

## Asset Management Group Of The Year: Proskauer

By **Melissa Daniels**

*Law360, Los Angeles (January 24, 2018, 3:31 PM EST)* -- Proskauer Rose LLP advised on more than 100 fund formations last year, including two funds worth a combined £3.1 billion for HgCapital and a \$1.25 billion fund for Spectrum Equity, earning it a spot among Law360's 2017 Asset Management Groups of the Year.

The firm has long been focused on the private investment space, David Tegeler, a Boston-based partner and the global co-head of the private investment funds group, said. Around 130 attorneys are involved in the group out of around 700 attorneys in the firm overall, Tegeler said — while attorneys in groups like capital markets, finance and mergers and acquisitions may also work with asset management clients of all sizes and sectors.

“We advise a very diverse client base,” Tegeler said. “We think that’s one of our strengths, the depth and breadth that sets us apart from other law firms.”

In 2017, the firm advised on more than 100 fund formations, 60 of which had final closings, representing more than \$41 billion in committed capital. Tegeler said the space has been particularly active of late, growing in both quantity and value with clients new and old.

“Years ago, we would be forming one fund a year for a group, or one fund every two years for a group,” he said. “Now it seems like our clients are forming funds all the time, and they always have funds in the pipeline.”

As clients and markets become more global, many notable fund formations came in the Europe, Middle East and Africa side of the practice group, including many deals handled out of the growing London office. In May 2017, the firm advised longtime client HgCapital in the formation of two funds that closed with a combined value of £3.1 billion, or \$3.85 billion. HgCapital 8 brought in £2.5 billion from investors in five months of fundraising, while Mercury 2 collected £575 million in three months.

Proskauer also advised EMK Capital LLP on its debut fundraising, which was oversubscribed and hit its £575 million hard cap, as well as the debut fundraising from Tenzing Private Equity that reached its hard cap with £200 million.



Proskauer's Nigel van Zyl, a London-based private investment funds partner who guided the HgCapital deals, said that, lately, many of the funds are technology-focused, while there's also an increased interest in the small cap space.

He credits the firm's string of successful closings to an in-depth understanding of the markets, as well as a global reach that can match a client's.

"They are investing globally, and they want a single firm providing these services, whether it's helping invest the capital, helping them raise capital or helping them deal with employment issues," he said.

The firm was, in part, structured with that in mind, he said; the London and Hong Kong office's have opened up in the last decade with a newer outpost in Beijing. Yet a strong U.S. foothold is still crucial — a substantial portion of European private investments still come from the United States, van Zyl said.

On the Americas side, Proskauer guided tech-focused Spectrum Equity on closing its latest fund, Spectrum Equity VIII LP. The fund raised \$1.25 billion, surpassing its original target by over a quarter billion with a significant portion of the funding coming from previous investors.

Proskauer also advised Lexington Partners on the closing of its middle-market fund and related vehicles that secured \$2.66 billion worth of commitments, and Deerfield Management in the closing of its fourth venture capital fund with \$2.4 billion in commitments and more than 200 investors.

Tegeler and van Zyl both said client advisement is also a key ongoing focus for Proskauer private investment attorneys. Lately, Proskauer attorneys have been advising clients on tax and regulatory changes stemming from the recent U.S. tax code law, Brexit or European Union changes, the attorneys said.

"Our regulatory attorneys and our tax attorneys are there from day one because those issues are so intricate in what you do in terms of fund structuring that you have to be operating as a single collective group with all of those skills set out as a single offering," van Zyl said.

Tegeler said clients know they can trust that Proskauer documents are top quality and that the firm will be there to aid them on whatever issues may crop up.

"Client services is an important part of what we do every day," he said. "It's core to our business model, core to our practice. It's almost second nature."

--Additional reporting by Benjamin Horney. Editing by Alyssa Miller.