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## Of Counsel Interview ...

# Increasingly Clients Turn to Davies M&A Wizard to Navigate Complex, High-Stakes Deals

One day in the mid-2000s during a business law class at Concordia University's John Molson School of Business in Montreal, Fotini Gagaoudakis listened intently to a guest lecturer. He was the founder and former CEO of a wildly successful company in the health care space that had been sold under his stewardship—for a very healthy return. He talked to the students about the business of law and finding the right trusted advisor.

For Gagaoudakis, a partner in the Montreal office at Davies Ward Phillips & Vineberg, that was the first time she'd heard someone talk about the practice of law and lawyers in that context. He used the term "boardroom law," which served as an epiphany for her. "It gave me an initial glimpse into what was very different from what I saw on 'Law & Order' and what I thought was the more traditional legal route," she recalls.

The lecture and that new outlook about what an attorney can be piqued her interest so much that, after she earned her undergraduate degree in international business, Gagaoudakis applied to and gained entry into law school at Université de Montréal, where she excelled academically.

Today Gagaoudakis provides counsel to a sophisticated client base as a highly regarded corporate lawyer with a reputation as one of the profession's most skilled M&A practitioners. Talk to her just once and you come away from the conversation invigorated as she lives up to the first line of her website bio: "Fotini brings enthusiasm and energy to every transaction she participates in."

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## Of Counsel Profile

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Recently *Of Counsel* spoke with Gagaoudakis about her career, her corporate practice, including some of her most important transactional matters, the occupational satisfaction and intellectual stimulation she gets from doing M&A deals, and other topics. The following is a lightly edited transcription of that conversation.

**Of Counsel:** Fotini, you didn't always plan to become an attorney. Can you talk about that?

**Fotini Gagaoudakis:** My parents had immigrated to Canada in the early 70s from Greece. They had the uncanny ability, which many parents have, to somehow make me believe that there are really only two career options in life: becoming a doctor or a lawyer. Between the two they always encouraged me towards law because, according to my father, I apparently talk too much. *[laughter]*

I initially did not take their advice, and I went to business school for my undergraduate degree.

**OC:** And that's where you first heard the term "boardroom law," which I hadn't heard of until you mentioned it earlier.

**FG:** Right and it stuck with me because I don't think I've heard it either, other than from that former CEO. Interestingly enough, he was actually a client of Davies. When he was talking to our class about the sale and the trusted advisors that he had through all of the milestones of his company, he was actually referring to Davies. I didn't know that at the time, but it was a bit of a full-circle moment for me when I learned that in my second year of law practice at the firm.

## M&A in Her DNA

**OC:** Full circle is a good way to describe that. I know you do a lot of different types of corporate law, and you've handled so many different matters, so this next question might be kind of difficult. But when you think about a particular matter or two that you've handled that really stands out, what comes to mind?

**FG:** You're right, I do a lot of different corporate work, but I am really focused on private mergers and acquisitions. I am a self-proclaimed M&A addict, a huge M&A enthusiast – that's really up my alley. I think my first-ever closing [for a combination of pharmaceutical entities], which I did as a summer student, will always stay with me because it was the first time that I witnessed the whole M&A process. I didn't realize what it meant to close a deal. As a student you'd always hear about a closing, but you don't fully understand what that means until you're actually working on the deal and seeing it finally come to a resolution.

So that will always stay with me. I could see the team spirit demonstrated during the various stages of the transaction, the sense of accomplishment that came after the closing of the deal, and the gratitude expressed by the client. I was instantly addicted to that and the rush and thrill associated with it.

**OC:** That's a great answer, Fotini. What's another deal that was particularly meaningful for you?

**FG:** A few years ago I was involved on what at the time was my most important transaction, where I had a chance to really lead. It was in the automotive industry and involved the acquisition by a French client of a Canadian target. The Canadian target was based in Quebec, and it had subsidiaries in more than 30 jurisdictions. So when you think high stakes, complexity, and project management, this checked off all of the boxes. It was

hairy and had all of the bells and whistles that you can imagine.

We did a lot of in-person, intense negotiations because the parties were located all over the world, and the best way to get the deal done was for them to be in the same room and have in-person negotiations over a period of time. Being involved in that, leading those discussions, and also being involved on the back end as lead M&A counsel was incredible to me.

What makes me so enthusiastic about the process is that as the M&A lead, you're the quarterback. You're the glue that keeps everything together. And it really gives you that zoomed-out perspective. On top of the purely legal elements, you're also keeping your eye out on the operational components, the business components, the psychology of it all, really, and of course always looking out for your clients and their interests. I love being in that position, in the lead. And, on this transaction we were doing due diligence on more than 30 subsidiaries all over the world, and we also worked with an incredible network of law firms around the world to get that done.

It was such a mentally gratifying process, both for us and for the clients because it was a very important deal for them. It's been three years, and we still email with the client on the day of the closing to wish them a happy anniversary, just because it's one of those deals that you never forget.

**OC:** I hope you toasted with a good champagne or wine after the closing and were able to unwind a little bit.

**FG:** We did. It was great, because it was such a wonderful outcome for our clients and everyone involved.

**OC:** And the deal was a billion US dollars, right?

**FG:** Yes, it was a significant transaction. Sometimes dollar amount isn't indicative of the complexity of a deal. Sometimes you

can have big financial transactions with a big sticker price, but they're very smooth. I would say it's usually the smaller ones that tend to be the messier ones, where you really need to get your hands dirty, and I love those deals. But then there are some that just combined both. With this one we had that important financial price, but then also all of the incredible complexities that you want to sink your teeth into and that you look forward to as an M&A lawyer.

## Smaller Footprint, Larger Engagement

**OC:** Switching gears, what's a difference that you see between your counterparts and colleagues in the United States and those in Canada, not between the legal systems, but in other ways?

**FG:** One of the differences of a lot of the U.S. counterparts is actually the same difference that we have with a lot of our Canadian counterparts, which is the size of the firm. Davies is a Seven Sister firm, which is the term used to define the largest, top-tier firms in Canada, but amongst the seven, we have one of the smallest footprints. A lot of times people are confused by that, yet at the same time, the rankings and the transactions speak for themselves. We're usually in on the most prominent transactions.

We have only three offices, two in Canada and one in New York, and about 250 practitioners and that's pretty small. But I guess for us, strategically speaking, we don't purport to be a full-service firm. We know what we're good at, and we stick to that. We really have a niche in transactional corporate work and ancillary matters. We focus on those risky, messy, bet-the-company kinds of deals.

[Our size/footprint] also allows us to be more nimble and have a more engaged workforce. When I say workforce I don't just mean lawyers and legal professionals. I also mean the business professionals that make a firm

work. That's something that I feel a lot of time gets forgotten. It's not just the lawyers and paralegals, but it's also a slew of business professionals behind us who allow us to do what we do every day. By having a smaller footprint, we're able to generate and create that engagement across the firm. That really motivates me. I think it's a real strength and differentiator.

**OC:** It sure seems that part of the culture of the firm is to recognize that everyone has value. And I think that's different than a lot of law firms, no matter what country you're in.

**FG:** Yes, you see it in the dynamics between the people. Obviously M&A is a team sport, and when you're working on a deal like the types of deals that we're fortunate enough to do, it's not a one-person or a two-person show. You have a multidisciplinary team. When [outsiders] see the way we interact with one another, we often get this comment: "It looks like you guys are having a great time." The answer is: "Yeah, we are having a great time." I think it's the key to a successful career and the key to a successful transaction, is having a good time internally, and more importantly, making sure that your client feels that too.

Because we do high-stakes kinds of transactions that often come with emotions running high, our job as M&A lead and external counsel is to navigate our clients' goals and remove as much stress as we possibly can from them and put it on us. We want to make sure that they're having a good time and that it's as painless and as seamless as possible to the organization. We're built to do that, and we're here to do that, and we like doing that. I think it's important to keep that high energy and keep that engaging type of rapport, both internally and with the clients as well.

**OC:** You've talked about what you like about what you do, so let me flip it around: What do you dislike about your job and the legal profession? What do you wish that you could change?

**FG:** That's a good question because I really do like what I do. When I look at my career and I look at the hundreds of deals that I've worked on, I can't pick a bad experience just because every experience for me is a good one because, well, it's an experience. To be a very good M&A lawyer, you need to put in those flight hours, and every hour counts, whether it's a smooth-sailing hour, or the 11th hour in the middle of the night, all of them count and become tools in your kit. So from that point of view, challenges and disruptions are just a part of the process.

I think one thing that I see recently, and I'm seeing it across the markets and across the different firms as well, is some difficulty in retaining talent at the junior levels. I think that during the pandemic it's something that was really emphasized, and not just in the legal world. You went online and read these memes about not being able to find people to work at restaurants, for example. It created a bit of a disruption in the market. We saw a lot of young associates at our firm and a lot of other firms look for different challenges. It wasn't necessarily that they weren't happy with what they already had, but because they just wanted to explore something different.

Seeing people leave, especially people you've spent a lot of time investing in and that you're emotionally committed to, is painful. Even though you're really happy for them and the new chapters and journeys that they're embarking on, it's difficult to see them go. You always wish they could have stayed and found what they were looking for at the same place that you did.

## Diversity and Mentoring

**OC:** As I'm sure you know, law firms here in the United States are still not doing a good job hiring, retaining, and promoting women lawyers and attorneys of color; it's been a slow march to get to where the clients are on this front. What are things like in Canada?

**FG:** As a law firm we're very sensitive to diversity and inclusion, and I think generally speaking all law firms are. A lot of initiatives are put in place to make sure there's outreach, there's mentoring across all of the different groups of attorneys. Our firm does a lot of things to try to promote that. I'll give you an example. Tomorrow I'm on a panel with the Women of Colour association from one of the universities, and we're doing a panel discussion on a day in the life of an attorney. It's something everyone takes to heart quite a bit.

I think in my case I was quite fortunate. I never felt at a disadvantage to any of my counterparts. I was always very lucky to have from the beginning a great support system and a great network of mentors and other practitioners at Davies that really invested in me and my career. They wanted to see me succeed, and also helped me succeed. I think that's critical in somebody's career. It's one of the main reasons I chose Davies and am still at Davies.

Today I'm in a really great position where I can return that favor and ensure that I'm continuously mentoring and coaching young

practitioners from all walks of life, whether internally at the firm or through [networks] we have with some of the universities or other community groups. I don't view it as only a gracious gesture. It's a job requirement. I feel like that has been ingrained in the culture of Davies since its very beginning. By design, it's always been uniquely positioned to ensure that balance between diverse groups and we work to remove any barriers to entry in the legal profession.

There's still obviously work to be done, I think starting with the faculties. If you look at a lot of the law faculties and the numbers, and what is reflected at the law firms afterwards, it's not completely in synch. There is definitely a lot of collaboration and work that can be done between law firms and faculties to try to understand what those barriers to entry are or are perceived to be. But overall I think we're on the right track. I think it's something that people really take to heart and have all of the right kind of intentions, and then also the drive to make a difference. ■

—Steven T. Taylor