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TRAILBLAZERS

WEST

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What was the genesis of the idea/path that has made you a trailblazer?

Early on, I recognized a disconnect between traditional acquisition structures and what clients actually want to accomplish. Frequently the goal was to onboard a talented team or acquire new technology or key intellectual property—but you don't necessarily need to acquire the entire company to accomplish those strategic objectives. That's why I came up with the "acquihire" structure using a release and waiver agreement around 12 years ago that's now been widely adopted throughout the technology industry. Using a relatively short agreement, a buyer can transition a team and acquire certain technology for a fraction of the time and cost of a typical merger.

What sort of change has resulted from the concept?

Most technology deals are actually about people. The cornerstone of the acquihire structure—hiring and motivating talented employees—is critical to most technology deals. However, while a release and waiver agreement is a handy tool to have available, it won't be appropriate for every situation. Various permutations of the carrots and sticks we developed for that structure can be used to motivate the target company's team using other transaction structures for deals from \$20 million to over \$2 billion. My practice focuses on helping technology clients scale their acquisition programs globally around these concepts using a variety of structures.

What bearing will this have on the future?

Technology companies will continue to compete fiercely to attract the best and brightest talent. By adapting traditional acquisition structures to focus on the motivation and retention of employees, we at Latham are able to tailor entire acquisition programs for our clients around their specific strategic objectives. This enables them to efficiently acquire teams or companies around the world with consistency around these core principles and their culture.