

# On Tax—Alyson Lawrence of Johnson & Johnson

**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. I hope you enjoy this episode.

On this episode, we’ll talk to Alyson Lawrence of Johnson & Johnson. Alyson will tell us how she’s the third-generation tax professional in her family. She’ll also tell us about her family’s 50-year history of holding season tickets for the Philadelphia Eagles, and she’ll tell us where she was in 2018, when the Eagles won Super Bowl LII.

Alyson, welcome to the podcast and thank you for joining us.

**Alyson Lawrence:** Thanks for having me, Len.

**Len:** You’re welcome. So, Alyson, tell us about how you came to the tax world. Tell us about your background in tax.

**Alyson:** Yeah. I think it’s interesting—I’m probably an atypical tax person in that I think I was born to be a tax lawyer, and that’s a very strange thing to be. I am a third-generation CPA. I was an accounting major undergrad, and when I was in college, I took a tax class as part of my accounting major, and I definitely knew from that moment that I was interested in tax and not traditional audit path. And after college, I worked in the Big Four, in a compliance role at Arthur Andersen for a couple of years. And at Arthur Andersen, I really learned that I enjoyed what I would call the more creative aspects of tax, more so than the compliance. I enjoyed the special research projects, some of the due diligence work that I was getting a chance to do, and not so much the tax return work. And so I really went to law school to become a tax lawyer.

**Len:** So, growing up and with the accountants in your family, presumably you were sort of dragged to their offices from time to time, like we all are, but did you envision that you’d go into that field when you say you were born to be a tax lawyer? Or, is it just that where you are now sort of is inevitable in retrospect?

**Alyson:** I think it was inevitable in retrospect, given my personality type and that history. I actually grew up on a farm in southern New Jersey, and the career interests that I were exposed to were peach farming and my dad’s accounting business. And after spending a few summers packing peaches, I really knew that I definitely would prefer trying out my dad’s office, and, you know, learned a little bit, doing some work for him growing up, but nothing substantive, really, until I got to college. And I knew I wanted to be a business major—I wasn’t sure about accounting. I very quickly settled on accounting after my freshman accounting class, and then it sort of went from there. So, the “born to be” is a bit of a joke, but I think a bit inevitable.

**Len:** You went to law school, and one of the things we’ve talked about in the past is that we have our law school alma mater in common: we both went to the University of Virginia’s law school in Charlottesville. What do you remember about your time either in law school or in Charlottesville itself? Did you like law school?

**Alyson:** No. I am probably the one and only UVA person who did not enjoy law school.

**Len:** There’s not very many of us.

**Alyson:** I really think the place is beautiful, but it’s kind of a sad place to be when you’re single and 25. I had taken a couple of years off to work, as we discussed, and I worked in Washington, D.C., where I had gone to undergrad at Georgetown. I loved being in a city, I loved the social aspects of working, and I would just say, going from a very busy tax practice in D.C. back to studying full-time in a rural place, with a lot of people in my class that had gone straight through from law school and all wanted to be future litigators—I did really feel like my goals were so focused that I didn’t fit in in law school.

And for that, I think it was a little bit socially difficult, and intellectually, because I was maybe more focused than open minded, in my experience there.

**Len:** I see, well when I was in law school, I was married with young children, so that's a very different perspective. And Charlottesville with its kind of cost of living was attractive in different ways. At the law school, did you find yourself gravitating to a lot of tax classes and particularly tax professors?

**Alyson:** I took tax only in my first semester, second year. At UVA, as you know well, at the time anyway, you could take two electives your second semester, first year.

But I was very committed to taking my first tax class with George Yin, a legendary professor at UVA, and he was not teaching federal tax second semester, and so I actually put it off, and I think I took corporate law and something else completely business focused—I don't remember what it was at the time, but I deliberately held off to make sure I was taking tax for the first time in law school with the legendary professor.

I did take both of the classes that he offered—the other was corporate tax—and found him to be a really great teacher and scholar of the tax law. And happened to be on campus for his retirement during my reunion in 2019, for the class of 1999 recently, and that was a fun sendoff for him.

**Len:** Wow, I was going to ask you whether Professor Yin was there when you were there because he was at the Joint Tax Committee during the two or three years when I was taking the advanced tax classes, and so I actually never had him.

**Alyson:** Oh, you missed him altogether?

**Len:** Yeah. And I didn't actually meet him until several years later, when there was a tax conference at the school and I introduced myself to him, and it's a real regret of mine. The tax classes I had were great, and the tax professors I had were great, but it's clear that I sort of missed an awesome experience. But it's great to hear that you had him. So, after law school, then, you presumably went to a law firm and practiced tax. Is that right? Can you tell us a bit about that?

**Alyson:** Sure. I went to Dewey Ballantine, straight from law school. I actually summered there my first-year summer, and I think that's also evidence of my singlemindedness of what I was at law school to do, because while everyone else was already studying for exams, I was putting out hundreds of letters because I was bound and determined that I was going to get that firm job that first-year summer, which is like the unicorn.

**Len:** It's very hard to do.

**Alyson:** Yes. And I marketed myself as interested in tax, and I am convinced that between that, and the fact that there were a lot of Georgetown alums at Dewey, that that is the reason why I was given the call for the interview, and ultimately got the opportunity. I had split my second-year summer by going back to Dewey in D.C. and with another international firm in New York and London, and tried actually, for the first time something other than tax and didn't like it. I tried corp, just basic corporate law—it reaffirmed my love for tax, definitely made me decide on Dewey, and so I was, you know, sort of Dewey bound by the time I was entering my third year.

**Len:** And what were the sort of tasks that you were doing as a tax associate? You were at the firm for several years, as I recall, right?

**Alyson:** Yeah, I left after about six and a half years. At that time, there was still such a thing as being a generalist to a certain extent. We had one very senior partner there, who had a broad practice still, and that was sort of the entry level associates' task, was to sort of rotate and do a bit of everything. But I was always interested in international tax, and I was matched up with a partner who was a brilliant international tax partner, who left the firm three months after I started to go to a Big Four. And so my grand plans to pursue that area were sort of derailed, at least temporarily—it's almost all I do now. But I spent time doing tax controversy work, mainly, you know, research and writing for protests, preparing one case that was possibly gonna go to litigation, but then ended up settling, so that was an interesting experience; did securitization work. For about two years, I continuously said no to the M&A tax partner because I was scared of the lifestyle.

**Len:** Of doing deals and having to get deals signed, and those sorts of things?

**Alyson:** Yeah, I did not want that life. And I have to say, between the departures of the partner I mentioned that was an international, and a couple of others, it became very clear to me that I needed to diversify myself, and the only way to do that was to say yes to an M&A project. And I quickly learned that you cannot generalize and dabble in other things when you're doing M&A, because it is so all consuming. So that is how I became an M&A tax lawyer.

**Len:** It wasn't as bad as you thought once you tried it, was it?

**Alyson:** No, it was super fun and interesting. But the lifestyle was exactly as bad as advertised.

**Len:** A ha, for sure. For sure. One of the things I like about—and maybe you like this about the role that we currently play, when I'm working on some of the transactions with you—is it's the outside advisors who get to stay up all night and check all the disclosure schedules, and the in-house people don't have to look at every page anymore. But I certainly understand what you mean.

**Alyson:** Yeah, exactly—enjoyed giving that to you, Len. But, you know, I do have to say that as hard as it was and as demanding as it was, I loved every minute of it. I worked for a great partner who was a great mentor and a friend, and still is to this day. And it was an extremely hard thing to leave, because of how fun and interesting it was.

**Len:** And this was in the D.C. office?

**Alyson:** It was. And that was also very attractive to me, because I had spent that part of a summer in New York, and as much as I love New York City—and I happen to live, as you do, smack between New York and Philadelphia, sort of my two favorite cities in the country—I definitely was not cut out to live in New York City, and I very much enjoyed the best of both worlds of doing a New York-style transactional practice at Dewey, but living in D.C., and that was a very unique opportunity that I enjoyed very much.

**Len:** Well, and you mentioned the tax controversy work that you did also, which seems to me to be more of a feature of D.C. tax practices than New York, and only recently in my professional career have I started kind of touching different aspects of tax controversy. And I have to say, I wouldn't be cut out to do it all the time, but I do find it valuable on the front end of planning and executing transactions, to be working on that kind of thing.

So the diversity of that practice, I think, in D.C. has some real merit to it. And then you decided to go to pretty much exactly between New York and Philadelphia: in New Brunswick, New Jersey, there's a train station right there by your offices. When you started looking for jobs in-house or outside of Dewey, how did you arrange that search? And what sorts of things attracted you to in-house generally, and to Johnson & Johnson in particular?

**Alyson:** Sure. I mean, I was getting to a point in my career at Dewey, where it was pretty clear, I was gonna be up for partner soon-ish. And I needed to make a real decision about whether that was the life I wanted, or if I wanted to do something different. And I had just gotten married, it was in the summer of 2005, and I'm from southern New Jersey, as I mentioned, and my husband is from Maine, and was getting to a point in my life where the D.C. geography maybe didn't make so much sense anymore. And I also was really excited by the work I was doing, as I've said, but I also was intrigued by my clients' businesses. I had some very interesting big clients at Dewey that I got to work on really great projects for, but I wasn't very connected to their business or their mission. And I really craved that, from a business perspective, to be part of something bigger than just, you know, sort of the deal documents and the planning.

And so my criteria, if I would ever think about leaving the great job that I had, were closer to family—so basically Philadelphia, New York or Boston—and a company that was respected, and that I could connect with their mission. And I frankly, hadn't really ever answered headhunter calls up until that point in my career, and when I did answer them, I would respond with my criteria, and I would not talk to the headhunter unless they told me what company it was. And I had one interview scheduled for a different company in the area, and that company ended up having a hiring freeze. And so the second headhunter called that I actually answered was for the J&J job. And I couldn't believe it when they told me the name of the company, because it's such an

iconic company with such an incredible mission, and not an interview that I would ever say no to, and I was lucky enough to get the opportunity. Frankly, one of the only ones I would have left the Dewey job for. So, it was just a lot of luck.

**Len:** One of the things I've had to do as a partner at the Firm that I didn't have to do when I was an associate is talk to associates about that first move out of a law firm.

You know, should I go in-house, should I go to another firm? What are my opportunities? And I'm curious about your perspective after you started at J&J, about the ways in which a law firm—sounds like a very kind of rich law firm experience as a young lawyer—prepared you for the tasks and legal problems you're gonna be dealing with in-house, and maybe more interestingly, the ways in which it didn't prepare you, and you had to sort of start learning some things on the fly. Do you have any thoughts about that?

**Alyson:** I think I was very well prepared from a, what I would say, technical rigor perspective. I was very well trained, but in a very specific area of the law: tax law. What I have to cover now and even at the time when I was entry level at J&J in the M&A space is just so much broader in terms of international indirect tax, different issues that are specific to our industry from a tax perspective. I really didn't have life sciences experience. I didn't have as much international experience as I had set out to have when I first entered the law firm, just because of circumstances. And so I had to broaden myself very, very quickly. And I had to learn to let go of being the primary technician on every issue, even though I was responsible for every issue. You know, I had to rely on outside counsel or my colleagues to go up the learning curve on the spaces that I didn't have experience in.

And I think I had the perfect foundation for how to learn and how to go deep in those areas, but I had to rely on a lot of others in the beginning. In terms of what I was not well prepared for, I would say the business aspects of being in a company, the people management preparation that I eventually got responsibility for in the company, making the complex simple in terms of how you speak to others. You know, you can just talk tax to each other in a law firm all day, and that's not a problem. You do have to speak to your clients with some degree of clarity, but often your client is the tax person, not the CFO or the corporate development person or the business leader. And so I think making that switch is a tough one out of a law firm for anyone.

**Len:** That's absolutely true, and we try to teach our associates to not just learn that skill, but before you learn that skill, to sort of observe that that skill is actually happening. Because it's only when you observe that other people are doing that, translating kinda tax jargon and tax doctrines and concepts into actionable, understandable legal advice is, you know, only once you understand that, can you sort of practice doing it yourself.

So you've been at J&J for, what is it, almost 15 years now? Obviously, a few years ago, we all experienced some disruption in our professional development by the Tax Cuts and Jobs Act, and, you know, the tax reform elements over the last few years. I know that that's kept you busy. I wonder if you could talk about that and other kinda major shifts in the law, or in your day-to-day life in-house, as it relates to the tax world?

**Alyson:** Sure. I mean, TCJA was a once in a generation opportunity for tax lawyers, obviously. Because J&J is so active in policy work, I got to be involved in the legislative process, and commenting and meeting, you know, with members of the tax-writing committees, and feeding comments through industry groups that we participate in. I was primarily focused on certain areas of TCJA, but in terms of implementation and regulatory policy work, I was certainly involved in many, many aspects of that, and that was amazing to be a part of.

I also think it's been interesting to see what a great equalizer TCJA was for the tax profession. I mean, our most junior lawyers are on level playing field with those of us who've practiced tax for our entire careers, because the rules are all new and they can contribute in such meaningful ways, at a very junior level, to the implementation efforts. You know, a lot of our younger lawyers are great modelers, and if anything is relevant about TCJA, it's that there's no more intuition about the outcome under the tax law that we used to think we all had. And so having people who have those skill sets that are the intersection of computational facility with the technical is really helpful, and I just think it's been fun to experience that myself as a tax professional, but also to see the opportunities for some of our younger generation to contribute in meaningful ways.

**Len:** That's an excellent point. And we've observed it here for our very junior associates—you know, the first- and second-year associates who were there when the TCJA came out figured out very quickly that they could become expert on these things and be very useful within the Firm. So it's absolutely something we've seen, and it's a great observation. I know in recent years, you've been doing more people management, as you said, and you've been working on hiring. And I wonder, when you're looking at résumés from lawyers at law firms or elsewhere who are looking to move into the J&J tax group, what are the sorts of characteristics or experiences that you're looking for? And I guess a related question is, you know, what do you think the most effective tax lawyers do well? Either third-party advisors who you're looking to give you advice, or people you're looking to hire?

**Alyson:** Sure. I think, from a minimum requirement perspective, someone with at least five years of law firm experience in M&A is really necessary, because for the jobs, at least in the tax counsel space, which is how I grew up as a lawyer—I also cover planning, which is a different profile—I think I just would be looking for someone who can come in, go up the learning curve, but very quickly handle deals independently. That is sort of our lean staffing model, and it leads to a very rich experience for the lawyer because they're handling their own projects from day one and have a lot of responsibility and decision making at a very high level within the company. And so I think having core M&A background, but across a wide variety of industries, not necessarily in our industry—it helps if you have it in our industry for a diversity of perspective, you know, even having private equity experiences. Our most recent hire had a lot of that experience, and that's helpful, because we have a private equity arm within J&J, an investing arm.

It helps us anticipate issues with buyers of, and sellers to us, and transactions. So I think there's a lot of different disciplines within M&A tax that can lead very nicely into a successful career in the tax counsel group. I think on the planning side, there's a lot more, I would say diverse profiles, because we have lower levels within the planning groups. We have accountants, we have lawyers, we have economists, we have people with very different backgrounds from that. And so, when we're hiring into that group, you know, I think we see a lot more diversity and open mindedness towards the types of candidates that we frankly need for that perspective. And I also would just note that if I look at my own tax counsel team now, that they have very diverse backgrounds.

I mean, I joke that I was born to be a tax lawyer, but we have people with really interesting backgrounds doing tax law that bring a lot of diversity of thought to our conversations and creativity to our planning, and I find that to be really fun and rich. And so, you know, the least likely person to become a tax lawyer is often the best tax lawyer, because they have that diverse perspective. And that applies in planning as well. So I think that's another thing that I would note. And I would be remiss at this particular moment in our nation and for our company, if I didn't say that we're extremely focused on diversity and inclusion, and making sure that we have robust hiring processes that include diverse slates and diverse interview panels, and that we're getting the benefit of that for our organization as well.

**Len:** I see. That all makes sense. You used the word “fun” to describe some aspects of what we do, and it made me wonder—you came from a family that had some accountants or accountancy or tax background. I didn't come from a family of any sort of lawyers. It's hard for me to explain sometimes exactly what I do, but when I do explain decently what I do, a lot of times, it doesn't sound that exciting to them. And I wonder, what do you think would surprise people from either outside the profession, or even people within J&J, who don't work in the tax group? What do you think would surprise them most about the experiences you have, kind of on a day-to-day basis at work in the tax world?

**Alyson:** I think the variety of the different things that we touch. Even in tax, at a company like ours, in particular, is you can find ways to make it interesting if you can. For example, the most interesting thing that we're touching every day right now in our company is the effort to get a vaccine on the market for COVID. And what an exciting time to be at J&J. So most of the time, my conversations with my non-tax, non-lawyer family members is about the vaccine lately, and when is ours gonna be ready? And certainly we have a whole team working on that from a tax perspective, and that's been great and made it easier to make what we do relatable, but also, I can talk about the products or I worked on that acquisition, and none of the tax details would be interesting nor appropriate to discuss. But we are a household name, and we're doing a lot of good in the world as a company. And so focusing on I've worked on this deal or that deal, and that people are familiar with, or they've had family members impacted by the disease state—if it's pharmaceutical or medical device relevant, I think, is often how I bring it to life for friends and family.

**Len:** It's surprising to me still, how social the tax practice is. I think a lot of people have a preconceived notion that it's smart people reading regulations and cases, and trying to figure out what the exact right correct answer is. And, you know, there's certainly some of that, but in real-life day to day, some of the questions are so hard, or the answer is so unclear that you kind of have to get together with some colleagues and draw some pictures and kind of talk out what principles are at work, and what that means for the right tax answer. And that breeds a lot of collegiality and a lot of collaboration within our working group.

**Alyson:** I agree, and I think it's the thing we've been missing the most as a team during the pandemic, by far, is that sitting in the conference room and just having the brainstorming sessions and the whiteboarding sessions that help you get to the right answer. I also think what's very, very necessary in the practice of tax is good judgment and risk management. And I think those are also topics that are helpful to sit in a room and challenge each other on to be able to get to the right answers, because it's not just about the rules. There's certainly, you know, at J&J, we have our credo obligations to pay our fair share of taxes, and we have the sort of international climate in terms of weighing in on what that means these days, and they're not easy answers. And so I think it's not just the technical, but also through the risk management elements that are important.

**Len:** Right. So as you look back at your career so far—you graduated from law school in 1999, been out of law school for 20 years or so—what kind of advice would you give to a third-year law student who wants to be doing what you're doing in 20 years? What sorts of experiences should they try and seek, and, you know, what sorts of characteristics should they develop as young lawyers?

**Alyson:** Well, I still think that law firm training is the best training for a lot of other jumping-off points, and I know that student debt sort of determines that path for most. But I do think it is the best foundation, but I think being open-minded about where your career might take you. And, you know, I just described sort of the way I was destined to be a tax lawyer, but yet, becoming an M&A tax lawyer was quite accidental.

And I think taking control of your own career from an early stage is very important, so that you can envision what your end state or multiple paths can be, and always be working to build towards them. You know, certainly there's options in government, there's options in the Big Four, there's options in companies, there's all sorts of opportunities, and some people may wanna do nonprofit work in the tax space. And just trying to connect, from a very early stage in your career, what your values are and what your own personal mission is, and how you can work towards that in a more mindful way, I think would be advice that I would give that I didn't necessarily follow.

**Len:** That's great advice, actually. Thank you for that. In the few minutes we have left, I want to talk to you about sort of your personal interests and your interests outside of tax. You mentioned you grew up in South Jersey, and I grew up in New Jersey, too, as you know. I grew up in Lawrenceville, between Trenton and Princeton, and I don't think anyone from South Jersey would necessarily consider that South Jersey, but I know nobody from North Jersey would consider it North Jersey either. And there's a question in the world about whether Central Jersey actually exists.

But one of the things that growing up in that area made me, along with my family's connection to South Philly, where my ancestors came, is Philadelphia sports. I know that you're a big Philadelphia Eagles fan, like I am, and fans of the other Philly sports teams. Do you stay up on Philly sports while you're doing your day job, and how's that working?

**Alyson:** I find Philly sports to be a lot of fun and a lot of heartache, though at least we got our Super Bowl. I am most partial to the Eagles, because my family has been season ticket holders since the 1960s. I like all Philly sports, but am really partial to football. It is the subject of many conversations at home with family and at work, and even in our office in Central Jersey—I believe it exists because I live and work there—we do have a lot of bonds over the Eagles at the office, and a lot of right now, a lot of commiseration. I am trying to get to a few games this season. Obviously, there were no fans in the stadium this year, sadly, but if there had to be a year with no fans, I think this was the right one. And we'll see now whether we're entering the dark ages of football or not in Philadelphia.

**Len:** But if you've had season tickets in your family since the 1960s, that's before Veterans Stadium, right? So that's Franklin Field?



**Alyson:** Franklin Field, yeah.

**Len:** Wow! That's, that's incredible. So did you go, growing up, a couple of times a year or two?

**Alyson:** Yes, we had in the Old Vet, there was the Stadium Club, which was more of a big restaurant-type atmosphere of a club. And we didn't have those tickets, but once a year, some very generous relatives of ours would always give us one Stadium Club game. And so at a minimum, we went to that as a family every single year. And I have such fond memories of the Vet.

**Len:** That's great. I try and explain to my kids what the Vet was like and it's actually difficult to explain, the pictures just don't do it justice.

**Alyson:** Yeah, our seats were better in the Vet too, but it's OK.

**Len:** Where did you watch the Super Bowl LII when the Eagles won the Super Bowl? Did you watch that with family?

**Alyson:** I actually watched it with friends in town, because it was a school night for my daughter. And it would have been a little hard unless we were going to take her out of school the next day to be with family, unless they were coming to us. So we watched it at a friend's house, and I actually wanted to bring my daughter home and put her to bed at halftime because I was worried about the school day, and I was told appropriately by one of the other Eagles fans there that we could not leave or I would jinx it and we would lose. So, I think it's the latest school night she's ever had—and worthwhile.

**Len:** Totally worthwhile. Totally justifiable. Good parenting, even. That's great. Well, Alyson, it's been a real treat to have you on the podcast. I really appreciate your coming on and sharing your thoughts with us. Thanks so much.

**Alyson:** Thanks again for having me. It's been a pleasure.

**Len:** You bet.

**Len:** That's all for this episode of On Tax – A Cravath Podcast. You can find us online at [cravath.com/podcast](http://cravath.com/podcast). And don't forget to subscribe on iTunes, Google Play or Spotify. I'm your host, Len Teti. Thanks for listening.