Small Business, Senate Finance and Senate Banking Committees, where I met Elad. Then I met Noah and got exposure to the Senate Judiciary Committee. And we all had to collaborate in a multifaceted way about the law and the regulation, and learn from one another.

There's nothing that compares with the responsibility you have when you're working in the Senate and you basically hold the pen on what the law will look like for the future. As you sit there, you understand the gravity of the situation. You could do this wrong. You could write law in a way that actually doesn't work, results in unintended consequences or causes harm. When you're tasked with that responsibility, you have to solicit all the knowledge you can: legal knowledge, market knowledge. And so, over time, you become an expert in a lot of things. And you can see the big picture in a way that, I think, a lot of other training regimes cannot give you.

ER: We have a soup-to-nuts understanding of the regulatory landscape in a way that not everyone does. What we find when we talk to clients is that our insight is particularly impactful and helpful because they may lack context or be surprised by certain issues. Companies will always place importance on how they're navigating the regulatory landscape.

LD: It's interesting how similar learning the whole puzzle in D.C. is to the formative process at Cravath. As I've interviewed Cravath lawyers over the years, I've noticed that the firm makes sure attorneys are trained as generalists to have

experience in an array of practice areas and subject matters.

JM: I couldn't agree more. Cravath is exceptional among American law firms with respect to wanting well-rounded lawyers and giving this rotation system opportunity to each of the associates. Early on in this process, I told a Cravath partner, "I love that."

The opportunity to actually reinvent yourself within Cravath every 18 months or so, because of the training system, is remarkable. A lot of law firms don't make investments like that. Because it's certainly more time-consuming to rotate associates into different practice areas and give them this opportunity to figure out what they want to do throughout their careers. But it is a commitment that Cravath continues to make.

ER: The lawyers at Cravath are exceptional, and one thing that appealed to me is that I get to work with, and learn from, them and then share some of my own views and expertise.

We constantly need to learn new things, and that's a benefit of the careers we've had, but also a benefit of a place like Cravath, where clients have cutting-edge questions and you have to become an expert in those areas and constantly build upon your existing knowledge.

In our previous roles, we had to make critical decisions that had large impacts on not just companies, but investors, industries and the broader economy. That helps put situations into context when we talk to clients and give them advice. It gives them comfort when we're at the table. But that background and experience also helps us in grounding and right-sizing issues and solutions. Cravath is a firm that people come to when they're facing bet-the-company issues and need solutions. We're adding to the historical Cravath practices but giving them new context and insights from our recent and combined experiences.

NP: There used to be a saying when I was a young associate at Cravath that it was the best law school in America. You would drop off the securities case and pick up the merger review, and then on to the patent trial; there is no better place to get that education. And for clients, whose issues continue to evolve, you don't want a lawyer who's stuck in one silo. You need advisors who are versatile, willing to collaborate with one another and who are eager to learn, because the issues will continue to evolve.

In the past few years, you can look at AmEx, you can look at AT&T-Time Warner, and Cravath has been at the tip of the spear for the cases and the deals that, again, are setting the pace for what other companies do, for the rules that apply both to the companies and the government. Having the chance to be part of a storied firm that continues to handle landmark matters is such an incredible opportunity.

LD: And bringing your perspective from the other side of where and how the law governing these transactions and disputes was formed gives you tremendous insight.

NP: There are many, many great things about having a chance to serve the public and work in government, and one of them is that you see case after case, deal after deal, investigation after investigation. Seeing them all together, you understand how they interrelate and the common themes that develop: what goes well, what goes poorly. Making big decisions is partly an exercise in understanding failure, and judgment.

JL: Judgment informed by experience is, perhaps, the most important thing the four of us bring to Cravath. I spent 23 years in the Enforcement Division at the SEC, making decisions about what to investigate, what cases to pursue, how to shape them and how to settle them. That informs my judgment, and each of us has similar but distinct experiences. We're all tremendously excited to bring that to the firm.