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## Dealmakers Q&A: Hunton & Williams' Susan Failla



Susan S. Failla dedicates her practice to corporate finance, securities offerings, domestic and international mergers and acquisitions, corporate governance, and securities law compliance at Hunton & Williams LLP. She has led capital markets transactions totaling more than \$100 billion for companies in the consumer products, energy, information services and financial services industries. A significant part of her work is concentrated on cross-border transactional matters in capital markets and mergers and acquisitions, with an emphasis on Latin

America and Europe.

Failla also serves as administrative partner for the firm's corporate team and is a member of the steering committee for the firm's interdisciplinary corporate board advisory initiative. A sought-after writer and speaker, Failla is respected by her colleagues and peers, and often recognized by groups such as the Lexology Client Choice Awards and Latin Lawyer 250. Failla also organizes and leads Hunton & Williams' annual Latin America Forecast, an event hosted in New York each April that gathers more than 100 influential thought leaders and practitioners to discuss doing business in Latin America.

As a participant in Law360's Q&A series with dealmaking movers and shakers, Susan Failla shared her perspective on five questions:

### **Q: What's the most challenging deal you've worked on, and why?**

A: Altria Group Inc.'s acquisition of UST Inc. and the related \$7 billion financing in September 2008. We signed up that deal on Sept. 8, about a week before Lehman Brothers announced it was filing for bankruptcy. I've worked on many multibillion-dollar deals that have been challenging for various reasons, but that one stood out due to the high degree of uncertainty prevailing in the credit markets and the stock markets. In the weeks prior to announcement, there were headlines every day reflecting the immense pressure on the financial industry as a whole. Multiple issues, including the skittishness of the market and trying to get a reliable commitment from the banks, made the deal particularly challenging.

### **Q: What aspects of regulation affecting your practice are in need of reform, and why?**

A: The Dodd-Frank Act was signed into law in July 2010, but a large amount of the act's components have yet to be enacted. Because of that, there still remains a fair amount of uncertainty on what the impact on financial institutions and credit markets will be. While there has been a borrower-friendly market over the last few years — interest rates are historically low and credit has been accessible — questions remain as to whether big banks are going to break up further and to what degree the costs of capital adequacy requirements will be passed on to borrowers.

**Q: What upcoming trends or under-the-radar areas of deal activity do you anticipate, and why?**

A: Shareholder activism will continue to gain a lot of attention. There is pressure on boards of directors to make sure they are adequately prepared to meet the challenges that activist investors could pose, and boards need to understand and prepare for the various risks that their businesses face, including the ability to access capital markets to retain sufficient liquidity in a worst-case scenario, such as the credit market seizures during the financial crisis. Boards also need to consider to what extent activist investors are going to be using their capital in terms of buying debt — and what pressures they can put on companies if they do that.

**Q: What advice would you give an aspiring dealmaker?**

A: Be very knowledgeable about the marketplace and your clients' specific industries. Dealmakers, aspiring or experienced, always need to understand their clients' business and risk profiles, and really make sure they are asking the right questions and understand their clients' priorities in any transaction. I also think working on deals should be enjoyable. When I was a junior partner working with associates, I remember one associate walking out of a closing saying, "Wow, that was fun," as if that was unusual. There is no reason why it shouldn't be fun. Sometimes deals are hard because the deal itself is hard — but sometimes they are hard because people make them hard. If you are the person who can keep your sense of humor and make it a good experience, people will enjoy working with you.

**Q: Outside your firm, name a dealmaker who has impressed you, and tell us why.**

A: Luisa Menezes, vice president and associate general counsel for PM Global Services, never ceases to amaze me. I've had the honor of working with her since 2005, when she transferred to New York to serve as general counsel for Latin America and Canada. Not only is she brilliant and an excellent lawyer, she works tirelessly to advance the careers of promising young women through programs she leads at Philip Morris International that are focused on diversity and inclusion in the workplace.