

Recap: Venture Capital Speaker Series – Kevin Kennedy, Simpson Thacher By Regina Molina, J.D. Candidate 2019 | October 18, 2016

On October 10, 2016, the Berkeley Center for Law, Business and the Economy ([BCLBE](http://www.law.berkeley.edu/bclbe.htm)) hosted [Kevin Kennedy](#), partner in Simpson Thacher’s corporate department and co-chair of the firm’s pro bono committee, for a discussion on navigating capital markets. Mr. Kennedy is also a member of the Boalt Hall Alumni Association.

Mr. Kennedy received his economics degree from UC Davis prior to attending UC Berkeley School of Law (’91). He has extensive experience in all facets of capital markets, having formerly served as primary outside counsel for a range of Silicon Valley’s leading companies such as Airbnb and Tesla. He especially has experience working on a variety of securities transactions, with a focus on initial public offerings (IPOs).

When asked to compare the legal landscape in Silicon Valley when he first started practicing to now, Mr. Kennedy expressed how much has changed and evolved in the last few decades. He explained that as Silicon Valley has matured, its reach has expanded as well. Nowadays, it is not enough to for a lawyer in the industry to be an expert in venture financing and IPOs — it has become increasingly important to be able to meet the needs of your clients as they continue to expand globally. Mr. Kennedy spoke about the fact that Silicon Valley companies today, such as Uber and Airbnb, are extremely sophisticated and international. They have needs that span the globe and cut across multiple practice areas. As a result, their law firms must have an international presence and be able to offer expertise in cross-border transactions and antitrust issues. He concluded by expressing that the needs of clients in this globalized world are more complex, and therefore the need for lawyers who can meet those needs is greater.

Mr. Kennedy also noted that the goal for the first 20 years in Silicon Valley was for companies to go public as quickly as they could. Back then, being a hot company that was able to go public in a short period of time made you a better company in general. Now, however, the opposite is true. Mr. Kennedy conveyed that a lot of companies are very suspicious of the public markets and are reluctant to embrace them. Many CEOs of Silicon Valley companies like Elon Musk (CEO of Tesla), whom Mr. Kennedy has worked with, wanted control and had a “grand strategic vision” that wasn’t in-line with going public. These company leaders today have specific ideas of how they want their businesses run and are not keen on filing quarterly financial reports with the SEC and having to report to investors. Thus, we now have companies that could be public and be some of the most highly valued companies in the market that are choosing to stay private. Examples of these “unicorns” (private companies valued at \$1 billion or more) are Uber, Airbnb, Snapchat and Pinterest.

The talk concluded with Mr. Kennedy offering law students some insightful career advice. He first touched on the idea that as we’re starting our careers, we should be thinking about what’s happening in each industry and whether entering it makes sense. He thinks we should be skeptical and inquisitive as to whether that industry may collapse, and be aware of the problems

the industry could face in the future. He also highlighted the importance of not limiting our options. He noted that entering a small legal market right out of law school could make it a lot harder to move into a much larger legal market in the future. His advice was: “start big, go small, specialize eventually.” He expressed the same advice when it came to choosing a practice area. He believes in choosing an area of practice that leaves the most doors open, rather than an esoteric or limiting area, which could leave you doing the same thing for the rest of your career. He also touched on the fact that most general counsels in Silicon Valley come from big law firms because, in his opinion, such law firms give you broader experience.