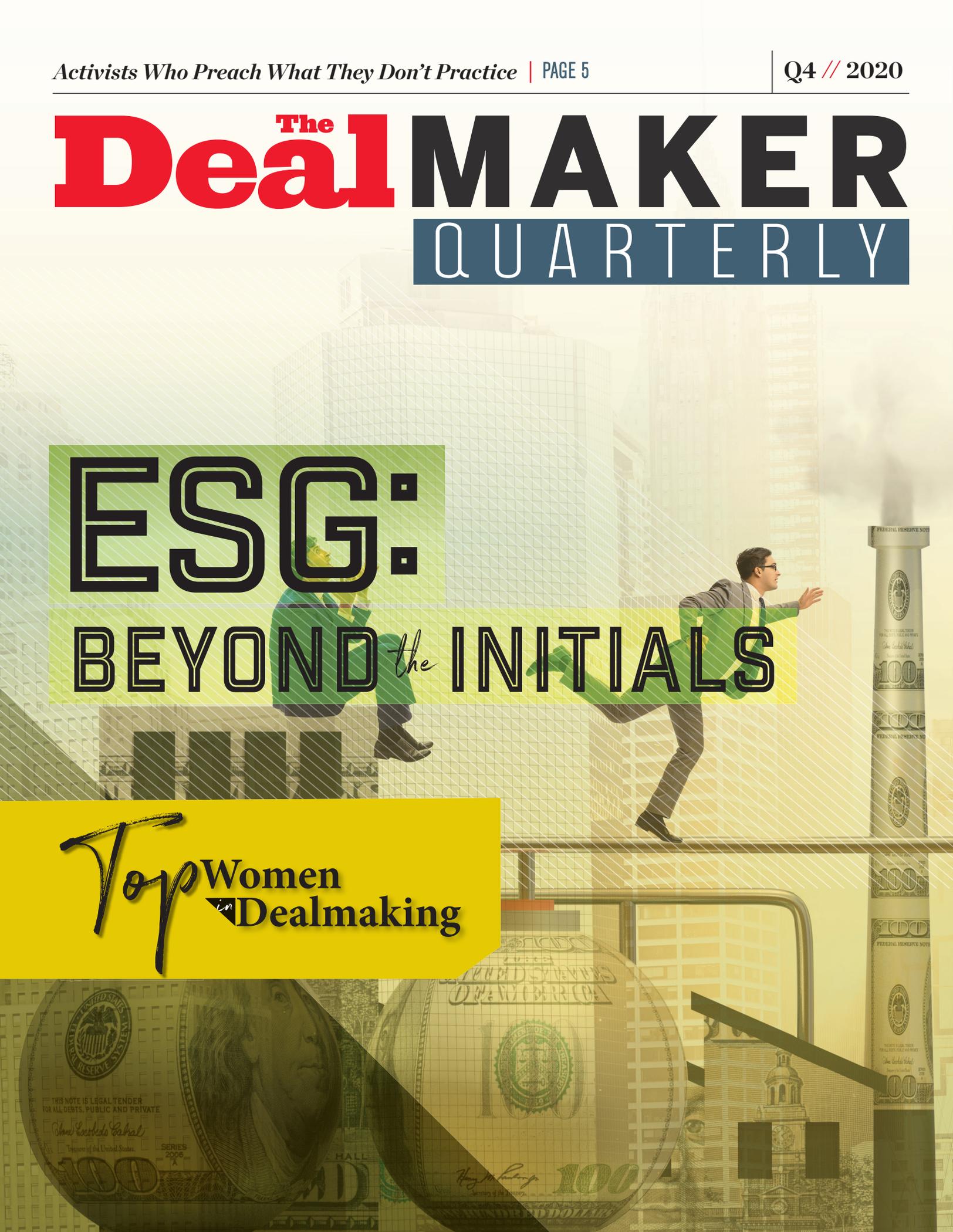


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## QUARTERLY

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LATHAM & WATKINS LLP

# RECKLER REINS IN COMPLEX RESTRUCTURINGS



CAROLINE RECKLER

*Latham & Watkins' Caroline Reckler discusses working through complicated restructurings during the pandemic, deals that helped define her career and her thoughts on mentorship.*

While being at the forefront of complex restructuring assignments, Latham & Watkins LLP partner Caroline Reckler stresses the importance of working in a supportive and collaborative business environment.

The chair of the firm's finance department in Chicago has frequently highlighted the benefits of strong teamwork, dedicated mentorship and equal opportunities throughout her two decades at Latham. She has spearheaded firmwide initiatives supporting women in business and has inspired more women to take up careers as

restructuring lawyers.

All the while, she's been at the forefront of some of the most notable restructurings of recent memory, making her an honoree in The Deal's 2020 Women in Dealmaking list in Restructuring.

Reckler, who has been with Latham since 2001, has regularly led the firm's assignments on complicated restructurings and other special situations across industries including energy, infrastructure and retail.

Her workload substantially increased in 2020,

amid the economic fallout from the Covid-19 pandemic. Reckler acknowledges that depressed oil and gas prices, exacerbated by tensions within the Saudi-Russia OPEC-plus pact, dramatically affected upstream and midstream companies in the U.S. oil industry. Moreover, social and political unrest, as well as competition from online retailers, have negatively influenced consumers' behavior.

"The sheer volume of work was a challenge but also exciting," Reckler said. "Luckily, Latham has so many people in our organization that have experience with bankruptcy or restructuring from other practices or from our industry groups. So we were able to collaborate with colleagues across our market-leading practices, including M&A, debt finance, capital markets, tax and litigation, and get all hands on deck for our clients to handle the work without missing a beat."

Since 2019, for instance, she has acted as counsel for oil and gas company Alta Mesa Resources Inc. and for health and wellness brand GNC Holdings Inc. in their Chapter 11 cases. She also assisted oilfield services group Calfrac Well Services Ltd. on its cross-border Chapter 15 case and Sable Permian Resources LLC, an independent oil and gas exploration and production company with reserves in the Permian Basin of west Texas, on its restructuring.

Reckler labeled working on the GNC bankruptcy as a recent highlight.

"Pre-pandemic, the company had been experiencing liquidity challenges, but we had been making good progress on an out-of-court

restructuring," she said. "Then the pandemic hit. Business factors for a retail chain changed significantly, so a restructuring was accelerated and we ended up with an in-court restructuring.

"We locked down the support of our lenders to stabilize the company in bankruptcy and to sponsor its exit. With that stability, and the lender's support, we were able to pursue a parallel solution, a sale to one of the

*"I learned that if you make the effort, mentors are more than happy to respond; and now, I pay it forward."*

—Caroline Reckler

company's existing sponsors." During the period, Latham's team was able to secure that sale, which was "an even better outcome for the client."

She continued, "The deal served as a reminder of the importance of flexibility and the need for company counsel to be able to respond nimbly to events beyond the company's control."

Reckler's success has made her a role model at the firm, where she is a point of contact for associates and regularly works as a mentor to younger colleagues, especially young women.

"Her colleagues regularly sought her out for advice, moral support and career advice, and she was always happy to give it," said Jan Baker, a retired Latham partner and former co-chair of the firm's restructuring and special situations practice.

While the legal field had very few women mentors such as Reckler in the early 2000s, the wide professional network at Latham gave her the opportunity to study from other eminent female practitioners across the globe and grow as an attorney. Others, still, acknowledged her potential from the start.

"I knew that Caroline was a star from the first time that I worked with her," Baker said. "She was smart, dedicated and wonderful with clients. In addition, she was also wonderful with her colleagues. I have never met another lawyer at a big firm who cared more about the well-being of the people with whom she worked than Caroline."

Reckler stressed the importance of having a helpful team of colleagues to learn from to grow as an attorney, but also the importance of being proactive.

"I learned that if you make the effort, mentors are more than happy to respond; and now, I 'pay it forward,'" she said. "From day one, I had the most wonderful mentors at Latham ... [and] I have watched some of the most accomplished restructuring practitioners and learned that there are many ways to do this job effectively."

She also recognizes Latham's broad "global platform" and the team's "industry knowledge" as being among

the key factors that distinguish Latham's restructuring practice from those of its competitors and have helped her succeed over the years.

Reckler has served on a number of developmental committees during her time at Latham and notably led the firm's Women Enriching Business initiative in Chicago, a multioffice

are still situations in which women are excluded from client development and networking activities. When I have experienced this, I have spoken up," Reckler said.

"I think my colleagues were horrified on the occasions when they realized this sort of thing does still happen

Business Law" prize from Euromoney Legal Media Group.

"It's important both that people are more aware of the need to be inclusive, but also recognize that there is still room to improve," Reckler said.

Even with her efforts on the diversity front, the most important piece of advice she has received throughout her career remains client-facing.

"The best advice I ever received was from retired Latham partner David Heller, one of my mentors," Reckler said. "He said, 'Don't focus on who is right or wrong, focus on getting what you want.' So with my clients I ask them, 'If you could wave the magic restructuring wand, what would you want? What is your goal?'"

She has parlayed that advice into maintaining client relationships with a range of public and private companies and working through not only complex but sometimes contentious cases.

In 2012, Reckler notably worked on the A123 Systems Inc. bankruptcy, a politically charged case which played out during the 2012 presidential election cycle. Battery developer A123 Systems, a subsidiary of China's Wanxiang Group, manufactured lithium-ion car batteries, and a part of the business sold batteries to the U.S. government for use in military vehicles. Some voices of public concern about national security later emerged based on a grant provided by the Obama administration to A123 Systems.

"I didn't think those criticisms were fair, but I tuned out the noise and just focused on making sure the court

understood the facts," Reckler said. "In the end, the court got it right, and we were able to successfully close the deal. That case reaffirmed for me that the system works."

In addition to her work at Latham, Reckler is associated with a number of Chicago-based legal and nonprofit committees and charities. This includes positions as a pro bono counsel at A Better Chicago, a venture philanthropy fund devoted to improving educational opportunities for low-income students, and as a guardian ad litem with Chicago Volunteer Legal Services.

On the professional front, Reckler is a fellow of the American College of Bankruptcy. The College honors and recognizes leading bankruptcy and insolvency professionals and plays an important role in ensuring professional excellence in the field.

For all she's accomplished inside and outside the firm, Reckler recalled being a reluctant entrant into the world of law and credits her parents for influencing her eventual career path.

"I made a deal with them that I would go to law school, but I had no intention to practice after graduation," she said. "I had been a legal temp one summer during college. I sat in a room with three junior associates and thousands of documents related to a complex commercial litigation, and we spent more than a week putting them in chronological order. I had assumed after law school I would do work like that, which wasn't too appealing."

Reckler had studied psychology as her bachelor's degree at Duke University

before attending the University of Michigan Law School, from which she graduated with a JD in 2001.

She describes joining Latham & Watkins as an associate in September 2001 as the 'aha' moment, which ended her early apprehensions of a career in law.

"I really liked my colleagues and found the problems we were solving to be challenging and interesting," Reckler said. "A whole group of people invested in me, taught me, mentored me and saw qualities in me that even I didn't see at the time. The rest is history."

Reckler, 45, celebrates 20 years at the firm this fall. Starting fresh out of law school, she has risen through the ranks and has spent extended periods of time in Latham's Chicago and New York offices.

She was named a partner in January 2011. Over the years, she has traveled to, and worked closely with, the firm's global offices — especially throughout the Middle East and Asia.

Reckler emphasized the importance of taking on challenges and being heard as a young attorney.

"You have to push yourself to find your voice and do things that are outside of your comfort zone," Reckler said. "Put those things out on the table; don't keep them to yourself. Over time it gets easier."

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— *Jan Baker* | Retired Latham partner

program that aims to assist women in expanding their professional networks and developing business opportunities. She has also served as the Chicago office's recruiting partner for three years and worked towards advancing the firm's intentions of creating a more diverse, inclusive workplace.

"While not always intentional, there

and was happening to me. Happily, they supported me in speaking up and took steps to address what needed to be addressed," she said, praising the supportive culture instilled at the firm.

Latham's work on addressing the business challenges faced by women has received attention and accolades, including through the "Best International Firm for Women in