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Faculty News and Research Highlights



Prof. **Kenneth Ayotte** joined the Berkeley Law faculty after spending seven years at Northwestern University School of Law. From 2002-2007, he was an assistant professor in the Finance Department at Columbia Business School, where he won the Dean's Award for Teaching Excellence. His research interests are in the areas of corporate bankruptcy,

corporate finance, and law and economics. During this school year, he teaches [Bankruptcy Law](#) in the fall and Corporate Finance and Law in the spring.

[Ayotte](#) has published articles in prominent peer-reviewed journals and law reviews. His 2010 paper "[Bankruptcy or Bailouts?](#)" with David Skeel, which analyzed the role of bankruptcy law in financial crises, was chosen as a Top 10 article in corporate and securities law by *Corporate Practice Commentator*. Currently, Ayotte is a director of the [American Law and Economics Association](#) and an associate editor at the [International Review of Law and Economics](#). He holds a Ph.D. in Economics from Princeton University. [Read more>](#)

Prof. [Robert Bartlett](#) discussed the US Supreme Court's latest ruling affecting securities fraud class action lawsuits and the "fraud on the market" theory in his presentation: [Life after Halliburton: What Would a "Price Impact" World Look Like?](#) at the 2014 Business Law Scholars Conference, at Loyola Law School, Los Angeles, CA (June 2014).

On July 9, [Ken Taymor](#) presented "[From Corruption to Good Governance: Lessons from the FCPA and the OECD](#)" at the Goldman School's Ethics and Governance executive education program. The program serves senior-level Indian government administrative officers responsible for making policy in areas such as education, health, transportation and energy.



Prof. **Steven Davidoff Solomon** joins the Berkeley Law faculty, bringing his expertise in financial regulation, mergers and acquisitions, deal theory, and jurisdictional competition. He has a particular interest in international issues and interdisciplinary research in law and finance. He teaches [Mergers & Acquisitions](#) this fall, and both Business Associations and Shareholder Activism in the spring.

[Davidoff Solomon](#) is well known as a writer and speaker, appearing regularly as a columnist in the [New York Times](#), and in trade journals. He frequently testifies before the United States Senate, and is often quoted in the national media on issues related to capital markets and M&A. His book "[Gods at War: Shotgun Takeovers, Government by Deal, and the Private Equity Implosion](#)" was published in 2009.

Davidoff Solomon joins Berkeley Law from the Ohio State University, Moritz College of Law. Prior to entering academia, he practiced as an attorney with Shearman & Sterling in its New York and London offices, and with Freshfields Bruckhaus Deringer in its London office. He holds a J.D. from Columbia University School of Law, and a Master's degree in Finance from the London Business School. [Read more>](#)

In his column [The Deal Professor](#), Prof. [Steven Davidoff Solomon](#) argues that when large companies muzzle their lawyers, wrongdoing can get swept under the rug, illustrating the problem with Walmart's unfolding bribery scandal and General Motors' ignition switch scandal. He also examines the reasons behind Burger King's acquisition of Tim Hortons doughnut chain in Canada and Burger King's decision to move their headquarters. He argues that a lower tax rate is not the driving factor, but that relocating is the natural choice because Canada is the biggest market for the combined company. To read more of Davidoff Solomon's articles [click here](#).

Faculty News and Research Highlights [cont.]

Disputes over German bonds issued during the Weimar era took decades to resolve, with some cases still in flux. In [Back to the Past: Old German Bonds and New U. S. Litigation](#), Prof. [Richard Buxbaum](#) follows the trail of these financial instruments and the legal tactics used to settle international claims.

In their article [“Cartels by Another Name”](#) (U Penn Law Review), Prof. [Aaron Edlin](#) and Rebecca Haw argue that state licensing boards established to protect consumer health and safety are frequently used to suppress competition. This can happen when the boards are placed in the hands of members of the profession who have an interest in using the boards as a mechanism to maximize the income of members of the profession. Edlin and Haw argue that this hurts consumers, and that the Supreme Court should settle a recent split in the Circuits by clarifying that “when competitors hold the reins to their own competition, they must answer to Senator Sherman.”

A [WSJ article](#) questions whether private equity firm KKR has withheld from its investors millions in consulting fees by improperly classifying its relationship with KKR Capstone. KKR is required to share 80% of consulting fees collected by “affiliates”, but claims Capstone is not an affiliate, even though KKR referred to Capstone as such in its SEC filings. KKR relies on an opinion by Linklaters LLP, but, says Prof. [Robert Bartlett](#), Linklaters’ analysis was “very formalistic” and provides “a weak case it’s not an affiliate” since it didn’t address important functional-control tests or relevant SEC guidance about the consequences of Capstone’s accounting consolidation.

Last May, Prof. [Prasad Krishnamurthy](#) presented a paper at the Consumer Financial Protection Bureau (CFPB) in Washington, D.C., entitled “Mortgage Regulation for Bubbles”, co-authored with Ryan Bubb of NYU Law School. The paper, as yet unpublished, argues that housing bubbles are the greatest risk the mortgage market poses to financial stability. The Dodd-Frank Act’s approach to mortgage regulation relies on regulatory incentives that are likely to be ineffective in a future bubble. Krishnamurthy and Bubb suggest ways to improve on Dodd Frank’s approach by directly regulating the underwriting terms of mortgages.

Conference Recap

Centennial Celebration of the Federal Reserve

Federal Reserve Bank of San Francisco

This day-long conference provided an overview of the important role that the Fed plays in the payments system, and looked at innovation in financial technologies that portend a new era in payments, clearing and digital currencies, including Bitcoin, ApplePay, and maintaining security in an increasingly digitized and interconnected financial system under constant cyber attack. The conference featured financial services industry executives and services providers, government regulators, entrepreneurs and academics, coming from entities including the Federal Reserve Bank, The Clearing House (the country’s oldest system for transferring funds), Visa, Inc., PayPal and newcomer Coinbase. The Conference was part of a series of programs commemorating the centennial anniversary of the founding of the US Federal Reserve System. [Read more>](#)

The Network Highlights

[The Network](#) blog provides an opportunity for academics, professionals and students to engage in dialogue about the impact of law and regulation on business and the economy.

A recent post from [Skadden’s Privacy & Security Update](#) analyzes several significant developments occurring in July 2014, including a recent address by U.S. Treasury Secretary Jack Lew calling for tougher congressional action and greater private sector transparency regarding cybersecurity.

BCLBE Directors

Ken Taymor, Executive Director

ktaymor@law.berkeley.edu

Robert P. Bartlett III, Faculty Co-Director

rbartlett@law.berkeley.edu

Nancy Wallace, Faculty Co-Director

wallace@haas.berkeley.edu

Contact BCLBE at: bclbe@law.berkeley.edu

Sponsors



Upcoming Lectures and Events

General Counsel Conversation Series

A Conversation With

[Brett Pletcher](#), Gilead Sciences

Tuesday, September 23 | Boalt Hall 141 | 12:45-1:45pm

[REGISTER>](#)

This is the kickoff for BCLBE's GC Conversation Series in which students will have an opportunity to meet with Brett Pletcher, SVP and GC of [Gilead Sciences](#) and other chief legal officers of businesses to learn more about what the GC/CLO job entails, the comparisons between in-house and outside law firm practice, and how students and young lawyers can prepare for a career in either position. Mr. Pletcher joined Gilead in 2005 and was promoted to General Counsel in May 2009. Prior to joining Gilead, Mr. Pletcher was a partner in the law firm of Gunderson Dettmer, LLP, where he focused on providing corporate and securities services to emerging growth public and private companies and venture capital investors. He received his J.D. from the UC Berkeley, School of Law.

International Law and Business Lecture Series

China's Antitrust Enforcement Program

[Nathan \(Nate\) Bush](#), O'Melveny & Myers LLP

Thursday, September 25 | Boalt 105 | 12:45 – 1:45 pm

Berkeley Law certifies that this activity has been approved for 1 hour MCLE credit by the State Bar of California

[REGISTER>](#)

Enforcement of China's Anti-monopoly Law surged in the last two years, with unprecedented penalties against foreign and domestic companies for price-fixing, resale price maintenance, and abuse of intellectual property rights. Antitrust scrutiny of international mergers has also intensified, with some transactions stalled and others thwarted by antitrust review in China. These enforcement trends reflect both the policy goals and the political incentives for regulators in Xi Jinping's China. [Nate Bush](#), a partner in the Singapore and Beijing offices of O'Melveny & Myers LLP, will assess the antitrust challenges facing multinational companies operating in China. *Co-sponsored with the [Center for Chinese Studies](#).*

The Corporation – An Alternative View Lecture Series

Can A Corporation Change the World and Make A Profit? A Talk With Vivienne Harr and Eric Harr

Monday, September 29 | Boalt 100 | 12:45 – 1:45 pm

[REGISTER>](#)

With the power of social media, eleven-year-old Vivienne Harr [launched one lemonade stand into a global movement to combat child slavery](#). "Make a Stand," a socially innovative lemonade company, is a leading example of a new wave of hybrid "benefit" corporations dedicated to making charity their sales pitch. The company now sells their fair trade, organic beverages online and in stores all over the world, dedicating five-percent of all gross revenues to leading organizations working to eradicate child slavery worldwide. Twitter gave Vivienne the honor of ringing the bell at their IPO in New York on November 7, 2013—because executives believe Vivienne is a symbol of how Twitter can be used to change the world. Now Make a Stand has launched the Make a Stand app designed to revolutionize giving through crowd funding.

Come hear Vivienne and Eric talk about their company, one of the new wave in social purpose benefit corporations.

Annual Executive and Legal Education Program Offering

Fundamentals of Banking Law

October 8-10, 2014 | Boalt Warren and Bancroft Hotel, Berkeley

Berkeley Law certifies that this activity has been approved for 19 hours MCLE credit by the State Bar of California

[REGISTER>](#)

In collaboration with the Boston University School of Law, BCLBE is pleased to announce the sponsorship of Fundamentals of Banking Law (formerly Banking Law Basics), an intensive 2½ day program designed to familiarize participants with the basics of banking law, including the critical policies, concepts and regulations that have shaped 150 years of banking law from the passage of the 1863 National Bank Act to the present. [Agenda>](#) [Website>](#)

Curriculum Lecture Series

Smart Course Planning: What to Take in Business Law and Why

October TBD | Boalt TBD | 12:45 – 1:45 pm

Join BCLBE for an information session about the business law courses at Berkeley Law presented by the business law faculty. The session will review the Spring 2015 classes and highlight new course offerings. The program will also review the [Business Law Certificate](#) requirements. Check the [BCLBE website](#) for updated information on date and location.