

## Rising Star: Cravath's Andrew T. Davis

By Asha Glover

*Law360 (June 24, 2022, 3:04 PM EDT)* -- Andrew T. Davis of Cravath Swaine & Moore LLP has played a lead role in structuring billion-dollar acquisitions across the globe, including transactions involving companies based in Australia and the Netherlands, earning him a spot among the tax attorneys under age 40 honored by Law360 as Rising Stars.

### ***THE BIGGEST CASE OF HIS CAREER:***

Davis said the biggest case of his career came when he represented Australian-based financial technology company Afterpay Ltd. in its \$29 billion acquisition by digital payments platform Block Inc. The size of the deal, the popularity of the parties involved and the execution were all challenging elements of the deal, he said.

"This was one of those deals that was quite fast-paced and the geographic footprint of the parties was quite broad [as] our client was in Australia [and] the other side was in Silicon Valley," Davis said, adding that he worked from his office in New York. "It just meant that all the calls that are required to get a deal done on a tight time frame were happening at all hours of the night."

Another challenging part of the deal was negotiating a tax structure that made sense for all parties, Davis said. Block entered the transaction with clear objectives of making the transaction taxable from a U.S. tax perspective, while Afterpay wanted to achieve a tax-free transaction for Australian tax purposes, he said. There were also commercial considerations that needed to be satisfied by both parties, Davis added.

"Our role was really translating the objectives of Block for a non-U.S. audience and helping to ensure that Block could get what it wanted out of the deal in terms of tax treatment, while our client, Afterpay, got what it wanted out of the deal," Davis said. "Ultimately, with our help and the help of our accounting firm and [Block's] advisers, the parties settled on a tax structure that really was a fair balance of all of those objectives."



**Andrew T. Davis**  
Cravath

**Age:** 34  
**Home base:** New York  
**Position:** Partner  
**Law school:** Stanford Law School  
**First job after law school:** Associate at Cravath Swaine & Moore LLP

#### ***HIS PROUDEST MOMENT AS AN ATTORNEY:***

Davis said there is no singular moment that he's most proud of. He instead enjoys the constants in his career, especially the moments when he gets to give advice to businesspeople, he said, adding that he most enjoys advising business founders. Those clients, he said, are some of the most intelligent and driven people he's encountered in his practice.

"My clients run the gamut from robotic engineers to physicians to financial wizards and people from all walks of technical background, and yet, these are all people that don't have a degree in tax law," Davis said. "They are approaching questions from a kind of layman's perspective, but they have a high degree of intellectual capacity to understand them."

It's rewarding to help those clients understand tax rules and help them make decisions about the structure or direction of their business because they have a hunger to understand it, Davis said.

"It really means that my role is helping translate very complicated rules [into] actionable advice that they can take and do something with," he said.

#### ***WHAT MOTIVATES HIM:***

Davis said he is motivated by interpersonal relationships with both his clients and his colleagues. He does whatever it takes to clarify the mystifying and sometimes demoralizing process of interacting with tax rules, he said.

"I think that's a really nice, fun process because you're kind of opening up this world to people and making them feel comfortable in it," Davis said.

Davis' relationship with his Cravath colleagues also works as a motivating force for him because his time with the firm has helped to develop his skills faster, making him a better lawyer, he said. His connections with the corporate associates and tax associates at the firm also make his work more fulfilling, he said.

"That's the fun part of the job and [it's] rewarding when you're doing the work and you like the people you're working with," he said.

#### ***ON THE FUTURE OF THE PRACTICE:***

The biggest change Davis thinks will happen in his industry stems from the possibility that the U.S. will agree to the global tax overhaul proposed by the Organization for Economic Cooperation and Development. The inclusive framework includes a 15% minimum tax under Pillar Two for large multinational corporations and a reallocation of taxing rights on highly profitable companies under Pillar One.

If the U.S. joins the jurisdictions that have already agreed to the tax overhaul, it will likely have significant implications for mergers and acquisitions, Davis said. He thinks the biggest hurdle for lawyers in his field will be understanding those rules if and when they are adopted.

"The Pillar Two rules may create incentives for certain companies to undergo either divisive transactions or to pursue mergers and acquisitions with certain types of counterparties," Davis said. "It's really important because a lot of my clients are the types of people that will be directly impacted by the rules if they're implemented."

— *As told to Asha Glover*

*Law360's Rising Stars are attorneys under 40 whose legal accomplishments belie their age. A team of Law360 editors selected the 2022 Rising Stars winners after reviewing more than 1,350 submissions. Attorneys had to be under 40 as of April 30, 2022, to be eligible for this year's award. This interview has been edited and condensed.*

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