

# THE AMERICAN LAWYER

An ALM Publication

americanlawyer.com

APRIL 2019

## 2019 DEALMAKERS OF THE YEAR



DAVID HANDSCHUH/ALM

**Greg Rodgers**  
Latham & Watkins

It took Rodgers and his team nearly a year to develop the direct-listing structure used by Spotify.

When Spotify hired Latham & Watkins corporate and capital markets partner Greg Rodgers, the streaming music service wanted to go public, but it wasn't interested in a traditional underwritten initial public offering.

Rodgers and a team from Latham devised a way to take Spotify public in April 2018 through a direct listing, a method that allowed the company to offer liquidity to existing shareholders, provide equal access to all buyers and sellers involved in the direct listing, and offer transparency and a market-driven trading price.

"The client came to us with the idea, and it was on us," Rodgers says. "One way to describe this in a nutshell is the democratization of the process."

It took Rodgers and his team nearly a year to develop the direct-listing structure. Three or four months were devoted to discussions with the U.S. Securities and Exchange Commission, he says, and the team also worked through a number of issues with the New York Stock Exchange, because its listing rules didn't quite apply.

The process worked for Spotify, Rodgers says, because it wanted to go public but didn't need to raise money. Through the direct listing, shareholders sold their shares to the public rather than Spotify issuing new shares.

Rodgers declined to say if other clients have hired him for a direct listing, but he acknowledged "enormous interest" in the structure.

"For the right company—in particular for the right prelisting owners of the right company—it makes a ton of sense," he says.

—Brenda Sapino Jeffreys