

On Tax—Lauren Angelilli and Ting Chen of Cravath (Originally Released Summer 2021)

Len Teti: Welcome to On Tax—A Cravath Podcast. I'm Len Teti, a partner in the Tax Department of Cravath, Swaine & Moore, a premier U.S. law firm based in New York City. On each episode of On Tax, I talk to professionals in the Cravath network about their life and work in the world of tax. We focus on the human side of tax law, highlighting the people, connections and stories that make the space such a fascinating and dynamic area of practice. Today, we're re-releasing one of our most popular episodes: a special conversation from last summer that focuses on Cravath's recruiting process and hiring lawyers out of law school. It resonated with a lot of folks when we first released it, and I think it's still a great resource today. I hope you enjoy listening.

We're joined by two of our partners at the firm. Lauren Angelilli is the Head of the Tax Department. Lauren, welcome.

Lauren Angelilli: Thanks for having us today, Len.

Len: You're welcome. And also by Ting Chen, who's an M&A partner in the Corporate Department and is the Hiring Partner for Corporate. Ting, welcome.

Ting Chen: Thanks, Len. Happy to be here.

Len: So, I want to get to our recruiting process and what candidates can expect when they come into the Firm for interviews. But first, I wonder if you could tell us a little bit about the day that you called back at Cravath. Lauren, do you remember that day?

Lauren: I do remember that day. It was a cold and rainy day in November 1999, and I recall that I was incredibly nervous for my interview. I thought that my credentials weren't strong enough for Cravath, and I almost canceled the interview.

Len: Before you came back to the office, you almost canceled it ahead of time?

Lauren: I did. I did. I thought it was just sort of a waste of time, but Cravath was great. And, over the course of the day, 'cause it's a day-long interview, I met with a number of different people, mostly in the Corporate Department, but also in the Tax Department. And I felt like it was a place that I could be really excited working at. And I was so excited to get the offer, and thankful that I hadn't canceled the interview day.

Len: Wow. Ting, do you remember the day you interviewed?

Ting: I do. I actually had participated in this program between college and law school called SEO—Sponsors for Educational Opportunity—and so I spent that summer between college and law school actually at Cravath as a legal intern.

I had a great summer as an SEO. I thought all the partners and associates and legal assistants and staff, everyone was wonderful. Everyone was clearly committed to excellence and high-quality legal work, but I was also struck at how collaborative and collegial and approachable a lot of the lawyers I worked with were. And when I interviewed for a full-time position, I found everyone I met to be as friendly and engaging as I expected based on my summer experience.

It is an interesting day because, as Lauren mentioned, it's an all-day interview process. But it's actually very freeform, right? There's no set time for any of the interviews. You don't know who you'll be meeting with before you come into Cravath.

And that's really what struck me about the Cravath interviews. It was more conversations you were having with different lawyers than necessarily an interview, and, you know, some conversations went on for 30 minutes, some went on for over an hour. I found, as I expected from my summer experience, just a day where I got to learn more about different people and their practice areas.

Len: One of the things that I remember about the day I interviewed was that everybody I met seemed to be kind of fully engaged in their work and engaged in the work of the Firm, but in slightly different ways. I also got the sense that they were very effective at their jobs.

There's a bunch of different personalities among the lawyers at the Firm. And one of the things I started learning then, and that I've sort of learned over time, is that the Firm is big enough to take all of those kind of different personalities.

You know, there's a lot of different ways to be an effective lawyer, and I think the dynamism of the various types of people was one of the things that attracted me to the Firm.

What would the two of you say to somebody who is getting ready to come back into the Firm for a call-back interview, a full day of interviews? What sorts of things would you try and do to get them comfortable with the process?

Lauren: I would say one thing I've learned over the years is that nervousness is normal for me, and that I've always thought there would come a day when I'd walk into a room and I'd know all the answers and I'd be perfectly prepared. But a lot of being a good lawyer and being a good tax lawyer is learning just to think on your feet and to engage with people and comport yourself in a way that conveys confidence and competence, even though you don't know everything.

In fact, it's important to ask questions. And one of the things that I look for in an interview is not that the applicant knows everything, but that they're engaged, that they're curious, that they're eager. And those are all qualities we look for in our associates.

Len: Ting, in your experience as the hiring partner, how would you say you evaluate candidates in terms of whether they'd be a good fit at Cravath? And maybe the way to think about that question is, what do you think the best Cravath associates do well?

Ting: Well, I think at Cravath, one of the things that differentiates us is that we give our associates a lot of responsibility early on. And so, I look for candidates who I think would thrive in this environment, candidates who both, I think, would enjoy taking that responsibility early on and taking ownership of the matters on which they're working, candidates who wouldn't be afraid to, as Lauren mentioned, ask questions and really develop an understanding of what they're doing, what the transaction is about, and our clients' goals and objectives.

Len: I remember having that experience as a young associate, and I'm sure we all have our own experiences along those lines. It strikes me that one of the things that's kind of required is a comfort with the discomfort that comes early on with those types of opportunities. And a lot of times, clients will bring us their hardest problems or their deals with the most unusual structures. People may not have done these things before. And so we, as partners and our teams of associates and lawyers, need to kind of figure it out.

And once you take responsibility for and comfort with that kind of uncomfortable situation, you've learned over six months or a year, "Wow, I can figure stuff out when I don't know how to do it." And, over time, you become like we are now—12, 15, 20 years of experience—figuring stuff out in the legal universe, that we didn't know how to do before we started. That's a pretty powerful experience.

I think a lot of law students sort of get tricked into thinking that there's only one way to be as a lawyer, because, at this point in time, they've seen two different types of lawyers. They've seen their law professors and they see the partners at law firms where they're interviewing. And they sort of look down the road and they see themselves in one or the other of those roles, or they struggle because they can't see themselves in one or the other of those roles.

And I think, better than asking yourself, like, "Could I see myself as a partner at this firm?" Is a question like, "What do I want my first two or three years out of law school to be like? What kinds of experiences do I want to have?" And if you think as a law student about those kinds of questions, then I think the law firms you see and you talk to will really start to differentiate themselves from each other because the answers to those questions about what a day-to-day associate experience is going to be like will differ substantially among the firms.

Lauren:

I think that's exactly right, Len. Some people come to the process and they think, as you said, "Do I want to be a partner at this place?" Or, for our practice, "Am I committed to being a tax lawyer?" And I say, you don't need to be committed to being a tax lawyer for your career. Indeed, you don't need to be committed to being a lawyer for your career. You should come to Cravath, and I'd say you should do tax at Cravath, because you want to learn core critical thinking skills.

You should do it because you're interested in the substantive law and you think it's cool to kind of solve puzzles and figure things out, come up with solutions and work as part of a team. But you don't need to know that you're going to be a tax lawyer for the rest of your career. And when I came to Cravath, I wasn't committed to tax. I wanted to be a lawyer for a few years. I wanted to have Cravath experience and training, and I knew that that would be valuable. And we've seen many of our colleagues go off, leave the Firm after spending a number of years at Cravath, and do other things and do them exceptionally well, in part because of the foundation that they've built here.

Len:

We've had many of them on the podcast as our guests, a lot of alumni who are doing various different things, some in the law and some outside of it. And they all spoke with some great deal of affection, actually, about the experience they had in the years they were here: what they learned, substantively, sure, about the law, but also what they learned about being a professional and thriving in a professional environment.

I think it probably makes sense to just talk a second about what the rotation system is. The rotation system is a system for training associates where we hire our candidates out of law school and we bring them to the Firm and we have them essentially train under the tutelage of the lawyers working in a particular group on particular types of matters. So in the corporate group, which is broadly divided into three subgroups—M&A, where Ting works, banking and credit groups, and then capital markets and securities groups—associates will spend 18 months, 20 months working with the partners and the associates and the clients and the documents and the matters that are in and within that group.

And after 18 months, you know, now a second-year associate will then rotate maybe from the banking group to the M&A group. Might be working with Ting and on the matters where Ting is working, the clients Ting is working with, the M&A deals. And then, after another 18 months, that person now sort of beginning his or her fourth year, will go to a securities group. There's a lot about that that is exciting and energizing, but there's also a lot about it that's jarring.

Because when you get to a new group, even though you've got maybe two rotations' worth of really solid experience, you are still showing up in a group where you are unfamiliar with the clients, you're unfamiliar with the partners as colleagues, as people to work with on a day-to-day basis. Ting, you could probably speak to this better than I can. Can you talk about, in your experience, what that transition was like?

Ting:

Yeah. So Len, as you mentioned, for each of your rotations, you're part of this very small team—four to five partners and the associates in your group—and you're immersed in that practice area. So you learn how to do a particular type of transaction or transactions from start to finish. You learn how to think about and tackle the types of issues that come up in the different practice areas.

And you learn different negotiating styles and approaches. But then, once you finish your securities rotation, you feel like, "I really have mastered IPO. I know everything about IPOs. I'm a securities lawyer." You're basically asked to do something completely different, like public company M&A, and I think that what the system forces our associates to do is, it doesn't allow you to fall back on what you did in your prior deal.

It encourages you to be very thoughtful and deliberate about exactly what kind of transaction you're working on and what your particular client's risk tolerance and goals and objectives are in that transaction. It forces the associate to really think about, this is how I'm thinking as a lawyer. My job isn't just to duplicate what happened before or what someone else did before. But it's really to think about, "What is going on here?" and "How do I get this done?"

And I think from a training perspective, it is really unparalleled in terms of forcing someone to be comfortable with not knowing the answer and asking their colleagues and their partners the right questions to figure out how to push a deal forward.

Len: Lauren, in the tax group, it's a little bit different because our group is, by its nature, smaller—a handful of partners and 20 or 25 associates. But would you just comment briefly on how the rotation system functions in the Tax Department itself?

Lauren: Sure. So we have six partners in the Tax Department and we're divided in two groups, and we all are generalists. We all cover all areas of the tax law. Whatever the Corporate Department does, we as a department cover the tax aspects of.

And in the Tax Department, we do have a rotation system. Associates are assigned to one partner group or another partner group, and they rotate every year on a sort of school year basis, right? So every September, but we work very, very closely together. The goal of the rotations for us is to make sure that the members of our team get to work with everyone and get to work with different clients, and that you don't fall into a pattern of just doing this one type of deal or doing that type of deal, but that things change over time. And you have breadth of practice area, breadth of knowledge, and an opportunity really to develop your own style working with everyone in the Tax Department.

I was looking at how I had spent my time one day last week, Len, and I saw that it was on 12 different transactions over the course of the day, each of which was different, right? Some were M&A, some were spin-offs, real estate transactions, one-off research questions that a client just asked to bounce some ideas off of us. So you really do get a tremendous amount of variety at every level of seniority.

Len: Also, within the Tax Department, we have a group of lawyers who practice in the Executive Compensation and Benefits group. Would you talk a little bit about that group and the way they function in the rotation system, generally?

Lauren: So, the group works alongside the tax team and the corporate team on a variety of different transactions. You might not have heard about ECB, as it's called, because there aren't many law school classes that are dedicated to it. And I think the reason for that is it covers so many different disciplines. So, it grew up alongside the tax practice I think, in part, for historical reasons. But it really covers a breadth of practice areas and I think it's a key piece of what we offer our clients.

And ECB is one of the groups, along with Tax and Trusts and Estates, that summer associates can choose to split their summer with. Indeed, a number of our associates over the past summer chose to spend some time in the Corporate Department to see what that was like, and then some time in the Tax Department or in the ECB group, so that they could get that real taste of what it's like to work in these different practice areas.

Len: That brings us to something I wanted to ask you both. When you think back on your early days as a Cravath associate, either as a summer associate or as a junior associate, what do you remember most about just starting out at the Firm? The experiences you had, the tasks you were given—what comes to mind as you reflect back on that?

Lauren: I remember that my colleagues, the associates in my class and above me were very helpful and were very interested in talking to me and teaching me what they knew and helping me work through issues. And that there was this culture of teamwork and a sense of collaboration, even when someone wasn't assigned to a deal with me. And I think that people who grow up in our system and in our tax group appreciate that and get the benefit of it as junior lawyers, and then are expected and want to pay it forward when they get more senior.

And what's kind of beautiful about the system, I think, is that when you are teaching someone else, you are refining your own mastery of the subject area. And so I think we have a terrific formal training program of many, many different sessions on different topics. But the informal training that happens through this culture of teamwork and collaboration is really equally important to our development as lawyers.

Len: Ting, do you have any particular recollections?

Ting: When I made the decision to come to Cravath as a full-time associate, I remember I based that decision, basically, on the fact that I liked everyone I met, both when I was an SEO and in my interviews. But what I didn't appreciate fully as a law student was just how different the Cravath system, the rotation system, was from other firms.

And I think as a junior associate or a first-year associate, that's when I realized the system is quite different. I joined Cravath and I joined a securities rotation and I remember the most junior partner in that securities rotation who did a very particular type of capital markets transaction—securitizations. He basically took me under his wing from the first day. He would draw, you know, “Well this is how a securitization transaction works. This is what you'll be working on.”

Every kind of markup he provided me, we would meet in his office and he would go through every change he made. He would go through the purchase agreements and the different sections in the purchase agreement. Every call that we had, either with the client or with the counsel for the other side, we'd take it in his office. He would comment before and after the call on what was said during the call.

He took a real interest in my development as a lawyer. And it wasn't until later that I realized that, well, this makes a lot of sense from his perspective, right? He's the youngest partner in this group. And if he wants me to help him with his transactions, it makes a lot of sense for him to really devote a lot of time to making sure that I get up to speed as quickly as I can.

And, I think the partners recognize that this is their group. They have the responsibility for training the associates in the group, and also that it works both ways, right? The more they invest in kind of training associates, the better their associates are, and the better work product everyone produces.

Lauren: Yeah, the partners keep training really seriously, not just because it's the right thing to do, but because our system relies on it. If an associate is assigned to you as a partner, you want to make sure you train that person. You're looking to them to help you do the work of the Firm and do the highest quality work possible. And so we invest in our associates because we want to, and because we think that produces the best work product.

Ting: Yeah. And Cravath doesn't hire laterals, and so really, there's a recognition that our associate pool, that's the future of the Firm. And so it's even more important to invest the time in ensuring that training is just a fundamental part of how we approach the practice of the law on a day-to-day basis.

Len: Ting, the point you were making about actually being across the partner's desk as a junior associate and learning has gotten me thinking about the return to work after the pandemic and we've all been reflecting on how the work from home moment and Zoom has changed the way we do work.

In thinking about it, and I hope I'm not alone on this, I hope that working across the desk with other lawyers at the Firm is part of my future as a lawyer. Because I feel like besides being whatever the Firm is going to require or whatever social norms develop, for my own professional satisfaction and for the work product that I produce and that our group produces, I feel like it's offering an opportunity to myself and to young lawyers to be able to come to New York City and work in this office where, you know, Cravath only has essentially the New York office. We have a small London office that only has corporate lawyers. But we're talking about in the same elevators, in the same hallways—come to my office, let's talk about this thing we're working on together.

That kind of experience, it's an opportunity to develop as a young lawyer. It's an important part of a young lawyer's training, and it's an important part of our system, the rotation system itself, functioning properly.

Lauren: I'm really looking forward to being back in the office and to working alongside the members of the team. Len, you know that we have on the 32nd floor, where the Tax Department sits, a number of different breakout rooms, one of which, we call it the fishbowl. It's surrounded in glass, and you can always see what's going on there.

Len: And there's big whiteboards on the walls where we can draw structure charts.

Lauren: Yeah, writing on the board and erasing and coming up with ideas, and brainstorming together, and sitting on calls and speaking, but also chatting with the team and collaborating, kind of in the moment that we're giving advice. And I think that's what I miss about being in the office, some of those in-between moments. The

moments after the call is done, when the team is chatting. Sometimes it's about personal stuff, and sometimes it's about work stuff. Sometimes it's just a, "How do we think that went?" I don't think that's quite the same, or hasn't been quite the same in the past year, and I'm looking forward to recapturing some of it when we're back in the office together.

Len: It's really hard when you get off a large, exhausting Zoom to say to your team, "Hey, let's get back on another Zoom so we can talk about that last Zoom." Whereas, if you're sitting in our offices together, it's a lot easier to just sort of say like, "Ah, let's decompress and debrief."

Well, Lauren Angelilli, the Head of the Tax Department, and Ting Chen, M&A partner in the Corporate Department and the Corporate Hiring Partner at Cravath, thank you both for joining us. It's been a pleasure to have you on this episode, and good luck this recruiting season.

Lauren: Thank you, Len.

Ting: Thank you, Len.

Len: That's all for this episode of On Tax—A Cravath Podcast. You can find us online at cravath.com/podcast, and don't forget to subscribe on Apple Podcasts, Google Podcasts or Spotify. If you enjoy the show, please consider rating or reviewing us wherever you listen. We'd also love to hear from you directly. You can tell us what you'd like to hear on the show by emailing podcast@cravath.com.

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