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Jones Day's Lizanne Thomas: 30 Years Of A Vibrant Corporate Practice

The Editor interviews Lizanne Thomas, Partner-in-Charge of Jones Day's Atlanta office.

Editor: Thank you for speaking with us again, Lizanne. If you would, for our new readers, please tell us about your professional background.

Thomas: I am now in my 30th year of practicing law with Jones Day. My area of focus has been to counsel clients in all stages of life for publicly held companies, from initial public offerings to acquisition activity to governance considerations, and that is really where I'm spending the bulk of my time right now.

Editor: Please describe Jones Day's Atlanta office. Do particular practice groups play a larger role here and why?

Thomas: Our office in Atlanta has about 150 lawyers. This full-service office offers just about everything corporations need – capital raising, employment issues, M&A, real estate, intellectual property and all sorts of litigation. We of course turn to other offices for specific areas of expertise, such as Washington for antitrust and other federal regulatory matters. Our corporate practice, including private equity, M&A, banking and finance, and capital markets, is vibrant these days, notwithstanding the sluggish economy.

In addition, Atlanta has developed a particularly strong practice in the products liability arena, representing everything from the tobacco industry to small vehicle manufacturers to medical testing facilities. Product liability litigation requires a deep bench of practitioners who work as a team, and who are not afraid of science or engineering. Jones Day in particular brings these strengths to the table.

We are very true to our "one firm

worldwide" motto, so while we do recognize that it would be more practical for our Atlanta lawyers to litigate in the Southeast, we are more than willing to send our lawyers wherever their particular skill set is needed. In one case we're handling in Florida at the moment, lawyers from California, New York, Atlanta and Washington are all working together.



Lizanne Thomas

Editor: What drew you to the Atlanta area? Are there particular advantages to businesses that locate here?

Thomas: My roots are in the South. When I graduated from law school in the early 1980s, I looked for places to work all over the Eastern Seaboard and then realized that I could have the best of all possible worlds in Atlanta, professionally and personally. Atlanta has turned out to be ideal for both career and family.

When it was incorporated in the 1840s, Atlanta was known as "Terminus" because the railroad terminated here. Wealthy industrialists from the North and the Midwest who wanted to winter in a more hospitable climate would take the train to where it ended – i.e., the terminus – and that set the tone for Atlanta as a city that attracted business and industry. Although not a port city, Atlanta has continued to be an extraordinarily successful transportation hub, with a major interstate network and a wonderful airport, Hartsfield-Jackson International.

Another thing I believe attracts business to Atlanta is that the city did it right – and early – during the civil rights era. Business leaders took it upon themselves

to make Atlanta "the city too busy to hate" and made a meaningful investment in promoting good citizenship and equality across racial lines. I think this greatly contributed to Atlanta being the leading city that it is in the Southeast today.

Editor: Most agree that the nation's economy is on the track to recovery, albeit a slow one. What evidence of this have you seen in your practice here?

Thomas: Atlanta really is more a service economy than a manufacturing one, and service economies are generally slow to enter into recessionary struggles and slower to exit. The unemployment statistics in the state are at the higher end of national averages, but I do see some modest signs of improvement.

In terms of growth companies, we're seeing a very solid level of activity right now, following a slowdown in the second and third quarters of last year. (We're watching it closely to make sure there's not another slowdown in anticipation of the presidential election, as frequently happens.)

I would like to mention one organization that is helping Georgia attract some of the finest minds in the technology and life sciences space. The Georgia Research Alliance, a public/private partnership between business leaders and our impressive infrastructure of universities, including Georgia Tech, University of Georgia, Morehouse and Emory, was designed to attract internationally recognized scholars to the state. Those scholars are now producing extremely exciting innovations and new businesses as well. I'm very proud to be associated with this organization, which emphasizes collaboration over competition within our educational sphere. We are especially pleased that GRA has the support of Governor Deal and his economic

Please email the interviewee at lthomas@jonesday.com with questions about this interview.

development team. It's an extraordinary program that I imagine other states will want to emulate.

Editor: While we generally think of Detroit when we think of the automotive industry, Atlanta has its share of that sector as well. Is it seeing the kind of resurgence Detroit is witnessing?

Thomas: Strictly speaking about Atlanta, it has not seen the same level of resurgence at all. But – ever the innovative city – Atlanta has found developers here who are looking at turning closed manufacturing sites into live/work/play communities.

Editor: Do you see global companies continuing to show interest here?

Thomas: I've observed that when companies headquartered outside of the United States are making a decision about locating their North American headquarters, a disproportionately high number of them choose Atlanta. In addition to its efficient airport and lovely climate and surroundings, Atlanta can present itself to the world as an international city with a high degree of credibility. Our employment numbers may be lagging somewhat, but today Atlanta is certainly meaningfully connected to the global economy.

Editor: Does Georgia offer many tax incentives to business?

Thomas: There are some incentives, but I wouldn't call Georgia one of the leading states in that area. Georgia has offered some major tax incentives for film and television production, and we have more activity in that regard than ever. A few projects are particularly exciting – among them is a biopic about baseball great Jackie Robinson, and another is a remake of *Steel Magnolias* by one of the country's most exciting black directors, Kenny Leon, who headed our Tony-winning Alliance Theatre. And of course, the zombie invasion continues, with "The Walking Dead" being filmed here.

For companies moving their headquarters or operations here permanently, however, the choice is less about short-term incentives and more about quality of life, opportunity, ease of conducting business and a business-favorable environment.

Editor: Three out of the four new partners named in Atlanta this year were women, and you have served in management roles for many years. To what do

you attribute Jones Day's success in recruiting and retaining women attorneys?

Thomas: I'm in my fifth year as partner-in-charge of the Atlanta office, and before that I served in a firmwide leadership role as administrative partner.

First and foremost, Jones Day is fundamentally a meritocracy, and other firm attributes stem from this core value. Jones Day has a history of supporting and encouraging women throughout its corporate history, with a legacy of great women lawyers beginning with Naoma Stewart years ago.

As an institution, Jones Day has recognized the challenges of raising a family while progressing on the partnership track, so we've had part- or flex-time policies for years. It's important to stress that it really works. We have women in firmwide leadership roles who've availed themselves of these policies and who lead rich, full family lives, just like our male partners. One of the key strengths of Jones Day is that our partners know and support one another. This is not a law firm where people stick their elbows out; we're aggressive on behalf of our clients but not toward one another.

Editor: Did you find mentorship to be of use to you?

Thomas: There were really no women available to mentor me. The women ahead of me were the ones who knocked the doors down and had personalities to fit that. My generation didn't have to knock down doors – one just had to be comfortable with the fact that we might be the only female in the room. That said, many wonderful men served as mentors in various ways, and I will never forget the lessons they taught me. The most important lesson I learned was that it's important to be kind and solicitous to everyone, from the CEO to the secretary to the waitstaff. Everyone deserves to be taken seriously.

Editor: I understand you participate in more than 100 board meetings a year as counsel to a number of public companies. What would you say are the top concerns of boards of directors at companies today?

Thomas: Having worked in the governance arena almost full time since shortly before Sarbanes-Oxley was adopted, I've seen a major evolution in the way boards think. Generally, directors are people of

achievement and integrity who want to do the right thing. Following Sarbanes-Oxley I saw board members become zealous with regard to compliance, processes and check-the-box procedures. Much was written and said about boards becoming compliance organizations – which isn't really what boards are designed to be, nor does that maximize their contribution.

When Dodd-Frank was passed, that compliance orientation became coupled with an anti-management bias, moving the emphasis further away from the core mission that directors should have, which is strategy and oversight.

Just recently a survey was done of public company directors asking them what they'd be focusing on this year. An overwhelming majority of the directors answered with a single word – strategy. I wanted to hire a marching band, it was such great news to me! A decade of obsession with checklists and processes has settled itself down. I'm not saying those things are wrong; I'm saying that they shouldn't trump good judgment and pursuit of core mission. Evidently, directors have had enough of the small-minded, short-term nonsense and are getting back to the business at hand.

Another major issue of concern is communication. Executive compensation and proxy access, for instance, are really more about communicating well with your true constituency than anything else. Note that there are two important points to what I just said; one is "communicating well" and the other is your "true constituency."

Communicating well means, and I want to be very clear about this, that boards shouldn't let their lawyers be their decision makers. I can write one heck of a disclosure piece that will protect a board best as anybody can, but it may not "sing" or persuade anybody of anything. Boards need to make sure that their voice is heard, persuasively.

The second point is, who is your true constituency? As John Bogle, former CEO of Vanguard, said, "There's a distinction between investors and speculators." Those who are simply taking advantage of squiggles on a chart are not investors, they're speculators, and it's investors boards should care about. Investors care about the business. They are with you for the long term; they are your true constituency, and I believe that directors and companies have a right and an obligation to discriminate. Pay attention to your true investors and give proper attention – which is to say, not a whole lot – to speculators.